KR Foundation’s investment criteria

KR Foundation has a stated capital of approx. DKK 10m donated by the descendants of Villum Kann Rasmussen, MSc in Engineering, and VILLUM FONDEN, and a distributable capital of DKK 100m donated annually from 2015-2029 by VILLUM FONDEN.

The stated capital is invested in accordance with the statutory rules on the placement of funds of foundations, including the Danish Executive Order on Placement of Funds. The Danish Executive Order on Placement of Funds Order stipulates that a foundation’s stated capital normally cannot be disposed with, and that it shall be invested in low risk-assets, such as bonds.

KR Foundation’s stated capital is invested in the Triodos Sustainable Bond Fund. No appropriations are made to the stated capital.

In alignment with the purpose of KR Foundation, the distributable capital is spent in full every year on grants. As some of these grants are multi-year, the foundation can invest a small portion of its distributable capital.

KR Foundation’s criteria for investing the distributable capital are as follows:

- **Liquidity**, i.e., approx. 1/3 of the invested capital shall be accessible in few working days in order to avoid putting any unnecessary restraints on KR Foundation’s grant-making;
- **Low risk** in order to avoid financial losses, also taking into account that most of the capital will be earmarked for grants and thus will be fully disposed of;
- **Return**, able to secure a return rate equal to current inflation rates at a minimum, thus avoiding depreciation of the capital; and
- **Mission-aligned**, i.e., fossil free and in primarily environmentally sustainable assets (e.g., renewable energy, energy efficiency, recycling, sustainable agriculture & food, etc.).


KR Foundation makes all its grants in Danish Kroner (DKK) and does not cover exchange rate risk.