

Dear Dickinsonians,

Thank you for the life-changing support that you provide through your philanthropy. Within this report, you'll find stories about other donors fueling every aspect of the Dickinson experience as well as testimonials from the students benefiting from your support. You'll also hear from interim President John E. Jones III '77, P'11, about the bold Campaign for Scholarships, which the college launched in November as the first initiative in the Dickinson Forward project.

All of this should be exciting and inspiring, but there's another aspect of the report we hope you'll take the time to explore in depth. The first few pages provide an update on the financial health and stewardship of the college's endowment, which provides the foundation for everything else in this report. The rich experience we offer students and your confidence in investing in the college both depend on the long-term health of the college's endowment and other finances.

Thankfully, we can report that long-term health is robust, and we are well-positioned to stay that way well into the future. No doubt, the pooled endowment's one-year rate of return of 38.8% will stand out. However, though this is something to celebrate, it's important to note that the more important news here is the 10-year average annual return of 10%.

The market will always have good years and bad years that can result in single-year gains like last year's or downturns like the Great Recession of 2008 or the immediate reaction to the pandemic in 2020. Accordingly, Dickinson's endowment is managed to maximize long-term returns while minimizing the negative impacts of short-term corrections. This sets us up for sustained growth while still allowing significant support for the college's annual budget.

Undergirding this approach is Dickinson's disciplined financial management and strategic budgeting. While many other institutions were forced to draw

from their endowments to make up for budget shortfalls that came from the pandemic, Dickinson did not. Because we established reserves outside of the endowment over the last several years, we were able to manage our response to the pandemic without taking funds from the endowment. In short, we did not need to borrow from the future to fund the present—and this is critical to the endowment's enduring impact on the college, our mission, our students and the future those students shape.

As we continue to move Dickinson forward in the coming years, you can be confident in the college's strategic management of its investments and your investment in the college. Every endowed gift makes a lasting impact, shaping the lives of students today while growing over time to continue to shape students' lives decades from now. Thank you for choosing to make this vital investment in the college.

Sincerely,



Rob Symington '86

Senior Advisor
Avenue Capital Group

Chair
Dickinson Board of Trustees
Committee on Investments



Gretchen Brigden '89

Partner and COO
Macro Intelligence 2
Partners, LLC

Vice Chair
Dickinson Board of Trustees
Committee on Investments



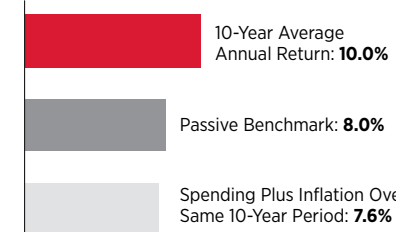
Every endowed gift makes a lasting impact ... Thank you for choosing to make this vital investment in the college.”

Endowment Support

ENDOWMENT PERFORMANCE

Dickinson's pooled endowment (the portion managed by the college's outsourced investment office, Investure LLC) closed the 2021 fiscal year at **\$546.6 million**, and Dickinson's total endowment closed the fiscal year at **\$636.4 million**. The pooled investments experienced an impressive **38.8% rate of return** due to last year's extraordinary stock market performance.

Though this high rate is worth celebrating, it's important to note that outstanding short-term market performance like this is often followed by a downward correction. This is why Dickinson's endowment is consistently managed for long-term growth.



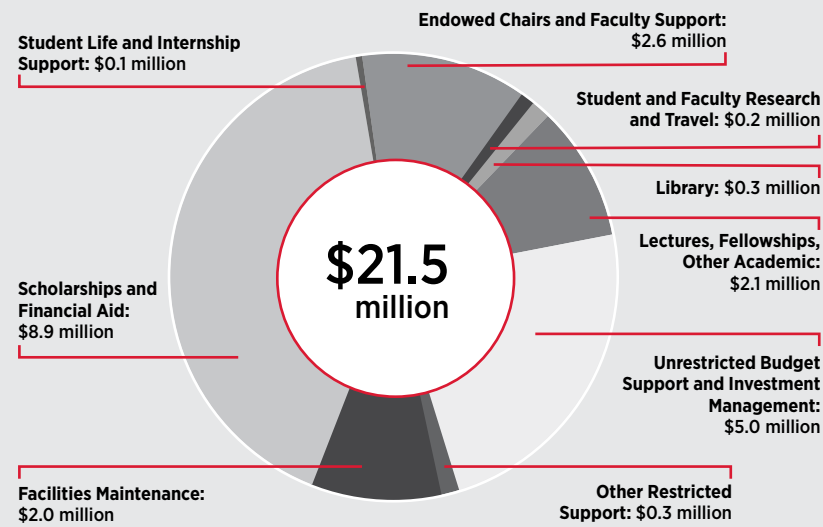
The key statistics we look toward to measure this long-term growth are the 10-year average annual return and how that compares to the rate of spending from the endowment plus inflation as well as our passive benchmark, which is based on a basket of varied, widely held securities.

The endowment is managed to maximize risk-adjusted returns, net of all costs, over rolling 10-year periods. This approach enables the college to minimize the negative impacts of downturns in the economy, while positioning the endowment to recover quickly from down years.

ENDOWMENT SPENDING¹

July 1, 2020 - June 30, 2021

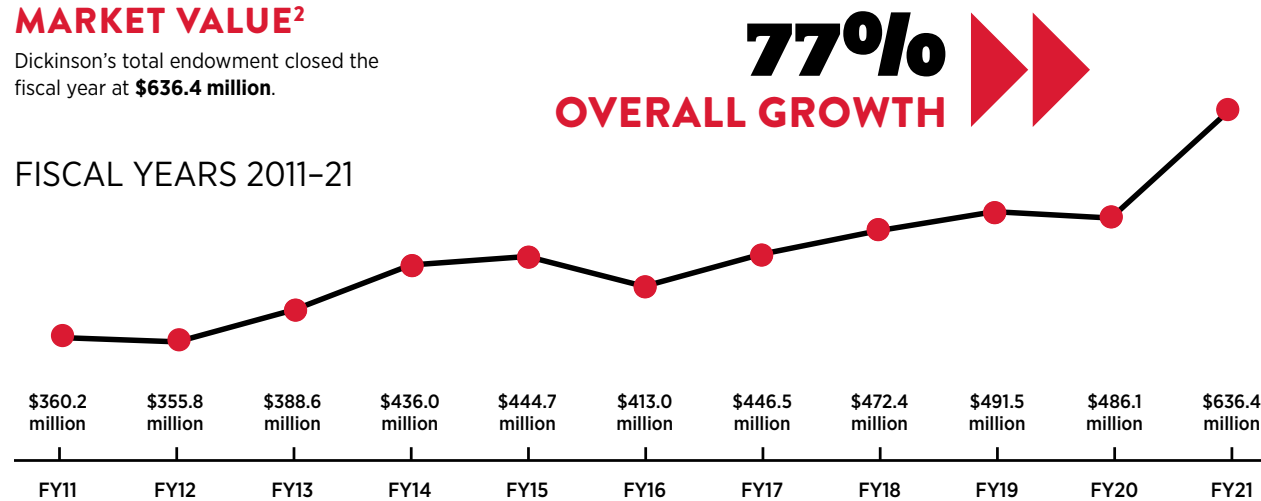
The endowment provided **\$21.5 million** in funding to Dickinson in fiscal year 2021. This funding supported scholarships and financial aid, academic programming, student-faculty research, athletics, facilities enhancements, student life initiatives and much more.



TOTAL ENDOWMENT MARKET VALUE²

Dickinson's total endowment closed the fiscal year at **\$636.4 million**.

FISCAL YEARS 2011-21



As the chart above shows, the growth of Dickinson's endowment over the last decade has been truly impressive. The **77% overall growth** in the endowment has a tremendous impact on our ability to fulfill our mission of preparing future leaders because it allows us to invest more money in educating each student.

¹ To balance present needs with future stability, Dickinson spends 5% (less fees) of the endowment's prior 12 quarters' average balance each year to support the budget and restricted funds. The college employs this disciplined spending strategy to ensure that the endowment meets today's needs while continuing to provide for our future.

² Dickinson's endowment is composed of the pooled endowment, which is managed as part of a consortium of colleges and universities by Investure LLC, and the nonpooled endowment, which consists of funds held in trust for the college, endowed pledges and other assets. The pooled endowment makes up roughly 80% of the total endowment, while the nonpooled assets make up the remaining 20%. Throughout this report, information about the endowment's investment returns refer solely to the pooled endowment, while information about the endowment's total value refers to the pooled endowment and the nonpooled assets. For more information, visit dickinson.edu/financialoperations.



THE IMPACT OF NEW GIFTS

It's important to note that this growth is a result of our partnership with our donors, because it is a product of the sound financial management that has led to steady returns and new gifts over the last decade.

Out of the pooled endowment's **\$262 million growth** over the last decade, **\$54.8 million** of that came from new gifts, which also generated nearly **\$40 million** in returns, while also providing an additional **\$10.4 million** for the college's operating budget during that time. This underscores how powerful new endowed gifts are in enabling Dickinson to provide a highly personalized, life-changing education to each student.

Endowment dollars per full-time student provides a useful measure of how much impact our endowment has on each student's experience because each year the endowment enables the college to invest vital funds in the annual budget. Our endowment's performance and new gifts over the last decade have allowed us to establish one of the stronger endowment-dollar-per-student rates in higher education. But, as you can see from the comparison list to the right, we still lag behind many of the institutions with which we compete for students and faculty.

Providing our students life-changing experiences that prepare them to shape a brighter future is the core of our mission. Accordingly, continuing to grow our endowment at a healthy rate is critical to fulfilling our mission. But it is also critical to our ability to keep up with and surpass these peer and aspirant institutions.

Thankfully, sound investment practices and financial discipline have put us in a strong position to move Dickinson forward over the next decade and beyond. By maintaining budgetary reserves outside of the endowment, we were able to manage our response to the pandemic without drawing from the endowment and the long-term investment it represents. Additionally, the healthy **10-year average annual return of 10.0%** positions the endowment for sustained long-term growth. However, as noted above, new gifts to the endowment will play just as vital a role in the endowment's growth.

This is why we need more dedicated donors like you who choose to make a permanent, foundational investment in Dickinson, our students and our faculty through endowed gifts. Thank you for your generosity and commitment to Dickinson. Your support has been, and will continue to be, vital to moving Dickinson forward and changing students' lives so that they can change the world. ■

PEER INSTITUTION COMPARISON

Total Endowment Dollars per Full-Time Student*

Swarthmore:	\$1,321,401
Bowdoin:	\$971,798
Wellesley:	\$937,022
Hamilton:	\$538,144
Davidson:	\$493,118
Vassar:	\$451,842
Colby:	\$438,504
Mt. Holyoke:	\$352,091
Middlebury:	\$352,063
Wesleyan:	\$337,522
Colgate:	\$321,843
Kenyon:	\$241,139

Dickinson: \$213,722

Connecticut:	\$172,542
F&M:	\$144,335
Skidmore:	\$138,283
Muhlenberg:	\$128,703
Gettysburg:	\$121,831
Wheaton:	\$119,211
Hobart & William Smith:	\$109,194

*Data gathered from NACUBO surveys on fiscal year 2020 endowments