

**December 2021**

**Stichting  
The Elba Charitable Foundation**

**POLICY PLAN**

## **Introduction**

Before you is the Policy Plan of Stichting The Elba Charitable Foundation (the “Foundation”).

This Policy Plan gives an overview of (1) the background and objectives of the Foundation, (2) its activities and policy, (3) its recent and current projects, (4) the organization, (5) the source, management and destination of its funds and (6) contact details.

The Foundation is registered with the Dutch tax authorities as a Public Benefit Organisation, a so called ANBI (*“Algemeen Nut Beogende Instelling”*).

On behalf of the Elba Charitable Foundation

Melanie Smith  
Chair of the Board

## 1. Background and objectives

The Foundation is a charitable organisation established in March, 2017.

The purpose of the Foundation is to, acting exclusively in the public interest and without an aim for profit, provide means and measures to create cohesive, sustainable and beneficial conditions for people to achieve their full potential and for the societies in which they live to thrive.

## 2. Activities and policy

The Foundation's primary objective is to make grants and provide other relevant support to organisations or persons whose activities will further its' primary purpose.

The Foundation is restricted in its remit to supporting those activities considered charitable under the laws of **both** the Netherlands and the United Kingdom. The Foundation also qualifies as an IRS Section 501 (c) organization under the laws of the USA.

The Foundation may therefore support causes including, but not limited to;

- *the relief of poverty*
- *advancement of education*
- *the promotion of health and healthcare*

There are no geographical restrictions to the projects the Foundation will support.

## 3. Projects

The Foundation was established with broad public interest objectives and as such is able to consider funding a wide range of projects across a variety of sectors and geographies, all within the scope and limitations of the ANBI regime and subject to the limitation described in paragraph 2 above.

Since its establishment the Foundation has made a number of grants to primarily education related projects.

More information about projects and the Foundation is published on the Foundation's website which will be kept updated to reflect the development of the Foundations strategy and activities.

### ***Future projects***

In the short to medium term, the Foundation anticipates that it will make grants at a higher level to those made so far (subject to the financial rules described in this document at section 6 below) primarily in support of educational causes, as the Foundation has committed itself to various multi-year projects and more suitable projects will be identified.

The Foundation will nevertheless at all times, and consistent with its wide-ranging objective, be able to support such other causes as it, from time to time, feels are appropriate and consistent with its' policy objectives.

#### **4. Organisation**

The Board of directors (the “Board”) decides on grants by the Foundation and convenes approximately twice a year in The Hague to review both potential donations as well as the management and organisation of the Foundation.

The Board consists of Melanie Smith (Chair), Tamar Matalon (Secretary), Oliver Plunkett (Treasurer) and Mirjam van der Zanden.

The Board is charged with the management of the Foundation, and more in particular with the management and administration of the Foundation’s means, the adoption of the budget of income, including distributions and funds to be made available in view of the realization of the Foundation’s objectives. The Board is entitled to accept (and refuse) donations on behalf of the Foundation. No donations shall be accepted which are made under conditions contrary to the objectives of the Foundation.

Members of the Board do not receive remuneration in return for performing their duties as a member of the Board.

##### *Employees*

During 2020 the Foundation added two (2) employees (0.65 fte). The staff receives a contractual remuneration for the tasks assigned to them. The remuneration policy for employees is aimed at rewarding its employees according to standards that are socially acceptable and responsible for persons who perform comparable work. The remuneration policy should enable the foundation to attract and retain qualified personnel.

## **5. Source, management and destination of Funds**

The Foundation relies on donations and investment returns to generate funds from which to pursue its public interest objectives. As such it does not pursue a policy of active public fundraising.

The Foundation received two significant initial capital gifts, in 2017 and in 2018, both made conditional upon retention of the initial capital gift. The donations are made under the condition that the fair market value at the time of the donation will be maintained by the Foundation (except for when the value declines) and that the fruits of the donations will be used to support the objects of the Foundation. In case the value declines limited funds remain available to serve the object of the Foundation. It is anticipated however that the capital gifts will annually increase in value. Part of the capital gain will be annually realized by selling part of the donated capital gifts proportionate to the annual gain. This is how the Foundation will be able to finance its activities in accordance with its objective.

In future the Foundation anticipates, without any prior knowledge, that it may receive further material sums by way of donation and investment returns.

### ***Investments***

The Foundation has a wide portfolio of holdings in investment funds managed by professional fund managers, e.g. JP Morgan. These private and public funds are based in the US and Europe. The underlying assets are located around the world. The Foundation has a diversified investment portfolio to ensure that there is both sufficient – easy - liquidity and to serve as a steady basis to generate income on the long term for the funding of grants.

### ***Allocation of funds***

The Foundation, while seeking the limits of its organisational capacity, strives to use all of its realised annual income and gains in pursuit of its objectives each year and maintaining the Foundation. In case the annual income and gains realised are not fully spent, the Foundation is committed to spend this within a maximum of three years over its primary focus areas poverty, education and healthcare according to a predetermined allocation key on the basis of which these primary focus areas are proportionally funded.

The Foundation Board anticipates the level of giving will increase in future years as more suitable projects are identified.

### ***Spending***

In 2019 the Foundation made grants of EUR 3,878,428 and it provided for a substantial (non-interest bearing) philanthropic loan in the beginning of 2019 to the EdCity project, which loan has been repaid in 2020 as the project came to a standstill due to COVID-19.

In 2020 the investment incomes substantially increased and the Foundation's made grants of EUR 2,466,472. Due the fact that some projects came to a standstill due COVID-19 [and less funding opportunities], the Foundations' expected expenditures lagged behind the annual investment return. The Foundation committed itself to various multi-year projects and expects that the grants in comparison with its annual investment return shall rise again.

All administrative costs are kept on a reasonable level in order to grant as much resources as possible to the cause.

**(6) Contact details,**

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