



# Press Release

## **For Immediate Release**

May 17, 2006

### **Amalgamated Bank LongView Proposal Passes at Novellus Executive Pay Should Be Tied to Performance, Investors Say**

New York, NY— Investors voted in favor of a proposal by Amalgamated Bank's LongView Collective Investment Fund at the May 17, 2006 annual meeting of Novellus Systems, Inc. (NASDAQ: NVLS). The proposal, which won 52% of the votes cast for and against, urged the board of directors to adopt a policy that a significant portion of senior executives' long-term equity compensation be performance-based.

"We support compensation policies that provide challenging performance objectives and motivate executives to achieve long-term shareholder value," said Con Hitchcock, counsel for the LongView Funds. "Novellus' equity awards consist of a combination of restricted stock and standard options awards at market price. We are concerned that these forms of compensation do not adequately tie pay to performance."

The LongView measure recommended alternatives to standard stock options, such as indexed options, whose exercise price is linked to an industry index; premium-priced stock options, whose exercise price is above the market price on the grant date; or performance-vesting options, which vest when the market price of the stock exceeds a specific target.

Novellus has underperformed both the S&P 500 index and the Dow Jones U.S. Semiconductors Index for the one-, two-, three- and four-year periods ending May 15, 2006.

"We hope the Novellus board carefully consider this vote by its shareholders and chooses to adopt a transparent, performance-based method for executive compensation," said Julie Gozan, Director of Corporate Governance at Amalgamated Bank.

Amalgamated Bank's LongView Funds hold 54,160 shares of Novellus Systems.

Founded in 1923, Amalgamated Bank invests workers' retirement savings through its LongView Funds. With \$10 billion in assets under management, LongView works to enhance shareholder value through corporate governance reforms at portfolio companies. Amalgamated Bank is available online at [www.AmalgamatedBank.com](http://www.AmalgamatedBank.com).

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