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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**

or Section 4947(a)(1) Trust Treated as Private Foundation

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014 or tax year beginning

, 2014, and ending

, 20

Name of foundation IBM INTERNATIONAL FOUNDATION		A Employer identification number 13-3267906
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see instructions) 914-499-4690
c/o IBM TAX DEPT, NORTH CASTLE DRIVE City or town, state or province, country, and ZIP or foreign postal code ARMONK, NY 10504		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply.	<input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change	<input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 233,302,391 (Part I, column (d) must be on cash basis)		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)		24,814,000			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		5,961	5,961		
4 Dividends and interest from securities		5,799,264	5,757,530		
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		3,551,171			
b Gross sales price for all assets on line 6a	24,211,076				
7 Capital gain net income (from Part IV, line 2)			13,056,115		
8 Net short-term capital gain				411,658	
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)		0	-84,682		
12 Total. Add lines 1 through 11		34,170,396	18,734,924	411,658	
13 Compensation of officers, directors, trustees, etc.					
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule)					
b Accounting fees (attach schedule)					
c Other professional fees (attach schedule)		2,343,275	234,886		2,095,395
17 Interest					
18 Taxes (attach schedule) (see instructions)		313,500	1,500		280,000
19 Depreciation (attach schedule) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule)		1,500	102,616		102,616
24 Total operating and administrative expenses. Add lines 13 through 23.		2,658,275	339,002		2,478,011
25 Contributions, gifts, grants paid		22,360,202			17,931,327
26 Total expenses and disbursements. Add lines 24 and 25.		25,018,477	339,002		20,409,338
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		9,151,919			
b Net investment income (if negative, enter -0-)			18,395,922		
c Adjusted net income (if negative, enter -0-)				411,658	

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Revenue
Operating and Administrative Expenses12
67
10

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	3,420,291	2,006,671	2,006,671
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ 2,785			
		Less allowance for doubtful accounts ▶ 0	300,310	2,785	2,785
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)	5,755,000	7,275,000	7,275,000
	7	Other notes and loans receivable (attach schedule) ▶			
		Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule) .			
	b	Investments - corporate stock (attach schedule)	138,151,177	144,224,705	144,224,705
	c	Investments - corporate bonds (attach schedule)	73,534,018	79,365,230	79,365,230
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)	0	428,000	428,000
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶ <u>Consigned Artwork</u>)	1,500	0	
	16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	221,162,296	233,302,391	233,302,391
Liabilities	17	Accounts payable and accrued expenses	176,232	182,103	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons .			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	176,232	182,103	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, . . . ▶ <input checked="" type="checkbox"/> check here and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund	220,986,064	233,120,289	
	29	Retained earnings, accumulated income, endowment, or other funds . .			
	30	Total net assets or fund balances (see instructions)	220,986,064	233,120,289	
	31	Total liabilities and net assets/fund balances (see instructions)	221,162,296	233,302,391	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	220,986,064
2	Enter amount from Part I, line 27a	2	9,151,919
3	Other increases not included in line 2 (itemize) ▶ <u>UNREALIZED GAIN</u>	3	2,982,306
4	Add lines 1, 2, and 3	4	233,120,289
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	233,120,289

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	151,245.528 units Dow Jones Sustainability World Indx	P	Various	Various
b	98,797.23 units Global Real Estate NL CTF	P	Various	Various
c	37,851.864 units MSCI ACWI ex USA NL QP CTF	P	Various	Various
d	293,021.193 units Russell 3000 (R) Indx NL CTF	P	Various	Various
e	See Attached Statement			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 2,636,160		1,663,939	972,221
b 1,550,140		1,101,766	448,374
c 641,790		564,288	77,502
d 4,779,240		3,085,916	1,693,324
e 14,603,746		4,739,052	9,864,694

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			972,221
b			448,374
c			77,502
d			1,693,324
e			9,864,694

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	13,056,115
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	411,658

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries			
(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2013	23,794,666	207,103,177	0.1149
2012	19,617,095	185,325,311	0.1059
2011	19,393,751	178,382,030	0.1087
2010	19,238,557	166,740,534	0.1154
2009	18,700,640	140,358,184	0.1332

2 Total of line 1, column (d)	2	0.5781
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.1156
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	231,222,739
5 Multiply line 4 by line 3	5	26,729,349
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	183,959
7 Add lines 5 and 6	7	26,913,308
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions	8	20,409,338

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)		1	367,918
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2		3	367,918
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	367,918
6 Credits/Payments			
a 2014 estimated tax payments and 2013 overpayment credited to 2014	6a	322,701	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	32,000	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	354,701	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	13,217	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be Credited to 2015 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		x
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		x
c Did the foundation file Form 1120-POL for this year?		x
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		x
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		x
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? N/A		x
b If "Yes," has it filed a tax return on Form 990-T for this year?		x
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		x
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	x	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	x	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NEW YORK		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	x	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? If "Yes," complete Part XIV		x
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		x

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		x
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions).	12		x
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	x	
14	The books are in care of <u>IBM International Foundation</u> Telephone no <u>914-499-4690</u> Located at <u>New Orchard Road, Armonk, New York</u> ZIP+4 <u>10504</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			
16	At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly TD F 90-22.1) If "Yes," enter the name of the foreign country <u></u>	16	Yes	No x

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014? <input type="checkbox"/>	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <u></u>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <u>N/A</u>	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u></u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2014 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2014.)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b	X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☒ Yes ☐ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). ☒ Yes ☐ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ **5b** ☒ X
Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☒ Yes ☐ No
If "Yes," attach the statement required by Regulations section 53.4945-5(d) STMT 5

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ **6b** ☒ X
If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 6				

2 Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000. ☐

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
INTERNATIONAL BUSINESS MACHINES CORPORATION NEW ORCHARD ROAD, ARMONK, NY 10504	MANAGEMENT/ADMINISTRATION	1,670,404
ANN MARIE KAPLAN 6 NORTHERN AVENUE, COLD SPRING, NY 10516-2711	MATCHING GRANTS/ADMINISTRATIVE	73,150
JAMIE S. MCDONALD 5 EMPIRE LANE, BETHEL, CT 06801	CSC/ESC CONSULTING SVCS	115,843
CHARLOTTE SAVINO 3198 POPLAR STREET, YORKTOWN HEIGHTS, NY 10598	MG TECHNICAL CONSULTANT	111,737
KAYELL SOFTWARE INC 1314 GREENWOOD STREET, EVANSTON, IL 60201	CSC TECHNICAL CONSULTANT	108,290
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	220,615,842
b	Average of monthly cash balances	1b	7,246,757
c	Fair market value of all other assets (see instructions).	1c	6,881,298
d	Total (add lines 1a, b, and c)	1d	234,743,897
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	234,743,897
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	3,521,158
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	231,222,739
6	Minimum investment return. Enter 5% of line 5	6	11,561,137

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	11,561,137
2a	Tax on investment income for 2014 from Part VI, line 5	2a	367,918
b	Income tax for 2014 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	367,918
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	11,193,219
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	11,193,219
6	Deduction from distributable amount (see instructions).	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	11,193,219

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	20,409,338
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	20,409,338
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	20,409,338

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				11,193,219
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2014:				
a From 2009	11,731,260			
b From 2010	11,162,356			
c From 2011	10,781,233			
d From 2012	10,449,707			
e From 2013	13,612,828			
f Total of lines 3a through e	57,737,384			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ 20,409,338				
a Applied to 2013, but not more than line 2a . . .				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2014 distributable amount				11,193,219
e Remaining amount distributed out of corpus . .	9,216,119			
5 Excess distributions carryover applied to 2014 . (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	66,953,503			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions) . . .	11,731,260			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	55,222,243			
10 Analysis of line 9				
a Excess from 2010 . . .	11,162,356			
b Excess from 2011 . . .	10,781,233			
c Excess from 2012 . . .	10,449,707			
d Excess from 2013 . . .	13,612,828			
e Excess from 2014 . . .	9,216,119			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling **N/A**

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years				(e) Total
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed

MS. JUDY CHIN, PROGRAM MANAGER, IBM INTERNATIONAL FOUNDATION, NEW ORCHARD RD, ARMONK, NY 10504 (914) 499-4960

b The form in which applications should be submitted and information and materials they should include.

SEE ATTACHED STATEMENT 7

c Any submission deadlines:

APPLICATIONS ACCEPTED ALL YEAR; REJECTIONS OR REQUESTS FOR MORE INFORMATION SENT WITHIN 1 MONTH

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

GRANTS ARE MADE FOR PURPOSES INCLUDING K-12 EDUCATION AND ADULT TRAINING ENVIRONMENTAL CHALLENGES.

Part XV **Supplementary Information (continued)****3 Grants and Contributions Paid During the Year or Approved for Future Payment**

<div>Recipient</div> <div>Name and address (home or business)</div>	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHED STATEMENT 8				22,360,202
Total ► 3a				22,360,202
b Approved for future payment N/A				
Total ► 3b				

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	5,961	
4 Dividends and interest from securities			14	5,799,264	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	3,551,171	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a _____					
b _____					
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)				9,356,396	
13 Total. Add line 12, columns (b), (d), and (e)				9,356,396	

Line No.	▼		Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions.)

[illegible]

		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting foundation to a noncharitable exempt organization of		
	(1) Cash	1a(1)	X
	(2) Other assets	1a(2)	X
b	Other transactions		
	(1) Sales of assets to a noncharitable exempt organization	1b(1)	X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)	X
	(3) Rental of facilities, equipment, or other assets	1b(3)	X
	(4) Reimbursement arrangements	1b(4)	X
	(5) Loans or loan guarantees	1b(5)	X
	(6) Performance of services or membership or fundraising solicitations	1b(6)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer or trustee

Date _____

PRESIDENT
Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☐ No

Paid

Preparer
Use Only

Print/Type preparer's name

Preparer's signature

Date _____

Check <input type="checkbox"/> if self-employed	PTIN
-------------------------------------------------	------

Firm's name

Firm's address

Firm's EIN ▶

Phone no

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

OMB No 1545-0047

2014▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.**Name of the organization****Employer identification number**

IBM INTERNATIONAL FOUNDATION

13-3267906

Organization type (check one)**Filers of:****Section:**

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions**General Rule**

- ☒
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Schedule B(Form 990, 990-EZ,
or 990-PF)
Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

OMB No 1545-0047

2014▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.**Name of the organization****Employer identification number**

IBM INTERNATIONAL FOUNDATION

13-3267906

Organization type (check one).**Filers of:****Section:**

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization IBM INTERNATIONAL FOUNDATION	Employer identification number 13-3267906
-------------------------------------------------------------	-----------------------------------------------------

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	INTERNATIONAL BUSINESS MACHINES CORPORATION NEW ORCHARD ROAD ARMONK, NY 10504	\$ 24,814,000	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)

Name of organization

IBM INTERNATIONAL FOUNDATION

Employer identification number

13-3267906

Part II **Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
---	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
---	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
---	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
---	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
---	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
---	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
---	----- ----- ----- -----	\$ -----	-----

Name of organization

Employer identification number

IBM INTERNATIONAL FOUNDATION

13-3267906

Part III **Exclusively** religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
---	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- -----	----- ----- -----	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
---	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- -----	----- ----- -----	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
---	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- -----	----- ----- -----	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
---	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- -----	----- ----- -----	

STATEMENT 1

Part I, Line 1: Contributions Received

Cash:	
International Business Machines Corporation	24,814,000
Stock	-
Other	-
Total	<u>24,814,000</u>

Donations were paid by IBM Corporation throughout the year.

Part I, Line 11: Other Income

	Col. (a)	Col. (b)	Col. (c)
Federal Tax Refund	-	-	-
Other Income	-	-	-
From K-1s (Form 1065)			
Sec. 988 - Currency Gain (Loss)	-	(84,682)	-
Total	<u>-</u>	<u>(84,682)</u>	<u>-</u>

Part I, Line 16b: Accounting Fees

	Col. (a)	Col. (b)	Col. (d)
IIF Audit - WTAS	-	-	-

Part I, Line 16c: Other Professional Fees

	Col. (a)	Col. (b)	Col. (d)
Management & Administration	1,670,404	11,500	1,658,904
Consulting Fees	449,485		449,485
2013 Accrued Expense			33,969
2014 Accrued Expense			(35,877)
Investment Advisory Fees:	223,386	223,386	-
2013 Accrued Expense			102,239
2014 Accrued Expense			(113,325)
Total	<u>2,343,275</u>	<u>234,886</u>	<u>2,095,395</u>

Part I, Line 18: Taxes

	Col. (a)	Col. (b)	Col. (d)
Federal Taxes	312,000		312,000
2013 Accrued Expense			-
2014 Accrued Expense			(32,000)
State Filing Fee	1,500	1,500	-
Compliance - 1099 Processing	-		-
Total	<u>313,500</u>	<u>1,500</u>	<u>280,000</u>

STATEMENT 2

Part I, Line 23: Other Expenses

	Col. (a)	Col. (b)	Col. (d)
From K-1s (Form 1065):			
Removal of Asset	1,500	-	-
13K: Deductions - Portfolio (2%)	-	102,616	102,616

Part II, Line 6: Receivables From Disqualified Persons

	Jan. 1, 2014	Dec. 31, 2014
4th Quarter Pledge From Substantial Contributor. International Business Machines Corp	5,755,000	7,275,000

Part II, Line 10b: Investments - Corporate Stock

	Jan. 1, 2014	Dec. 31, 2014
Dow Jones Sustainability World Index CTF	57,565,151	59,058,732
MSCI ACWI ex USA SL QP CTF	19,092,375	19,611,495
Global Real Estate Sec Index CTF	10,615,839	11,385,062
Russell 3000 (R) Index NL CTF	50,877,811	54,169,416
Total	138,151,177	144,224,705

Part II, Line 10c: Investments - Corporate Bonds

	Jan. 1, 2014	Dec. 31, 2014
US Aggregate Bond Index CTF	73,534,018	79,365,230

Part II, Line 13: Investments - Other

	Jan. 1, 2014	Dec. 31, 2014
Essential Capital Consortium Fund	-	428,000

STATEMENT 3

Part I, Line 25: Contributions, Gifts, Grants Paid

Qualifying Distributions

	2013 Grants Paid	Accruals	Total Qualifying Distributions
PROGRAMS			
Matching Grants Program	9,517,814	39,125	9,556,939
General Support Grants	197,600		197,600
Corporate Service Corp	6,756,788		6,756,788
IBM Fellowship Grants	1,370,000		1,370,000
P-TECH Education Grants	50,000		50,000
			-
			-
GRANTS			
GIE Grant	0		-
United Way of York (Matching Grants)	0		-
IBM Italy Foundation	175,000		175,000 ⁽¹⁾
United Way - Canada	0		-
IBM UK Trust	4,293,000		4,293,000 ⁽¹⁾
SUB-TOTAL	22,360,202	39,125	22,399,327
LESS:			
⁽¹⁾ Contributions to Organizations Controlled by the Foundation			(4,468,000)
TOTAL	22,360,202	39,125	17,931,327
	Part I, Line 25, Col. (a)		Part I, Line 25, Col. (d)

STATEMENT 4

Part IV, Line 1f : Capital Gains and Losses for Tax on Investment Income

(a) 353,519.49 units US Aggregate Bond Indx NL QP CTF From Schedules K-1 (Form 1065)	(b) P	(c) Various	(d) Various	(e) 5,086,520 9,517,226 14,603,746	(f) -	(g) 4,739,052 - 4,739,052	(h) 347,468.08 9,517,226 9,864,694	(i) -	(j) -	(k) -	(l) 347,468.08 9,517,226 9,864,694
Total To Line e											

STATEMENT 5

PART VII-B, LINE 5c

Grants made that require expenditure responsibility

1	Program:	Corporate Service Corp (CSC) / Executive Service Corp (ESC)
	Grantee:	Australian Business Volunteers Ltd; Digital Opportunity Trust; Voluntary Service Overseas
	Date:	Various
	Purpose:	Cash grants to support implementation of CSC / ESC in designated countries.
	Amount:	\$747,072.00 (ABV); \$3,272,062.00 (Pyxera); \$293,910.62 (VSO)
2	Program:	Italy Education/Culture Programs
	Grantee:	IBM Italy Foundation
	Date:	12/5/2014
	Purpose:	Cash grant to support educational/cultural initiatives
	Amount:	\$175,000.00
3	Program:	European Education/Cultural Programs
	Grantee:	IBM United Kingdom Trust
	Date:	11/21/2014
	Purpose:	Cash grant to support educational/cultural initiatives
	Amount:	\$4,293,000.00

STATEMENT 6, PAGE 1

PART VIII, LINE 1

Officers, Directors, Etc.

Name & Address	Title and Average Expense Hours/Wk. Devote to Position	Contributions to Employee Benefit Plan	Expense Account and Other Allowances	Compensation
Virginia Rometty IBM Corporation New Orchard Road Armonk, NY 10504	Director, Chairman/Negligible	N/A	N/A	Individual received no compensation directly from Foundation
John Iwata IBM Corporation New Orchard Road Armonk, NY 10504	Director/ Vice Chairman/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation
Martin Schroeter IBM Corporation New Orchard Road Armonk, NY 10504	Director / Negligible	N/A	N/A	Individual received no compensation directly from Foundation
Stanley S. Litow IBM Corporation New Orchard Road Armonk, NY 10504	Director & President approx. 20 hours per week	N/A	N/A	Individual received no compensation directly from Foundation
Jennifer Crozier IBM Corporation New Orchard Road Armonk, NY 10504	Director approx. 20 hours per week	N/A	N/A	Individual received no compensation directly from Foundation
Mark Loughridge IBM Corporation New Orchard Road Armonk, NY 10504	Director / Negligible	N/A	N/A	Individual received no compensation directly from Foundation

STATEMENT 6, PAGE 2

PART VIII, LINE 1
Officers, Directors, Etc.

Name & Address	Title and Average Expense Hours/Wk. Devote to Position	Contributions to Employee Benefit Plan	Expense Account and Other Allowances	Compensation
Stanley Sutula, III IBM Corporation New Orchard Road Armonk, NY 10504	Treasurer/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation
John Torkildsen IBM Corporation New Orchard Road Armonk, NY 10504	Controller/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation
Michelle Browdy IBM Corporation New Orchard Road Armonk, NY 10504	Secretary/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation
Milton Laverde IBM Corporation New Orchard Road Armonk, NY 10504	Assistant Controller/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation
Mark Hobbert IBM Corporation New Orchard Road Armonk, NY 10504	Assistant Treasurer/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation
Robert Del Bene IBM Corporation New Orchard Road Armonk, NY 10504	Treasurer/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation

NOTE: The IBM International Foundation reimburses IBM for salary and travel expense incurred by employees, including certain officers, for services provided to the Foundation.

STATEMENT 7

Part XV, Line 2b: Form in which applications must be submitted

A formal grant request and application must be submitted. The request and application require the following, at a minimum

- a. Purpose of the grant
- b. Past managerial experiences
- c. Other contributions
- d. Specific expected use of funds
- e. Controls in place to ensure funds will be utilized as prescribed

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PART XV, LINE 3a
GRANTS & CONTRIBUTIONS PAID DURING THE YEAR

PROGRAMS:

1	Program: Matching Grants Program c/o IBM International Foundation, Armonk NY 10504
	Grantees: Public Charities (PC): Various U.S. tax exempt U.S.-based colleges, universities, or other post-secondary institutions, cultural, health and Environmental organizations.
	Purpose: To support IBM employee-directed gifts to tax exempt organizations of their choice within the parameters of program guidelines.
	Amount: \$ 9,517,813.51
2	Program: General Support Grants c/o IBM International Foundation, Armonk NY 10504
	Grantees: Public Charities (PC): U.S. tax exempt organizations working in the areas of education, workforce diversity, health, human services, arts and culture, science and technology, public policy research, medicine and in support of the under-represented.
	Purpose: To provide general support funds
	Amount: \$ 197,600.00
3	Program: Corporate Service Corp / Executive Service Corp c/o IBM International Foundation, Armonk, NY 10504
	Grantee: Public Charities (PC): Three (3) NGO's proficient in developing international training programs.
	Purpose: To provide job-training/developmental infrastructure in developing countries
	Amount: \$ 6,756,787.62
4	Program: IBM Fellowship Grants c/o IBM International Foundation, Armonk, NY 10504
	Grantees: Public Charities (PC): Selected Universities and Colleges
	Purpose: To provide funds for students pursuing PhD's in engineering/computer sciences.
	Amount: \$ 1,370,000.00

GRANTS:

5	Grantee:	Public Policy Institute
	Purpose:	Public Charity (PC): Support the New York State initiative to assure that high school graduates are fully college- and career-ready, prepared to embark on challenging, economically-productive careers.
	Amount:	\$50,000.00
6	Grantee:	IBM Italy Foundation Via de' Lucchesi, 26, 00187 Roma, Rome, Italy
	Purpose:	Supporting Organization – Disqualified Person (SO-DP): Cash grant to support educational/cultural initiatives.
	Amount:	\$ 175,000.00
7	Grantee:	IBM United Kingdom Trust 76 Upper Ground South Bank, London, Great Britain
	Purpose:	Supporting Organization – Disqualified Person (SO-DP): Cash grant to deliver educational/cultural programs to selected European Countries.
	Amount:	\$ 4,293,000.00