



WHITMAN COLLEGE

**Whitman College Board of Trustees
Endowment Divestment Policy
Adopted by Board
November 14, 2023**

From time to time, members of the Whitman College (the “College”) community may propose that the Board of Trustees (the “Board”) divest from investments held in the College’s Endowment. The following policy* is intended to provide a framework for the Board to assess such requests. The accompanying Board adopted FAQs set forth the specific process with respect to this policy.

The purpose of the Endowment is to support the College’s mission 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 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.

When the Board receives a proposal to divest in accordance with the process set forth in the FAQs, such proposal shall be referred to the Board’s Executive Committee, which is to consider information provided by the Investment Committee in accordance with the FAQs regarding the potential impact of the proposed divestment on the College’s Endowment. The Executive Committee 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 in perpetuity, and that achieving this objective means two primary objectives must be satisfied in ways that maintain intergenerational equity: (i) providing ongoing support for current programs and operations, while (ii) protecting the purchasing power of the endowment from inflation and excessive spending 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.

The Executive Committee shall submit its recommendation regarding the proposed divestment to the Board. 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.

**Whitman College Board of Trustees
Endowment Divestment Policy FAQs
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Submitting a Divestment Proposal: FAQs

1. Who can submit a divestment proposal?

Any Whitman College student, employee or alumni may submit a divestment proposal.

2. Where should a divestment proposal be submitted?

All divestment proposals should be submitted by email to the Office of the Vice President for Finance and Administration.

3. What information should a divestment proposal include?

All divestment proposals should be made in writing and should include the following information:

- the name(s) of the individual(s) submitting the proposal
- the date of the proposal
- a narrative statement explaining how the proposal fulfills the conditions for divestment identified in the Whitman College Board of Trustees Endowment Divestment Policy.

4. How will divestment proposals be reviewed?

The Vice President for Finance and Administration will determine whether a proposal contains all the elements listed above in Section 3., and whether additional information is necessary for the Board to consider the proposal.

Once the Vice President for Finance and Administration determines a proposal meets all the elements listed in Section 3., the Vice President for Finance and Administration will forward the complete proposal to the Board for its consideration. First, the Board's Executive Committee will conduct a threshold review. The Executive Committee will consider whether and how the proposal fulfills the conditions for divestment in the Policy; the Board's moral, legal and fiduciary responsibilities; and any other relevant criteria. Based on that evaluation, the Executive Committee

may request the Investment Committee provide information regarding the potential impact of the proposed investment on the College's Endowment. The Executive Committee shall forward the proposal, with a recommendation, to the full Board for consideration.

The Office of the Vice President for Finance and Administration shall compile the Executive Committee's recommendation, together with any information from the Investment Committee, and forward the recommendation to the Board for consideration at one of its next two regularly-scheduled meetings. Individuals submitting the proposal will be invited to present the proposal to the Board. The Board shall deliver its decision in writing to the individual(s) submitting the proposal, and post the request and the Board's response on the College's website.

Once the Board makes a decision on a proposal, including a decision to take no action, a similar request will be considered only if substantial new evidence is provided or the underlying situation has substantially changed.

5. What actions may the Board recommend when responding to a divestment request?

The Board may consider actions other than full, immediate divestment when responding to a request. Examples of such actions include, but are not limited to, communication with managers, proxy voting and partial or future divestment.