

ANBI Policy Plan Foundation Nyenrode 2015/2018

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 Nyenrode, its Finance and its Governance structure.

The Foundation Board is aware of the fact that, in order to remain on the ANBI register, Stichting Nyenrode has to meet with the requirements. The Foundation Board has ensured, in close cooperation with Allen & Overy (on the Articles of Association) and Pricewaterhouse Coopers (on the ANBI ruling by the tax inspector), that it will do so. Given the fact that the Articles of Association of ANBI Stichting Nyenrode Fonds (SNF) now have full power, it is ensured that all funds on behalf of scholarships will be transferred to Stichting Nyenrode instead as to Universiteit Nyenrode B.V.

Stichting Nyenrode can have the maximum of insight in the spending of these funds. This will reinforce the already existing say of Stichting Nyenrode on the way Universiteit Nyenrode B.V. performs in providing a high quality of education on a university level to those students that meet with the requirements of Stichting Nyenrode.

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 Foundation Board to have the Policy Plan reviewed at least once in a 5 year’s cyclus.

I. Introduction

Universiteit Nyenrode B.V. is part of a top down structure whereby Stichting Nyenrode has the overall strategic function and exercises the ownership of the estate Nyenrode. As from 01.09.2013, the Foundation Board of Stichting Nyenrode consists of Dutch and international governors of various distinct (educational) institutions and (former) captains of industry.

II. Statutory framework

The statutory object of *Stichting Nyenrode* is:

- 1.** To promote educational and research objectives of Nyenrode University (recognized as such by the ministry of education, Culture and Science) and to promote the participation of students in courses provided by Nyenrode University;
- 2.** To maintain and manage the landscape and cultural-historical value of the rural estate Nyenrode in Breukelen, as well as any buildings and monuments in the broadest sense.

The Articles of Association (**Attachment A**), composed by Allen & Overy in Amsterdam, are, both on statutory object and on financing and assets, very clear (the

Dutch text that prevails over the English translation is presented first, than the English version):

Article 3. Doel en onroerend goed.

3.1. De stichting heeft ten doel:

- het bevorderen van de educatieve en onderzoeksdoelstellingen van de Nyenrode Business Universiteit (door het ministerie van OC&W als zodanig erkend) en het bevorderen van deelname van studenten aan opleidingen die door de Nyenrode Business Universiteit worden aangeboden;
- het in stand houden en het beheren van de cultuurhistorische en landschappelijke waarde van Landgoed Nijenrode te Breukelen en alle zich daarop bevindende opstallen en monumenten;
- het beheren van vermogen en het passief beleggen van gelden,

en voorts al hetgeen met het vorenstaande verband houdt of daaraan bevorderlijk kan zijn, alles in de ruimste zin.

3.2. Het vermogen van de stichting dient ter verwezenlijking van het doel van de stichting.

Het houden van aandelen in het kapitaal van Universiteit Nyenrode is voor de stichting een middel tot verwezenlijking van haar in artikel 3.1 genoemde doel. De stichting heeft geen winstoogmerk.

3.3. De stichting beoogt te zijn een algemeen nut beogende instelling (ANBI) als bedoeld in artikel 5b van de Algemene wet inzake rijksbelastingen (zoals deze luidt van tijd tot tijd) of wetgeving door welke zij is vervangen en beoogt als zodanig gerangschikt te zijn door de Nederlandse belastingdienst.

Article 4. Financiering en vermogen.

4.1. Het vermogen van de stichting wordt gevormd door:

inkomsten uit registergoederen, de deelneming in Universiteit Nyenrode en beleggingen; bijdragen van Stichting Nyenrode Fonds en andere bijdragen; subsidies; schenkingen, erfstellingen en legaten; alle andere wettige inkomsten.

4.2. Geen natuurlijke persoon of rechtspersoon (anders dan de stichting zelf) kan over het vermogen van de stichting beschikken als ware het zijn eigen vermogen.

4.3. De stichting houdt niet meer vermogen aan dan naar het oordeel van het stichtingsbestuur redelijkerwijs nodig is om de continuïteit van haar werkzaamheden ten behoeve van haar in artikel 3.1 genoemde doelstelling te waarborgen.

in English:

Article 3. Objects and Property

3.1. The objects of the Foundation are:

- To promote educational and research objectives of the Nyenrode Business University (recognized as such by the Ministry of Education, Culture and Science) and to promote the participation of students in courses provided by the Nyenrode Business University;

- To maintain and manage the landscape and cultural historical value of the rural estate Nyenrode in Breukelen, as well as any buildings and monuments that are situated on the estate;
- To manage assets and to passively invest monies;

and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

3.2 The assets of the Foundation will serve to attain the objects of the Foundation. The holding of shares in the capital of Universiteit Nyenrode is a means for the Foundation to achieve the object as referred in Article 3.1. The Foundation is a not-for-profit institution.

3.3. The Foundation aims to be a public benefit institution (ANBI) 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.

Article 4. Funding and Ownership

4.1. The funds of the Foundation are formed by:

income from registered property, its participation in Universiteit Nyenrode and investments; contributions from Nyenrode Fonds and other contributions; grants; gifts, testamentary disposition and legacies; and other legitimate income.

4.2. 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.

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

The main income from the Stichting is raised by its 100% held subsidiary, Universiteit Nyenrode B.V.(Nyenrode University). However, since the Articles of Association of Stichting Nyenrode Fonds ('SNF') have been changed in 2013 and have been legally approved by the Utrecht District Court, funds that have been raised by SNF will be made available free of charge to Stichting Nyenrode instead of to Universiteit Nyenrode B.V., so there will be income from SNF to the Stichting too. It is now up to Stichting Nyenrode to decide how to provide Nyenrode students with loans or grants (scholarships), enabling them to subscribe to the University (see below).

III. Activities of Stichting Nyenrode

1. Supervising University Nyenrode

The mission of Stichting Nyenrode is to provide for an international oriented education that is fit to create sustainable leaders and entrepreneurs. In addition to that, Stichting Nyenrode provides through the Nyenrode University the oldest and largest education institution in Accountancy and Controlling in the Netherlands.

Stichting Nyenrode, being the 100 % shareholder of Universiteit Nyenrode B.V., supervises the overall strategy and quality of the University and overlooks the activities pursued by the University. Stichting Nyenrode has significant and strategic

relationships with stakeholders of the University including alumni, students, corporates, students, the Municipality of Stichtse Vecht, Province of Utrecht and foreign similar educational institutions.

In its strategy, Stichting Nyenrode adheres to the historic mission of Nyenrode University to be different, leading in terms of innovation in areas such as experiential learning, career education and collaboration with stakeholders.

In terms of research, Stichting Nyenrode determines strategic ambitions such as the focus on a mix of fundamental with impact-focused research that forms an essential element in the philosophy of Stichting Nyenrode.

In order to promote the participation of students in courses provided by Nyenrode University, Stichting Nyenrode focuses on all people and groups of all ages and sexes that are willing to increase their knowledge and skills. Students are actively selected on their quality and motivation ('character and resilience'), a combination of excelling academically and in terms of 'mettle' and interpersonal skills. In order to enhance access to Nyenrode University, Stichting Nyenrode provides for scholarships and coaches during the terms of the scholarship. In this respect, Stichting Nyenrode works together with its supporting foundation SNF. In close cooperation with SNF a general system of 'revolving gifts' has been started in 2011 in order to enable students to receive (substantial) financial support to increase access to Nyenrode University for qualifying students (merit-based scholarships). These scholarships are interest-free loans that in principle have to be repaid over time.

In order to promote the educational and research objectives of the university, Stichting Nyenrode facilitates where possible the University by keeping the facilities up to standard, making the necessary investments and, in this respect, fulfilling as much as possible the requests of the University; this enables Nyenrode students to live on campus which is quite unique for a Dutch university.

Where possible a synergy is developed between the needs of the University and the need to maintain and manage the Nyenrode estate; the Nyenrode estate is contributing to the Nyenrode Experience of students and to the identity of the Nyenrode University. The activities under 1 and 2 are therefore intertwined. The image of University Nyenrode is reflected in its estate. In the period 2010-2015 Stichting Nyenrode has been reinforcing the Nyenrode estate and in particular the Plesman pavilion, Nyenrode castle and the student campus apartments, being at the heart of the University. Both the estate, castle and coach house belong to the center of the 'Nyenrode experience'. Investments in real estate will be made in a focused manner, whilst optimizing opportunities for specific fundraising.

As for all of Nyenrode University's policy and key decisions, University's "College van Bestuur", presided by Misa Dzoljic, Rector Magnificus, has to ask for approval of the Foundation Board. This is in accordance with the so called "Approval List" (**attachment B**) and the Articles of Association of Universiteit Nyenrode B.V.. Thus,

the Foundation Board remains in charge wherever there might be a risk of conflict with ANBI status.

2. Maintaining of and investing in medieval Nyenrode castle and estate

Stichting Nyenrode is the owner of the estate and the buildings that have been built on it. The castle and several other buildings on the estate are national monuments. The management of the estate is focused on

- the sustainability of nature on the estate (total surface 54.91.83 ha, including 2.63.20 owned by Stichting Jongerenhuisvesting);
- the maintenance of all the buildings;
- the users function of the buildings.

Facilitating the educational purpose is key in the approach.

In this context the following projects have been executed:

- Renovation of 'het Koetshuis';
- Renovation of the foundations of the castle;
- Renovation of Plesman pavilion;
- Renovation of student housing such as Weijer and recently Philips;
- Renovation of the Gymnasium and reprofiling it as Nyenrode's "fabric" for LEArN purposes;
- Renovation of the Mensa and the sporting facilities ("sporthal"). Various other smaller renovations and maintenance on the estate;

A long term maintenance plan for all the buildings on the estate has been established.

IV. Finance of Stichting Nyenrode

The revenues of Stichting Nyenrode are mainly generated by

1. Universiteit Nyenrode B.V. through:
 - The rent of the buildings
 - Dividends (if applicable)
2. Stichting Nyenrode Fonds(SNF)

As outlined before, Stichting Nyenrode has not as a purpose to generate profits. Nearly all of its income is destined for the maintenance of the estate. The Nyenrode University company results, which for a couple of years have been negative, in the last years were slightly positive. Reference is made to the annual report of Stichting Nyenrode (**Attachment C**).

As far as the student apartments are concerned, they are the property of Stichting Jongerenhuisvesting-Nyenrode, who lets them to Stichting Nyenrode for a rent of about EURO 900K/a. Stichting Nyenrode sublets these apartments together with all

of its own real estate to Universiteit Nyenrode B.V., following a rental agreement with a total rent of EURO 3.3M/a. Annual investments in real estate are done by Stichting Nyenrode, both in the medieval castle and the university buildings. These investments are generated by the cash flow, therefore not needing additional (external) financing.

In the years to come, the year results of Universiteit Nyenrode B.V. are expected to show a slight positive outcome. However, this is not expected to be sufficient for paying dividends. This means that all Stichting Nyenrode is expected to generate as income from Universiteit Nyenrode B.V. will be the annual compensation for the rent of the estate.

Solvency as per 30 August 2015 is satisfactorily at 26,4%, aim is to raise it a bit further in the coming years. Solvency is calculated as equity divided by balance sheet total and indicates the extent to which the foundation is able to meet its liabilities in case of liquidation. The current ratio as per 30 August 2015 is 1,06%. With a value above one, this ratio shows that Nyenrode is able to fulfil its current obligations.

V. Governance of Stichting Nyenrode

The new Governance, realized in 2013, resulted in a thorough change of the Articles of Association and the introduction of By-Laws for the new installed Foundation Board. This Board replaces the former Management Board and the Supervisory Board and is assisted by all Board members in their various positions in the Foundation Board committees, such as the Audit committee, the Real Estate committee, the Remuneration and Nomination committee and the Governance committee. The Foundation Board members who are member of the Executive committee (“Dagelijks Bestuur”) can not be chair whenever the output of their committee is related to the performance of the Foundation itself (checks and balances).

As per 01.09.2015, the Foundation Board has the following members:

- Jan Nooitgedagt, chairman, executive member
- Hugo van der Goes, executive member
- Petri Hofsté, executive member
- Malcolm Gillies, executive member
- Tjarda Molenaar, executive member and member Governance Committee
- Kees de Kluiver, chair Governance Committee
- Peter van Breda, nominated by SNF
- Jan Bernard Nolst Trenité, nominated by VCV
- Geert Jan Poorthuis, nominated by Nyenrode University’s Works Council

The Foundation Board is assisted by its General Secretary, Ronald Emons.

As for the Foundation Board members, remuneration following a ruling by the ANBI tax inspector in 's Hertogenbosch, (**Attachment D**) is a very modest one:

- for FB members EURO 6.000 /a max,
- for executive FB members EURO 12.000 /a max and
- for FB chairman EURO 15.000 /a max.

The Foundation Board members are in function for a period 4 years with a maximum of three times four years, on basis of a rotation scheme.

The financial administration is done by the staff of Universiteit Nyenrode B.V.; Nyenrode University's Financial Director Rimmelt Vetkamp reports to Foundation Board's Audit Committee.

The 'garden service employees' are employed by Universiteit Nyenrode B.V. under the supervision of Nyenrode University's Financial Director Rimmelt Vetkamp, who for this particular function reports to Foundation Board's Real Estate Committee .