

Whitman College Board of Trustees
Endowment Divestment Policy
July 1st, 2016

From time to time, members of the Whitman College community may propose that the Board of Trustees divest from investments held in the Endowment. The following policy* is intended to provide a framework for the Board to assess such requests.

The purpose of Whitman College Endowment is to support the funding of the College in perpetuity. Over time it is possible for the Endowment to hold an investment whose business activities present a serious threat to basic values considered non-negotiable by the Whitman community. Instances so extreme that they shock the conscience, such as genocide, ethnic cleansing, unjustified disregard of profound environmental degradation and other wide-scale acts of injustice, may call for an extraordinary response. It is in this context that the Board of Whitman College sets forth the basis on which it will consider divestment from endowment portfolio investments that associate it with such above-described heinous activities.

The Board will consider proposals for divesting the Endowment portfolio of an investment if all of the following conditions are met:

1. Such investment supports activities that materially contribute to conditions that shock the conscience.
2. The proposed divestment is likely to have significant financial, reputational, or other adverse impacts on the target of the divestment that may influence its behavior or the behavior of other similarly situated entities. In this regard, Whitman will take into account the actions of other like-minded institutions.
3. The proposed divestment (or decision not to divest) will be generally understood by and acceptable to the greater Whitman community, based on the Board's best understanding of the community's opinion.

In taking such action the Board shall first refer requests for divestment to its Executive Committee, and consider information provided by the Investment Committee regarding the potential impact of the proposed divestment on the College's Endowment. It shall carefully balance the reasons advanced to divest against its moral, legal, and fiduciary responsibilities, keeping in mind that:

- a. The purpose of the Endowment is to support the College's mission through prudent investments and judicious expenditures for the benefit of current and future generations of Whitman students; and
- b. The Endowment is carefully invested to produce the maximum long-term returns to the College, consistent with the risks that the Board deems appropriate; and that
- c. The College's investment in the offending company may be bundled in an investment vehicle that cannot be divided. In such a case, the value of the investment vehicle to the endowment must be analyzed and balanced against the advantages of divesting.

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A decision to divest is committed exclusively to the discretion of the Board. In making such a determination, the Board shall consider its full range of moral, legal, and fiduciary responsibilities to the College and to current and future generations of students. Because the decision to divest is an extraordinary one, a divestment decision shall require a two-thirds vote of approval by the full Board.

* This policy is modeled on the Oberlin College Resolution for Divestment, Adopted June 30, 2014.