

OWN WHAT YOU OWN:
Wallace Global Fund and MRI

Drivers of Change

Crises: Opportunity

Investments Undercutting Mission?

Fiduciary Duty: Charitable Tax

Status, Performance

Philanthropy: Innovation in Social
Change

Tools of Philanthropy



Process:

Consultant Review

Expand Investment Committee

Develop Investment Policy Values

Addendum

Review Managers

Establish Evaluation Methodology



Portfolio Activation

Positive/Negative Screens

1. Environmental Performance
2. Fossil Fuels
3. Nuclear Power
4. Mining and Minerals
5. Employee and Labor Relations
6. Community Impact
7. Human Rights
8. Social Justice Movements
9. Political Contributions
10. Water Privatization
11. Industrial Agriculture
12. Military and Weapons
13. Prisons
14. Product Safety and Integrity
15. Corporate Governance
16. Tobacco Production

Impact Investing: Women, Africa, Climate

Asset Activism: Shareholder, Proxies



DIVEST: INVEST

Three-stage Transition to a Fossil-free Portfolio (2009-2014)

1. Immediate • Exclusions:

- Cos. that mine or directly own coal properties
- Utilities that generate more than avg. base load power from coal
- Oil & gas cos. involved in fracking
- Producers of petrochemicals
- **Best-in-class approach** for integrated oil, oil & gas services, natural gas, and utilities companies

2. Medium term

- Avoid all investments in integrated oil companies
- Reinvest 5% of portfolio in clean energy across public and private equity

3. 2014 and beyond

- 100% Fossil Free • Eliminate all fossil fuel related companies from the portfolio including
- Oil & Gas Services • Natural gas
- Fossil fuel-dependent utilities



Impact on Foundation:

Financial: Performance and Costs

Operational: Increased Capacity

Governance: Strengthened, Engagement

Program: Comprehensive, Expand

Toolbox

Reputational: ?

