

## Principles

### EFFECTIVE REALIZATION OF THE FOUNDATION MISSION

**The foundation<sup>4</sup> is obligated to carry out the foundation mission as set out by the founder, and in the most effective, efficient and sustained manner possible.**

The foundation mission is the starting and orientation point of all foundation activities. The foundation bodies are responsible for the effective fiduciary implementation of the mission. The more effectively, efficiently and lastingly this occurs, the better they fulfill the founder's mandate. This applies to dealings concerning the foundation's assets as well as to grant-making activity.

### CHECKS AND BALANCES

**The foundation ensures that a balanced relationship exists between management and monitoring in all important decisions and dealings, using appropriate organizational and administrative procedures.**

The foundation has no members, no shareholders and no partners. It has no supervisory instrument at its disposal, such as general meetings for associations, or shareholders' meetings for stock corporations. The foundation does not belong to a third party, but to some extent, to itself. By specifically laying down such in its foundation charter, the foundation must ensure its management, and that this management is monitored.

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4 In the following, foundation transactions refer to those carried out by members of the foundation board as well as those by the management board.

## TRANSPARENCY

**The foundation board ensures that the foundation's goals, activities and structures are as transparent as possible, as is appropriate for the foundation mission.**

As a rule, grant-making foundations receive tax advantages. Above and beyond this, civil society views foundations as having an elevated social role. Thus, foundation activities must satisfy internal and external transparency requirements and foundations must appropriately inform about their goals, activities and structures.