

Stillwater Foundation

Investment Policy Guidelines

Mission Statement

The Stillwater Foundation seeks to promote global well being by supporting organizations that promote youth development and education, contribute to medical research and outreach, or alleviate poverty and combat climate change through sustainable development.

Statement of Fiduciary Responsibility

Fiduciary responsibility includes implementing an investment policy that will allow sustainable financial growth of assets in order to insure the long term viability of the Foundation.

We believe that the pursuit of financial objectives should also consider the social and environmental impact of investment opportunities themselves. Through prudent investment strategies, gains may be achieved by investing in opportunities that will provide economic growth to the Foundation while remaining responsible to the global community.

Investment Philosophy

The Foundation invests in companies and opportunities that will:

- provide solutions to major social and environmental problems
- promote education
- invest in sustainable methods of production
- nurture a culture of ethics and compliance in the workplace
- build corporate responsibility with concern to the environmental and socio-economic impacts of a business by its use of material, waste management, and the goods and services provided.
- demonstrate a commitment to the local community

Investment Guidelines

The goal of the investment strategy is to sustain the operations of the Foundation perpetually.

Income may be used for operating expenses, funding grants, and preserving the inflation adjusted value of assets. Assets may be spent during periods in which income may not be sufficient to fund grants or expenses.

Investments include funds managed by professional money managers, which are selected by the Foundation financial advisor and approved by the Board of Directors.

Money managers are responsible to:

- exercise a high degree of professional skill and diligence in the management of Foundation assets.
- perform thorough analysis and judgment with respect to all investments held by the Foundation.
- select and dispose of individual securities.
- diversify securities by issuer, industry, yield, maturity, etc.
- fully comply with all provisions of any government regulations and decisions the dealing with the management and investments of Foundation assets.
- inform the financial advisor on shareholder activities.

Asset Allocation

Assets will be diversified both by asset class (domestic equities, foreign equities, fixed income, venture capital, private placements and real estate) and within each asset class.

Asset allocation will fall within the ranges recommended by our money managers and financial advisor and be approved by the Board.

Socially Responsible Investments

Certain funds are screened in accordance with the standards and guidelines of Socially Responsible Investments to support our Investment Philosophy.

Proxy Voting Guidelines

The Foundation asks all money managers to inform the financial advisor of shareholder resolutions being considered among the companies of which the Foundation holds stock.

The Foundation votes its proxies to support outcomes that are aligned with our Investment Philosophy.

Monitoring

The Board will review the performance of money managers via status reports from the financial advisor on an ongoing basis. The performance of managers and the associated funds will be based on overall returns and risk assumption. Upon approval the financial advisor may decide to re-allocate funds from managers that under perform.

Performance Standard

Absolute returns of assets will meet or exceed index benchmarks approved by the financial advisor on a three, five and ten year basis.