



2023 Financial Statements

April 10, 2024

Annual Financial Statements for 2023

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Notes to the 2023 Financial Statements

Summary

In 2023, Netspar launched its 2023–2027 Action Plan, “Pensions with a Future: The Transition and Beyond.” It was also a year in which several other momentous events took place. The adoption of the Future Pensions Act made Netspar’s work more relevant than ever. In addition, Marike Knoef resigned as director, which, among other things, led to the loss of an endowed academic chair funded by Instituut Gak, and the organization experienced a number of other personnel changes as well. Lisa Brüggem became the new director of Netspar on March 1, 2023, and Instituut Gak has since awarded an endowed academic chair to her. Meanwhile, despite somewhat lower revenue in 2023, Netspar’s output in terms of publications and events was in line with that of previous years. This output is expected to remain comparable in the years to come.

Less Income Due to Shifts in Timing

Compared to 2022, total income for 2023 declined (–k€ 239; –8%). This is partly due to shifts in the timing of revenues. In addition, Netspar had received a one-time contribution of k€ 250 from Tilburg University in 2022, while in the spring of 2023, a Gak Instituut endowed academic chair and affiliated project were terminated (–k€ 126).

Steady Expenses

Expenses remained essentially flat compared to 2022 (–k€ 19; –0.6%). Although the expenditure on Network Development increased due to the cost of revamping the website and CRM system, this was offset by slightly lower expenses for Knowledge Development compared to 2022, mostly as a result of shifts in the timing of expenditures. Expenditure on both Knowledge Dissemination and Management & Operations was also lower overall, primarily as a consequence of the changes in personnel and lower reserves for severance payments for Netspar staff in the event of liquidation.

A more detailed explanation of income and expenditure follows below.

2023 Financial Statements

Income (x k€)	2022	2023
General Income	2.191	2.279
Partner contributions	1.734	1.787
Government contributions	450	460
Other income	7	32
<i>Total General Income</i>	2.191	2.279
Specific Income	745	418
Specific income	745	418
<i>Total Specific Income</i>	745	418
Total Income	2.936	2.697

Expenses (x k€)	2022	2023
Network Development	285	368
Knowledge Development	1.719	1.686
Knowledge Dissemination	611	568
Knowledge dissemination – Events	128	219
Knowledge dissemination – Publications	99	100
Knowledge dissemination – Expertise Center	201	100
Knowledge dissemination – Education	184	149
Management & Operations	595	568
Total Expenses	3.210	3.191

Due to rounding, some totals may not correspond with the sum of the separate figures.

Explanatory Notes to the 2023 Financial Statements

INCOME

General Income

Revenue in the “Partner Contributions” category was higher than in 2022 (+k€ 53). On the one hand, total contributions from existing partners/members were lower because the partnership with SPH ended (-k€ 60) and a large general contribution had been received from Instituut Gak in 2022 (-k€ 450). On the other hand, income increased as a result of contributions from new partners/members PGIM (+k€ 30) and ABN AMRO Pensioenfonds (+k€ 30), additional income received from existing partners and members (+k€ 368), and a contribution from Tilburg University for partnering in an academic collaborative center (+k€ 125).

“Government Contributions” were slightly higher than in 2022 (+k€ 10). This is due in part to a shift in timing, since a portion of the institutional subsidy from the Dutch Ministry of Social Affairs and Employment (SZW) will not be realized until 2024 (-k€ 145). At the same time, a higher annual contribution was granted by the SZW (+k€ 155).

“Other Income” was also higher than in 2022 (+k€ 26), primarily as a result of the financial support from the Dutch Social and Economic Council (SER) for furthering Netspar’s mission.

Specific Income

The income earmarked for specific purposes was lower than in 2022 (-k€ 327). On the one hand, more income was received in 2023 through the PPP allowance for public-private partnerships that had been awarded in 2020, 2021, and 2022.¹ On the other hand, there had been a one-time contribution from Tilburg University in 2022 for executing the new 2023–2027 Action Plan, and income was lower due to the termination of an endowed academic chair funded by Instituut Gak, along with the associated project.

¹ The PPP allowance is a subsidy for the research investments made by partners through Netspar and is administered by CLICKNL, a leading knowledge institute in the creative sector.

EXPENSES

On the expense side, Netspar draws a distinction between its three primary roles:

- Network Development
- Knowledge Development
- Knowledge Dissemination (events, papers, and education)

Costs are allocated as much as possible to each of these three primary role categories. There is also an item for Management & Operations.

Network Development

Netspar plays both an initiating and facilitative role in bringing together industry, government, and academic parties to address the issues of retirement and aging. The overall goal is to connect science with practice. This is best exemplified by the many research projects, not to mention gatherings and events, organized in the past year. Here is a small sample from the 2023 schedule:

- Netspar had 23 online After-Lunch Working Group Meetings, where new research was presented and discussed by scholars and experts from the field.
- A symposium was held to commemorate the departure of Prof. dr. Lans Bovenberg of Tilburg University. As one of the founders of Netspar, Lans Bovenberg played a large role in the discussions surrounding the reform of the Dutch pension system.
- There was the annual Pensions & Research Conference, the theme of which was “Pensions with a Future.”
- At an event titled “Conversion: How Should You Do It?,” the issues associated with converting pensions were examined in depth from various perspectives. This included the legal, communication, and accounting aspects of conversion.
- The Climate Risks and ALM Roundtable Conference looked into the question of whether the climate has a role to play in creating a strategic portfolio and, if so, how.
- Netspar produced a podcast on the topic of the introduction of the Future Pensions Act that showcased the involvement of several Netspar researchers during the discussions surrounding the act in the Dutch Senate.

In addition to these specific events, partner visits were held at every level as part of Netspar’s relationship management efforts and partners were actively recruited, resulting in the admission of the ABN AMRO pension fund and PGIM to the network. A variety of communication tools were deployed to further develop the network and boost name recognition, such as increasing visibility both on social media (LinkedIn) and in the national press and through the monthly Newsflash newsletter. Finally, the initial steps were taken toward revamping the website and the associated CRM system.

The expenditure on Network Development increased in 2023 compared to 2022 (+k€ 83; +29%). In addition to personnel changes, this was primarily caused by the cost of redesigning the website and linking it to the CRM system.

Knowledge Development

The expenses related to Knowledge Development derive from the grants² that Netspar awards each year to various types of research projects, as well as from projects that Netspar executes with funding from third parties. These cover the cost of the research itself and its coordination, as well as any incidental costs for data. It should be noted that in 2021, extra topicality projects were awarded in addition to the standard ones (for short-term policy-oriented research) for research related to the drawing up of the Pension Agreement.

The actual expenses for ongoing knowledge development were lower in 2023 than in 2022 (-k€ 32; -2%). This can be attributed, in part, to the extra topicality projects that were awarded in 2021 with regard to studying aspects related to the implementation of the Pension Agreement. We refer you to Appendix I for a more detailed explanation of the expenses for the various categories of projects.

Knowledge Dissemination

It is essential that the knowledge developed with Netspar's support find its way to the industry, policymakers, and academia. Netspar aims to accomplish this through its events, After-Lunch webinars, podcasts, papers (including one pagers), on-site knowledge sessions, guest appearances, and educational offerings, among other things, as well as through the partner advisory services of its Expertise Center for answering knowledge questions. Netspar actively uses social media to disseminate knowledge, and based on the coverage its research receives in not only trade publications such as Pensioen Pro, but also the national media, the press clearly knows how to find its way to Netspar researchers.

The expenses for events were higher than last year (+k€ 92; +72%). In addition to personnel changes, this was due to higher facilities costs for in-person events. The costs for publications rose slightly (+k€ 1; 1%). The expenses for the Expertise Center went down (-k€ 101; -50%), largely due to personnel changes and an increased focus on using researchers for the knowledge development. The expenses for education were also lower than in 2022 (-k€ 35; -19%), largely due to personnel changes and the hiring of less staff.

Management & Operations

The Management & Operations item contains costs that cannot be directly allocated to one of Netspar's three primary functions (i.e., network development, knowledge development, and knowledge dissemination). Expenditure on this in 2023 was lower overall than in 2022 (-k€ 27; -5%). On the one hand, there was an increase in costs due principally to personnel changes and the prices of office space and subscriptions. But this was offset by lower expenditure on other things, particularly for the allocation to the liquidation provision for severance payments for Netspar office staff in the event of liquidation, leave reserves, automation, and educational costs.

2023 Results

In 2023, expenses (k€ 3,191) exceeded income (k€ 2,697) by k€ 494. That amount was withdrawn from the general reserves (income received in advance).

² Appendix I lists the projects awarded prior to 2023 for which payments were made in 2022 and 2023 and/or will be made in coming years.

Multi-year Financial Statement

Multi-year Financial Statement as of 12/31/2023

Projected Income and Assets		Projected Expenses and Liabilities	
<i>Projected Income</i>		<i>Liabilities</i>	
Partner contracts	5.451.000	Projects underway and education	7.014.782
Government funding	1.960.000	Contracted personnel	2.569.792
Targeted subsidies	2.645.736	Scenario for winding up projects	833.000
Other income	-	Reserves for personnel costs	908.658
Liquid assets	5.813.900		
<i>Uncertain Income</i>		<i>Yet To Be Allocated</i>	
Still to procure	180.000	2023–2027 program	4.514.148
		Unreserved balance	210.257
	16.050.636		16.050.636

Due to rounding, some totals may not correspond with the sum of the separate figures.

Notes to the Multi-year Financial Statement

Netspar started executing its “2019–2023 Action Plan” on April 1, 2019, followed by the “2023–2027 Action Plan,” which went into effect on April 1, 2023. As of December 31, 2023, M€ 16 has been budgeted for that (and the attendant winding-up scenario through 2030) and for liabilities stemming from earlier action plans.

The long-range income budgeted (M€ 10.2) is nearly fully covered financially by contracts and commitments. Income yet to be procured has only been included to a limited extent. In terms of the projected long-range expenditures, 71% involves existing obligations. In addition, 29% has been budgeted as “Yet To Be Allocated” within the 2023–2027 Action Plan. That is done every year when the budget is adopted. Based on the annual figures for 2023, combined with the budgets for 2024 through 2030, the remaining “Unreserved Balance” item totals k€ 210.

Projected Income and Assets

We briefly describe the various kinds of income and assets below.

Partner Contracts

This item pertains to partner contributions yet to be received from partners in the pension and insurance industry, including supervisory agencies, that have committed to the jointly drafted research agenda for four years through fixed annual contributions. It also includes a contribution from Instituut Gak and a contribution from Tilburg University for participation in an academic collaborative center.

Government Funding

This item pertains to contributions yet to be received from a consortium led by the Dutch Ministry of Social Affairs and Employment (SZW) that supports the 2023–2027 Action Plan.

Targeted Subsidies

Netspar carries out a number of activities and projects sponsored by outside parties. These monies are earmarked for specific activities agreed upon in advance. This pertains to:

- Two endowed academic chairs, including PhD student and postdoc positions, financed by Instituut Gak;
- Projects executed for CLICKNL under a PPP project allowance; this income is still partly uncertain.

Liquid Assets

This concerns the balance of income and expenditure from previous years.

Still to Procure

The long-range estimates include a limited amount of income that has yet to be procured and is uncertain.

Projected Expenses and Liabilities

On the expense side, a distinction is made between continuing commitments and monies that are not yet committed to specific projects or operations.

Liabilities

- *Projects Underway and Education*
In addition to the projects underway for the 2023–2027 program period, there are still some taking place from the 2019–2023 period, as well as a few from the 2015–2019 period. The obligations arising from those projects are aggregated in this item. These pertain to payments owed to projects based on a previously agreed-upon schedule, adjusted as necessary according to an annual accounting of activities. In addition, there are obligations arising from the executive education program.
- *Contracted Personnel*
Netspar staff are under permanent contract. This item is based on what the total payroll costs would be for continuing activities through April 1, 2027, in the unforeseen event that the funding for a program beyond 2027 does not materialize.
- *Scenario for Winding Up Projects*
In the event that funding for a new 2027–2031 Action Plan does not come through, provisions have been made for a winding-up scenario that would take four years to complete (2027–2030), including an annual budget for publishing papers, holding a few events, and maintaining a minimal staff. As a precaution, k€ 833 has been planned for the entire winding-up period (Q2 2027–2030).
- *Reserves for Personnel Costs*
Netspar is required under the terms of its implementation agreement with Tilburg University to put aside certain reserves to cover part of the severance payments for Netspar staff in the event of liquidation.

Monies Yet To Be Allocated

- *2023–2027 Program*
Future costs related to executing the 2023–2027 Action Plan fall under this item. The costs pertaining to Netspar office staff are not included here (see instead “Contracted Personnel”). This item pertains mostly to the anticipated expenses for new research to be commissioned and related activities, as provided for in the budget for 2024 and beyond.

- *Unreserved Balance*

Upon execution and completion of the 2023–2027 Action Plan and earlier programs as budgeted, a balance of funds will remain that is “unreserved.” As of December 31, 2023, that item amounted to k€ 210. That balance serves as a buffer for any unforeseen setbacks.

Appendix I: Project Expenses in 2023

Here follows a summary of the payments made for ongoing projects in 2023. It includes mention of the new projects awarded that year. Appendix II lists the projects awarded prior to 2023 for which payments were made in 2022 *and/or* 2023. In the course of a project, adjustments are regularly made. As a result, the total payments can be lower (but never higher) than the amount originally awarded.

Theme Research

As part of its research agenda, Netspar funds select three-year scientific research projects for a maximum of between k€ 350 and k€ 375 per project. Project teams are composed of diverse scholars and team members employed by one of the partner universities and sometimes industry partners. Members of the project teams participate in working groups (gathering input from other scientists and professionals) and present the research results at Netspar events. Agreements are also reached with regard to the number of industry papers that are to be drafted.

(Amounts in € 1,000)	Total Grant Amount	Payments						
		2022	2023	2024	2025	2026	2027	2028
Granted in 2016	1.000	105	-	-	-	-	-	-
Granted in 2017	1.000	147	27	20	-	-	-	-
Granted in 2018	1.000	134	268	50	-	-	-	-
Granted in 2019	750	162	170	114	100	-	-	-
Granted in 2020	750	189	177	84	83	95	-	-
Granted in 2021	750	95	107	260	129	119	51	-
Granted in 2022	800	-	77	152	239	140	89	105
Granted in 2023	725	-	-	93	196	197	94	145
	6.775	832	827	773	747	551	234	301

Granted in 2023

- Thomas Post (UM): *Pension planning in the age of AI – What can we learn from digital peers?*
- Jorgo Goossens (RU): *Understanding, measuring, and applying ESG preferences*

In addition, in 2023, Instituut Gak awarded two grants of k€ 350 each to projects submitted under the call for Netspar theme research proposals. That was for the projects:

- “Introducing a new pension system: The importance of distributive, procedural and interactional justice,” led by Hans Hoeken (UU); and
- “Risk preference measurement and risk communication – A large-scale comparison of methods and its implications for the pension industry,” led by Anouk Festjens (UM).

Individual Research Grants

In the Individual Research Projects, Netspar funds up to 50% of the cost of a PhD candidate, or the equivalent sum for a post-doc researcher, for a maximum of three years and k€ 80. The PhD student or postdoc researcher is required to write two industry papers and participate in Netspar events. After 2018, no more Individual Research Grants were awarded. The expenses incurred relate to projects from before then.

(Amounts in € 1,000)	Total Grant	Payments	
	Amount	2022	2023
Granted in 2018	253	7	5
	253	7	5

Topicality Projects

The objective of the topicality projects is to formulate solutions for clearly delineated topical issues on the Netspar agenda. These projects are aimed at fostering collaboration between scholars and professional experts. Each topicality project results in an industry paper.

(Amounts in € 1,000)	Total Grant	Payments				
	Amount	2020	2021	2022	2023	2024
Granted in 2020	240	61	108	21	-	-
Granted in 2020, budget 2021	120	12	34	-	14	-
Granted in 2021	153	-	47	86	-	-
Granted in 2022	90	-	-	27	21	42
Granted in 2023	115	-	-	-	35	80
	718	73	189	134	70	122

No additional out-of-pocket expenses are incurred for topicality projects carried out as part of theme research. Similarly, if they are carried out under the Expertise Center, no funding is provided from this budget.

Granted in 2023

- Hans Hoeken (UU), Lianne van Weelden (UU): *Heldere communicatie over onzekere uitkomsten* (Clear communication about uncertain outcomes)
- Eduard Ponds (TiU), Agnes Joseph (Achmea): *Ondersteuning deelnemers bij het kiezen van vaste of variabele uitkering aan de hand van experience sampling op het voorlopig en definitieve keuzemoment* (Supporting plan participants in choosing fixed or variable benefits using experience sampling at the tentative and definitive decision points)
- Jorgo Goossens (RU), Marike Knoef (TiU): *Samen leren van risicopreferentieonderzoeken* (Learning together from risk preference research)
- Jorgo Goossens (RU), Martijn de Vries (VU): *Persoonlijke karakteristieken en robuuste life-cycle beleggingen* (Personal character traits and robust life-cycle investments)
- Bastiaan Starink (TiU), Eduard Ponds (TiU), Casper van Ewijk (TiU), Erik Lutjens (VU): *Adequate oudedagsvoorziening voor alle werkenden* (Adequate retirement provisions for all workers)

- Anne Balter (TiU), Nikolaus Schweizer (TiU): *Welfare effects due to collective investments based on heterogeneous preferences*
- Raun van Ooijen (RUG): *Determining an appropriate investment risk profile for different groups of participants depending on their risk capacity and their risk preferences*
- Mathijs van Dijk (TiU): *Performance toets bedrijfstakpensioenfondsen o.b.v. actuele, feitelijke data* (Performance test for industry pension funds based on timely factual data)

Comparative Research Grants

Researchers may be eligible for a Comparative Research Grant of up to k€ 20. The aim is to compare pension and retirement legislation and products in different countries (including the Netherlands) and draw relationships to the academic literature. The main condition is that the researcher write an academic paper (Netspar Discussion Paper) to be presented at the International Pension Workshop.

(Amounts in € 1,000)	Total Grant Amount	Payments			
		2021	2022	2023	2024
Granted in 2021	60	18	42	-	-
Granted in 2022	60	-	18	42	-
Granted in 2023	60	-	-	18	42
	180	18	60	60	42

Granted in 2023

- Zachary van Winkle (Sciences Po Paris), Aart-Jan Riekhoff (Finnish Centre for Pensions), Konrad Turek (TiU): *Social and economic consequences of widowhood during retirement: A comparative study on pensions and survivor benefits*
- Mark Visser (RU), Mustafa First (RU), Gerbert Kraaykamp (RU): *The interplay of work-family trajectories and welfare provisions in (in)voluntary retirement: A cross-national comparison of 28 European countries*
- Ward Romp (UvA): *The political process and phase-in period of pension reforms*

One-time Projects

In addition to the regular grants program, one-time project funding is occasionally awarded. No one-time projects were awarded in 2023.

Appendix II: Grants Awarded before 2023

This appendix provides a list of the grants awarded before 2023 for which payments were made during or after 2022 and 2023 or will be made going forward. It is thus not a complete overview of all grants awarded in previous years.

1. Theme Research

Granted in 2016

- Marike Knoef (LEI): *Uncertainty over the life cycle: Implications for pensions and savings behavior*

Granted in 2017

- Johan Mackenbach, Wilma Nusselder (Erasmus MC): *Longer life, longer in good health, working longer? Implications of educational differences for the pension system*
- Antoon Pelsser (UM): *Design of pension contracts in incomplete markets and under uncertainty*
- Peter de Goeij, Eric Postma (TiU): *Data science solutions to enhance pension communication*

Granted in 2018

- Hans Hoeken, Leo Lentz (UU): *The effectiveness of decision aids in pension communication and the role of literacy*
- Kène Henkens (NIDI): *The causes and consequences of retirement: A sociological perspective*
- Arno Riedl, Jona Linde, Peter Werner (UM): *Understanding and improving pension savings by combining incentivized experiments, survey, and administrative big data – A general employed population sample with a focus on the self-employed*
- Marijke van Putten (LEI): *Development and tests of a model for inertia in retirement decisions*

Granted in 2019

- Arthur van Soest (TiU): *Work and disability in old age: Restrictions & incentives*
- Rob Bauer (UM): *How to elicit preferences for sustainable investments?*
- Stefan Hochguertel (VU): *The effect of macroprudential policies on pensions and retirement preparation*

Granted in 2020

- Mathijs van Dijk (EUR): *Climate risks in investment portfolios*
- Benedict Dellaert, Bas Donkers (EUR): *Individual pension choices in uncertain times: Advancing digital support for risky pension decisions*

- Harry van Dalen (NIDI): *Pension monitor: Understanding causes and consequences of trust in pension institutions*

Granted in 2021

- Lisa Brügger (UM): *Automated financial advice: Quality, ethical and design challenges*
- Raun van Ooijen, Sandra Brouwer (UMCG): *Health and labor market uncertainty over the life cycle: The impact on households' risk capacity and retirement income adequacy*
- Peter Schotman (UM): *Collective investment for heterogeneous individuals*

Granted in 2022

- Max Groneck (RUG): *Work in old age and when disabled: The role of employer responsibility*
- Frank van Tubergen, Jelle Lössbroek (NIDI): *Migrants' retirement preparation: Risk factors, causes, solutions*
- Antoon Pelsser (UM), Servaas van Bilsen (UvA): *Optimal intergenerational risk sharing with reference-dependent preferences*

2. Individual Research Grants (previously called Small Vision Projects)

Granted in 2018

- Bart Dees (TiU): *Pensions products for heterogeneous agents accommodating for life events*

3. Topicality Projects

Granted in 2020

It is worth noting that in 2020, additional topicality projects were awarded alongside the standard topicality projects for research related to the implementation of the Pension Agreement. This pertained to topicality projects in the 2021 budget. No additional out-of-pocket expenses are incurred for topicality projects carried out as part of theme research. Similarly, if they are carried out under the Expertise Center, no funding is provided from this budget.

Standard Topicality Projects

- Willem van der Deijl, Bas Werker (TiU): *Ethiek rondom datascience en bigdatagebruik* (Ethics of data science and the use of big data)
- Ton Wilthagen, Michael Visser (TiU): *Invloed op pensioen vanuit ontwikkelingen op de arbeidsmarkt* (The retirement effects of developments in the labor market)

Topicality Projects Related to Pension Agreement Implementation (from the 2021 Topicality budget)

- Rob Alessie, Viola Angelini (RUG): *Het meten van risicocapaciteit* (Measuring risk capacity)

Granted in 2021

In 2020, in consultation with its partners, Netspar included funding for six new topicality projects in the 2021 budget, in addition to the standard topicality projects. This concerned projects related to the details being worked out for the Pension Agreement, and given the urgency at the time, turnaround times were kept short so that the initial findings would be available for use during the legislative process. In 2021, standard topicality projects were awarded with the remaining budget. That year, an additional four topicality projects were also awarded for research related to the implementation of the Pension Agreement. No additional out-of-pocket expenses are incurred for topicality projects carried out as part of theme research.

Standard Topicality Projects

- Lianne van Weelden, Hans Hoeken (UU): *Visuele communicatie van onzekere pensioenuitkeringen* (Visual communication of uncertain pension benefits)
- Jona Linde, Arno Riedl, Peter Werner (UM): *Ontwikkeling van risicohouding* (Developing risk attitudes)
- Mathijs van Dijk (EUR), Philipp Krüger (University of Geneva): *De rekening opmaken: Heeft duurzaam beleggen invloed op risico en rendement?* (Taking stock: Does socially responsible investing affect risk and return?)
- Casper van Ewijk, Lex Meijdam, Eduard Ponds (TiU): *NDC pensioen: een alternatief voor Nederland?* (NDC pension plans: An alternative for the Netherlands?)

Extra Topicality Projects, Related to Pension Agreement Details

- René Maatman, Mark Heemskerk (RU): *Verantwoordelijkheidsverdeling sociale partners en fondsbestuur* (Division of responsibilities between social partners and pension fund boards)
- Peter Schotman (UM), Rens van Gastel (PGGM), Niels Kortleve (PGGM), Theo Nijman (TiU): *Beheersen van inflatierisico in het nieuwe pensioencontract* (Controlling inflation risk in the new pension contract)
- Tanachia Ashikali (LEI): *Diversiteit in Pensioenfondsbesturen* (Diversity on pension fund boards)

Granted in 2022

- Lisa Brügger (UM), Bas Werker (TiU): *Communicatie rond toedeling persoonlijke vermogens* (Communication about personal asset allocation)
- Peter Schotman (UM), Niels Kortleve (PGGM), Rens van Gastel (PGGM), Theo Nijman (TiU): *Kunnen we inflatierisico's in de uitkering beter beheersen in de nieuwe premieregelingen?* (Can we manage the inflation risks for benefits better under the new DC schemes?)
- Bas Donkers, Benedict Dellaert (EUR): *Keuzebegeleiding rond vast en variabel pensioen* (Choice guidance in the matter of fixed versus variable pension benefits)

- Casper van Ewijk (TiU), Mark Heemskerk (RUN): *Economische en juridische aspecten van de keuze voor fondsen om wel of niet in te varen* (Economic and legal aspects for funds in deciding whether or not to convert rights)
- Raun van Ooijen, Rob Alessie (RUG): *Risk capacity measurement: A review of the scientific literature and application using Dutch administrative data*
- Erik Lutjens (VU), Hans van Meerten (UU): *De houdbaarheid van de taakafbakening in het toekomstig pensioenstelsel* (Sustainability of the role demarcation in the future pension system)

4. Comparative Research Grants

Granted in 2021

- Jens Kvaerner (TiU): *Household portfolio decision in low interest rate environments*
- Jan Kabátek (Melbourne University): *The effects of an ageing workforce on labour demand and workers' careers: Evidence from linked employer-employee data and pension reforms in the Netherlands and other countries*
- Marco Francischello (Imperial College Business School, London): *Retirement policies, sustainability and inequality: A comprehensive framework*

Granted in 2022

- Bastiaan Starink (TiU), Gylfi Zoega, (University of Iceland): *Mandatory pension accrual of entrepreneurs: A comparison between the Netherlands and Iceland*
- Vito Polito (The University of Sheffield), Burkhard Heer (Augsburg University), Mike Wickens (Cardiff University): *Pension systems' (un)sustainability and fiscal constraints: A comparative analysis*
- Sally Shen (GRI), John Turner (Pension Policy Center), Joanna Rutecka-Góra (Warsaw School of Economics), Sylwia Pieńkowska-Kamieniecka (University of Warmia and Mazury), Emily Andrews (Pension Policy Center): *Pension fees in the Netherlands, United States, Poland, and Canada*

5. Instituut Gak

Two research projects were launched in 2019 in association with two endowed pension chairs:

- *Vormgeving en transitie van het pensioenstelsel* (Design and transition of the pension system)
- *Waardering en beleggingsbeleid bij hervorming van het pensioenstelsel* (Valuation and investment policy in pension system reform)

One post-doc position and two PhD student positions were made available for these.

In connection with one of the endowed pension chairs (held at the time by Prof. dr. M. G. Knoef) a new research project was launched in 2022: *De vormgeving van pensioen nu en in de toekomst* (The design of retirement savings programs now and in the future). As a result of board changes at Netspar in the spring of 2023, this endowed academic chair and the associated project were terminated. Starting in 2024, Instituut Gak awarded an endowed academic chair to the new director of Netspar, along with an associated research project, which is being launched. A 0.5 post-doc position and 1 PhD student post have been made available for this.



Appendix III: Letter of Representation



Stichting Netspar (Netspar Foundation)
Attn: Chair of the Supervisory Board
Post Office Box 90153
5000 LE Tilburg
The Netherlands

Tilburg, April 10, 2024
Re: Letter of Representation for the 2023 Financial Statements
Reference no.: N2024.022

Dear Ms. Wortmann,

We hereby submit the 2023 Financial Statements and Multi-year Financial Statement as of December 31, 2023, to the Supervisory Board for approval.

These are the financial statements and multi-year financial statement for the Netspar Center, part of Tilburg University. Stichting Netspar (the foundation) does not have its own financial statements per se. The commissioning contract concluded between Tilburg University and Stichting Netspar, dated August 27, 2012, stipulates that Tilburg University is responsible for executing the Stichting Netspar multi-year program and for establishing an administrative unit for that purpose (i.e., the Netspar Center). Stichting Netspar is obliged to place any and all funds it receives from its partners and other sponsors for the purpose of achieving its objectives with the Netspar Center, which must manage and use those funds in accordance with the instructions of Stichting Netspar. The aforementioned contract further stipulates that every year, Tilburg University will provide Stichting Netspar with a financial annual report, including auditor's report, for the previous fiscal year, as pertains to the Netspar Center, by no later than April 1st.

The figures for the Netspar Center are part of the consolidated annual figures for Tilburg University, which include an auditor's report. To that end, the Netspar Center provides an annual analysis of the decentralized financial statements in conformity with the format prescribed by the Executive Board of Tilburg University. It bases these on the administrative systems designed and provided by Tilburg University. For 2023, the so-called decentralized financial statements (based on figures with a run date of 02-05-2024 and a freeze date of 02-05-2024), along with the requisite notes, were delivered to the Executive Board on February 13, 2024.

Netspar's Board of Directors considers the format that the Netspar Center must observe as a division of Tilburg University in drafting its annual figures poorly suited to providing its partners with a readily comprehensible overview of the income and expenses related to the principal functions Netspar performs. Netspar therefore also draws up more customized financial statements in its own format, which are released on the Netspar website after approval by the Supervisory Board and the release of the annual figures for Tilburg University.

The figures listed in the 2023 financial statements for the annual report align as follows with the figures in the 2023 financial statements submitted to the Executive Board of Tilburg University.

	TiU EB	Netspar Annual Report
Income	3,211	2,697
Expenditure	3,189	3,191
Profit/Loss	22	-494

Amounts X EUR 1,000

Under the Tilburg University system, the financial statements for the Netspar Center are geared toward obtaining a result that must be equal to the amount to be adjusted in the agreed provisions for severance payments for the staff of the Netspar office in the event of liquidation (as stipulated in the aforementioned contract).

The differences in income (-k€ 514) and expenditure (+k€ 2) can be explained as follows:

- Income was increased by k€ 494 in compiling the financial statements according to the Tilburg University format in order to arrive at the necessary result of k€ 22 (the amount of the required adjustment to the provision for severance payments to the staff of the Netspar

office in the event of liquidation). This amount was deducted from prepaid income on the balance sheet.

- In addition, under the Tilburg University format, income received from Tilburg University in the amount of k€ 20 was recorded for corrections to pass-through charges.
- On the expenditure side, there were credit entries related to costs that were recorded as income under the Tilburg University format (-k€ 20).
- The required adjustment to the provision for severance payments to the staff of the Netspar office in the event of liquidation appears in the Tilburg University format as a result.

This thus fully explains the difference in results.

We acknowledge our responsibility in drawing up these financial statements. These statements have our approval, and it is our belief that they constitute a fair representation of the results. We have accounted for or explained all liabilities, as applicable, in the financial statements. And to the best of our knowledge, no events have occurred between the balance sheet date and the date of this letter that would present cause for amending the financial statements or the notes to the financial statements.

Sincerely yours,
On behalf of the Netspar Center Board of Directors,
{signature}
Lisa Brüggem
General Director