

Minutes of the DRC Board of Directors seminar on 19 May 2026

Present

From the board:

Carsten Stendevad, Chairperson
 Caroline Tromer Dragsdahl
 Charlie Brown, Employee Representative
 Kim Simonsen
 Nilüfer Sahin
 Nina Boel
 Rasmus Stuhr Jakobsen
 Torben Huss
 Ulla Næsby Tawiah, Deputy Chairperson
 Vagn Berthelsen

Apologies

Henrik Bodskov
 Mahmoud Mohamad, observer (Deputy Chairperson
 in DFUNK)

From the secretariat:

Charlotte Slente, Secretary General
 Vibeke Bach Madsen, secretary of the Board
 Pia Løvengren Ravn, Executive Director for Finance,
 Risk, It, Supply chain & Commercial contracts
 (FRISC), under item 3, 4
 Mads Sørensen, ED for People & Organization
 (P&O), under item 6
 Eva Grambye, ED for Strategy, Program & Results
 (SPR), under item 7

From Audit Committee

Finn Schwarz, under item 3, 4
 Michael Bach, under item 3, 4

From the external Auditors

Christian Dalmose Pedersen, under item 3
 Thomas Holm Christensen, under item 3

Agenda

	Points		Content
	Coffee and tea		
1)	Approval of the agenda / Carsten Stendevad	Decision	Comments on the agenda.
2)	Declaration of conflict of interest / Carsten Stendevad	Decision	Members of the Board declare if they have any conflict of interest in relation to any items discussed at the meeting.
3)	Adoption of the 2025 Annual Report, including financial briefing Q1 2026 and Forecast 2026 / Pia Løvengren Ravn, ED for Finance, Risk, It, Supply chain, Commercial contracts	Decision	Annex 3.0 Cover note for Annual Report Annex 3.1 Recommendation Financial Statement 2025 Annex 3.2 Final Draft 2025 Annual Report Annex 3.3 Cover Note Audit Book 2025 Annex 3.3.1 Audit Book comments 2025 Annex 3.4 Quarterly Report - Jan-March 2026 Annex 3.5 Forecast 2026

	Points		Content
			<p>The Board of Directors is to comment on and adopt the Annual Report, which will subsequently be submitted for adoption at the annual meeting of the Council on 15 June 2025.</p> <p>The Audit Committee and the external auditors have been invited for this agenda item.</p>
	Break		
4)	Briefing from the Audit Committee / Torben Huss and Vagn Berthelsen	Information	The Board of Directors will be briefed on the activities of the Audit Committee.
5)	Decisions in relation to the Council meeting on 15 June 2026 / Carsten Stendevad	Decision	<p>Annex 5.0 Cover note for the annual meeting of the Council on 15 June 2026</p> <p>Annex 5.1 Agenda for annual meeting of the Council on 16 June 2025</p> <p>Annex 5.2 Proposed resolution on annual membership fees</p> <p>The Board of Directors will take a final look at the agenda for the annual meeting of the Council and make decisions on the recommendations for adoptions at the annual meeting of the Council.</p>
	Break		
6)	The People side of DRC / Mads Sørensen, ED for People & Organization	Discussion	<p>Annex 6.0 Cover note The People Side of DRC</p> <p>Annex 6.1 DRC People perspectives</p> <p>The Board has the annual strategic discussion of the people side of DRC after the changes of the organization in 2025 with a specific focus on leadership, retention, engagement and well-being.</p> <p>The session will include examples of DRC's work and challenges / dilemmas in this area.</p>
	LUNCH		
7)	DRC new global strategy / Charlotte Slente, Secretary General and Eva Grambye, ED for Strategy, Program & Results	Discussion	<p>Annex 7.0 Cover note DRC new global strategy</p> <p>Annex 7.1 DRAFT DRC new global strategy</p> <p>The Board discusses and sets direction for DRC's new global strategy.</p> <p>Furthermore, the Board will be presented with dilemmas and the hard choices given the intention to better prioritize and focus going forward.</p>
	Break		
8)	The lifecycle of an operation - Afghanistan as an example	Information	The Board will get an example of the lifecycle of a country operation handling emergency situations, building long-term solutions, working towards localization and at the same time upholding a

	Points		Content
	/ Dania Al Sharif, outgoing Country Director in Afghanistan		principled approach with strong advocacy messaging.
9)	Information from the Chair and the Secretary General	Information	
10)	AOB		
	Recap after the meeting		The purpose is to evaluate the quality of the board meeting and for the chair to brief the board on his ongoing dialogue with the SG and Executive Management Team

Re 1) Approval of agenda

The agenda was approved as presented above.

Re 2) Declaration of conflict of interest

The Chairperson asked the Board of Directors to declare if they have any conflict of interest in relation to any items discussed at the meeting.

No one had any conflict of interest to declare.

Re 3) Adoption of the 2025 Annual Report, including financial briefing Q1 2026

The following annexes had been sent to the Board members:

Annex 3.0 *Cover note for Annual Report*

Annex 3.1 *Recommendation Financial Statement 2025*

Annex 3.2 *Final Draft 2025 Annual Report*

Annex 3.3 *Cover Note Audit Book 2025*

Annex 3.3.1 *Audit Book comments 2025*

Annex 3.4 *Quarterly Report - Jan-March 2026*

Annex 3.5 *Forecast 2026*

Pia Løvengren Ravn, ED for Finance, Risk, It, Supply chain, Commercial contracts (FRISC), went through the **Financial Statement 2025**.

Income 2025

In 2025, DRC generated total revenue of DKK 3.45 billion, reflecting a decrease of 229 mDKK from 2024 primarily due to funding disruptions, including the temporary suspension of US government funding and the phased closure of selected operations.

Result 2025

DRC reported a net result of DKK -46.5 million, driven mainly by foreign exchange losses (DKK 49 million), operational disruptions as mentioned above, the old projects closure (DKK 16 million) and the provision set aside for the implementing partners remaining cleanup planned for 2026 (DKK 10 million). Operational losses in 2025 were 15 million DKK.

Reserves and cashflow 2025

Total reserves amounted to DKK 333 million at year-end, decreasing from DKK 380 million in 2024 in line with the negative result. Operating cash flow remained strong at approximately DKK 372 million, resulting in a solid cash position of DKK 1.43 billion.

The current level of unrestricted reserves is within policy, towards the lower end of the target range.

Despite the reduction in reserves, DRC maintains a sufficient financial buffer, although the safety margin decreased from 10.3% in 2024 to 9.5% in 2025, reflecting increased pressure on reserves while remaining at an acceptable level.

Profit for the year is to be transferred to equity

It is recommended to allocate -46,553 mDKK from unrestricted funds and 52 mDKK from restricted funds with a total distribution of profit of -46,501 mDKK.

Audit Book

Christian Dalmoose Pedersen and Thomas Holm Christensen, external auditors from Deloitte, made a brief presentation of the audit book 2025.

The audit opinion for the Annual Report for 2025 is without qualifications or emphasis of matter.

Annual Report

The Annual Report 2025 (narrative and numbers) has been approved by the Executive Management Team and has been reviewed by the Audit Committee.

The Board is asked to approve the Annual report with the narrative part highlighting selected parts of DRC's activities and results for people in 2025 as well as the number part with the annual accounts 2025.

It was noted that foreign exchange (FX) management is a key focus area, with additional specialized resources having been allocated to strengthen capacity and oversight.

Q1 2026 Financial information and forecast

Pia Løvengren Ravn, ED for FRISC, presented the Q1 2026 results.

Revenue for Q1 2026 is slightly below budget corresponding to 73% of year-to-date budget, primarily driven by timing and phasing differences rather than underlying performance issues.

Despite this, the overall outlook for 2026 remains stable and strengthened by a high level of funding security, with 81% of the annual budget already contractually secured, exceeding last year's level at the same point.

Liquidity remains strong and at a favorable level.

Overall, the financial position at the end of Q1 is stable, with deviations largely explained by timing effects rather than structural concerns so far.

Forecast

In 2026, performance is very strong, with total forecasted income exceeding budget for 2026.

The forecast is for the first time including the coming year as well. Looking ahead to 2027, the organisation presents a more conservative outlook than for 2026. This reflects that DRC have many short-term grants and a deliberately cautious stance, primarily recognising secured multi-year contracts while limiting assumptions on pipeline conversion.

Solarization and Decarbonization Initiatives: The organization is accelerating its solarization program, planning to invest over three years to reduce reliance on oil and grid electricity, with site-by-site implementation and a focus on high-priority countries.

⇒ **Decisions:** *The Board of Directors acknowledged the financial results for the year. It is quite impressive to land a result of this size in an extremely difficult year for DRC and the humanitarian sector.*

The Board of Directors approved the allocation of reserves and the Annual Report 2025. This will be sent to the Council for their approval on the annual meeting 15 June 2026.

The Board emphasized the importance of foreign exchange (FX) management and encouraged management to ensure that FX management is treated as a priority area going forward. The Board also expressed a desire to receive regular updates on developments in this area.

The Board of Directors expressed its thanks to the auditors for their presentation of the audit book, for the audit opinion and for the good cooperation. The Board of Directors signed the audit book. The Audit Committee will monitor the agreed improvements in the financial reporting.

The Board of Directors also expressed its sincere thanks to the Audit Committee for its close monitoring of the work, which is an important and considerable support for the Board of Directors.

Re 4) Briefing from the Audit Committee

Torben Huss, representative of the Board of Directors on the Audit Committee, briefed the Board about the proceedings in the Audit Committee at their meeting held 8 May that did not refer to the Annual Report 2025, the Audit Book 2025 and the Q1 Financial information and forecast.

Internal Audit update

A draft Internal Audit Annual Report 2025 was presented to the Audit Committee. There were no new major risk themes to address. Control environment is improving, with better responsiveness from countries and remediation progress.

⇒ **Recap:** *The Board of Directors extended its thanks to the two board members working on the Audit Committee. This is important work, and the board is reassured by the Audit Committee's efforts. It is recommended to sequence Audit Committee meetings to leave time for approval of minutes, so these can be sent to the Board of Directors as an annex for their meetings.*

Re 5) Decisions in relation to the Council meeting on 16 June 2025

The following annexes for this agenda item had been sent to the Board members:

Annex 5.0 *Cover note for the annual meeting of the Council on 15 June 2026*

Annex 5.1 *Agenda for annual meeting of the Council on 16 June 2025*

Annex 5.2 *Proposed resolution on annual membership fees*

Elections of members to the Board of Directors

At the 2026 Council meeting there will be two members up for election:

- Nina Boel (elected 1st time in 2023)
- Vagn Berthelsen (elected 1st time in 2021 and 2nd time in 2023)

Should existing Board members step down, there will of course be an election to substitute this Board member.

Deadline for nominations is 26 May 2026.

Elections to the Audit Committee

In 2026 the Council will elect 1 representative to the Audit Committee with expertise in legal issues, cf. Article 17(6) of the Articles of Association.

Finn Schwarz has agreed to stand for another round (2 years).

Approval of the agenda

The Board of Directors approves the final agenda, which is sent out with appendices to the Council members meeting no later than 14 days before the meeting is held (Article 9(2) of the Statutes).

Membership fees for 2027

The Council members determine the annual membership fee (agenda item 9).

When an organization applies for membership, the membership fee is set in a dialogue between the applicant organization and DRC within the 3 frameworks set by DRC and with consideration to the financial capacity of the applicant organization.

It is recommended that the current membership fee continues unchanged.

⇒ **Decisions:** *The Board of Directors approved the agenda and all the annexes for the meeting of the Council on 15 June 2026 – including the candidates proposed for the various elections.*

Re 6) The People side of DRC

The following annexes had been sent to the Board members:

Annex 6.0 *Cover note The People Side of DRC*

Annex 6.1 *DRC People perspectives*

Mads Egeskov Sørensen, ED for People & Organization (P&O), made the presentation to the Board's annual strategic discussion of the people side of DRC after the changes of the organization in 2025 with a specific focus on leadership, retention, engagement and well-being.

Organizational change and engagement: Following the organizational change that reduced number of staff and made the shift to a two-layer organization taking effect from 2026, staff engagement and participation remain high according to the biannually engagement survey; DRC Voices survey, this is despite significant changes and workload pressures. It remains a key priority to land the people side of the organizational change, to ensure the best possible working conditions for staff and for the organization to thrive and perform the mission.

Leadership and management challenges: Engagement among managers is key for the organization to succeed. There is in general a high engagement among managers, however DRC Voices survey reflects the pressures of implementing the organizational change and new ways of working. Coaching and other leadership development programs have been introduced to support managers in adapting to the new roles.

Nationalization and localization efforts: The organization is balancing the ambition to nationalizing positions with the need to retain critical international expertise, participating in sector-wide initiatives like the Fair Project and aligning with donor expectations. Localization requires shifting capabilities to support local partners and adapt to diverse contexts.

Turnover, Career Pathways, and Retention: High turnover, especially in key positions, is being analyzed to inform targeted retention strategies. In the now two-layered organization the plan is to develop a more structured approach to career development, mobility, and succession planning, focusing on both national talent development and the need for global expertise.

Value Proposition and Staff Motivation: The value proposition for staff varies by location, however challenging tasks, good working conditions, duty of care and a strong mission are key elements. Compensation is generally competitive, but attracting specialized global talent can be challenging.

⇒ **Recap:** *The Board of Directors expressed its thanks for the presentation and had a comprehensive discussion of the materials reflecting on people engagement, motivation, leadership and talent management, including retention and career pathways. It is key to attracting the talent needed for any organization where the employees are the most important resource. The Board would like to maintain an annual dialogue on the People side of DRC.*

Re 7) DRC new global strategy

The following annexes had been sent to the Board members:

Annex 7.0 Cover note DRC new global strategy

Annex 7.1 DRAFT DRC new global strategy

Charlotte Slente and Eva Grambye, ED for Strategy, Program & Results (SPR), introduced DRC's new global strategy.

The new global strategy is to support the overall direction of the organization:

Vision: A dignified life for all displaced.

Mission: We assist refugees and the displaced, protect their rights and empower them towards a better future.

Impact Statement: People affected by conflict and climate induced displacement improve their situation and (re-)build their livelihoods.

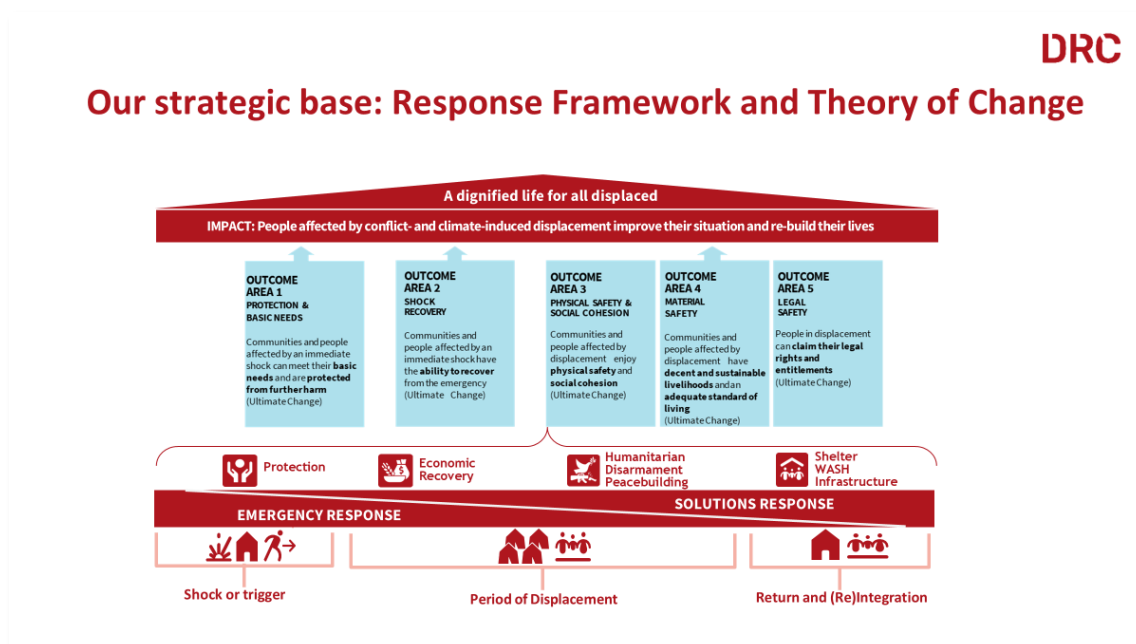
Strategy background, rationale and the base

It has been agreed with the Board that the new global strategy will be adaptive so best to respond to global instability and fast changes, the importance of focusing on impact rather than fixed timelines, and the lessons learned from the previous strategy, including the need to simplify, prioritize, and ensure alignment with country office realities.

The strategic base of the strategy is the DRC Response Framework and the Theory of Change previously presented to the Board.

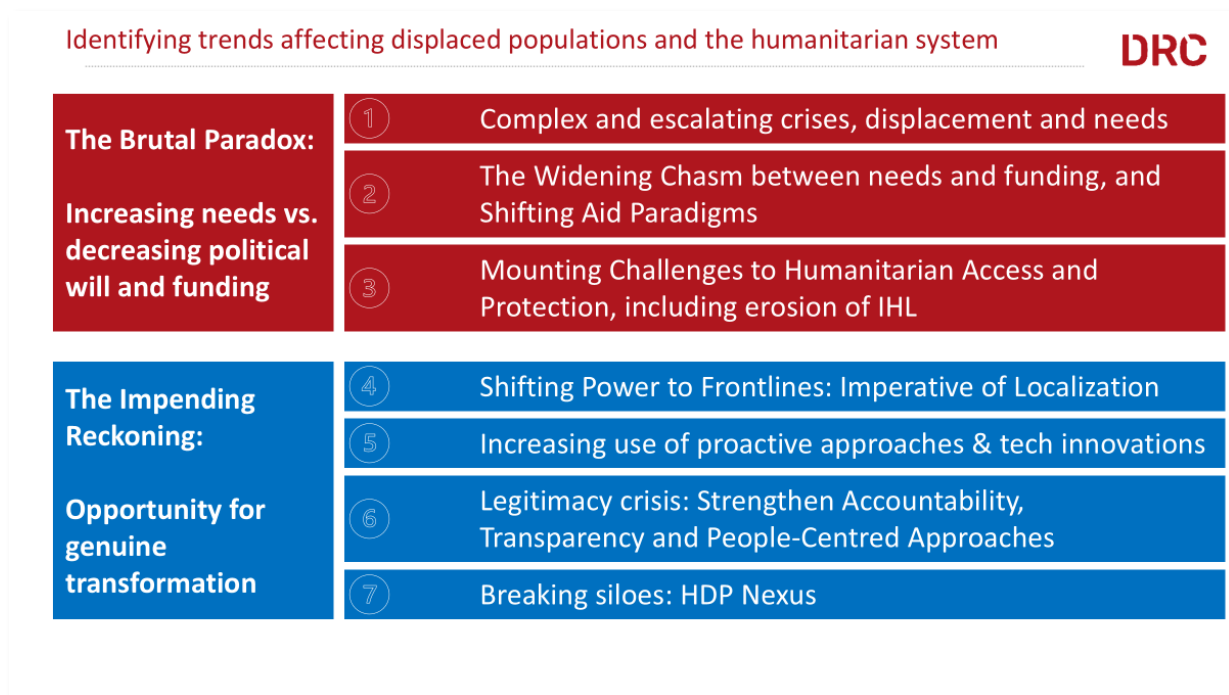
The Response Framework organizes the DRC programming around two integrated platforms — Emergency and Solutions – as well as four core sectors: Protection; Economic Recovery; Humanitarian Disarmament & Peacebuilding; Shelter, Settlements, WASH & Infrastructure. The response is not a fixed sequence, and sector interventions are not siloed. Instead, the response is agile, reflecting how people experience displacement, which is rarely linear.

The Response Framework is underpinned by a Global Theory of Change articulating how change happens through systems, relationships, and the capacities of communities themselves, detailing concrete pathways to pursuing five global outcomes.



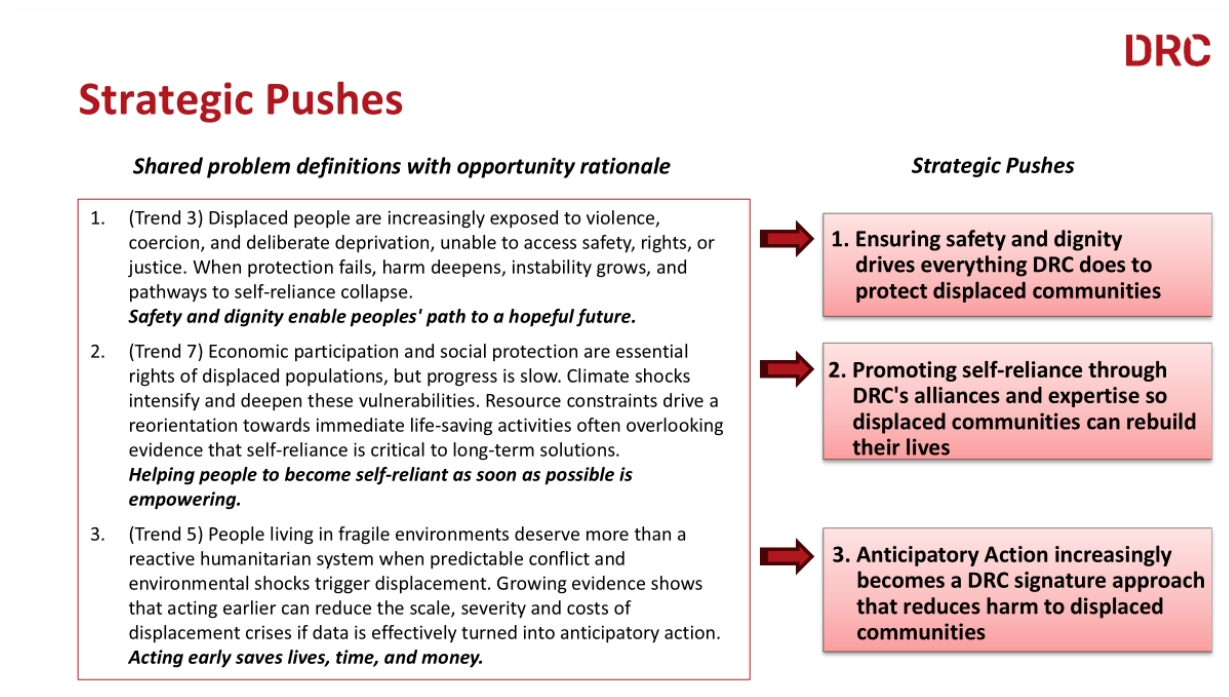
Responding to trends affecting the displaced populations and humanitarian system

As presented on previous Board meetings and on the thematic Council meeting, DRC has identified 7 trends affecting the displaced populations and humanitarian system:



Key Strategic Pushes

The strategy will focus on three strategic pushes



Localization

DRC's 2030 Localization Vision, systematically supporting and collaborating with local actors and systems in their lead roles, remains a core commitment alongside the strategic priorities.

Operationalization and Monitoring

The strategy includes mechanisms for adaptive implementation, such as regular reviews of strategic pushes, country-level theory of change development, and annual delivery agreements, with a focus on monitoring outcomes, enabling organizational development, and maintaining flexibility to respond to emerging trends and donor landscapes.

Next steps

The strategy document will be updated including remarks and recommendations from the Board before the Executive Management Team will have their final review and approval of the document in June.

The document will be presented to the Council at their meeting 15 June and the final strategy will be presented to the Board for approval 22 June.

⇒ **Recap:** *The Board of Directors expressed its thanks for the comprehensive presentation and discussion. The Board endorsed the overall direction, the concrete strategic priorities and the establishment of the solid base in the DRC Response Framework and the Global Theory of Change.*

The Board expressed its strong acknowledgement of the inclusive process of the Board, Board representatives and the Council.

The Board recommended improving the strategy bringing clarity on the protection push and DRC's protection work, including more concrete examples and accessible language for both internal and external audiences.

Finally, the Board is looking forward to the coming discussions and following the implementation of the strategy to get information with a focus on the outcome for displaced people and affected communities.

Re 8) The lifecycle of an operation – Afghanistan as an example

Dania Al Sharif, outgoing Country Director in Afghanistan, presented an in-depth overview of the Afghanistan operation, covering the humanitarian context, operational challenges, programmatic responses, localization efforts, donor engagement, and the complex environment under Taliban rule, followed by a Q&A with the board.

Humanitarian Context and Crisis Dynamics

Afghanistan has layered crisis, with nearly half the population in need of humanitarian assistance, compounded by chronic poverty, weak infrastructure, climate shocks, and mass forced returns, leading to ongoing displacement and overlapping emergencies.

DRC Programmatic Response

The DRC operation covers 18 provinces with activities in protection, economic recovery, shelter, WASH, and humanitarian disarmament, balancing emergency response (e.g., shelter, cash, border monitoring) with longer-term recovery (e.g., reintegration, climate-resilient livelihoods, innovation projects like drones for disaster prevention).

Operational Dilemmas and Negotiations

Challenges such as gender restrictions, interference from authorities, and donor conditionalities was highlighted, explaining how DRC maintains principled humanitarian access, negotiates red lines, and ensures female staff participation despite evolving restrictions and risks.

Localization and Partnerships

DRC Afghanistan works with 11 local partners, focusing on equitable partnerships, especially with women-led organizations, and supports local NGOs through technical assistance, twinning programs, and efforts to strengthen their role in coordination structures.

Donor Engagement and Advocacy

With most donors operating remotely, DRC plays a key role in translating field realities to donors,

maintaining transparent communication, influencing funding priorities, and advocating for principled approaches, including through initiatives like the Joint Interaction Reference Framework (JIRF).

⇒ **Recap:** *The Board of Directors expressed its thanks for the excellent and informative presentation and wanted to also extend its thanks to the entire team in Afghanistan. This gave a very good impression of how DRC operates in very complex and challenging contexts.*

Re 9) Information from the Chairperson and the Secretary General

- **Humanitarian Funding Shifts and Donor Coordination**

Charlotte Slente provided an overview of the evolving humanitarian funding landscape, focusing on the shift to country-based pooled funds managed by OCHA, the implications for UN and NGO funding, and ongoing advocacy efforts with donors including upcoming meetings in Geneva, in Denmark and with NRC.

- **SG mission to Bangladesh and Myanmar**

From April 26th to May 1st, 2026, Secretary General Charlotte Slente was on a visit to Bangladesh and Myanmar. In a humanitarian context marked by a severe funding shortfall, the visit notably focused on successfully engaging key donors and on the need to advance the localization agenda. In Bangladesh, the focus was on the Rohingya crisis and the Cox's Bazar district, hosting approximately 1.2 million Rohingya refugees in 33 highly congested camps. While the local community of the south-eastern Bangladeshi district is also affected, the visit highlighted the realities of the long-running crisis and the operational difficulties faced by DRC and its partners.

- **Humanitarian Access – Gaza and DR Congo**

Upon requests, Secretary General Charlotte Slente gave brief update on Gaza, where over 90% of the population is displaced and humanitarian access is severely restricted, and DRC is operating via local partners. In DR Congo funding is limited and protection work is challenged by among other things the absence of local authorities.

Re 8) Any other business

No further business was transacted under this item.

Board meetings in 2026

Board/3	22 June
Board/4	16 September
Board/5	7 December