



## ANBI Policy Plan

## 1. Introduction

This Policy Plan consists of an Introduction, a view on the Articles of Association as far as ANBI rules and regulations are concerned, a summary of the Activities of Stichting Draper Richards Kaplan Foundation (hereinafter: the DRK Foundation), its Finance and its Governance structure.

The DRK Foundation Board is aware of the fact that, in order to remain on the ANBI register, the DRK Foundation has to meet with the requirements. The DRK Foundation Board has ensured, in close cooperation with Orange Clover (on the Articles of Association) and VanLoman Tax Lawyers (on the ANBI ruling by the tax inspector and on preparing this ANBI Policy Plan), that it will do so.

This Policy Plan is envisaged to be a “living document”, which expresses the Board’s decision to have the ANBI status prolonged on the long run and which permits the DRK Foundation Board to have the Policy Plan reviewed at least once in a 5 year’s cyclis.

## 2. Statutory Framework

The DRK Foundation has been incorporated on 25 October 2019, the articles of association of which are attached hereto (**ANNEX I**).

The statutory objective of the DRK Foundation is to encourage and support high impact early stage non-profit social organizations and enterprises in and outside the Netherlands that can help solve important social issues that can make a difference in the lives and wellbeing of many persons. DRK invests in social entrepreneurs who change the world.

The articles of association of the DRK Foundation, which have been prepared by Orange Clover in Amsterdam, are, both on statutory object and on financing

and assets, very clear (Dutch text that prevails over the English translation is presented first, then the English version):

In Dutch:

### Article 3 Objectives

- 3.1 De Stichting heeft ten doel het ondersteunen van maatschappelijk betrokken ondernemingen en organisaties zonder winstoogmerk met hoge impact binnen en buiten Nederland en voorts al hetgeen in de ruimste zin met één en ander verband houdt, en daartoe bevorderlijk kan zijn.
- 3.2 De Stichting tracht haar doelstelling onder meer te bereiken door:
  - (a) het aantrekken van gelden van, onder andere, individuele donoren, familiestichtingen en private stichtingen, welke alleen mogen worden aangewend voor de doelstelling van de Stichting;
  - (b) het aanwenden van gelden die binnen en buiten Nederland zijn aangetrokken;
  - (c) het zitting nemen in het bestuur van non-profit organisaties en maatschappelijke ondernemingen welke door de Stichting worden gefinancierd;
  - (d) het uitvoeren van boekenonderzoek bij ondernemingen en organisaties welke door de Stichting (zullen) worden gefinancierd;
  - (e) het aanvaarden van erfstellingen onder het voorrecht van boedelbeschrijving; en
  - (f) het aanwenden van alle andere wettige middelen die de doelstelling van de Stichting kunnen bevorderen.
- 3.3 De Stichting heeft niet ten doel het maken van winst.

**Article 4 Assets**

4.1 Het vermogen van de Stichting zal worden gevormd door:

- (a) subsidies en andere bijdragen;
- (b) schenkingen, erfstellingen en legaten;
- (c) alle andere verkrijgingen en baten.

4.2 De Stichting kan erfstellingen slechts aanvaarden onder het voorrecht van boedelbeschrijving.

4.3 Het vermogen van de Stichting zal worden aangewend om de doelstelling van de Stichting te bereiken.

4.4 De Stichting zal niet meer vermogen aanhouden dan naar het oordeel van het Bestuur redelijkerwijs noodzakelijk is om de continuïteit van de werkzaamheden van de Stichting bij het bereiken van haar doelstelling zoals omschreven in artikel 3.1 te waarborgen.

4.5 Geen enkele persoon of entiteit (anders dan de Stichting) kan over het vermogen van de Stichting beschikken als ware het diens eigen vermogen.

4.6 De Stichting streeft ernaar een algemeen nut beogende instelling te zijn als bedoeld in artikel 5b van de Algemene wet inzake rijksbelastingen, zoals van tijd tot tijd gewijzigd, of enige wetgeving waarmee deze is vervangen en wenst als zodanig door de belastingdienst te worden aangemerkt.

In English:

**Article 3 Objectives**

3.1 The objectives of the Foundation are supporting high impact non-profit social enterprises and organizations in and outside the Netherlands, and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

3.2 The Foundation aims to pursue its objectives by, amongst others:

- (a) raising funds from, amongst others, individual donors, family foundations and private foundations which may only be used towards the objectives of the Foundation;

- (b) deploying resources from funds raised in and outside the Netherlands;
- (c) serving on the board of non-profit organizations and social enterprises funded by the Foundation;
- (d) performing due diligence on enterprises and organizations (to be) funded by the Foundation;
- (e) to accept testamentary dispositions with the benefit of inventory, and
- (f) the use of all other legal means that can promote the objectives of the Foundation.

3.3 Making a profit is not part of the objectives of the Foundation.

**Article 4 Assets**

4.1 The Foundation's assets shall include:

- (a) subsidies and other contributions;
- (b) donations, testamentary dispositions and bequests;
- (c) all other acquisitions and benefits.

4.2 The Foundation may only accept testamentary dispositions with the benefit of inventory.

4.3 The assets of the Foundation will serve to attain the objects of the Foundation.

4.4 The Foundation will not retain more assets than in the opinion of the Management Board is reasonably necessary to guarantee the continuity of the Foundation's work in pursuit of its objectives as referred to in article 3.1.

4.5 No person or entity (other than the Foundation itself) can dispose of the assets of the Foundation as if they were that other person's own assets.

4.6 The Foundation aims to be a public benefit institution (algemeen nut beogende instelling) as referred to in article 5b of the Dutch General Act on National Taxes (*Algemene wet inzake rijksbelastingen*), as amended from time to time, or any legislation by which it has been replaced and aims to be ranked as such by the Dutch tax authorities.

### 3. Activities of the DRK Foundation

The mission of the DRK Foundation is to focus on high impact philanthropy. The DRK Foundation finds, funds and supports leaders with exceptional promise and impactful ideas that have the potential to scale, it supports early stage and high impact social enterprises in a wide variety of sectors.

The DRK Foundation seeks to dramatically improve the lives of people and the world through innovative strategies, systems changing approaches, and disrupting technologies. Therefore, the goal is to find social entrepreneurs with dynamic ideas and nurture them at the early stages with maximum leverage and total commitment.

Subsequently, the DRK Foundation encourages and supports the development of new charitable organizations that can help solve some of society's most complex problems by carefully supporting exceptional social entrepreneurs who have the capability to lead and scale their organizations in response to these challenges. The DRK Foundation typically provides:

1. funding for a specific period;
2. substantial resources (such as board service, advisory and training programmes on strategic planning, board development, fundraising, organizational development and leadership)

The DRK Foundation invests in early-stage organizations and is often their first institutional investor, as well as their first "outside" board member. The DRK Foundation invests in a wide variety of sectors: the current portfolio of the United States equivalent of the Dutch DRK Foundation includes organizations working both domestically and internationally, helping to provide critical access to healthcare, education, food security, social justice, water and sanitation, transparency and accountability, and shelter. DRK is not seeking returns on their investments.

DRK intends to develop a portfolio of European based non-profit social enterprises that will be supported by DRK through grants and mentoring. Through exhaustive due diligence on hundreds of potential social enterprises, carried out in close contact with networks and institutions across the public, private and non-profit sectors, a select group of exceptional leaders and non-profit organizations become part of the DRK portfolio. The specific goal is to build an active pipeline of six to eight social enterprises annually, all emanating from Europe and tackling a wide variety of social goals. Funding will be offered as unrestricted capital over multiple years. Support will also be offered in the form of networking, additional fundraising, management mentoring, and whatever else is required to build organizations to scale. A number of non-profit Dutch enterprises have already been identified, one of which has been approved for support. The running Dutch project has developed a circular waste treatment model in Ghana.

Every few years DRK Foundation has a call for support to a fund (currently raising donations for a fourth fund) which is then dispersed over multiple years. DRK solicits funds by inviting foundations, individuals and corporations to learn about social enterprises and entrepreneurship and consider support. Methods include one-on-one meetings with foundations and individuals; workshops and convenings to share learnings; thought leadership pieces in academic journals on social change; and relationship development with new philanthropists.

### 4. Finance of the DRK Foundation

The revenues of the DRK Foundation are mainly generated by:

1. Donations from a wide variety of donor partners; and
2. Income from interest

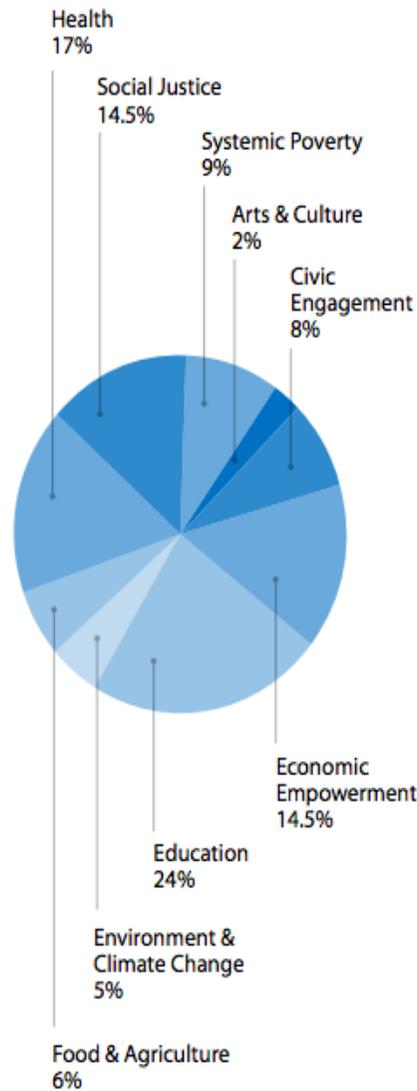
The DRK Foundation's purpose does not include generating profits. Nearly all of its income is destined for supporting high impact non-profit social enterprises (reference is made to the most recent version of the annual accounts - to be – published and to the policy for donations as described hereinafter)

DRK Foundation enjoys support from individuals, family foundations, private foundations and corporations. Since 2002 it has raised \$100,000 million in charitable contributions to support 100 social enterprises around the world.

The financial forecast can be presented as follows:

The DRK Foundation funds non-profit, for-profit, and hybrid organizations. Typically, non-profits receive \$300,000, divided into six equal payments paid every six months for the duration of the three-year grant. Typically, for-profits receive two \$150,000 investments as a program-related investment (PRI) during the three-year period. DRK plans to bring 20 organizations into the portfolio in 2019, 22 new grantees in 2020, and 24 new grantees in 2021.

The policy and forecast for making donations can be presented as follows (*reference is made to the next page*):



The DRK Foundation - Long Term Model

	2019	2020	2021	2022	2023	2024
<b>Revenue</b>						
Pledges & Contributions	20,135	19,385	16,600	12,400	10,000	15,000
Investment & Other	650	650	650	650	650	650
<b>TOTAL REVENUE</b>	<b>20,785</b>	<b>20,035</b>	<b>17,250</b>	<b>13,050</b>	<b>10,650</b>	<b>15,650</b>
<b>Expenses</b>						
Grants and Direct Entrepreneur Support	6,071	7,029	6,431	7,455	9,083	8,749
Personnel Expenses	5,742	7,463	7,602	7,842	8,090	8,348
Professional Fees	153	158	163	168	173	178
Development Expenses	167	172	177	183	188	194
Operating Expenses	1,401	1,457	1,500	1,546	1,592	1,640
<b>TOTAL EXPENSES</b>	<b>13,535</b>	<b>16,278</b>	<b>15,874</b>	<b>17,193</b>	<b>19,126</b>	<b>19,108</b>
<b>NET INCOME</b>	<b>7,250</b>	<b>3,757</b>	<b>1,376</b>	<b>-4,143</b>	<b>-8,476</b>	<b>-3,458</b>

**Notes:**

Shown in \$ '000s

This organizational budget combines Fund III, IV, and V

DRK maintains a highly efficient operation. Our programming costs include financial support to grantees, direct entrepreneur support through convenings and consultants, and programmatic personnel to find, fund, and support the grantees. In 2017, administrative costs were \$663K and fundraising costs were \$681K, approximately 11% of total expenses and PRIs. In 2018, those costs were approximately 16% of total expenses and PRIs.

## 5. Governance of the DRK Foundation

The DRK Foundation has been incorporated on 25 October 2019, the articles of which are attached hereto (**ANNEX I**).

As per the date of incorporation the DRK Foundation board has the following members:

1. Jim Lebson Bildner
2. Stephanie Ralston Khurana
3. Lisa Dawn Jordan
4. Elisabeth Maria Kraft Minnemann

The financial administration is carried out by Van der Zwaard Administratieconsulenten & Adviseurs.

The DRK Foundation Board members are not remunerated in their capacity as board member.

## 6. Other details

### Statutory name

Stichting Draper Richards Kaplan Foundation

### Contact details

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### Registration

Chamber of Commerce registration: 76205592

RSIN/Tax number: 8605.45.088

Banking details: [No.]

Swift code: [No.]

BIC code: [No.]

### ANBI-registration number

[No.]

### The board

James Lebson Bildner

Stephanie Ralston Khurana

Lisa Dawn Jordan

Elisabeth Maria Kraft Minnemann

### Legal partner

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### Administrative partner

Van der Zwaard Administratieconsulenten & Adviseurs

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## ANNEX I

The articles of association in Dutch and English