



# NWO-I

## Annual Report 2024

Translation of the financial statement prepared on 18 June 2025. In case of any discrepancies or possible differences in interpretation between the English translation and the financial statement prepared on 18 June 2025, the latter prevail. The original and official Dutch financial statements are available on [www.nwo-i.nl/nwo-institutenorganisatie/over-nwo-i/jaarverslagen/](http://www.nwo-i.nl/nwo-institutenorganisatie/over-nwo-i/jaarverslagen/)



# Publication details

## Cover photo

At DIFFER, scientists are researching new materials and processes for the energy transition. For example, by splitting water into hydrogen and oxygen using electricity.

**Credits:**

DIFFER/Bart van Overbeeke

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# Facts and Figures

The Foundation for Dutch Scientific Research Institutes (NWO-I) is a research organisation under the Dutch Research Council (NWO). This foundation has its registered office in Utrecht. In 2024, NWO-I consists of the following nine institutes:

- **AMOLF** | Physics of functional complex matter
- **ARCNL** | Advanced Research Center for Nanolithography
- **ASTRON** | Netherlands Institute for Radio Astronomy
- **CWI** | Centrum Wiskunde & Informatica
- **DIFFER** | Dutch Institute for Fundamental Energy Research
- **Nikhef** | National Institute for Subatomic Physics
- **NIOZ** | Royal Netherlands Institute for Sea Research
- **NSCR** | Netherlands Institute for the Study of Crime and Law Enforcement
- **SRON** | Space Research Organisation Netherlands

On 1 January 2025, HFML-FELIX became part of NWO-I as the tenth institute.

There are also a small number of working groups at universities (BUW: University Working Groups Administrative Unit) that are part of NWO-I. NWO-I has a central office, which supports the Foundation Board and the institutes.

NWO-I is part of NWO, which receives a budget for its institutes from the Ministry of Education, Culture and Science (OCW). NWO-I also receives funding awarded on a competitive basis from NWO, the European Union, the government and from collaborations with universities, industry and other public and private parties.

At the end of 2024, NWO-I employed 1,673 FTE (rounded off, representing 1,798 people), including (rounded off):

- 568 FTE (608 people) in scientific staff
- 342 FTE (347 people) in PhD students
- 762 FTE (843 people) in technicians and other personnel

The NWO institutes have a national and international role because of the research facilities they maintain or make available, a coordinating role in the national research landscape and/or a pioneering role because of the nature and quality of the research. The researchers at the institutes together produced a total of 90 dissertations, 1,942 scientific (refereed) publications and 1,269 other publications (including those targeting general audiences) in 2024.

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# Foreword

The year 2024 was characterised by a great many developments in the world that impacted science, including lasting and growing geopolitical tensions. This also had repercussions for the NWO Institutes. This prompted them to devote close attention to the balance between sharing their scientific knowledge as openly as possible, on the one hand, and restricting access to scientific developments in the context of knowledge security, on the other.

The new Dutch government also decided to make severe cuts to funding for science and higher education. The Institutes are also encountering the effects of this; especially with the threat of significant cutbacks at the universities. This puts pressure on our good and necessary collaborations. The disappearance of the National Growth Fund and cuts to funding schemes also impact the Institutes because these measures jeopardise the acquisition of funding for research.

These pressures on science also affect science policy. Necessary developments in the areas of diversity, inclusion and equity and the recognition and rewarding of staff could come under pressure. For NWO-I, however, there is no doubt that it is important to continue to focus on this and create a better environment for science to flourish.

The Institutes managed to achieve a great deal in 2024. They received excellent ratings from international committees in the scientific evaluations according to the Strategy Evaluation Protocol (SEP). Our Institutes continue to grow and thrive nationally and internationally, increasingly forming close networks with researchers from university Institutes in the Netherlands and abroad.

We were delighted this past year to welcome HFML-FELIX, an internationally recognised centre of excellence in the field of high-electric field magnets and free electron lasers, as the tenth national research institute under the auspices of NWO. This in collaboration with Radboud University and six other universities. There was also hard work carried out on plans to establish an Einstein Telescope in the Euregio Meuse-Rhine, with which it will be possible to detect gravitational waves.

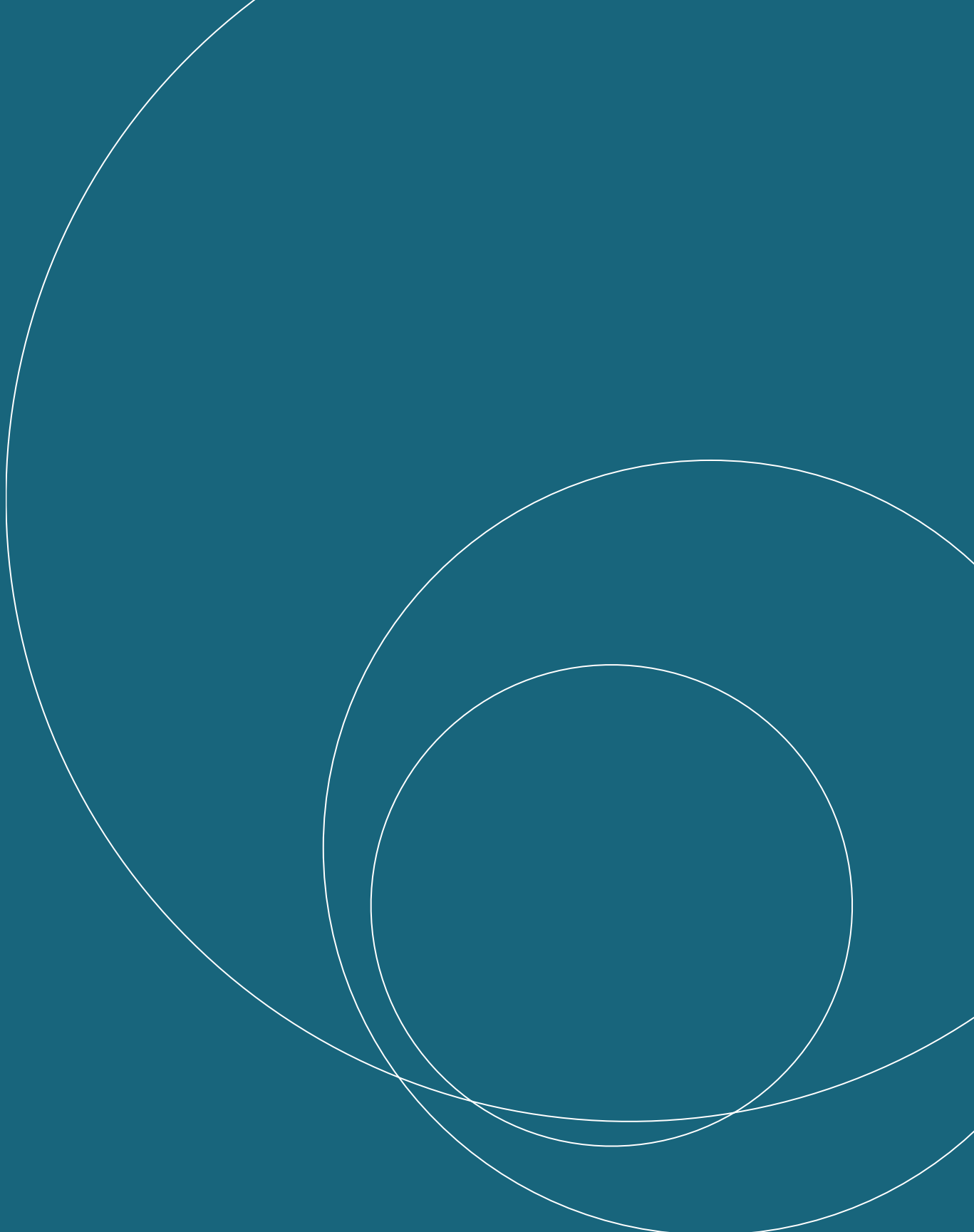
Last year, I wrote that 2023 had been an eventful year for NWO-I in terms of governing the organisation. In 2024, we continued the temporary governance model launched in 2023, and carried out a comprehensive and positive evaluation. In particular, the lines between the board and the Institutes have become shorter and mutual trust has increased. At the end of 2024, we took steps to convert the temporary model into a definitive form. This was actually enshrined in new articles and regulations in early 2025. This ensures NWO-I is ready for the future.

We cannot help but be proud of what the Institutes each individually and what NWO-I as a collective managed to achieve in 2024. We look forward to continuing these successes in the coming years.

**On behalf of the NWO-I Foundation Board,**

Professor Marcel Levi

President of NWO-I





# 1 Introduction

**This is the annual report of the Foundation for Dutch Scientific Research Institutes, the NWO Institutes Organisation, or NWO-I for short. In this report, NWO-I provides administrative and financial accountability to our funders and to society for our work in 2024.**

## Three parts

This annual report consists of three parts. The first part is the board report, which includes an overview of the events and financial developments in 2024. This also describes the structure of the NWO-I organisation. The second part encompasses the financial statements including the accounting policies, balance sheet, statement of income and expenditure, cash flow and explanatory notes thereto. The third part consists of the auditor's report.

## 1.1 About the NWO Institutes

NWO has nine national research institutes. The institutes each have a scientific mission of national and international strategic importance and each makes a specific and unique contribution to the Netherlands' research system.

These contributions complement those of other research institutes, both in terms of research by the Netherlands' universities and in terms of applied research by, for example, the Knowledge institutes for applied research (TO2), national knowledge institutes and universities of applied sciences. All the NWO institutes work closely with many of these knowledge institutes.

### **Scientific and societal impact**

The research and the development of facilities at the NWO institutes are driven by curiosity and societal challenges. The research is leading internationally in the various fields and is carried out ethically, excellently and in a pioneering fashion. By making the research accessible and disseminating it, the NWO institutes realise knowledge and solutions with scientific and societal impact.

Answering scientific and societal questions of national strategic importance and developing and operating (large) scientific infrastructure requires research with a long-term commitment and the joining up of multidisciplinary expertise and facilities. Our institutes offer the stability, extensive experience, experimental facilities and scientific reputation necessary to achieve this.

At the same time, our institutes remain responsive and agile; they respond quickly and vigorously to new developments. The missions and strategies of the institutes are set by the board on a regular basis and adjusted when necessary. This enables the NWO institutes to introduce innovations at short notice and respond decisively to developments in science and to questions from society that require fundamental and applied research.



## 2 Strategy and Research

**This chapter addresses some key developments for NWO-I, how NWO-I is implementing the NWO strategy ‘Wetenschap Werkt!’ [Science Works!], the importance of scientific infrastructure and changes in science policy and practice.**

### 2.1 Developments at NWO-I

#### 2.1.1 Institute evaluations

In 2023, the nine NWO institutes were all evaluated separately in accordance with the Strategy Evaluation Protocol (SEP). This evaluation process is carried out every six years. A separate evaluation committee, consisting of six independent scientific or societal experts, was set up for each of the institutes. The evaluation is explicitly about assessing the institute on its own merits and is not intended as a comparison between institutes. The evaluation focused on the scientific quality and societal relevance of the institutes, and the extent to which they are future-proof. Special attention was also paid this time to the PhD policy and research culture.

## World top

Although the focal point of the evaluation was in 2023, with the writing of self-evaluations, strategic plans and a visit by the evaluation committee, the nine individual evaluation reports were completed and presented to the board in early 2024. Each committee independently judged the institutes to be excellent and among the absolute best in the world. The institutes were praised for, among other things, their groundbreaking research, the access they offer their scientific field to large national and international consortia or infrastructures and for bringing the field together. This makes them an indispensable link in the landscape of scientific research in the Netherlands.

## Recommendations

The committees made a critical assessment and also presented the institutes with useful recommendations. The recommendations demonstrate that the institutes are on the right track and are an encouragement to carry on in this fashion.

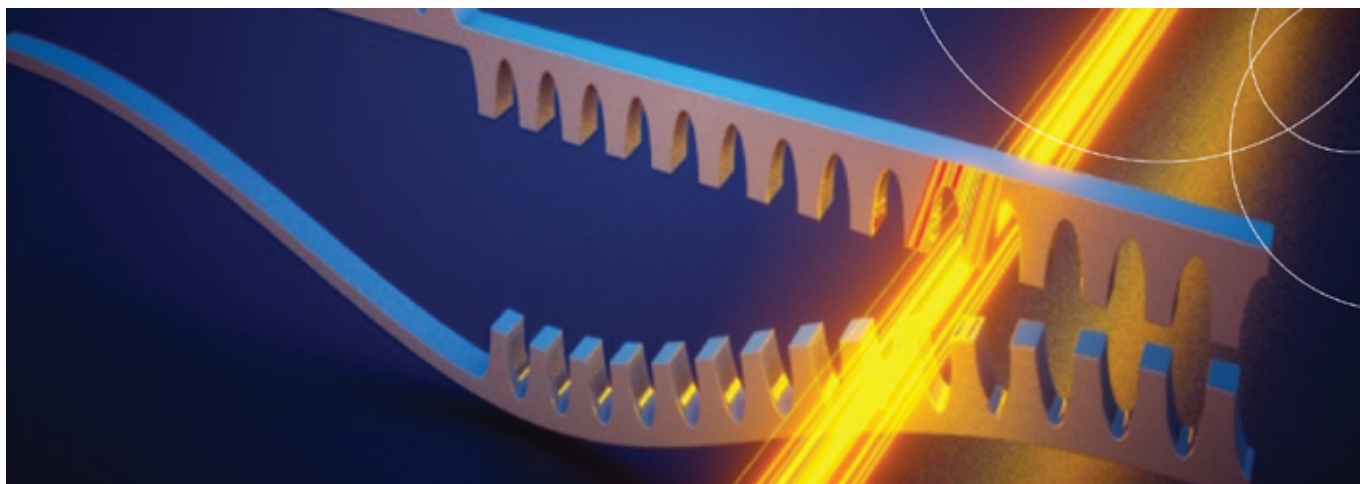
Some of the recommendations apply to multiple institutes. An example of an overarching recommendation is to improve mentoring programmes for PhD students and postdocs. Not only to support them in their careers at the institute, but more importantly to support them in pursuing their further careers.

Almost all the evaluations highlighted that PhD students would like more clarity in the expectations of the institute, NWO-I and the university at which they are doing their PhD. PhD supervision could be improved, therefore. Immediately after the evaluation, NWO-I took a first step towards this by setting up a PhD network.

The recommendation for further improving the research culture also arose at several institutes as an area of concern. This pertained to, among other things, diversity, integrity and recognising and rewarding the diverse work undertaken by scientists. Over the past several years, the institutes have made great strides in terms of diversity, but further improvement is still needed. Attention must be devoted in particular to further improving the leadership qualities of managers in the organisation. This includes optimising social safety, for instance.

## Benchmark for strategy of the institutes

The evaluations of the institutes are an important benchmark for the institutes and their strategy and aim for the next six years. In follow-up to the evaluation, the board regularly asks the institutes about the status of the recommendations and actively supports the implementation of the actions needed. A new evaluation is scheduled for the end of 2029.



## New topological metamaterial amplifies sound waves exponentially

AMOLF researchers, together with partners from Germany, Switzerland and Austria, have developed a new metamaterial that is the first example of a so-called 'bosonic Kitaev chain', which gets its special properties from its nature as a topological material. This metamaterial, which uniquely amplifies sound waves, was realised by having nanomechanical resonators interact with laser light via radiation pressure forces.

The so-called 'bosonic Kitaev chain' is based on nanomechanical resonators coupled with laser light via radiation pressure. The material amplifies mechanical vibrations exponentially in one direction, while transmission in the other direction is blocked.

The results, published in *Nature*, mark a new phase in research into topological materials and their applications. For example, they could significantly improve the sensitivity of nanomechanical sensors. In fact, topological amplification is insensitive to many anomalies, but extra sensitive to specific perturbations. This could be valuable in all kinds of technology where sensitive sensors can make a difference, from biomedical analysis and industrial process control to quantum technology.

**Visuals:** Artist's impression of the 'bosonic Kitaev chain'.

**Credits:** Ella Maru Studio

### 2.1.2 Knowledge security

Developing a knowledge security policy is highly topical given the current geopolitical movements. There is ongoing political attention to the implementation of the National Knowledge Security Guidelines launched in 2022.

Commissioned by the Ministry of Education, Culture and Science, a baseline measurement was conducted for the implementation of the National Knowledge Security Guidelines at universities, universities of applied sciences as well as the Royal Netherlands Academy of Arts and Sciences (KNAW) and NWO institutes. The resulting sector picture of NWO-I and KNAW was published in May 2024 and presented to the House of Representatives by the minister. The sector picture reveals that NWO-I is energetically pursuing the development and implementation of the knowledge security policy. The minister's policy response confirms his confidence in NWO-I's approach.

In addition to this, the ministry is developing a legal screening framework for the recruitment of non-European knowledge workers who may come into contact with sensitive technology at a knowledge institution in the Netherlands. Because of the impact on the recruitment process, the Ministry of Education, Culture and Science is involving the knowledge institutions, including the NWO-I, in the development of the screening framework and the draft list of sensitive technologies.

In addition to these national developments, the demand for policy alignment within the EU and with its allies is increasing. This is due to concern about and importance of a 'level playing field' and maintaining the openness of academic collaboration.

### **2.1.3 Organisational development**

In summer of 2023, the Foundation Board introduced a temporary governance model at NWO-I, whereby the foundation's articles were unchanged for the time being. The temporary model followed the departure of the director of operations (and ad interim director of NWO-I) in early June 2023.

The main idea behind the temporary model was to govern and effect change together: shared ownership and spread responsibility for the implementation. This means that business management tasks are distributed and delegated where they can best be carried out.

In early 2024, the temporary governance model was thoroughly evaluated by the board members, institute directors and managers and MT members of the office, partly under the guidance of an external consultant. On the whole, the entire organisation is positive about how the temporary model works, whereby, in particular, the lines between the board and the institutes have become shorter and mutual trust has increased.

Some recommendations also emerged from the evaluation, such as attention to workload. At the end of 2024, this resulted in a proposal to transform the temporary governance model into a definitive governance structure. The necessary amendments to the articles and regulations were made in early 2025. This was done in proper consultation with the Central Works Council and the Supervisory Board, both of which advised positively.



## Simple model captures complex plasma behaviour

ARCNL researchers in the Source Department discovered that a relatively simple, universal power law determines the complex behaviour of an expanding plasma of highly charged ions. In a series of experiments, the researchers studied the properties of the ions flying away from the plasma. They varied all the possible parameters in their setup of the experiment.

Group leader John Sheil says: “To our great surprise, the average charge state of the detected ions always appeared to scale with their kinetic energy to the power of 0.4. It was an chance discovery,” says Sheil. “And it took us years and endless discussions to explain it.”

ASML’s most advanced computer chip machines use plasma to generate extreme ultraviolet (EUV) light. Knowledge about the properties of the fast-moving plasma ions contributes to the proper functioning of the computer chip machine.

**Visuals:** AI-generated impression of simple universal model capturing complex plasma behaviour.

**Credits:** ARCNL

## 2.1.4 HFML-FELIX

NWO-I has been collaborating with Radboud University in the HFML-FELIX facility for many years. Extensive discussions were held in 2023 and 2024 on how to make this cooperation more future-proof. This led to the completion in early 2024 of an exploration of whether HFML-FELIX could be a national institute within a national collaboration and how Dutch universities view that role.

This yielded a positive outlook and so NWO-I and Radboud University decided to establish the national collaboration and national institute. This along with six other university partners: University of Groningen, University of Twente, Maastricht University, University of Amsterdam, Leiden University and TU Delft.

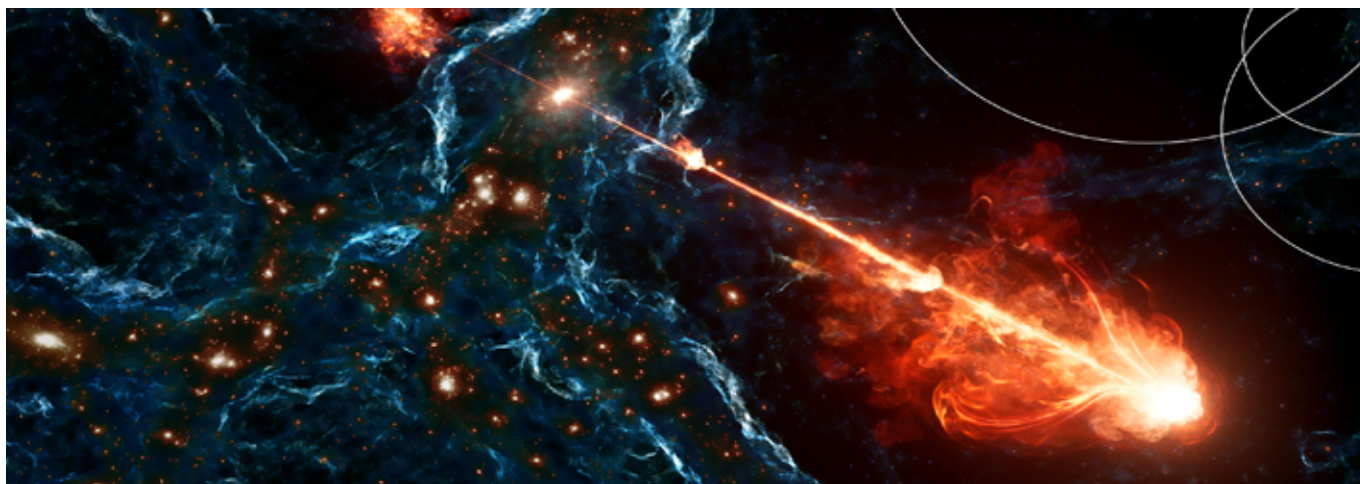
The agreement between all eight partners was signed at a festive ceremony on 20 December 2024. The collaboration started on 1 January 2025. To this end, NWO-I established the tenth NWO institute, named HFML-FELIX. The next two years (2025 and 2026) will be used as a transition period to properly set up the new institute and shape the collaboration.

## 2.1.5 The Einstein Telescope

The underground Einstein Telescope will be Europe's most advanced observatory for gravitational waves. It enables researchers to hear black holes colliding and to gain knowledge about the early universe.

There were many developments around the Einstein Telescope (ET) in 2024, especially in terms of preparing the bid to bring the ET to the Euregio Meuse-Rhine (EMR), the cross-border area of Belgium, Germany and the Netherlands. The Netherlands, Belgium and Germany are working together in this regard. The funding obtained from the National Growth Fund in 2022 was able to largely finance these activities in 2024, and significant amounts were also made available by the Belgian and German partners.

In September 2024, a Dutch consortium comprising the Ministry of Education, Culture and Science, the Ministry of Economic Affairs, the province of Limburg and NWO deployed additional resources to reinforce the Dutch input for the EMR candidature. Under the banner of this jump in scale, ET-NL was established. At the end of 2024, chairman Sjoerd Sjoerdsma and chief science officer Stan Bentvelsen were recruited. Due to the expected limited duration of ET-NL (for the drafting of the bid book), the parties involved opted not to establish a separate legal entity and NWO-I is acting as material employer for ET-NL. It is expected that all the participating countries will jointly decide at the end of 2026 on where the ET will be built.



## **LOFAR discovers largest black hole jets ever seen**

The LOFAR radio telescope has found the largest pair of eruptions ever observed shooting from a supermassive black hole. These enormous jets, nicknamed ‘Porphyrion’, stretch across 23 million light years – the equivalent of 140 Milky Way galaxies lined up. This remarkable discovery emerged during LOFAR’s large-scale Two-metre Sky Survey, which uncovered more than 8,000 previously hidden giant jet systems.

LOFAR’s exceptional ability to capture both wide views of the sky and detect faint radio waves made this finding possible. The jets originate from a distant galaxy from when the universe was much younger, suggesting that these massive outflows shaped early galaxy formation more than scientists had previously thought.

With only 15% of the sky combed through so far, many more giant jets likely await discovery. The LOFAR radio telescope was developed and is operated and maintained on behalf of the LOFAR ERIC by ASTRON.

Visuals: An illustration of the largest black hole jets ever observed. These eruptions, named Porphyrion after the mythological Greek giant, span roughly 23 million light years. They were observed using the LOFAR radio telescope.

**Credits:** E. Wernquist/D. Nelson (IllustrisTNG Collaboration)/M. Oei

## 2.1.6 Public-private partnerships

Besides its own fundamental research, NWO-I also carries out fundamental research together with private partners. The ARCNL institute is an example of this: the collaboration with ASML has been implemented throughout the institute. Fundamental research projects with companies are also ongoing at other institutes.

One of the main financiers for this public-private partnership is Holland High Tech as TKI (Top Consortium for Knowledge and Innovation) on High Tech Systems and Materials (HTSM). Last year, NWO-I became the grant administrator for two of the ten strategic programmes of the TKI-HTSM, which fit well with the research carried out by several institutes, such as Advanced Instrumentation. This is not only good in order to finance an adequate number of collaboration projects, but also positions the NWO institutes more strongly when it comes to the role of coordinator of research programmes.

Within the strategic programmes in which NWO-I participates (besides the two in which NWO-I is grant administrator, there are also two others), NWO-I scientists can submit project applications together with one or more companies. The strategic programmes then provide funding, which realises a more stable form of public-private partnership.

## 2.1.7 Strategic innovation fund

Last year, NWO's Executive Board decided to stimulate innovation on research lines at the institutes and therefore structurally provide funds to NWO-I from 2025 onward for a strategic innovation fund for the institutes. The fund affords the institutes the opportunity to invest significantly in new strategic projects or research directions, highly experimental infrastructure or risky transitions. The fund is a one-off addition to the basic funding.

In summer 2024, a process for how these resources could be used was worked out. Institutes were able to submit their plans to the board in September, and in November the board decided how to deploy the 2025 strategic renewal fund. A new round of funding from the fund will take place in spring 2025.

## 2.2 NWO strategy 'Science Works!'

NWO published its 'Science Works!' strategy in 2022. The NWO institutes feature prominently in this strategy, thanks to their national role in their respective fields.

Several of the many ambitions in NWO's new strategy relate directly to the institutes. For example, NWO has the ambition to further develop the portfolio of national research institutes, in close connection with developments in the Dutch and international knowledge sector. NWO also strives to ensure that the institutes provide an inclusive, diverse, open, sustainable and safe working environment that fosters a healthy research culture.

A healthy research culture at the institutes increases the attractiveness to all types of talent. This includes a hiring and promotion policy in line with the principles of the national Recognition & Rewards programme. Many of these ambitions align with what the institute evaluations have shown and what the institutes are already implementing. In the area of science policy, there are also a number of ambitions that apply to the entire NWO umbrella organisation and are focused on knowledge security, open science, research integrity, sustainability and science communication. A number of these topics are discussed further on in this annual report.

## 2.3 Scientific infrastructure

### 2.3.1 Memberships

Over the past years, NWO has been conducting an analysis across the scientific spectrum of the Netherlands' participation in international large-scale scientific infrastructure. This culminated in the publication of the International Memberships report in December 2023.

NWO is also working on the proposal for the phased implementation of a national portfolio policy for international memberships. The NWO institutes have a coordinating role within the (international) memberships, partly because of large international organisations of which the Netherlands is a member (CERN, ESA, LOFAR, etc.). This is an important development for NWO-I to follow closely and actively contribute to, therefore. The first contours of the national portfolio policy became known at the end of 2024. NWO-I hopes to have clarification in the course of 2025 on the impact of the portfolio policy on its role in the international context.

## 2.3.2 Gravitational waves in Limburg: The Einstein Telescope

The possibilities and feasibility of building a third-generation gravitational wave detector in the Euregio Meuse-Rhine (EMR) in South Limburg have been under investigation for some time now. In 2016, the Einstein Telescope (ET) was included on the National Roadmap for Large-Scale Research Infrastructures. In 2021, the ET also appeared on the ESFRI roadmap of the European Strategic Forum for Research Infrastructures.

Nikhef is preparing the candidacy for construction of the ET in the EMR region. The institute has undertaken this jointly with the Ministry of Education, Culture and Science (OCW) and the Ministry of Economic Affairs (EZ), the Province of Limburg, the Limburg Investment Fund LIOF, and many other parties. The three-member board of ET-NL, the CEO, CSO and COO, are or will be temporarily employed by NWO-I. In the Strategic Directors' Consultation of the Netherlands (abbreviated SDO, formed by directors from OCW, EZ, LIOF, Limburg, Nikhef and NWO-I), the national progress and implementation agreements for ET are monitored, and the SDO acts as supervisor of ET-NL progress.

Since the statement of intent at the end of 2023, in which the ministers from the Netherlands, Belgium, Flanders, Wallonia and North Rhine-Westphalia expressed the ambition to bring the ET to the EMR region, cooperation between the countries has been stepped up. Led by Nikhef, the EMR project organisation was built up in Maastricht and increasingly professionalised. The EMR project organisation not only carries out initial geological research and research & development, but has also further developed the ET's valorisation strategy. This has resulted in the development of a great deal of activity in the region.

### Funding for the ET

There is substantial national and regional financial support for the ET project. The allocation from the National Growth Fund (2022) provides €42 million to achieve a realistic candidacy. Another €870 million has also been set aside in the National Growth Fund for the actual construction of the infrastructure. These resources are still earmarked for the ET project even after discontinuation of the National Growth Fund in March 2024.

Furthermore, at the request of the Dutch ET consortium, the initiative was taken by the Ministry of Education, Culture and Science to realise a 'jump in scale' in funding under the heading of ET-NL. This will enable maximum support and strengthening of the Dutch position in the EMR candidacy. To this end, the Ministry of Education, Culture and Science requested contributions from the Ministry of Economic Affairs, NWO and the Province of Limburg.

## ET Pathfinder

With the help of national and regional funding, the ET Pathfinder was built over the past few years: an initial mini-version of the ET. Groundbreaking techniques will be tested on this precursor to the ET to get a good idea of the technical feasibility of building the final ET. The ET Pathfinder also provides an opportunity to interest different companies in developing further, possibly joint, technology or conducting further research. And also, not least, to attract talent to the EMR region.



## E-value makes statistical testing more flexible and robust

Peter Grünwald (Centrum Wiskunde & Informatica/Leiden University) has recently demonstrated that the e-value not only makes experiments more flexible, but also allows the level of significance to be adjusted afterwards without compromising reliability.

Traditional p-values, developed by Neyman and Pearson, are increasingly criticised for their limited applicability and susceptibility to misinterpretation. This contributes to the replication crisis in science. E-values offer an alternative here: they enable interim adjustments to the research and prevent confusion between p-values and significance levels.

This discovery opens the door to more reliable statistical methods. Grünwald previously received an ERC Advanced Grant to continue his research into e-value: an important step towards more accurate and flexible scientific analyses.

**Credits:** Papernerd

### 2.3.3 Development and construction of the national research fleet

In 2020, the NWO Executive Board decided to proceed with the purchase of three research vessels at the NIOZ: a large ocean-going vessel (the RV Anna Weber-van Bosse), a medium-sized vessel intended for mudflat research (the RV Wim Wolff) and a small vessel (the RV Adriaen Coenen).

Construction of the RV Wim Wolff and the RV Adriaen Coenen began in early 2021. The RV Adriaen Coenen was delivered in the summer of 2022, and the RV Wim Wolff was delivered in June 2024. In early February 2024, the RV Wim Wolff was christened at the NIOZ port on Texel by the vice-chair of the board and Wim Wolff's granddaughter. In 2023, construction of the largest research vessel, the RV Anna Weber-van Bosse, began at the Spanish yard, Astilleros Armon. This ship is expected to be delivered in late 2025 with a christening scheduled for early 2026.

### 2.3.4 LOFAR

The world's largest radio telescope, LOFAR, detects the lowest frequencies from space on the Earth's surface and has now been operational for more than a decade. NWO institute ASTRON manages LOFAR on behalf of an international collaboration that now includes 54 antenna stations throughout Europe.

On 20 December 2023, the European Commission established LOFAR as the twenty-seventh European Research Infrastructure Consortium (ERIC). An ERIC is a European legal form that enables the creation and operation of large scientific infrastructures. Besides the Netherlands, participants in LOFAR ERIC include Germany, Poland, Italy, Bulgaria and Ireland as full members, and France, Lithuania, Sweden and the United Kingdom as observers. The year 2024 was also dominated by building up the LOFAR ERIC; for example, around the summer, Dr Michiel van Haarlem was appointed as new LOFAR ERIC Executive Director.

### 2.3.5 HFML-FELIX

HFML-FELIX is an internationally renowned institute at Radboud University funded and managed by Radboud University and NWO-I. The institute combines two major facilities under one roof: a high field magnet laboratory (HFML) and infrared/terahertz free-electron lasers (FELIX). With this, the institute conducts research into the properties and functionalities of molecules and materials. HFML-FELIX thus makes new scientific breakthroughs possible in the fields of health, energy and smart materials.

Funding for HFML-FELIX from NWO-I dates back to the time of Stichting FOM, the FOM Foundation, the legal predecessor to Stichting NWO-I. The funding expired in 2022. Discussions took place at that time with the NWO Executive Board to explore sustainable funding for this unique facility. These discussions continued into 2023 and led to an exploratory assignment in the autumn involving all universities in the Netherlands to see how HFML-FELIX can become a national institute (as a facility as well as a national scientific programme).

The exploration was completed in early 2024 and resulted in NWO-I and Radboud University determining that they will move forward together. To this end, a partnership was set up with HFML-FELIX as the tenth NWO institute, with another six university partners in addition. On 20 December, the collaboration agreement was launched to much celebration, before coming into force on 1 January 2025.

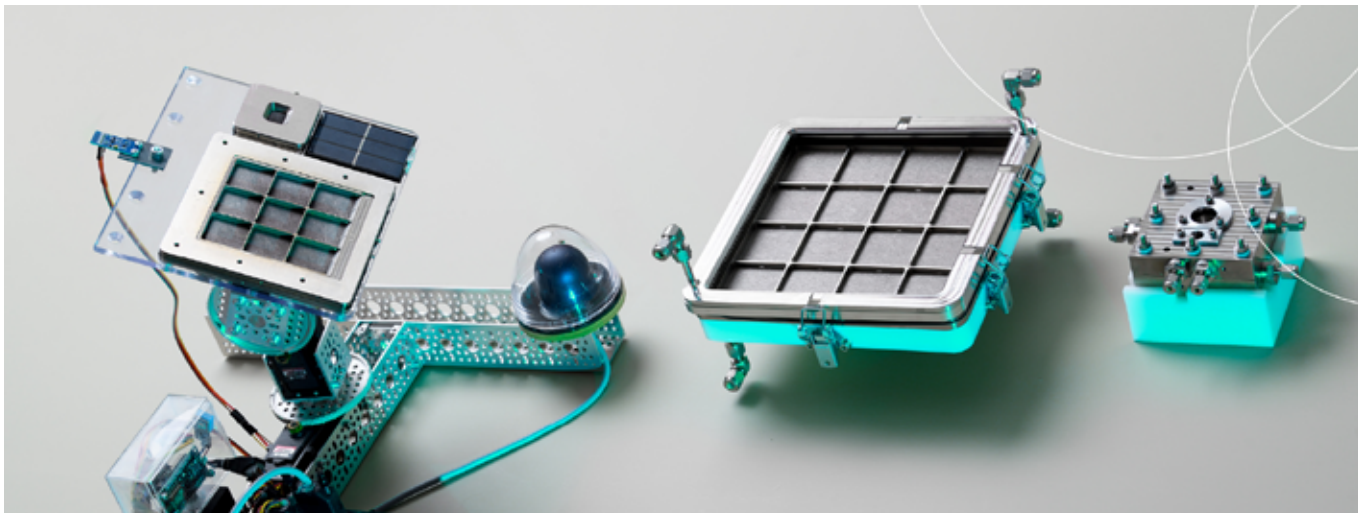
## 2.4 Collaborations and funding opportunities

### 2.4.1 Matching Horizon Europe

Several plans set out in the policy letter from then minister of Education, Culture and Science were implemented in 2023. For instance, the matching scheme for awarded projects from the Horizon Europe programme has been implemented. This allows knowledge institutes to receive partial compensation for the costs they incur in a Horizon project. This means that, because NWO institutes are successful in acquiring these grants, the matching scheme provides additional income that is used for research. This scheme remained in place also after the new government took office.

### 2.4.2 Summit grant

NWO issued the one-off Summit grant in 2024 with a budget of almost 200 million euros. This funding scheme is for scientific collaborations that have proven to be among the absolute best in the world. Or which are very close to this point and can make the leap to among the absolute best in the world with the boost from this scheme. NWO-I was allowed to submit two proposals. Via an internal selection process at NWO-I, the board chose two proposals, neither of which was awarded unfortunately. The NWO institutes are still participating in other Summit applications as part of various consortia.



## Capturing CO<sub>2</sub> from the air using sunlight

How can you capture CO<sub>2</sub> from the air with the help of sunlight and store it efficiently? DIFFER and Toyota are collaborating on a reactor that can do just that. This invention could contribute significantly to reducing CO<sub>2</sub> emissions. In the summer of 2024, Toyota presented a prototype of the CO<sub>2</sub> ‘capture device’ during an event in Paris.

Since 2016 DIFFER and Toyota have been working together on solutions for CO<sub>2</sub> reduction as part of the energy transition, such as producing hydrogen using sunlight and water. Inspired by the work on hydrogen, the concept has been expanded with the appropriate modifications at device level to extract CO<sub>2</sub> from the atmosphere to store it, using sunlight as the driving force.

Extracting CO<sub>2</sub> from the air is an energy-consuming process. DIFFER and Toyota’s new reactor inventively combines light-assisted processes and membrane technology that simplify the process in a single device and holds the promise of boosting efficiency. The concept is based on light-absorbing materials and photoelectrochemical membrane reactors. These operate on sunlight and capture CO<sub>2</sub> from the atmosphere, then transport it to a specific compartment where it is stored for further use.

The invention is based on abundantly available materials and components and therefore has high exploitation potential. The combination of the two technologies has never been demonstrated before. Applications of the reactor could also be conceivable in industry, since these contribute to the objective of negative CO<sub>2</sub> emissions.

**Visuals:** DIFFER made a prototype of the CO<sub>2</sub> ‘capturing device’ for valorisation studies in collaboration with Toyota Motor Europe.

**Credits:** DIFFER/Bart van Overbeeke

### 2.4.3 National Growth Fund

The cabinet decided in September 2020 to allocate €20 billion over five years to investments that contribute to economic growth. The funds, held in the National Growth Fund, are intended for knowledge development, physical scientific infrastructure, and research, development and innovation. In 2021, the NWO institutes AMOLF, CWI and DIFFER were successful via participations in proposals that were approved (Duurzame MaterialenNL [Sustainable MaterialsNL], Groenvermogen II. De revolutie van zelfdenkende moleculaire systemen en de Einstein Telescope [Green Power II. the revolution of self-thinking molecular systems and the Einstein Telescope]). In 2023, the SolarNL proposal of NWO institute AMOLF was approved (€412 million). In 2024, there were no new awards to NWO-I from the National Growth Fund. The cabinet ended the Growth Fund in 2024.

### 2.4.4 Innovation and commercialisation of research

#### BigScience.NL

At the end of 2022, the Ministry of Economic Affairs provided a grant of €870,000 to NWO-I to continue supporting BigScience.NL, the network of industrial liaison officers (formerly ILO net), for the next four years. This is a welcome investment, allowing NWO-I to continue improving the relationship between participating institutes (NWO institutes Nikhef, ASTRON, SRON, DIFFER; as well as HFML-FELIX and NOVA) and the Dutch business sector.

The focus is particularly on high-tech companies with potential technological innovations for and with large scientific infrastructures. BigScience.NL is centrally supported by a strategic policy adviser on innovation and valorisation, who started in late 2023 and will be funded for two years from the development fund.

A European project proposal on innovation procurement was submitted in September 2023 at the initiative of BigScience Denmark together with an international consortium. It was awarded in early 2024 and INPROCAP, as the project is called, was launched in June 2024 with a kick-off in Copenhagen. The three-year project aims to increase the effectiveness and reach of procurement processes in the field of large-scale scientific research. As the project progresses, it is expected to create significant opportunities for scientific advancement and strengthen the international market for Big Science infrastructure. This is highly relevant for NWO-I because of its national role in major scientific infrastructure.

With BigScience.NL's participation in INPROCAP, Dutch ILOs are well aware of new training in the field of innovation procurement. They are also more closely involved in future tenders by Big Science Organisations and can provide good support to Dutch industry in this regard.

### **Public-private partnerships**

A new public-private partnership innovation scheme (PPP-I) was launched in January 2024. The scheme establishes an annual ceiling budget to support public-private partnership projects. Top Knowledge and Innovation Consortia (TKIs) are allowed to set up processes to allocate PPP-I funds at their own discretion.

At TKI High Tech Systems and Materials (HTSM), the main partner for NWO-I, this is done via Strategic Programmes. NWO-I actively contributed to shaping several of the Strategic Programmes; NWO-I is the grant administrator for two of the 10 programmes ultimately launched (Semicon Equipment Manufacturing and Advanced Instrumentation) and participates in two others (Microelectronics and Space). In 2024, a total of 10 NWO-I collaborative projects were awarded funding under various programmes.

## **2.4.5 Visit to Brussels**

On 4 July 2024, the directors of the NWO institutes travelled together to Brussels, where they visited Neth-ER (Netherlands house for Education and Research) and the Permanent Representation of the Kingdom of the Netherlands to the European Union in Brussels. The institute directors made important contacts there to ensure that the NWO institutes become better aligned with European research and innovation policy, and to increase the visibility of the institutes in Brussels. Research and innovation at a European level is becoming increasingly important for NWO-I. Many of the grants for research projects already come from Horizon Europe or other European funding programmes.

## **2.4.6 Strategic innovation fund**

Last year, NWO's Executive Board decided to stimulate innovation on research lines at the institutes and therefore structurally provide funds to NWO-I from 2025 onward for a strategic innovation fund for the institutes. The fund affords the institutes the opportunity to invest significantly in new strategic projects or research directions, highly experimental infrastructure or risky transitions. The fund is a one-off addition to the basic funding.

In 2024, the design of the fund was further developed and the first round of applications was organised. Institutes were able to submit their plans to the board in September, and in November the board decided how to deploy these funds for 2025. A new round of funding from the strategic innovation fund will take place in spring 2025.



## Dutch satellite instrument SPEXone produces world map of particulate matter

In early 2024, NASA launched climate satellite PACE with the Dutch aerosol instrument SPEXone on board. A year of observation has now produced a three-part world map of aerosols. This shows the distribution of fine and coarse aerosols and of particles that reflect or absorb sunlight.

The latter have a cooling and warming effect on the climate, respectively.

Aerosols are small particles like soot, ash and desert dust in the atmosphere, also called particulate matter. They have a net cooling effect on the climate, but to what extent is unclear. The range runs from 0.2 to as much as 0.9 degrees of a damping influence on global warming. Fine dust affects the climate both directly via reflection and absorption of sunlight, and indirectly by acting as a starting point for cloud formation. The lack of low-lying cloud cover, for example, is one of the causes of the record warm year 2024.

**Visuals:** PACE climate satellite.

**Credits:** NASA GSFC

## 2.5 Science Practice and Policy

### 2.5.1 Research integrity

In 2024, an independent committee evaluated the Netherlands Code of Conduct for Research Integrity (NGWI). The KNAW then commissioned the relevant committee to set up a writing committee to rewrite the code of conduct. At NWO-I's request, a delegate from the office was added to that official committee. In this capacity, NWO-I collaborated with, and in good contact with, NWO on the composition and goals of the writing committee. The committee will be constituted in 2025.

Ties with the Netherlands Research Integrity Network (NRIN) were also strengthened. NWO-I is now a member of the NRIN group for research integrity confidential advisers and the group for research integrity project leaders and therefore better connected to national developments.

### 2.5.2 WetenschapVeilig [SafeScience]

Scientists regularly face threats, intimidation and hateful reactions. This is why the Universities of the Netherlands (UNL), NWO and KNAW launched the SafeScience platform in early November 2022.

The aim of SafeScience is to help scientists to quickly get the right help in the event of harassment, threats or hateful reactions. Together with the person seeking assistance, the scientist's employer will look into what help is appropriate and possible.

The website [wetenschapveilig.nl](https://wetenschapveilig.nl) offers scientists who are threatened or harassed the option of filing a report 24 hours a day. They are assisted within one business day at the latest, in many cases sooner.

### 2.5.3 Ancillary activities

NWO-I aims to be transparent about employees' ancillary activities so that it can enhance research integrity. Openness is moreover a requirement to comply with the Netherlands Code of Conduct for Research Integrity 2018.

For NWO-I, ancillary work is 'all work that the employee performs in addition to his/her position, regardless of whether that work is performed within or outside of the employee's assigned working hours'. In contrast, unpaid ancillary activities of a purely private nature are not considered ancillary activities.

Many employees with a double appointment already publish this via the university where they work. As an employer, NWO-I has its own responsibility to provide a complete overview of ancillary activities. In order to enable unbiased review, registration and publication through its own channels are thus preferred.

The Foundation Board adopted the ancillary activities policy in 2022. A new personnel information system, which makes it possible to enter ancillary work, was gradually implemented in 2023 and 2024. A manual inventory of professorships and endowed professorships among NWO-I employees was conducted in 2023. After further implementation of the ancillary activities policy in 2025, NWO-I can make its ancillary activities public, including those carried out by individuals in endowed and ordinary professorships. By doing so, NWO-I is implementing an open and transparent research culture as envisioned in the NWO strategy.

#### **2.5.4 Collaborating with third parties**

NWO attaches importance to research collaboration with other parties, such as companies, because it can bring great benefits for science and society. Collaborations include joint research projects or programmes in which NWO-D or an NWO institute participates. The Executive Board is keen to encourage research that contributes positively to society. Whether that is always the case with third-party collaborations leads to heated debates. That is why an assessment framework for cooperation with third parties was drafted in 2023.

What is important is that NWO wants to continue to emphasise that collaborating with third parties is and will continue to be an essential part of doing research, but that it is important to make the right considerations prior to and during the collaboration. Clear agreements must be established for any collaboration. The assessment framework was adopted by the Executive Board in 2024 and implemented for the entire NWO organisation and thus also for NWO-I.

## 2.5.5 Open science and open access policy

Thanks in part to NWO, the Netherlands is one of the global frontrunners in the transition to ensuring free access to publications and research data arising from publicly funded research. By joining cOAlition S, an international group of research funders, in 2018 and subscribing to Plan S, NWO committed to implementing far-reaching measures to accelerate this transition to Open Access.

The essence of Plan S is that all publications arising from funding from the research funders in the cOAlition must be immediately freely accessible to everyone. Currently, 95% of the 'referenced' academic publications by the NWO institutes are open access. To make this possible, NWO-I has committed to two pathways: the green route and agreements with publishers.

The green route is based on self-archiving. In December 2020, NWO-I established a policy framework that allows for publications to be made directly available via a publicly accessible repository. The effect of this policy framework on the institutes' open access figures has been monitored since 2021, and an evaluation of this policy framework was launched at the end of 2023 that continued in 2024.

In 2020 NWO-I also joined a consortium of knowledge institutes for negotiations with several large publishers: the so-called transformative, or read & publish, deals. These deals further facilitate open access publishing. From 2020 to 2024, NWO-I participated in the agreement with the publisher Elsevier. This agreement was renegotiated in 2024, resulting in a new agreement until the end of 2026 with a possible extension until the end of 2027, in which NWO-I is again a participant.

## 2.5.6 Digital Competence Center

In 2021, NWO-I established the Digital Competence Center (DCC) and appointed a data stewardship coordinator. The DCC provides low-threshold advice, expertise and practical support to the researchers at the NWO institutes to make their results, research data and software suitable for reuse in the context of open science. For instance, the DCC has developed a license tool to help employees find the right licence for their data or software.

Since 2023, the coordinator of the DCC has been housed in the NWO-I office. In that same year, NWO-I was awarded a grant through the NWO call 'Local Digital Competence Centres II' (co-funded by the governing body Open Science NL).

This was used to strengthen the DCC in 2024 with a trainer on innovative digital technologies. The addition of a trainer to the DCC has resulted in an expansion of the training offering to include training on generative AI. These training courses focus on applications in scientific writing, literature review and programming and started in late 2024.

In addition to these new training courses, the DCC continues its existing offerings with activities, trainings, and tutorials on digital skills, open science, and open data and software management. These are provided in part by local certified instructors trained via the NWO-I membership to The Carpentries, a non-profit organisation focused on training trainers, to support open science at the institutes.

At the end of 2024, NWO-I was awarded a grant via the NWO Open Science NL call 'Strengthening Local and Thematic DCCs' to strengthen open software skills and data interoperability at the institutes. This funding will make it possible to further expand the training network, professionalise and expand basic skills training, and fund data stewards and managers at the institutes to make data at the institutes more interoperable and reusable.

## **2.5.7 Healthy research culture**

NWO-I is helping to build a healthy research culture. In a healthy research culture, talent is unlocked, better and supported solutions to questions and problems are found, and there are more opportunities for collaboration. This cannot be taken for granted, however, and improvement is needed.

Changing a culture takes time. Throughout 2024, the theme of healthy research culture has been integrated into several policy files. By continuing to chart out current issues and ensuring that these are taken into account in various dossiers, we try to include the topic structurally in important decisions. The term 'healthy research culture' now recurs regularly in other files (think of the evaluation of the code of conduct on research integrity, the national Recognition and Rewards programme, and the knowledge security policy).

To the outside world, NWO-I participated in several conferences and focus groups on this topic in order to learn from others and share its own experiences on this topic. A good collaboration has also been established with the domain organisation of NWO to help each other move forward.



## Dark matter experiment XENONnT measures solar neutrinos

XENONnT, a detector built to search for dark matter, has measured signals from solar neutrinos. These neutrinos are produced by nuclear reactions in the sun. Neutrinos, like dark matter, hardly react with ordinary matter. Very occasionally they do show up, including by colliding with an atomic nucleus. The recoil of the atomic nucleus is visible and reveals that there was a neutrino.

The XENONnT collaboration has now seen solar neutrinos collide like billiard balls with atomic nuclei in their detector. Such a nuclear collision is exactly the kind of signal that researchers hope to see from dark matter. That XENONnT can now measure this signal, albeit for neutrinos, is great confirmation that the detector is working well.

Nikhef is one of the partners in the XENONnT project and makes major contributions to both instrumentation and analysis.

**Visuals:** Installation of the TPC, the part in the centre of the detector that comprises the active xenon volume of the experiment.

**Credits:** XENON collaboration

## 2.5.8 Recognising and rewarding differently

In 2019, the national Recognition and Rewards Programme was launched with the position paper 'Room for everyone's talent'. In 2022, this publication was followed up by NWO-I with a vision on implementing the principles of Recognition & Rewards in the organisation. The starting point is: To add Recognition & Rewards to existing projects and topics as much as possible. This is to keep the workload as low as possible and to give Recognition & Rewards a natural place in the things we do anyway.

Partly due to good cooperation within NWO-I, a number of major projects were set up in 2024. A start was made, for instance, on developing a leadership programme in which the values of Recognition & Rewards are explicitly highlighted. The NWO-I office also received a grant in 2024 to accelerate the recognition and rewards for Open Science, including by helping institutes discuss progress on Open Science in their annual meetings with the board. These are also projects that had been in the pipeline for some time, but which have now accelerated in the context of Recognition & Rewards and via the grant acquired.

## 2.5.9 Professorship policy

In response to media attention in 2023 for the appointment and grading of professors and endowed professors at Dutch universities, NWO-I started drafting the principles of a professorship policy in 2024. Ongoing initiatives, such as implementing the values of Recognition & Rewards and diversity, inclusion and equality are included in this.

For instance, the strategic value that professors have is focused on, but attention is also devoted to the changes that becoming a professor entails for the researcher personally. In 2025, the professorship policy will be given a final form.

## 2.5.10 Diversity, inclusion and equality

### Revision of implementation plan, adviser on diversity, inclusion and equality

The year 2024 was marked by the revision of the Diversity and Inclusion Implementation Plan. Whereas the plan was previously mainly focused on action points, the focus is now on measurable impact, with attention to equality as well. The Diversity, Inclusion and Equality Steering Group – formerly the Diversity, Inclusion and Equality (DIG in Dutch) Taskforce – was expanded to include representatives from all the NWO institutes. They will finalise the revamped plan in the first half of 2025.

Also in 2024, the previous role of Diversity and Inclusion Project Leader was transformed into that of Diversity, Inclusion and Equality Adviser, embedded in the Governance Support and Strategy team at the NWO-I office. The adviser participates in external sounding board groups and advisory bodies, such as the National Consultation on Diversity Officers of all universities in the Netherlands and a National Action Plan working group led by the Ministry of Education, Culture and Science. As a result, NWO-I's plans in the field of diversity, inclusion and equality are better coordinated with universities, knowledge institutes and policy institutes.

### Diversity, Inclusion and Equality teams

Each institute now has its own Diversity, Inclusion and Equality team. Meetings with the chairs take place on a quarterly basis, during which the institutes share knowledge and experiences. Whereas previously the employee resource groups for women and neurodiversity were still coordinated by the Diversity, Inclusion and Equality Adviser in collaboration with the Diversity, Inclusion and Equality Project Leader of NWO-D, these groups now function independently, led by two or three coordinators from the relevant target groups. NWO now has the following employee resource groups: LGBTIQ+, Women+, Neurodiversity, and a network concerning Cultural Diversity.

### Women Professors Monitor

For the first time this year, NWO-I participated in the Women Professors Monitor of the Dutch network of Women Professors. This report charts the representation of women in Dutch academia.

### Digital accessibility

Digital accessibility was also being worked on at both institute and central levels. Since 2018, it has been mandatory for government agencies and public bodies to make their websites, applications and cloud services digitally accessible. This requires efforts from the entire organisation. In 2024, the communications department of the NWO-I office and the institutes' communications teams worked to maintain and further improve the digital accessibility of their websites. Based on the audit reports delivered, accessibility statements were prepared. Preparations were also made for training and projects in 2025.

## Events

Finally, in 2024, various events and trainings were organised around diversity, inclusion and equality at a central as well as at institute level.



### **With new RV Wim Wolff, Dutch coastal research is ready for the future**

On 15 February 2024, the RV Wim Wolff was christened in the NIOZ harbour on Texel. The new research vessel is named after the godfather of ecological research in and around the Wadden Sea. The Wim Wolff is a comfortable, innovative and, above all, a much more sustainable ship, ready for the future of research in the North Sea coastal zone, the Southwest Delta and the Wadden Sea.

The christening was performed by Wim's five-year-old granddaughter Charly Wolff, with help from Caroline Visser, NWO board member. The youthful christener Charly also symbolised the future of the ship and coastal research with the christening. If all goes well, the RV Wim Wolff, like its predecessor the RV Navicula, will last another four decades.

The vessel is the second of three from the new Dutch research fleet managed by NIOZ's National Marine Facilities (NMF) department.

**Visuals:** NWO director Caroline Visser and Charly Wolff christen the RV Wim Wolff.

**Credits:** NIOZ, Evalien Weterings

## 2.5.11 Knowledge security

We develop a great deal of valuable knowledge and technology in the Netherlands. We are careful about that and so we protect it. Knowledge security is therefore a key component in the National Security Strategy. Geopolitical developments have also made knowledge security a natural topic in other policy developments. The ongoing dialogue and joint 'learning approach' with the national knowledge institutes and the Ministry of Education, Culture and Science are creating growing support for the knowledge security policy.

Knowledge security is high on the agenda at NWO-I. NWO-I wants the research at our organisation to be conducted safely, and in a safe environment. At the same time, we continue to draw NWO-I's attention to maintaining the open academic culture, preventing stigmatisation, ensuring social safety and striving for a level playing field in Europe, where requirements for knowledge security do not differ substantially between countries.

### **Sector assessment on implementation of National Guidelines**

There is ongoing political attention to the implementation of the knowledge security policy of Dutch knowledge institutes. In May 2024, the KNAW and NWO-I sector assessment was published on the implementation of the National Guideline (2022) and the minister informed the House of Representatives about this. The sector assessment reveals that NWO-I is energetically pursuing the development and implementation of the knowledge security policy. The minister's policy response confirms his confidence in NWO-I's approach.

The policy and operationalisation of knowledge security guidelines in research practice are evolving and receive ongoing attention. Because NWO-I is actively involved in the process of revising the National Guidelines, and involved in national and international discussions, we can anticipate where necessary in further policy development.

## **Awareness and social safety**

Awareness of what knowledge security means and how knowledge can be kept safe is crucial for the successful implementation of knowledge security policies. Besides protecting knowledge, employee protection is also high on the agenda. This results in a balanced and individual approach to implementing the internal knowledge security guidelines.

Preventing discrimination and stigmatisation weighs heavily in this approach. Government research reports point to attempts at foreign interference with which employees of knowledge institutes could be confronted, with all the consequences this entails. In the development and implementation of knowledge security policies, there a great deal of attention to social safety, therefore. Also in connection with maintaining a healthy research culture and research integrity.

NWO-I therefore sees it as an important task to regularly organise knowledge sessions, events, and interactive workshops for all NWO-I employees. The aim is to increase support for the implementation of the knowledge security policy, make it discussable and maintain momentum.

## **Current developments**

The ministry has developed a new proposed legal framework. This after extensive dialogue with the knowledge institutes on the impact of a proposed Knowledge Security Screening Act. The screening will become part of the recruitment process for knowledge workers who may come into contact with sensitive technologies at a Dutch knowledge institute. The underlying list of sensitive technologies is still subject to further elaboration and will determine the extent of the number of screenings that must be requested by the knowledge institute. The Ministry of Education, Culture and Science indicated that the feasibility of the screenings and maintaining an attractive research climate in the Netherlands play a role in the introduction of the Knowledge Security Screening Act.

Meanwhile, support for policy alignment within the EU and with EU allies is growing. This is due to shared concerns and the importance of a 'level playing field' and at the same time maintaining academic collaboration. The Council of the European Union's 'Recommendations on improving research security', which set out a balanced approach, is a good example. Joint policies create framework conditions for secure international cooperation.

## 2.6 Impact of the COVID-19 pandemic

Shortly after the COVID-19 pandemic broke out, the NWO Executive Board established a €6-million Coronavirus Fund in 2020. The fund allowed the NWO institutes to do what was necessary to minimise the impact of the coronavirus measures as much as possible. The fund was later expanded by €815,000 and later by another €4.765 million from the resources of the National Education Plan (NPO).

### **The Coronavirus Fund provides space:**

- for financial compensation to extend temporary contracts of PhD students and postdocs;
- to cover costs of permanent (technical) staff who could not be productive during lockdown, which meant that delivery deadlines were not met;
- and to cover additional costs that otherwise had to be incurred.

Later on in Chapter 4, we report on the renewals funded in 2024 with these National Education Plan funds. The effects of the coronavirus pandemic have slowly ebbed away, but it became clear in 2024 that additional support has been very welcome. The immediate need is now over. The fund was therefore closed in 2024.



## **What is the relation between COVID-19 and domestic violence?**

Domestic violence is a major social problem. After the outbreak of COVID-19 and the measures that followed, it was expected that there would be an impact on the figures for this form of violence. Because this effect might only become visible in later figures, and the NSCR had already researched the short-term effects, the NSCR recently conducted long-term research into the possible increase in domestic violence in all 26 Veilig Thuis [Safe Home] regions in the Netherlands.

The findings show that there is no visible increase in the number of (registered) reports or cases of domestic violence. However, the type of reporter did change: during the pandemic, neighbours reported more often.

Veilig Thuis also introduced a chat function for low-threshold advice, showing that mainly directly involved parties (victims themselves) used this chat. The ease of the chat function and the element of anonymity may lower the barrier to seeking help.

**Image credits:** NSCR



## 3 Finances

This chapter includes a discussion of NWO-I's income and expenses in 2024 and the forecast for the coming years. The risks faced by the foundation and the mitigating measures are also addressed.

### 3.1 Financial key figures and explanation

#### **Income**

In 2024, NWO-I's income totalled €285 million. Most of the income (€169.2 million) originated from NWO in the form of basic funding. This basic funding provides a stable basis for conducting and supporting scientific research at the nine research institutes. The institutes also secured funding for their research projects in competition; the researchers affiliated with the NWO institutes were successful in competition as well. Income in 2024 for NWO's projects obtained in competition amounted to €28 million.

Several institutes saw major projects approved in 2024, many of which will result in income after 2024. NSCR received an award of €7.2 million from the NWO Dutch National Research Agenda for research into the de-escalation of aggressive encounters between front-line staff and citizens. Nikhef was awarded €4 million from the Ministry of Education, Culture and Science and €3 million from NWO for a scale-up of the Einstein Telescope. AMOLF received an award of €3.3 million from NWO as a partner in the 'Advanced Nano electrochemistry Institute Of the Netherlands' Gravitation proposal submitted by Leiden University. AMOLF and NIOZ received €3.9 and €3 million from NWO for their share from the SUMMIT proposals 'EVOLF' and 'Embracer' submitted by other universities. CWI received €3 million from NWO for a proposal on challenges in cyber security. DIFFER received €4.4 million for various EU-H2020 projects for Eurofusion.

The institutes also received various other larger and smaller awards. For example, Nikhef received multiple NWO Exact sciences and Physics XL grants from NWO totalling €9.4 million. ASTRON and NIOZ received €2.6 million and €2.1 million, respectively, from European Research Grants (ERCs) from the European Union. SRON received €4.7 million for the MEDUSA project and for the Science Accelerator Hub for Astrophysics.

In 2024, the expenses totalled €265 million. This figure was €220 million in 2023. Most of these costs were personnel expenses (€159.1 million). Other significant items include depreciation (€12.2 million), housing expenses (€16.9 million) and other expenses (€76.3 million).

Compared to 2023, there was an increase in personnel expenses (€11 million), mainly due to increases under collective labour agreements. Depreciation charges increased by €3 million in 2024 due to full depreciation on the Nikhef renovation in 2024 compared to two months in 2023. Housing expenses mainly increased due to rising costs for water and energy (€3 million). The other expenses were higher mainly due to an increase in out-of-pocket expenses for projects, notably the Einstein Telescope.

## Result

NWO-I aims to maximise the use of the funding for science, and therefore to limit the disposable assets. The result in 2024 is comprised primarily of non-disposable assets, i.e. allocations that will not lead to expenditure until later years. This result is therefore (largely) being added to the earmarked reserve. The (earmarked) result is mainly due to allocations for the strategic priorities (€10 million), the Einstein Telescope scale-up (€5.5 million), innovation in science and operations (€5 million) and the HFML-FELIX bridging loan (€2 million). In addition to this, interest income in 2024 was €3 million and the result from a participating interest was €2 million. This brings the result to €25.2 million (2023: €7.1 million positive). Interest income and the result from the participating interest are part of the disposable assets.

## 3.2 Financial developments in 2024

### 3.2.1 Statement of income and expenditure

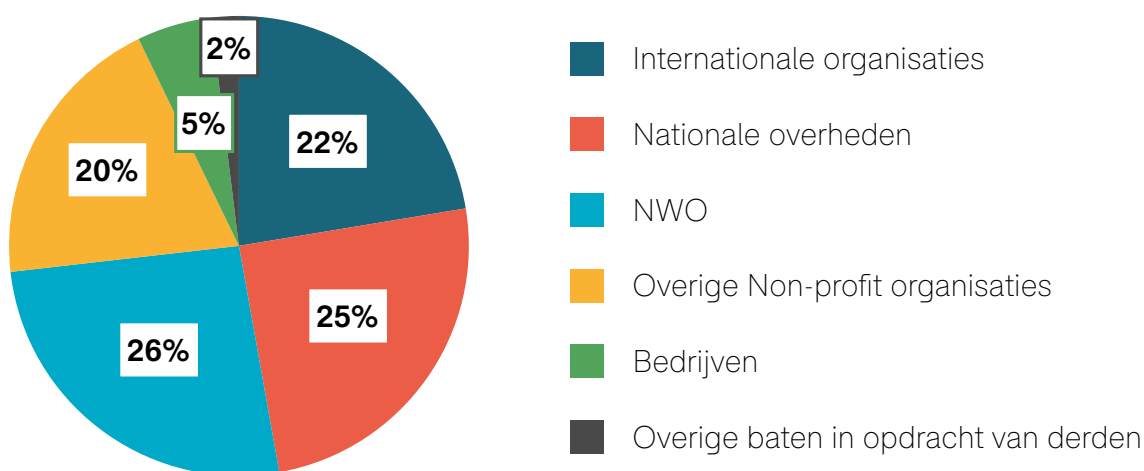
**Table 1: Budgeted and realised income and expenditure 2024 (amounts x €1,000)**

	2024	Budgeted 2024	2023
<b>Income</b>			
Government grants	169,183	142,479	146,784
Other government contributions and grants	62	1,152	386
Income from work for third parties	108,672	100,363	71,014
Other income	7,030	6,389	7,141
<b>Total income</b>	<b>284,946</b>	<b>250,383</b>	<b>225,325</b>
<b>Expenses</b>			
Personnel expenses	159,133	156,445	148,064
Depreciation/amortisation	12,244	11,001	9,269
Housing expenses	16,931	17,515	15,156
Other expenses	76,398	74,804	47,648
<b>Total expenses</b>	<b>264,707</b>	<b>259,765</b>	<b>220,137</b>
<b>Balance of income and expenditure</b>	<b>20,239</b>	<b>-9,381</b>	<b>5,188</b>
Financial income and expenditure	2,946	450	1,807
<b>Result</b>	<b>23,186</b>	<b>-8,931</b>	<b>6,995</b>
Result from participating interests	2,029	-	145
<b>Result after taxes</b>	<b>25,215</b>	<b>-8,931</b>	<b>7,140</b>
Third-party share in result	-	-	-
<b>Total net result</b>	<b>25,215</b>	<b>-8,931</b>	<b>7,140</b>

## Developments in income

NWO provides the basic grant to NWO institutes. This so-called Government Grant amounted to €169.2 million in 2024, contributing 60% of NWO-I's total income. In addition to this Government Grant, NWO-I also secures grants competitively from NWO and external financiers. Income from work for third parties amounted to €108.7 million in 2024 (38% of the total NWO-I income). Other income amounted to €7 million in 2024 (2% of the total).

Of the grants secured competitively, about 26% came from NWO, 25% from national governments including the Ministry of Economic Affairs (EZK) and the Ministry of Education, Culture and Science (OCW), 22% from international organisations, 20% from other non-profit organisations including universities, 5% from companies and 2% from others.



The realised income exceeded the budgeted amount by €34.6 million in 2024. The biggest difference between budget and realisation is in the Government Grant (€26.7 million), in 2024 several new grants were received from NWO that were not foreseen in the budget. This includes grants for strategic priorities (€10 million), the Einstein Telescope scale-up (€5.5 million), wage and price compensation 2024 (€3 million), innovation in science and operations (€5 million) and the HFML-FELIX bridging loan (€2 million). Project income was higher than budgeted due to additionally acquired projects. Other income was also slightly higher than budgeted, but in line with 2023.

The 2024 income was higher than the realised income in 2023 (€59.6 million). The government grants were €22.4 million higher due to the allocations mentioned above and project income and other income was €37.2 million higher. This was mainly due to an increase in project spending within the Growth Funds. The Growth Funds are project funding granted by the central government in 2022 and 2023. These led to an increase in project spending and therefore project income in 2024, compared to previous years.

## Developments in expenditure

Total expenditure in 2024 was €264.7 million, €4.9 million higher than budgeted. Personnel costs increased by €2.7 million compared to the budget (mainly due to the new collective labour agreement as of 1 September), higher depreciation costs (€1.2 million; mainly due to the depreciation of the Nikhef renovation), lower housing costs (€0.6 million lower; mainly due to lower maintenance costs due to capitalisation of some of these) and higher other costs (€0.5 million; mainly due to higher project costs).

Compared to 2023, expenditure in 2024 was €43.5 million higher. This, too, shows a mixed picture. Personnel expenses were €11.1 million higher than in 2023, mainly due to the new collective labour agreement. Depreciation charges were €3 million higher due to full depreciation on the renovation in 2024, compared to two months in 2023.

In addition, housing costs were €1.8 million higher, mainly due to increased charges for water and energy (€0.4 million) and higher maintenance costs (€0.7 million). The other expenses increased by €27.7 million. The main reason for this was the increase in project-related costs, especially in some large grant projects such as the Einstein Telescope and LOFAR.

## 3.2.2 Developments in the financial position

**Table 2: Balance sheet total 2024 (amounts x €1,000)**

	<u>31/12/2024</u>	<u>Budgeted 2024</u>	<u>31/12/2023</u>
<b>Assets</b>			
Intangible fixed assets	2,301	1,945	2,594
Tangible fixed assets	246,916	246,004	214,079
Financial fixed assets	4,398	1,858	2,418
<b>Fixed assets</b>	<b>253,615</b>	<b>249,807</b>	<b>219,091</b>
Receivables	61,388	35,314	52,788
Liquid assets	60,908	49,842	79,801
<b>Current assets</b>	<b>122,296</b>	<b>85,155</b>	<b>132,590</b>
<b>Total assets</b>	<b>375,911</b>	<b>334,962</b>	<b>351,681</b>

**Table 2: Balance sheet total 2024 (amounts x €1,000)**

Continued from previous page	31/12/2024	Budgeted 2024	31/12/2023
<b>Liabilities</b>			
Equity	147,913	114,057	122,699
Provisions	9,869	8,442	9,750
Long-term liabilities	64,509	109,299	68,324
Current liabilities	153,620	103,164	150,908
<b>Total liabilities</b>	<b>375,911</b>	<b>334,962</b>	<b>351,681</b>

Tangible fixed assets rose by €32.8 million in 2024 as a result of the fleet renewal at NIOZ. To finance this fleet renewal, a loan agreement was signed with NWO. NWO-I can draw on this should a liquidity shortage threaten. There was a deterioration in working capital and current ratio in 2024. Nevertheless, there was no need to call on the loan in 2024; it is expected to be needed in 2025, however.

**Table 3: Financial key figures NWO-I**

	31/12/2024	Budgeted 2024	31/12/2023
<b>RATIOS</b>			
- Solvency	39%	34%	35%
- Working capital	-31,323	-18,008	-18,318
- Current ratio	0.81	0.83	0.88

NWO-I's solvency is 39% and indicates the proportion of equity in the total assets. A solvency ratio of between 25% and 40% is considered sufficient. NWO-I thus shows a solvency ratio within the norm.

Working capital is the difference between current assets and current liabilities. NWO-I's working capital fell from negative €18.3 million to negative €31.3 million. This decrease was caused by large expenditure on NIOZ's fleet, which was funded from the working capital in 2024.

The current ratio at the end of 2024 was 0.81, which was lower than at the end of 2023. The current ratio reflects the extent to which the current liabilities can be paid from the totality of short-term receivables and liquid assets.

**Table 4: Cash flow statement (amounts x €1,000)**

	<b>31/12/2024</b>	<b>31/12/2023</b>
Balance of income and expenditure	20,239	5,188
<b>Adjustments for:</b>		
Depreciation/amortisation	18,084	15,354
Movements in provisions	119	279
Movement in present value calculation	-123	-786
<b>Change in working capital</b>		
Receivables (-/-)	-8,600	-9,554
Current liabilities	787	25,534
<b>Total cash flow from operations</b>	<b>30,507</b>	<b>36,015</b>
Interest received	3,066	2,644
Interest paid (-/-)	3	-50
	3,069	2,593
<b>Total cash flow from operating activities</b>	<b>33,576</b>	<b>38,608</b>

**Table 4: Cash flow statement (amounts x €1,000)**

Continued from previous page	31/12/2024	31/12/2023
<b>Cash flow from investment activities</b>		
Investments in tangible fixed assets (-/-)	-52,884	-41,490
Disinvestments in tangible fixed assets	1	18
Investments in intangible fixed assets (-/-)	-355	-
Disinvestments in intangible fixed assets	-	-
Investments in participating interests and/or collaborations (-/-)	-	-
Investment grants and contributions received in advance	700	670
Movements in loans (-/-)	-	-
Other investments in financial fixed assets (-/-)	69	185
<b>Total cash flow from investment activities</b>	<b>-52,469</b>	<b>-40,617</b>
<b>Cash flow from financing activities</b>		
Newly taken loans	-	-
Repayments on long-term liabilities (-/-)	-	-
<b>Total cash flow from financing activities</b>	<b>-</b>	<b>-</b>
Other balance sheet movements	-	-
<b>Movement in liquid assets</b>	<b>-18,893</b>	<b>-2,009</b>
Balance at start of fiscal year	79,801	81,810
Balance at end of fiscal year	60,908	79,801
<b>Movement in liquid assets</b>	<b>-18,893</b>	<b>-2,009</b>

Cash flow from operating activities was €5 million lower than in 2023, but still positive €33.6 million. This was mainly related to grants received in advance and spent in later years. The negative cash flow from investment activities amounted to €52.4 million and concerns the investments in tangible fixed assets (NIOZ fleet). Given the operating and investment activities, the balance of liquid assets in 2024 decreased by €18.9 million to €60.9 million.

### 3.2.3 Developments in the result and equity

**Table 5: Developments in the result and equity (amounts x €1,000)**

<b>Profit distribution</b>	<b>2024</b>	<b>Budgeted 2024</b>	<b>2023</b>
- Movement in the general reserve	6,017	-590	2,074
- Movement in earmarked reserves (public)	20,532	-7,692	5,860
- Movement in earmarked funds	-1,041	-	-146
- Movement in other legal reserves	-294	-649	-649
<b>Total profit distribution</b>	<b>25,215</b>	<b>-8,931</b>	<b>7,140</b>

NWO-I's result after tax in 2024 was a profit of €25.2 million. The budget had assumed a negative result of €8.9 million. Due to higher income (€33.4 million), higher expenses (€3.9 million), higher financial income (€2.5 million) and a higher result from participating interests (€2.0 million), the realised result in 2024 was significantly more positive than budgeted (€34.1 million). This was mainly due to unforeseen one-off allocations that caused a positive result because the expenditure is to take place in a later year. There are also one-off financial windfalls: interest income and the result in the participating interest.

Income from interest earned on the NWO-I bank balance held with the Ministry of Finance is added to the General Reserve. The settlement of the granting organisation has also been added to the General Reserve.

Public earmarked reserves increased mainly due to the Executive Board providing funds to NWO-I which will be spent at a later point in time. The largest items in this are funds for strategic priorities and allocation for the Einstein Telescope.

The settlement of the BUW is almost complete, with the earmarked funds closed by the end of 2024.

The other legal reserves change annually with the depreciation costs of the financial system and, from 2025, also the personnel system, which was capitalised in 2024.

### 3.2.4 Treasury

The rules for investing and borrowing money on NWO-I resources are laid down in the treasury rules. The treasury rules were drafted based on the relevant legal framework (the 2001/2016 Government Accounts Act). The mandatory liquidity prognosis for at least five years is prepared quarterly. The legal framework is also shaped by the Ministry of Education, Culture and Science's Regulation on Investing, Borrowing and Derivatives of 2016 and the Treasury Banking Regulation for local governments.

The treasury rules were updated in 2021. The premise of the treasury function is that NWO-I monies may not be invested or used to borrow money on. All liquid assets are held at the Ministry of Finance, via Treasury banking, with the exception of a specific bank account for SRON and a US dollar account at CWI.

NWO-I provided loans to participating interests. Long-term liabilities include investment grants received in advance that NWO-I received in the past for investments in tangible fixed assets.

## 3.3 Risk section

NWO-I handles the funds it obtains for research responsibly. NWO-I has a risk management and control system that is based on two widely used standards. These are the Three Lines of Defence model (The Institute of Internal Auditors) for a clarification of duties and authorities, and the Enterprise Risk Management model (ERM COSO).

### 3.3.1 Risk management policy

NWO-I's risk management policy is based on key elements from the ERM COSO model and ISO 31000. The risk management policy was updated in 2022. This was done not only to bring it up to date but also to raise awareness of risk management again. Follow-up steps were taken in 2024, based on the work carried out previously. The policy devotes attention to the quality of both the risk assessment and evaluation process and the way control measures are set out. In the risk management process, NWO-I pays attention to the distinction between the different types of risk (strategic, operational, reporting and regulatory) and the attendant control aspects.

### 3.3.2 Risk appetite

NWO-I has a low risk appetite. This is mainly because NWO-I operates with public funds that must be spent on the intended purposes under transparent conditions. The risks taken by NWO-I fall under regular business activities and are related to conducting research and operating and maintaining the institutes. NWO-I has set up various controls (as per the AO manual) for segregation of duties and the authorisation of roles/rights.

### 3.3.3 Development of identified risks

NWO-I's 2023 annual financial report mentioned a number of risks for 2024. The status of these risks is as follows:

#### **Digital intrusion at NWO-I**

The 2022/2023 initiatives around information security continued unabated. The urgency is widely shared and led to the adoption of a strategic information security policy in 2023 and a high level of ambition for information security.

The implementation of a Security Operations Center (SOC) and Security Information & Event Management (SOC/SIEM) was completed at many institutes in 2023. The last followed in 2024. With SOC/SIEM, NWO-I is able to, among other things, monitor security events, detect security incidents and organise incident response. It also looks to identify and understand security threats.

### **EU projects, failure to satisfy grant conditions**

The periodic meetings held with project controllers were continued to define and implement improvement proposals. An important step taken at the end of 2024 was the automated reconciliation of leave and absence days between the HR system and the timekeeping system. Reconciliation also took place between the institutes on the hourly rates to be used in projects.

### **Discrepancy between ambition and the knowledge and capacity it requires**

The scarcity on the labour market continues to be an area of concern. NWO-I tries to mitigate this risk by applying strategic HR policies with (strategic & tactical) workforce planning, labour market communication, incentives to retain employees, good training policy and good terms of employment.

### **The effects of inflation, including rising energy costs at the institutes**

NWO-I was compensated in 2024 for wage and price increases and also received structural compensation for increased energy prices.

## **3.3.4 Key risks**

NWO-I has included the key risks and uncertainties in a risk matrix. The risks concerning prices, credit, interest rate/currency risk and liquidity risk are limited and are set out in the notes to the financial statements. Several management measures have been put in place to manage and mitigate the risks. The risk register is updated periodically and reviewed annually.

### **Cyber security**

IT security risks are still considered one of the greatest risks worldwide. For NWO-I, too, this risk remains as high as ever and thus a key area of focus within risk management.

### **Politics and spending cuts**

A major political risk already factored into the 2023 financial statements concerns cuts by the central government to research and innovation funding. In the recent period, it has become clear that cutbacks in education and research/innovation, as within other sectors for that matter, have taken hold in the central government's 2025 budget. For the upcoming 2026-2030 budget, we have assumed that no further cuts will apply, but again this cannot be ruled out entirely.

## Hazardous substances

The risk of working with hazardous substances or hazardous equipment has been assessed as small. The chances of something happening are low, but if it does, the impact could be great. Within the institutes, efforts are therefore fully focused on improving occupational safety.

## Labour market

In line with global trends, NWO-I also believes that shortages in the labour market will be one of the main risks from 2022 onwards.

The main risks to be managed, ones that the Foundation Board is ultimately responsible for, are summarised in Table 6.

**Table 6: Risks to be managed for NWO-I**

Risk	Notes	Existing control measures	Risk category
Privacy and information management	Inadequate information security and privacy protection can lead to unwanted loss of information (business-sensitive information, data breaches) and/or non-compliance with laws and regulations (including the GDPR).	Information security policy and Privacy policy with 'Security & Privacy by Design & by Default', Access Security Control. Act adequately according to security incident process with explicit attention to data breaches.  Awareness campaign on privacy, information security and knowledge security. Continuous dialogue with employees in the organisation on the usefulness and necessity of conscious and careful action.	High
Digital intrusion at NWO-I	Digital intrusions/cyber attacks can lead to unwanted loss of digital data. It can also include attempts at extortion or blackmail. Digital intrusion can also lead to temporary or permanent discontinuity of NWO-I's operations.	<ul style="list-style-type: none"> <li>• Firewalls, antivirus software and spam filters</li> <li>• 24/7 detection based on intensive log analysis and event correlation (SOC SIEM)</li> <li>• Segmentation of functionality and networks</li> <li>• Investigation into IT vulnerabilities</li> <li>• Development of risk management and information security policy</li> <li>• Continuity-enhancing measures such as backup and incident procedures</li> <li>• Improve knowledge and raise awareness, use safe procedures</li> <li>• Development: Strengthening of internal and external cooperation on cyber security.</li> <li>• Increase in alertness.</li> <li>• Strengthening of cyber-security expertise in multiple layers of the organisation.</li> </ul>	High

**Table 6: Risks to be managed for NWO-I**

<b>Risk</b>	<b>Notes</b>	<b>Existing control measures</b>	<b>Risk category</b>
Insufficient resources to maintain/replace/update (major) infrastructure and to operate this infrastructure.	Insufficient funding available (either from NWO-I or from external funding) for investment and operation. Insufficient staff to be able to carry out operations.	The NWO-I Board will investigate whether NWO-I funds can be made available for the co-financing of large scientific infrastructure, which the NWO-I Board can decide on itself, or other forms of earmarking NWO grants for institutes. It will also establish criteria that the investment request (business case, including housing issues) must meet.	High
Government decides to fund less scientific research	Political risks	This risk manifested itself in 2024, but will continue to be an issue in the coming years. If this manifests itself in the future, appropriate control measures will be taken.	High
Commitments with partners from high-risk countries and potential risks of unwanted transfer of knowledge of national or strategic importance	NWO-I and its institutes operate internationally by definition. Scientific collaborations are a part of this (often 1 on 1). In some cases, those collaborations are formalised. In the case of high-risk countries, this could result in unwanted transfer of knowledge of national or strategic importance.	Knowledge security guideline Approval must be granted in advance to participate in official (long-term) commitments.  Awareness campaign on cooperation with high-risk countries. Proper screening of contracts and potential employees from high-risk countries, second-line advice from the National Knowledge Desk.	Low
Discrepancy between ambition and the knowledge and capacity it requires	NWO-I is unable to recruit and retain the right employees (technical, IT, engineering) ('war for talent').	Use strategic HR policies with (strategic & tactical) workforce planning, labour market communication, the right incentives to retain employees, good training policy and good terms of employment.	High
Failure to satisfy grant conditions	The grant awarded may be set at a lower level, requiring the repayment of (part of) the grant.	Project controllers have been appointed at the institutes to monitor such matters. Project control and expertise is strengthened and pooled by intensifying cooperation.	High
Non-compliant with tax law	VAT/payroll tax returns (corporation tax for entities subject to corporation tax) are incorrect/incomplete, which can result in additional tax assessments.	The administrative organisation handbook contains a description of how to deal with tax issues. There have also been several tax training sessions. A QuickScan for VAT and a study into setting up a tax control framework were launched in 2024.	High
Hazardous substances or hazardous equipment (for instance, in measuring stations).	Careless handling of hazardous materials or equipment can cause accidents and/or reputational damage, with associated financial consequences.	Procedures for ordering, managing, and disposing of the mentioned substances and procedures for the safe handling of hazardous equipment.  Various internal audits were also carried out.	Low

## 3.4 Multi-year forecast

The institutes are partly funded from the NWO's Government Grant. In addition to structural components, these include components with a specific duration. Government grants will remain stable at around €167 million for the next few years. In 2025, the Government Grants peak due to a one-off investment in NWO-I's Strategic Innovation Fund of €10 million.

In addition to the structural Government Grants, the institutes successfully acquire project funds from NWO, the European Union, the Dutch government and from collaborative projects with universities and the business sector. The institutes expect to keep their project portfolio on level in the coming years. Funding for a number of large new projects was approved in 2024 which will be reflected in the budget in the coming years. The institutes' project portfolio is well filled for the coming years. The portfolio is forecast to be filled with new allocations further in time.

### 3.4.1 Budgeted income and expenditure

The income for 2025 is budgeted at €288 million. NWO-I's 2025 budget is based on the grants and contracts already acquired, which decrease in a multi-year perspective due to the planned expiry of awarded projects. Additionally, estimates were made of the income NWO-I will acquire for new projects.

The multi-year forecast includes structural new Government Grants for HFML-FELIX, which was added as NWO-I's tenth institute as of 1 January 2025 (€9 million per year) and the 2024 wage and price compensation (€8.3 million per year). The years 2025 and 2026 include incidental contributions from the Ministry of Education, Culture and Science for the Einstein Telescope (€1.5 million in two years) and a boost for the Square Kilometre Array Observatory (SKAO) (€0.6 million in two years).

Table 7 shows how income and expenditure are expected to develop over the next five years. NWO-I budgets a negative result for the coming years, with the exception of 2025, which has a small positive result. The negative result is partly due to the planned use of accumulated reserves on research projects and scientific infrastructure.

**Table 7: Statement of income and expenditure (amounts x €1,000)**

	Realisation	Multi-year forecast				
	2024	2025	2026	2027	2028	2029
<b>Income</b>						
Government grants	169,183	178,229	168,320	166,984	167,002	167,071
Other government contributions and grants	62	466	315	428	60	60
Income from work for third parties	108,672	102,917	87,457	83,071	80,215	76,356
Other income	7,030	6,678	6,965	7,322	7,572	7,572
<b>Total income</b>	<b>284,946</b>	<b>288,290</b>	<b>263,057</b>	<b>257,804</b>	<b>254,848</b>	<b>251,058</b>
<b>Expenses</b>						
Personnel expenses	159,133	181,058	176,976	170,858	168,862	165,258
Depreciation/amortisation	12,244	13,035	15,664	15,748	14,660	14,395
Housing expenses	16,931	18,320	17,101	17,532	18,047	17,753
Other expenses	76,398	76,626	60,919	61,426	61,040	54,839
<b>Total expenses</b>	<b>264,707</b>	<b>289,039</b>	<b>270,661</b>	<b>265,564</b>	<b>262,609</b>	<b>252,245</b>
Balance of income and expenditure	20,239	-749	-7,604	-7,760	-7,761	-1,186
Realised revaluation	-	-	-	-	-	-
Financial income and expenditure	2,946	950	-50	-50	-50	-50
Tax	-	-	-	-	-	-
Result from participating interests	2,029	80	155	5	5	5
Third-party share in result	-	-	-	-	-	-
<b>Total net result</b>	<b>25,215</b>	<b>281</b>	<b>-7,499</b>	<b>-7,805</b>	<b>-7,806</b>	<b>-1,231</b>

Income over the period 2025-2029 will fall from €289 million in 2025 to €251 million in 2029.

The decrease in income is largely due to decreasing Income from work for third parties. All the NWO institutes secure funding in addition to the basic grant allocated by NWO from the Government Grant. The motivation and approach for this depends on the mission and context of the institute, therefore the income from these resources varies from institute to institute. This also applies for the volume of grants and contracts that are yet to be acquired, recorded for each institute. The years 2024 and 2025 include additional Income from work for third parties due to the Growth Funds granted earlier. These funds expire in the next few years, so that the level of Income from work for third parties will decrease.

The 'Income from work for third parties' item includes:

- specific project grants from NWO funding schemes, such as NWO Large, roadmap Large-scale Scientific Infrastructure and the Talent Scheme (Veni, Vidi, Vici funding);
- income on account of projects funded by international organisations such as the European Union from the framework programmes and by the European Research Council (ERC);
- income from national authorities such as the ministries (including the Growth Funds), companies and non-profit organisations such as universities, from public-private partnership projects and contract research at the institutes.

Expenditure over the period 2025-2029 will fall from €289 million in 2025 to €252 million in 2029. The expenditure, like the income, includes €9 million over several years for HFML-FELIX. The main reason for this decrease is the decline in Income from work for third parties. This causes both the personnel expenses and the other expenses to decrease.

### 3.4.2 Investment plans and circumstances affecting the budget

#### NIOZ fleet renewal

In 2020, the NWO Executive Board decided to proceed with the purchase of three research vessels for NIOZ: a large ocean-going vessel (the RV Anna Weber-van Bosse), a medium-sized vessel intended for mudflat research (the RV Wim Wolff) and a small vessel (the RV Adriaen Coenen).

In 2022, the tender process for the largest research vessel, the RV Anna Weber-van Bosse, was completed with an award to the Spanish shipyard Astilleros Armon. The construction of the RV Anna Weber-Van Bosse is in full swing. This vessel will be completed in 2025. The multi-year forecast includes the investments and, in later years, depreciation expenses for this vessel.

## **Phasing out of the University Working Groups Administrative Unit (BUW)**

In 2024, all ongoing projects and programmes of the University Working Groups Administrative Unit (BUW) were concluded. The NWO-I Board, with the agreement of the NWO Board, added the remaining funds to the NWO-I General Reserve.

## **Effects of the coronavirus crisis**

NWO-I received various resources to deal with the impact of the COVID-19 pandemic. NWO provided a budget of €6 million from the Government Grant and provided a budget of €0.8 million from the Dutch National Research Agenda funds to compensate for research delayed by COVID-19. The Ministry of Education, Culture and Science provided a budget of €4.8 million from the National Education Plan (NPO) administrative agreement, the support programme for the recovery and prospects of researchers.

A final settlement with the institutes was made in 2024 and the remaining funds were allocated to the institutes.

## **NWO-I Strategic Innovation Fund**

NWO's Executive Board granted NWO-I a fund for the purpose of innovating the institute portfolio and making it more flexible. The so-called Strategic Innovation Fund will receive an allocation of €2.5 million per year as of 2024 and €5 million per year from 2025. A one-off investment of €10 million was added to the fund in 2025. So 15 million is available in the first round for 2025. The institutes were given the opportunity to apply in 2024. The 2025-2029 budget estimates expenditure within this fund. The Foundation Board decided on 13 November 2024 to invest €13.8 million at the institutes.

## **Matching Horizon Europe (MHE)**

Since 2023, NWO-I has had the opportunity to apply to the Netherlands Enterprise Agency (RVO) for grants to cover the matching costs of projects funded from the EU research and innovation framework programme, Horizon Europe. The grant from the Dutch government is intended to contribute towards the project costs of Horizon Europe projects and thus encourage participation in the European programme.

As this matching grant qualifies as an operating grant, income is recognised in proportion to the progress of the project for which the grant was received. NWO-I accounted for €2 million in EU income in this context in the 2024 financial statements. This means that all the projects that have received MHE grants since 2023 have been caught up for. NWO-I also submitted a grant application for 2025. NWO-I is expected to receive another award from this.

## HFML-FELIX

HFML-FELIX is an NWO institute with effect from 1 January 2025. A cooperation agreement was signed with Radboud University and six other university partners. NWO has provided basic funding of €9 million per year.

### 3.4.3 Continuity section

The multi-year outlook regarding NWO's basic grant to NWO-I is outlined annually in NWO's Framework Letter. NWO-I's budget is drawn up based on the figures in the framework letter and on the project awards and contracts that have already been secured. The budget also includes an estimate of grants and contracts yet to be secured. At the time of the financial statements, the budget is updated in a multi-year forecast. Based on the multi-year forecast, taking into account the risks and risk management as described in section 3.3, the management believes that continuity is assured.

## Equity

**Table 8: Equity (amounts x €1,000)**

	Realisation	Multi-year forecast				
	2024	2025	2026	2027	2028	2029
Equity	147,913	132,807	125,308	117,503	109,698	108,466

The multi-year forecast includes an overview of the movements in NWO-I's equity. Equity will decrease in the coming years as a result of the catching up on the earmarked reserves at the institutes, especially for research projects and scientific infrastructure. In addition, various major investment projects, such as the replacement of the NIOZ fleet, the construction of the new SRON building and the renovation of Nikhef, will impact the development of the foundation's assets. For these major projects, income has already been received (in part), but depreciation charges will follow in the coming years. Within the assets, these items are segregated and, over the term, net zero.

## Liquidity

**Table 9: Liquidity (amounts x €1,000)**

	Realisation	Multi-year forecast				
	2024	2025	2026	2027	2028	2029
<b>Starting balance</b>	<b>79,801</b>	<b>60,908</b>	<b>68,439</b>	<b>80,372</b>	<b>75,297</b>	<b>72,850</b>
Revenues	-	339,738	280,657	258,354	255,061	251,307
Expenditure	-18,893	-332,207	-268,724	-263,429	-257,508	-245,756
<b>Final balance according to balance sheet</b>	<b>60,908</b>	<b>68,439</b>	<b>80,372</b>	<b>75,297</b>	<b>72,850</b>	<b>78,401</b>

Liquid assets will continue to decrease in the next few years due to major investment expenditure for the fleet renewal at NIOZ. In 2023, negative liquidity was expected in 2024. That is why a loan agreement was entered into with NWO to finance major investment expenditure totalling €120 million. This loan was formalised in 2022.

In 2024, the loan was not called on because there were sufficient liquid assets. This was mainly due to significant research project funds received in advance and deferred payments for the fleet renewal. The multi-year forecast includes a drawdown of the loan in tranches in 2025 and 2026. This will keep NWO-I's liquidity at a desirable level. Actual drawing down on the loan depends on the development of revenues and expenditures and the funds expected to be required to continue to meet payment obligations.

## Balance sheet

Table 10: Balance sheet (amounts x €1,000)

	Realisation	Multi-year forecast				
	2024	2025	2026	2027	2028	2029
<b>Assets</b>						
<b>Fixed assets</b>						
Intangible fixed assets	2,301	1,296	647	-	-	-
Tangible fixed assets	246,916	267,054	256,171	244,838	233,762	222,105
Financial fixed assets	4,398	2,360	2,321	2,286	2,286	2,286
<b>Fixed assets</b>	<b>253,615</b>	<b>270,710</b>	<b>259,139</b>	<b>247,124</b>	<b>236,048</b>	<b>224,391</b>
<b>Current assets</b>						
Receivables	61,388	26,269	24,447	23,095	22,064	20,871
Liquid assets	60,908	68,440	80,372	75,296	72,850	78,410
<b>Current assets</b>	<b>122,296</b>	<b>94,709</b>	<b>104,818</b>	<b>98,391</b>	<b>94,913</b>	<b>99,281</b>
<b>Total assets</b>	<b>375,911</b>	<b>365,419</b>	<b>363,957</b>	<b>345,515</b>	<b>330,961</b>	<b>323,672</b>
<b>Liabilities</b>						
Equity	147,913	132,807	125,308	117,503	109,698	108,466
Provisions	9,869	9,100	8,972	8,958	8,963	8,824
Long-term liabilities	64,509	109,020	122,170	116,805	111,445	106,114
Current liabilities	153,620	114,492	107,507	102,249	100,855	100,268
<b>Total liabilities</b>	<b>375,911</b>	<b>365,419</b>	<b>363,957</b>	<b>345,515</b>	<b>330,961</b>	<b>323,672</b>

In 2025, the budgeted balance sheet total decreases due to decrease in current liabilities and receivables and decrease in equity. A drawdown of the long-term loan is budgeted for 2025, however, causing an increase in the long-term liabilities. This loan is needed to pay for the fleet. The item tangible fixed assets will still increase in 2025. After 2025, the decline in the balance sheet will continue. Depreciation of material fixed assets, like the use of earmarked assets, will cause a decrease.

Equity will decrease in the coming years as a result of the catching up on the earmarked reserves at the institutes, especially for research projects and scientific infrastructure.

### **Events after the balance sheet date**

There were no events after the balance sheet date that had a significant financial impact on the 2024 figures. There has, however, been a tenth institute since 1 January 2025: HFML-FELIX. Basic funding for this will be provided by NWO from 2025, but the other collaboration partners will also contribute.

## **3.5 Real estate and housing**

The NWO-I institutes are spread throughout the Netherlands. In total, NWO-I has about 120,000m<sup>2</sup> of industrial space, consisting of laboratories, offices and workshops. Part of the housing consists of rented premises (SRON Groningen, ARCNL, NSCR and the NWO-I Office), but the majority are owned buildings. Central control of the real estate portfolio such as with multi-year maintenance budgets, renovations and investment requests is aligned as much as possible. Day-to-day management of the buildings is done by the facilities departments for each institute.

### **3.5.1 Proposed renovation CWI**

The office of the NWO institute CWI is located at the Amsterdam Science Park. It is part of a larger complex of which the Nikhef building (approx. 13,500 m<sup>2</sup> of floor space) was thoroughly renovated and made more sustainable in 2023. In 2024, planning was started for the renovation and sustainability of the CWI office (approx. 9,500 m<sup>2</sup> of floor space) and a programme of principles was worked on. The investment request for this renovation is expected to be submitted to the Foundation Board for consideration in 2025.

### **3.5.2 Maintenance plan and maintenance fund**

Since 2022, NWO-I has had a broad maintenance policy and a central maintenance fund for its buildings. The policy includes having periodic condition measurements of our buildings carried out by an external party, with the results translated into a multi-year maintenance plan. This is with the aim of keeping our real estate portfolio in optimal condition.

The maintenance plans for each institute are assessed annually by the Real Estate department and reconciled with the budget from the central maintenance fund. Investments for new construction, large-scale renovations or sustainability projects are not financed from the central maintenance fund.

Further implementation of the maintenance policy at the institutes took place in 2024. The institutes increasingly follow the maintenance fund's planning and control cycle, whereby the cooperation between the Real Estate department and the institutes' facilities departments is increasingly embedded.

### 3.5.3 Multi-year investment plan

At the request of the Foundation Board, an initial exploration, limited in scope, was carried out at the end of 2024 to assess the future investments needed in NWO-I's real estate portfolio. This resulted in an initial overall review of the status of the real estate portfolio, which was then discussed with the Foundation Board. In 2025, the future investment needs with regard to the real estate portfolio will be further identified in order to arrive at a multi-year investment plan.

## 3.6 Sustainability of operations

Within NWO-I, work is in full swing to make our real estate portfolio (more) sustainable and future-proof. This includes attention to energy efficiency, circularity, environmental impact, the phasing out of fossil fuels to heat the buildings and climate adaptation. The buildings of the institutes DIFFER and SRON have 'excellent' status based on the Building Research Establishment Environmental Assessment Method. Nikhef's building was recently renovated to be future-proof.

In 2024, further steps were taken towards climate-neutral operations for all our buildings. Many of the owned properties are now gas-free. Audits were also conducted on all institutes under the Energy Saving Obligation, which requires companies and institutions to implement energy-saving measures with an earn-back period of 5 years or less.



## 4 Personnel

**This chapter sets out the most important personnel developments in 2024.**

### 4.1 Vision of human resources policy

The nine institutes that together made up NWO-I in 2024 are all initiators and implementers of scientific research in their respective fields. They are centres of expertise, incubators for scientific innovation, breeding grounds for talent, and both national and international connectors between science and application.

To fulfil these roles, NWO-I needs talented people who feel connected to this responsible mission and societal ambition. NWO-I seeks to be an inclusive employer for driven employees. For people who utilise and develop their talents to the full, with maximum job satisfaction and energy, in science, technology or operational management. This requires a strategic HR framework to provide direction to NWO-I's human resources policy and ensure the use of appropriate tools while taking into account the specific context of each institute.

## Employee survey

In 2022, a strategic HR framework was formulated for the period from 2022 to 2026. The framework focuses on the themes of labour market, leadership, vitality, performance, learning & development and inclusivity. Partly as a starting point for policy development on these topics, an employee survey was prepared. This was used to map out how employees perceived the situation around these topics at the end of 2023.

The results of the employee survey were available at the beginning of 2024. They revealed that the NWO-I population scores relatively high for engagement and enthusiasm. There is room for improvement on perceived workload and need for recovery. These themes are incorporated into the HR policy development and the NWO-I annual HR plan 2025.

## Harmonising HR processes

Time was also spent in recent years laying a foundation for policy development by harmonising HR processes and implementing a new personnel information system. In 2024, the rollout of this joint system was also completed at the last NWO-I sites.

### 4.1.1 Labour market

It is critical for the institutes to be seen and considered attractive employers. For the vast majority of positions, that attractiveness lies primarily in the substantive challenge of the research work. As this varies from institute to institute, each institute and the NWO-I office determines its own recruitment and onboarding procedures of new employees. The name recognition of the institutes and their intense cooperation with universities are both great contributing factors to the influx of young scientists.

In relation to the filling of more senior positions, NWO-I increasingly recognises the importance of facilitating settlement in the Netherlands, including finding housing and employment for the employee's partner.

NWO-I strives for a diverse composition of its workforce and emphatically positions itself in the labour market with this invitation, not only in job advertisements but also by training personnel to recruit and write inclusively.

## 4.1.2 Inclusion and retention, recognition and rewards

The quality of the work that NWO-I brings to fruition depends on the diverse talents that our employees bring to the table. It also depends on the freedom they perceive to do what they are good at or want to become good at. The institutes of NWO-I want to radiate and live up to the promise that every person with an appropriate qualification is welcome to make a lasting contribution.

Diversity reinforces the strength of the team, where everyone must be able to feel at home and safe. As an organisation, we increasingly highlight how different personalities, qualities and skills are recognised, deployed, acknowledged and valued. Being a good employer means aiming to create a lasting connection with an employee. Challenging development opportunities, social safety, flexible preconditions and good working conditions are important pillars in this regard.

NWO-I made extra efforts to be an interesting and safe employer for various target groups. For instance, our organisation explicitly recruits women for the technical and scientific positions, an adviser on Diversity, Inclusion and Equality has been appointed, all nine institutes and the NWO-I office have a team dedicated to Diversity, Inclusion and Equality locally, there are several employee resource groups and NWO-I participates in Workplace Pride activities. In 2024, a broad-based steering committee (see also 2.5.10) began work on revamping the NWO-I Diversity, Inclusion and Equality Plan.

## 4.2 Developments in the workforce

### 4.2.1 Personnel employed

NWO-I is the employer of the employees of the institutes, the NWO-I office and, until autumn 2024, the employees in the University Working Groups Administrative Unit (BUW).

Table 11 shows how many FTE (rounded off) NWO-I employed for different categories of employees. This includes the percentage of male and female employees. NWO-I has set a goal of increasing the percentage of women in scientific positions in particular and is actively working towards this objective (see also 3.5.10). Despite many efforts, the percentage of women, including in senior scientific positions, still did not reach the target of 25% in 2024.

**Table 11: Personnel employed**

Personnel category	Type of personnel	31/12/2023				31/12/2024				Difference	
		FTE	People	% M	% F	FTE	People	% M	% F	FTE	People
		Scientific	PhD students	334	337	61%	39%	342	347	62%	38%
	Researchers on temporary contract (including postdocs)	250	271	61%	39%	282	297	61%	39%	33	26
	Researchers on permanent contract	271	295	78%	22%	286	311	78%	22%	15	16
Non-scientific	In temporary employment	152	174	60%	40%	138	162	64%	36%	-13	-12
	In permanent employment	609	666	72%	28%	624	681	71%	29%	15	15
<b>Total staffing</b>		<b>1615</b>	<b>1743</b>	<b>70%</b>	<b>30%</b>	<b>1673</b>	<b>1798</b>	<b>68%</b>	<b>32%</b>	<b>58</b>	<b>55</b>

### Number of personnel increased in 2024

On 31 December 2024, there were in total (rounded off) 910 FTE in scientific personnel employed: 625 in temporary employment and 286 in permanent employment. Rounded off there were 762 FTE in other personnel, which includes technicians, IT workers, facilities workers, HR employees and financial staff: 138 in temporary employment and 624 in permanent employment.

The number of researchers in permanent employment rose from 295 to 311 and the number of researchers in temporary employment from 271 to 297. The number of interim and temporary contracts among non-scientific staff was higher over the past several years due to previous staff turnover. As was the case in 2023, a proportion of temporary contracts were filled permanently again in 2024, explaining the increase in non-scientific permanent staff. The total size of the workforce grew by over 3% in 2024, almost entirely due to the increase in scientific personnel.

### Different nationalities

NWO-I employees represent 74 nationalities. Two-thirds of the employees have Dutch nationality and over a fifth have another European nationality. The remaining tenth have nationalities from outside Europe.

### BUW

Until the end of 2024, the University Working Groups Administrative Unit (BUW) was part of NWO-I. BUW dated from when NWO-I was still the FOM Foundation. FOM gave funding to universities and appointed researchers who were hired on that funding. These employees were placed in the BUW. Since 2017, the BUW has been phased out and the last BUW employees left in autumn 2024. The BUW consequently also ceased to exist.

## Guest employees

The institutes also host a large number of guest employees; nearly 600 people. They are not employed by NWO-I but do use the infrastructure available at the institutes to perform all or some of their research.

### 4.2.2 Sickness absence

The overall absence rate fell slightly in 2024 compared to 2023. The average duration of absences ending in 2024 also decreased. There is considerable variation in absence among the different organisational units.

The NWO-I-wide average absence rate of 2.6% was, as in previous years, still well below the national average: well over 5% in the overall Dutch labour market in 2024. In the Education and Government sectors, figures vary between 4.5 and 6%.

Table 12 gives an overview of the absence rates by organisational unit.

**Table 12: Absence rate by organisational unit**

Location	Absence rate			Average duration (days)		
	2022	2023	2024	Average	2023	2024
AMOLF	3.9%	3.2%	3.1%	3.41%	8.2	5.7
ARCNL	1.3%	2.0%	1.5%	1.57%	7.4	6.4
ASTRON	4.5%	3.2%	2.2%	3.29%	11.4	8.6
NWO-I Office	8.1%	6.5%	4.8%	6.47%	12.8	13.0
CWI	3.0%	1.9%	2.4%	2.42%	9.0	15.1
DIFFER	4.6%	3.4%	1.7%	3.23%	12.3	5.0
Nikhef	1.9%	2.6%	2.8%	1.88%	8.8	9.3
NIOZ*	3.2%	3.4%	3.1%	3.23%	5.1	7.3
NSCR	3.8%	4.8%	2.8%	3.79%	17.6	8.1
SRON	4.1%	3.1%	3.0%	3.36%	10.7	9.8
<b>Total NWO-I*</b>	<b>2.72%</b>	<b>2.34%</b>	<b>2.85%</b>	<b>2.64%</b>	<b>10.6</b>	<b>9.5</b>

\* The data from NIOZ were supplied based on a deviating method of calculation. For this reason, the total counts do not include these figures.

## 4.2.3 Policy for junior researchers

### PhD students: trainee researchers

PhD students, or trainee researchers, are employees who conduct scientific research via a learning trajectory that culminates in a doctoral thesis and a doctoral degree, the recognition as an independent scientific researcher. The primary and principal requirement for conducting scientific research is substantive knowledge in the PhD student's own research field.

### Training courses

The substantive development of the PhD student requires much more than substantive scientific knowledge. A fully fledged Doctor of Science with good job prospects also has 'soft skills'. NWO-I supports PhD students in this regard with training courses. The institutes determine which training courses (in terms of content and provider) they organise for their PhD students in addition to internal training and 'hard skills' training.

NWO-I also offers a 'trainee researcher training programme' at the central level. These joint training sessions are: Taking charge of your PhD, Presenting your Research, Scientific Writing and Career orientation and Science integrity.

### PhD network

An NWO-I PhD network was established in 2024 on the initiative of some PhD students. PhD students from the institutes, supported by the NWO-I office, meet several times a year to share experiences. This group also acts as a sounding board group for policy development at NWO-I.

Establishing its own NWO-I PhD network also means that NWO-I could thereby join the Netherlands PhD Network (PNN). This national network provides advocacy for PhD students to the government and universities, for instance. Joining the PNN means that the voice of PhD students from NWO institutes is also heard.

### Implemented work-to-work policy

Most of the influx into benefits arises from the expiration of the employment contracts of PhD students. NWO-I pursues an active policy to help young researchers move from work to work after their temporary employment ends.

To guide PhD students in their job search immediately after NWO-I, we offer individual career planning training. During their employment, the PhD students are invited to undertake skills training in order to increase their chances of finding subsequent employment.

NWO-I is the own-risk bearer for unemployment insurance. This means that the cost of a former employee's unemployment benefit is borne by NWO-I. The implementation of the Dutch Unemployment Insurance Act is performed by the UWV.

NWO-I has also concluded an agreement with an external service provider who carries out the rehabilitation obligations on behalf of NWO-I which we bear as self-insurer. NWO-I deploys this service provider if the former employee is expected to encounter difficulty in finding a new job. The agency advises on the use of so-called rehabilitation tools (training, trial placement, etc.) and, if necessary, checks whether the former employee satisfies the obligations imposed by the Unemployment Insurance Act.

## 4.3 CLA and implementation regulations

### CLA

On 17 July 2024, the employers the National Library of the Netherlands, NWO and NWO-I, united in the Employers' Association of Research Institutes, and employee organisations the Dutch Trade Union Confederation (FNV), National Federation of Christian Trade Unions in the Netherlands for Education (CNV) and the General Union of Educational Personnel (AOB) converted the result of negotiations on a new CLA for Research Institutions reached earlier into a definitive collective labour agreement.

The CLA runs from 1 July 2024 to 30 September 2025. The key changes – prompted by national inflation – were mainly financial:

- Salary scale amounts were structurally increased by 3.7% from 1 September 2024. In addition, each employee employed on 1 September 2024 received a one-off payment of €150 gross, with this payment calculated on a pro rata basis.
- Salary scale amounts were structurally increased by 2.9% from 1 January 2025.
- Employees in the scales above scale 10 also receive compensation for on-call and availability shifts. They are also entitled to the compensation as it currently applies in the table in Article 3.7(3) of the CLA.
- It was agreed for the term of this CLA that an employee who became a member of one of the employee organisations party to the CLA for Research Institutions in September 2024 (union month) will be reimbursed €100 of the first annual contribution by the employer.
- Employees, if they feel the need, can seek financial advice from a number of providers to get a better understanding of making financial choices at different stages of their lives.
- A study on workload is being conducted that includes the issue of not being available outside working hours.

## Implementing Regulations

In 2023, new Implementing Regulations (IR) were agreed with the Central Works Council. The term of the new Implementing Regulations runs from 1 January 2023 to 31 December 2025, which will include a recalibration of allowance amounts in 2024, among other things, and other interim adjustments to the Implementing Regulations, such as an update of the personnel interviews scheme, the Result & Development interviews.

A delegation from the Central Works Council and the employers of NWO consulted as agreed. The Central Works Council and the director reached agreement on the adjustments to the schemes at the consultation meeting on 10 September 2024.

The four different schemes at NWO-D and NWO-I relating to personnel interviews were harmonised in a new scheme, with the new scheme supporting continuous dialogue between supervisor and employee. The development of the employee and their contribution to the organisational goals is central to this.

The whistleblower scheme has also been adapted to European regulations and subsequent Dutch legislation whereby, among other things, the abuses that can be called out have been expanded and the legal protection of whistleblowers has been improved.

The level of a number of reimbursement amounts contained in the Implementing Regulations has changed, including, for instance, the increase in the amounts in the customised conditions of employment (AVOM) for the bike to work scheme.

## Hybrid working

After the coronavirus crisis necessitated employees to work from home as much as possible, a Hybrid Working Framework was drawn up at NWO-I and implemented as a pilot. In summer 2024, this scheme was evaluated, with the outcome that the policy around hybrid working will be finalised in a definitive scheme.

Hybrid working implies that employees can perform their work in different places. At the heart of the Hybrid Working policy is the employer's desire to allow employees to work optimally, at the time and place that is most convenient and in the best interests of the organisation and employee.

How this is done depends partly on the nature of the work. For some work (such as policy work), there is limited need for the work to be performed at a fixed location. For other work (such as laboratory work), the possibilities of working elsewhere are limited.

Whether working from home is an option will follow from the Hybrid Working policy. In case of working from home, home office furniture will be facilitated and/or reimbursed for the NWO-I employee.

## 4.4. Working conditions

NWO-I will issue a separate internal annual occupational health and safety report for 2024. In this report, we limit ourselves to the most important events.

The NWO-I working conditions policy pursues the following goals:

- To optimise the safety and protection of the health of all employees, guests, interns and visitors;
- To ensure the best possible health and safety standards when handling installations, equipment, machinery and goods;
- To prevent work-related psychosocial stress caused by an excessive workload, bullying, sexual harassment, aggression and violence.

In 2024, NWO-I adopted new policy for Occupational Health and Safety Research and drafted policy on fire hazards. Work was also done on revising the crisis management policy and a Working with Third Parties policy. Finally, NWO-I decided to structurally embed health and safety management in the planning and control cycle by working in accordance with the ISO 450001 standard for health and safety management systems.

NWO-I contracted a software package for AMOLF, ARCNL, ASTRON, DIFFER and NIOZ for keeping conclusive records of hazardous substances, biological agents and genetic sources.

Experts from NWO-I, NWO and the National Library of the Netherlands jointly revised the health and safety catalogue and presented it to the employers' association.

## 4.5 Policy in response to the coronavirus

Shortly after the outbreak of the pandemic in 2020, the NWO-I Foundation Board set up a coronavirus fund to enable the institutes to do what was necessary to minimise the effects of the coronavirus measures as much as possible. NWO's Executive Board made €6 million available for this. The fund was later expanded with resources from the National Education Plan (NPO) and elsewhere, which were awarded to NWO-I via NWO.

In the Coronavirus Fund, special attention is devoted to the impact that restrictions have (had) on the careers of young researchers. The funds from the NPO are specifically intended for this group. Agreements on how the funds will be spent are laid down in the NPO administrative agreement. In October 2021, the Group Works Council approved the method of spending and allocating resources from this fund.

In September 2023, the board decided that the Coronavirus Fund would be closed in 2024 after four years. In summer 2024, a round of the institutes was made to register any outstanding extensions of employment contracts of temporary employees in the personnel information system before 1 August 2024. The institutes also indicated any uncertain future costs for extensions due to the coronavirus, so these would still be eligible for coverage from the Coronavirus Fund.

In the table 13, we report on the contract renewals of temporary personnel, broken down by PhD students and postdocs. In 2024, these extensions could no longer be funded solely from the NPO funds and the rest was funded from the regular Coronavirus Fund resources. The overheads in the table were calculated using the salary costs plus fixed surcharge system, as used by the Netherlands Enterprise Agency: an additional 50 percent of gross salary costs are considered overheads. The overheads in the table give an indication of the costs incurred that are not covered by the Coronavirus Fund.

**Table 13: Extensions for temporary staff based on National Education Plan resources**

2024	Number of persons	Number of months	Gross salary costs	Overheads	Total costs
PhD students	58	237	€1,240,053	€620,027	€1,860,080
Postdocs	16	51	€332,305	€166,153	€498,458
<b>Total</b>	<b>74</b>	<b>288</b>	<b>€1,572,358</b>	<b>€786,179</b>	<b>€2,358,537</b>

For extensions as a result of the coronavirus in the next 3 years, the institutes were still promised limited coverage from the Coronavirus Fund in 2024. Table 14 shows this broken down by PhDs and postdocs, the same as for 2024.

**Table 14: Extensions for temporary staff based on National Education Plan resources**

<b>2025 et seq.</b>	<b>Number of persons</b>	<b>Number of months</b>	<b>Gross salary costs</b>	<b>Overheads</b>	<b>Total costs</b>
<b>PhD students</b>	21	60	€303,242	€151,621	€454,863
<b>Postdocs</b>	6	28	€176,210	€88,105	€264,315
<b>Total</b>	<b>27</b>	<b>88</b>	<b>€479,452</b>	<b>€239,726</b>	<b>€719,178</b>

Because the Coronavirus Fund was closed in 2024, this is the last year we will report on it.



## 5 Organisation and Governance

**The Foundation for Dutch Scientific Research Institutes (NWO-I) emerged in its current form as part of NWO in 2018. The foundation arose in its current form from a merger of foundations with one or more institutes that were affiliated with the Dutch Research Council (NWO) in various ways. Within NWO, a clear distinction can be made between the awarding of grants for research (NWO domain organisation) and the conduct of research (NWO-I foundation).**

This chapter discusses the objectives and strategy of NWO-I, the organisational structure and method of decision making. The composition of the Executive Board and management, the role of the institute advisory councils, the code of conduct and how NWO-I deals with complaints are also addressed. The last part of this chapter describes the internal audit function and the assurance of good governance.

## 5.1 Objective of NWO-I

### The purpose of NWO-I is to:

- Conduct high-level scientific research;
- Initiate and encourage new developments in scientific research;
- Disseminate the knowledge derived from scientific research that is initiated, conducted and supported by NWO-I, for the betterment of society;
- Promote excellence in science and the quality of scientific research in general;
- Manage the institutes.

### To achieve these goals, NWO-I focuses on, among other things:

- Establishing and maintaining (institutional) (public-private) national and international collaborations;
- Facilitating and conducting research, facilitating and participating in national and international organisations and partnerships;
- Formulating science policy;
- Developing, managing and operating scientific infrastructure;
- Achieving substantive and business connections between the NWO-I foundation and NWO;
- Training researchers.

## 5.2 Organisational structure

### 5.2.1 Governance

#### NWO and NWO-I

NWO is an independent administrative body under the responsibility of the Ministry of Education, Culture and Science. The link between NWO and NWO-I is laid down in NWO's management regulations and in NWO-I's articles.

NWO's mission and tasks are laid down by law. Since the entry into force of the new NWO Act in 2017, the NWO structure includes an Executive Board. Under the Executive Board are four domains, several governing bodies and the private-law NWO Institutes organisation: NWO-I. NWO-I has its own board. The Executive Board of NWO is ultimately responsible for the NWO organisation as a whole (including the domain organisation) and the Foundation Board of NWO-I is responsible for the institutes' organisation.

## NWO-I Foundation Board

The NWO-I Foundation Board is the highest governing body at NWO-I. The board forms a personal union with the NWO Executive Board: the boards consist of the same individuals. The president and vice president are appointed for a period of five years with a possibility of one-off renewal. The remaining members are appointed for three years with the option of a one-off three-year renewal. The responsibility for defining the mission and scientific strategy of each institute was moved from NWO's Executive Board to the Foundation Board at the beginning of 2025.

The Foundation Board is responsible for the maintenance and day-to-day management of the foundation and for carrying out the missions of the institutes. The board also monitors compliance with codes of conduct and guidelines, such as those concerning research integrity, appropriate behaviour, knowledge security and working conditions.

The NWO-I Foundation Board adheres to the Good Governance Code for Public Service Providers.

### **Members of the NWO Executive Board and NWO-I Foundation Board (as of 31 December 2024)**

- Professor Marcel Levi (president)
- Caroline Visser (vice president, portfolio holder for Operations and Finance, until 1 September)
- Professor Hans Amman (vice president, portfolio holder for Operations and Finance, from 1 October)
- Professor Jan de Boer (president of the ENW domain)
- Professor Antal van den Bosch (president of the SGW domain)
- Professor Margot Weijnen (president of the AES domain)
- Professor Arfan Ikram (president of the MW domain)

The head of Administrative Support and Strategy, Dr Peter Spijker, is the secretary of the Foundation Board.

## 5.2.2 NWO Supervisory Board

The NWO has a Supervisory Board in addition to the Executive Board. The Supervisory Board assists the Executive Board and provides advice on NWO policy when requested or on its own initiative.

Advice from the Supervisory Board can also relate to the NWO-I. The Supervisory Board was established by the minister of Education, Culture and Science on 1 March 2017 and has had six members since 1 January 2019. The term of office is five years. This annual report includes a section (5.5.2) containing a report from the Supervisory Board which pertains to NWO-I. The members are listed here as well.

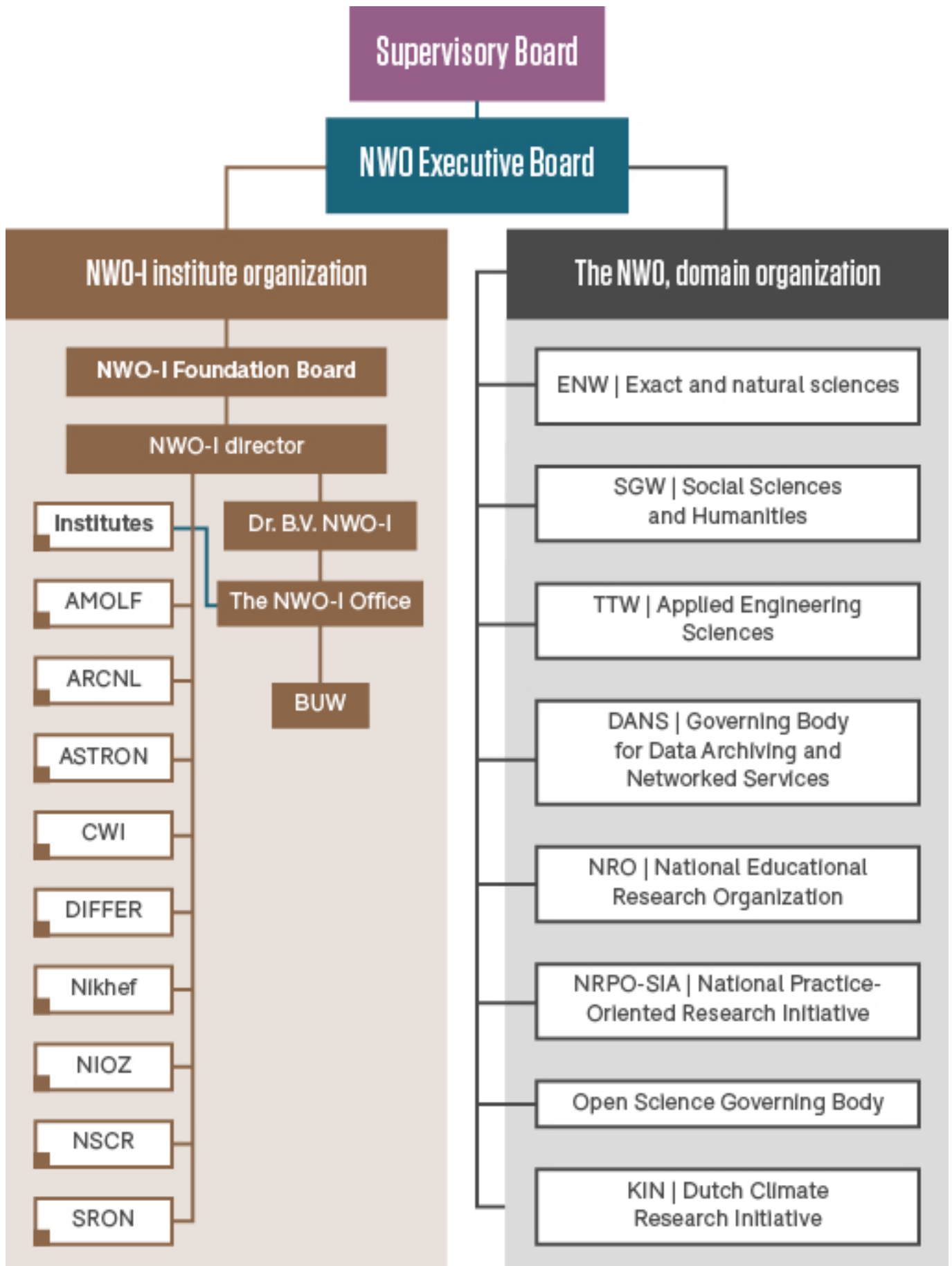
### Audit Committee

The NWO's Supervisory Board has an audit committee. In 2024, this committee consisted of two members of the Supervisory Board and an external member (in connection with NWO's designation as a Public Interest Entity). Among other things, the audit committee monitors the quality of operations, the financial reporting process, the statutory audit of the financial statements and the effectiveness of the internal risk and control system. The activities of the audit committee are included in the Supervisory Board's report.

## 5.2.3 Organisational units and governance

The figure below shows how the various components are arranged within the organisation and how NWO and NWO-I relate to each other.

Figure: Organisational units and governance



## Temporary governance model

Under the articles, NWO-I has a director, who leads the entire foundation, and an operations director. The director left in June 2021, the director of operations in mid-2023. Both positions have been vacant since then. Subsequent to that in 2023, the Foundation Board decided to adopt a temporary governance model in which no interim directors were appointed, but tasks were distributed among the existing officers (specifically, the vice president of the board, the institute managers and some heads from the office). The temporary governance model is being used to gain experience with new working methods that can serve as input for shaping a more definitive governance structure.

In 2024, the temporary governance model was evaluated in detail with the board, institute directors, institute managers and the management team of the NWO-I office. This gave rise to several recommendations, but on the whole, the entire organisation is positive about how the temporary model works. In particular, the lines between the board and the institutes have become shorter and mutual trust has increased. At the end of 2024, this resulted in a proposal to transform the temporary governance model into a definitive governance structure. The necessary amendments to the articles and regulations were made in early 2025. This was done in proper consultation with the Central Works Council and the Supervisory Board, of course, both of which advised positively.

## Institutes

Each institute is managed by an institute director. The directors of the institutes are integrally responsible for the day-to-day management of the institute. They bear responsibility for the scientific fleshing out of the institute's mission and the accompanying strategy. They are supported in this respect by an institute manager who is operationally responsible for the management of the institute.

The following nine institutes were part of NWO-I in 2024:

- AMOLF | Physics of functional complex matter: AMOLF conducts fundamental research on complex material systems
- ARCNL partnership | Advanced Research Center for Nanolithography: ARCNL conducts high-quality fundamental research in the field of nanolithography, providing knowledge that contributes to the production of ever smarter and smaller electronics
- ASTRON | Netherlands Institute for Radio Astronomy: ASTRON makes discoveries in radio astronomy possible
- CWI | Centrum Wiskunde & Informatica: CWI conducts fundamental and groundbreaking scientific research in mathematics and computer science and is committed to the successful transfer of its research results to society

- DIFFER | Dutch Institute for Fundamental Energy Research: DIFFER conducts leading fundamental research in the fields of nuclear fusion and solar fuels by bringing together different disciplines in close collaboration with universities and industry
- Nikhef | National Institute for Subatomic Physics: Nikhef is the National Institute for Subatomic Physics and pushes the boundaries of our knowledge about the elementary building blocks and interactions in the universe
- NIOZ | Royal Netherlands Institute for Sea Research: NIOZ is the Netherlands' national oceanographic institute and centre of expertise on ocean, sea, coast and delta. NIOZ promotes the fundamental understanding of marine systems, how they change, the role they play in the climate and biodiversity, and how they can provide sustainable solutions for the society of the future
- NSCR | Netherlands Institute for the Study of Crime and Law Enforcement: The NSCR develops empirically substantiated knowledge of crime and criminals in a societal context, as well as prevention and the (judicial) approach to crime
- SRON | Space Research Organisation Netherlands: SRON is the national institute of expertise for scientific research from space, and home to the Dutch membership of the European Space Agency (ESA)

The institutes are national institutes: they all have one or more national roles through which they add value to the knowledge system in the Netherlands. They drive or coordinate specific research areas and/or develop, manage and operate national or international scientific infrastructure or facilitate the Netherlands' scientific contribution to large international treaty organisations.

NWO-I participates in a large number of collaborations via the institutes. For example, our institutes work closely with many Dutch knowledge institutes, such as universities, but also with universities of applied sciences and applied research institutes. There is also collaboration with companies and other public and private parties.

### **NWO-I office**

The NWO-I office focuses on preparing and implementing board resolutions, facilitating the institutes and facilitating the (organisation of the) foundation's operations. In 2024, as part of the temporary governance model, the MT is responsible for day-to-day management of the office, with the head of Administrative Support and Strategy as president.

The NWO-I office provides the institutes with services that benefit from being offered on a collective basis, such as scale benefits, quality enhancement, vulnerability reduction and cost reduction. This includes, for example, support in the areas of strategy, financial management, procurement, real estate, information management, human resources, communications and legal affairs.

## **University Working Groups Administrative Unit (BUW)**

Until the end of 2024, the University Working Groups Administrative Unit (BUW) was one of the components of NWO-I. The BUW originally included around 100 university working groups at twelve university locations. At the head of each working group was a working group leader, usually a professor employed by the university involved. This working group leader was budget holder and managed the NWO-I employees, which included PhD students, postdocs and technicians. The head of Administrative Support and Strategy in the NWO-I office was responsible for managing the research projects. Since 2017, the BUW has been phased out and the last BUW employees left in autumn 2024.

## **Institute Advisory Councils**

As stipulated in the NWO-I articles, each institute has, in principle, an Institute Advisory Council. The Institute Advisory Council has an independent position and provides solicited and unsolicited advice to the institute director and the NWO Executive Board. The institute director is the point of contact for the Institute Advisory Council.

The Institute Advisory Council has an important role in connecting the institute with relevant national stakeholders. The Council contributes to the optimal maintenance of strategic relationships with science, the business sector, local or national politics, and other relevant social parties, and acts as a critical discussion partner for the director. The Institute Advisory Council is made up of representatives from science, society and the business sector who have an affinity with the particular institute's research.

Virtually all the institutes also have a Scientific Advisory Council. This council advises the director of the institute on the scientific quality of the research conducted by the institute, on providing direction to the institute's research and on the alignment with and/or connection to the broader international scientific context. In addition, the director of the institute may request advice from the Scientific Advisory Council on specific institute matters.

## Decision making

Under its articles, the NWO-I Foundation Board grants the NWO-I director power of attorney and power of representation to conduct day-to-day management of the foundation and its organisation. Within the bounds of the power of attorney granted, the NWO-I director is responsible for making day-to-day management decisions for the foundation with the support of the NWO-I director of Operations.

Based on the temporary governance model, and in the absence of both directors, this power of attorney is revoked and decisions are taken by the board. Decisions that have an impact on the scientific strategy and/or missions of the institutes were previously always taken by the NWO Executive Board, but since early 2025 these are taken by the Foundation Board.

## 5.3 Works Council

NWO-I has a Group Works Council that deals with issues affecting NWO-I as a whole. The NWO-I Group Works Council consults, as stipulated in the temporary working method of July 2023, with the vice president of the Foundation Board and, since his departure, with the president of the Foundation Board.

The institutes and the office each have one representative in the NWO-I Group Works Council. The BUW is entitled to two members in the NWO-I Group Works Council, but these vacancies were not filled in 2024. The BUW was terminated from 1 October 2024 and the seats have now ceased to exist. From 1 October 2024, the NWO-I Group Works Council can consist of a maximum of 10 members.

All the members of the NWO-I Group Works Council – together with three members of the Works Council for the NWO-domain organisation – automatically have a seat in the NWO Central Works Council. At the end of 2024, the new regulations of the NWO Central Works Council and NWO-I Group Works Council were adopted, as a result of which, from 2025 onwards, Group Works Council members will no longer automatically sit on the NWO Central Works Council, but the works councils of the institutes and the office can also delegate another person. The NWO Central Works Council deals with issues affecting NWO as a whole and consults with the NWO Executive Board.

**In 2024, the NWO-I Group Works Council received the following requests for advice and/or consent:**

- Request for consent for the 2024 annual occupational health and safety plan
- Request for consent for LabServant
- Request for consent for occupational health examination and vaccinations
- Request for advice on organisational change at NWO-I office
- Request for consent for Fire Hazardous Work Policy
- Request for consent for Hybrid working
- Request for consent for the 2025 annual occupational health and safety plan

In addition to requests for advice and consent, the NWO-I Group Works Council also discussed, among other things, the accession of HFML-FELIX as the tenth NWO institute, the (temporary) governance of NWO-I, the employee survey and timekeeping.

## 5.4 Codes of conduct and complaints procedure

### 5.4.1 Code of conduct for desired behaviour

NWO-I employees as well as third parties, such as visitors or employees of hired companies, can be involved in undesirable behaviour at NWO-I. The code of conduct therefore requires everyone working for or on behalf of NWO-I to act with integrity, respect and professionalism. These three behavioural traits are the guiding principle for desired behaviour at NWO-I and a prerequisite for an optimal work environment. All the organisational units (institutes and the NWO-I office) have one or more (internal and external) confidential advisers to whom employees can turn if they are confronted with undesirable behaviour.

### 5.4.2 Complaints procedure

NWO-I observes the individual right of complaint. The employee, intern or seconded person therefore has the opportunity to make their complaint about conduct by or on behalf of the employer towards the employee the subject of discussion. The complaint will be investigated in such a way that it guarantees that the complaint is handled justly and that the individual interests of the person who lodged the complaint are reasonably protected. The procedure is laid down in the implementing regulations (Implementation Regulation 12). There were no complaints handled by the complaints committee in 2024.

For natural persons who are not employees of NWO, new 'NWO Complaints Regulations' became applicable after approval by the Central Works Council, which regulations give such persons the right to submit a complaint to NWO-I. Such a complaint must be about how NWO-I behaved in a particular matter.

### **5.4.3 Whistleblower scheme**

In consultation with the Central Works Council, the Whistleblower scheme was adapted in 2024 in line with European regulations and Dutch legislation aligned therewith. Among other things, these laws and regulations expanded the abuses which can be called out under the Whistleblower scheme and improved the legal protection of whistleblowers.

Dr Sandra de Keijzer, head of Chemistry and Physics at NWO Exact sciences and Physics, has been appointed whistleblowing officer and confidential adviser under the Whistleblower scheme. The officer and confidential adviser was not consulted in 2024.

### **5.4.4 Complaints related to research integrity**

Research integrity is safeguarded when research is conducted according to five principles: honesty, diligence, transparency, independence and accountability. The Netherlands Code of Conduct for Research Integrity, which has been in force since the end of 2018, includes guidelines for, among other things, how to deal with suspected violations of research integrity. The code sets out duties of care for the institution. NWO-I has its own complaints procedure for research integrity and confidential advisers for research integrity. In 2024, Professor Thom Palstra and Dr Freya Senf were the confidential advisers. The research integrity complaints committee dealt with one complaint in 2024 and decided it was inadmissible.

## 5.5 Horizontal accountability

Horizontal accountability involves internal and external actors. Important actors include the NWO Supervisory Board, the audit committee of this board, and the works council.

Other actors for whom this annual report is relevant are: NWO, partly for the purpose of consolidating the NWO-I figures in its reporting in rendering account to the Ministry of Education, Culture and Science; the European Union and other grant providers; the Dutch Tax and Customs Administration; the bank and the Ministry of Finance for the purposes of Treasury banking, insurance companies and creditors.

### 5.5.1 Internal management and control system

An administrative organisation and internal control system (AO/IC) has been agreed upon and is acted upon at NWO-I. Findings arising from the external auditor's management letter are discussed and explained in the Foundation Board and audit committee. The Foundation Board and the audit committee will provide direction to the NWO-I organisation on matters related to development and/or improvement.

NWO's Internal Audit department also conducts investigations that culminate in a report with findings and recommendations that are discussed with stakeholders and revisited by the audit committee.

The Foundation Board and audit committee are briefed in reports every four months on the financial position of NWO-I, in addition to the financial statements and multi-year budget. These documents pay due attention to developments in the organisation, risks of the order book and liquidity in a multi-year perspective in addition to the annual forecast and numerical analysis.

## 5.5.2 Internal Audit

NWO's Internal Audit (IA) department is deployed for the entire group, including NWO-I. The purpose, duties, responsibilities, powers and functioning of the department are detailed in an audit charter and in a quality control system and policy. Both provide a framework for the Internal Audit department's service provision to the directors of NWO and NWO-I, the NWO Executive Board, NWO-I's Foundation Board, the audit committee of the Supervisory Board and the NWO Supervisory Board.

Audit reports are discussed in the meeting of directors, the operations meetings and the NWO-I Foundation Board, depending on the topic. A summary of all the topics is presented to the audit committee of the Supervisory Board annually.

In 2024, the following internal audits were ongoing at NWO-I: occupational safety for experimental setups and the integrity climate.

## 5.5.3 Supervisory Board

The NWO Supervisory Board met six times in 2024, five of which meetings were plenary and were held in the presence of the members of the Executive Board and concerned both internal matters and external developments. An interim informal meeting was scheduled in May on the approach to the evaluation of NWO in 2025 and the impact of the new government's Framework Coalition Agreement.

The NWO Supervisory Board held an informal meeting separately on one occasion to reflect on the course of affairs and to bid farewell to member Dr Adriana Esmeijer, who has become director of general affairs of KNAW. To keep in contact with and abreast of sentiments in the organisation, the NWO Supervisory Board was a guest at the renovated building of NWO institute Nikhef at the Science Park in Amsterdam in April. A joint consultation with the Central Works Council was organised in the spring.

### **Departure and replacement of vice president of Executive Board**

The NWO Supervisory Board held appraisal interviews with the individual Executive Board members in June, July and September. Following the departure of Caroline Visser, the vice president and portfolio holder for Operations and Finance in the Executive Board, Professor Hans Amman was nominated to the minister as interim observer in this position. The NWO Supervisory Board advised positively on the granting of an independent power of attorney during the interim period. A profile was then drawn up for the vice president, which, after approval from the Ministry of Education, Culture and Science, was used for the recruitment of a definitive successor. In December 2024, it was announced that Anka Mulder had been appointed by the minister as the new vice president from 1 May 2025.

## Audit Committee

In preparation for the Supervisory Board meetings, the audit committee met four times with the portfolio holder for Operations and Finance of the Executive Board. These meetings focused on internal control and risk management, and the operations. Both the audit committee and the NWO Supervisory Board discussed the findings on the 2023 financial statements, the 2024 management letter and the audit plan for the audit of the 2024 financial statements with the external auditors. The 2025 annual plan and 2024 annual report were discussed with the head of the Internal Audit department.

The audit committee also discussed the IT developments, the annual reports from the confidential advisers, temporary governance at NWO-I, reports of fraud, an update on cyber-security measures and an announced VAT audit by the Dutch Tax and Customs Administration.

## HFML-FELIX

On several occasions during the year, the NWO Supervisory Board was informed about the administrative consultations with the universities on the widening of the national collaboration the HFML-FELIX in Nijmegen. The NWO Supervisory Board advised positively on the establishment of NWO institute HFML-FELIX as of 1 January 2025.

## Updates to the NWO Supervisory Board

The NWO Supervisory Board was also informed about the developments in relation to knowledge security and the sector overview of the NWO and KNAW institutes published in spring. Regarding the envisioned change to the governance at NWO-I, the NWO Supervisory Board was informed about the positive outcome of the internal evaluation of the new way of working. Implementation will require amendments to the articles and regulations, which will be submitted to the NWO Supervisory Board in 2025.

**Table 15: Supervisory Board composition on 31 December 2024**

<b>Supervisory Board composition on 31 December 2024</b>	<b>Term of office until</b>
Dirk Jan van den Berg (president)	01/04/2025
Amandus Lundqvist (vice president)	28/02/2027
Willem te Beest	28/02/2027
Professor Simone Buitendijk	01/01/2029
Professor Dymph van den Boom	01/01/2029
Vacancy	

Lundqvist, Te Beest and Buitendijk were appointed for a second term. Lundqvist was appointed on the recommendation of the Ministry of Economic Affairs. To maintain continuity on the audit committee, Lundqvist will step down in 2025 once a successor is nominated by the Ministry of Economic Affairs.

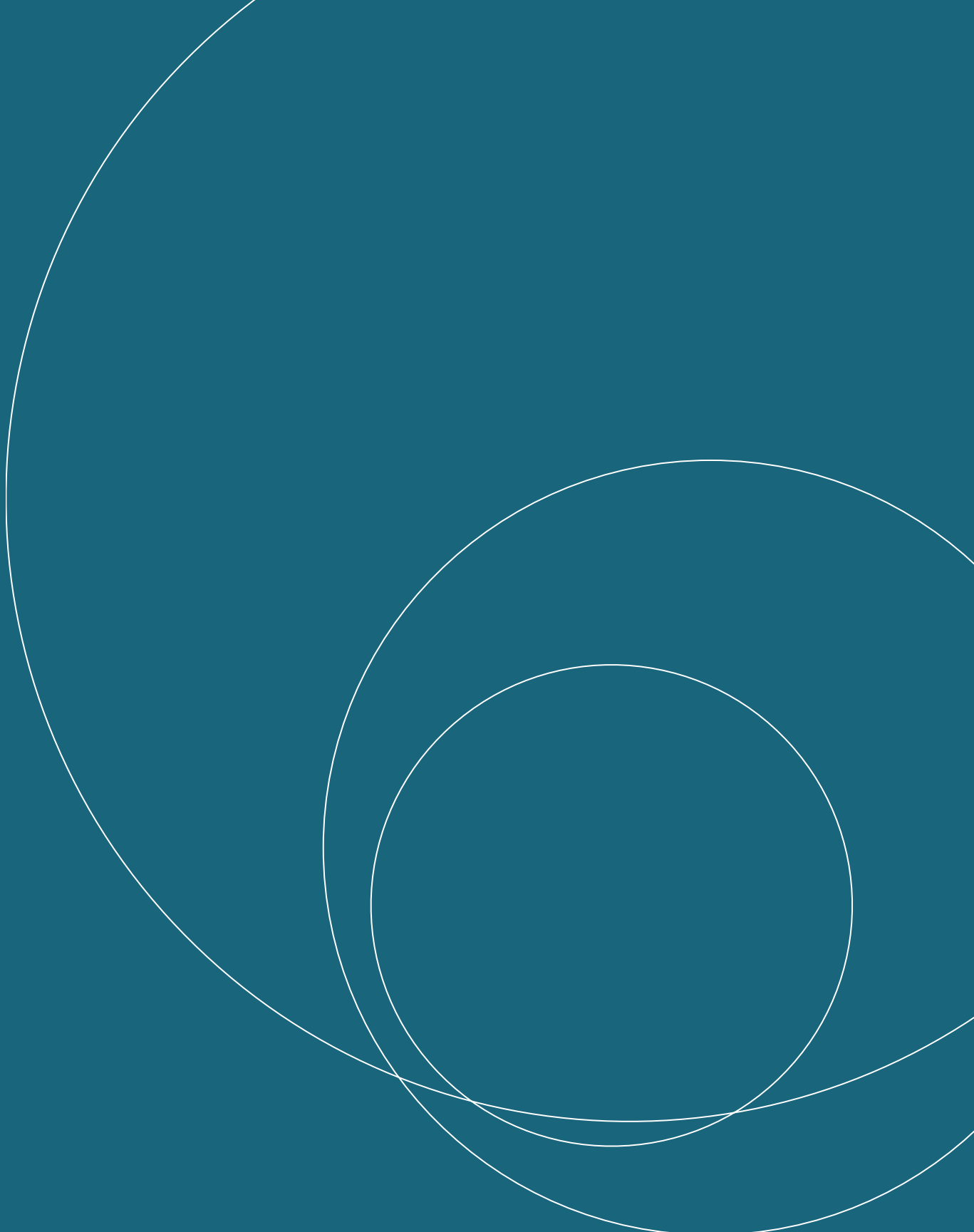
## 5.6 Organisational development

NWO's institutes were merged into a single foundation in 2018. Since that point, the institutes and the NWO-I office have been working on a common understanding of the organisation's identity and strategy, the positioning of the institutes in the knowledge field in the Netherlands, and a method of developing joint policy.

Major steps had already been taken prior to 2023 to strengthen the synergy between the institutes and the NWO-I office as well as the effectiveness of the organisation, among other things through a total package of measures to make the organisation financially sound. From 2022 onwards, the focus was on further development of operations, although this process came to a halt in 2023 due to the departure of the director of operations.

Since the temporary governance model was introduced in 2023, further organisational development has been fleshed out in a different way. The main idea behind the temporary governance model is that governing together ensures that changes in the organisation are achieved together. The model contributes to shared ownership and shared responsibility for implementation. Specifically, this means that operations tasks are distributed and delegated where they can best be carried out.

The temporary governance model has helped to have more focus in the 2024 and 2025 organisation-wide annual plans on how best to shape the move toward a stronger institutes' organisation. These annual plans, created in a bottom-up process by all the operations domains and the administrative support and strategy department, are thus also supported by the entire organisation. As such, they provide sufficient prospects and concreteness to continue making substantial strides in the development of the institutes' organisation.



# 1 Balance sheet on 31 December 2024 after result appropriation

**Table 1: Balance sheet total (amounts x €1,000)**

		31/12/2024	Budgeted 2024	31/12/2023
<b>Assets</b>				
<b>Fixed assets</b>				
Intangible fixed assets	4.4.1	2,301	1,945	2,594
Tangible fixed assets	4.4.2	246,916	246,004	214,079
Financial fixed assets	4.4.3	4,398	1,858	2,418
		<b>253,615</b>	<b>249,807</b>	<b>219,091</b>
<b>Current assets</b>				
Receivables	4.4.4	61,388	35,314	52,788
Liquid assets	4.4.5	60,908	49,842	79,801
		<b>122,296</b>	<b>85,155</b>	<b>132,590</b>
<b>Total assets</b>		<b>375,911</b>	<b>334,962</b>	<b>351,681</b>
<b>Liabilities</b>				
Equity	4.4.6	147,913	114,057	122,699
Provisions	4.4.7	9,869	8,442	9,750
Long-term liabilities	4.4.8	64,509	109,299	68,324
Current liabilities	4.4.9	153,620	103,164	150,908
<b>Total liabilities</b>		<b>375,911</b>	<b>334,962</b>	<b>351,681</b>

## 2 Statement of income and expenditure after result appropriation

**Table 2: Budgeted and realised income and expenditure (amounts x €1,000)**

		2024	Budgeted 2024	2022
<b>Income</b>				
Government grants	4.5.1	169,183	142,479	146,784
Other government contributions and grants	4.5.2	62	1,152	386
Income from work for third parties	4.5.3	108,672	100,363	71,014
Other income	4.5.4	7,030	6,389	7,141
<b>Total income</b>		<b>284,946</b>	<b>250,383</b>	<b>225,325</b>
<b>Expenses</b>				
Personnel expenses	4.5.5	159,133	156,445	148,064
Depreciation/amortisation	4.5.6	12,244	11,001	9,269
Housing expenses	4.5.7	16,931	17,515	15,156
Other expenses	4.5.8	76,398	74,804	47,648
<b>Total expenses</b>		<b>264,707</b>	<b>259,765</b>	<b>220,137</b>
<b>Balance of income and expenditure</b>		<b>20,239</b>	<b>-9,381</b>	<b>5,188</b>
Financial income and expenditure	4.5.9	2,946	450	1,807
<b>Result</b>		<b>23,186</b>	<b>-8,931</b>	<b>6,995</b>
Result from participating interests	4.5.10	2,029	-	145
<b>Result after taxes</b>		<b>25,215</b>	<b>-8,931</b>	<b>7,140</b>
Third-party share in result		-	-	-
<b>Total net result</b>		<b>25,215</b>	<b>-8,931</b>	<b>7,140</b>

## 3 Cashflow statement

**Table 3: Cash flow statement (amounts x €1,000)**

	31/12/2024	31/12/2023
<b>Cash flow from operating activities</b>		
Balance of income and expenditure	20,239	5,188
<b>Adjustments for:</b>		
Depreciation/amortisation	18,084	15,354
Movements in provisions	119	279
Movement in present value calculation	-123	-786
<b>Change in working capital</b>		
Movement in work in progress (-/-)	-	-
Receivables (-/-)	-8,600	-9,554
Current liabilities	787	25,534
<b>Total cash flow from operations</b>	<b>30,507</b>	<b>36,015</b>
Interest received	3,066	2,644
Interest paid (-/-)	3	-50
	3,069	2,593
<b>Total cash flow from operating activities</b>	<b>33,576</b>	<b>38,608</b>

**Table 3: Cash flow statement (amounts x €1,000)**

Continued from previous page	31/12/2024	31/12/2023
<b>Cash flow from investment activities</b>		
Investments in tangible fixed assets (-/-)	-52,884	-41,490
Disinvestments in tangible fixed assets	1	18
Investments in intangible fixed assets (-/-)	-355	-
Disinvestments in intangible fixed assets	-	-
Investments in participating interests and/or collaborations (-/-)	-	-
Investment grants and contributions received in advance	700	670
Movements in loans (-/-)	-	-
Other investments in financial fixed assets (-/-)	69	185
<b>Total cash flow from investment activities</b>	<b>-52,469</b>	<b>-40,617</b>
<b>Cash flow from financing activities</b>		
Newly taken loans	-	-
Repayments on long-term liabilities (-/-)	-	-
<b>Total cash flow from financing activities</b>	<b>-</b>	<b>-</b>
Other balance sheet movements	-	-
<b>Movement in liquid assets</b>	<b>-18,893</b>	<b>-2,009</b>
Balance at start of fiscal year	79,801	81,810
Balance at end of fiscal year	60,908	79,801
<b>Movement in liquid assets</b>	<b>-18,893</b>	<b>-2,009</b>

# 4 Notes to the 2024 Financial Statements

## 4.1 General

The Foundation for Dutch Scientific Research Institutes (NWO-I) is based in Utrecht. The organisation is registered with the Chamber of Commerce under number 41150068. According to its articles, NWO-I's objects are:

- a. to promote excellence in science and the quality of scientific research in general;
- a. to conduct scientific research of a high standard in specific fields;
- a. to initiate and encourage new developments in scientific research;
- a. to disseminate the knowledge derived from scientific research that is initiated, conducted and supported by NWO-I, for the betterment of society;
- a. to manage the institutes;
- b. and beyond this to do everything that is directly or indirectly related to the above or may be conducive to it.

## 4.2 Standards applied

The financial statements have been prepared in accordance with the Annual Reporting Guidelines 660. These regulations stipulate that the provisions of Title 9, Book 2 of the Dutch Civil Code and the Annual Reporting Guidelines apply, subject to the exceptions indicated therein. The financial statements were prepared on 18 June 2025.

## 4.3 Principles for the valuation of assets and liabilities and the determination of the result

### 4.3.1 General

These financial statements have been prepared under the going concern assumption. An asset is recognised in the balance sheet when it is probable that the organisation will receive future economic benefits, the value of which can be measured reliably. A liability is recognised in the balance sheet when it is probable that settlement of the liability will be accompanied by an outflow of resources embodying economic benefits, the size of which can be measured reliably.

Income is recognised in the statement of income and expenditure when an increase in economic potential, associated with an increase in an asset or a decrease in a liability, has occurred, the size of which can be measured reliably. Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or increase in a liability has taken place, the size of which can be measured reliably.

If a transaction results in virtually all or all future economic benefits and all or virtually all risks relating to an asset or liability being transferred to a third party, the asset or the liability is no longer reported in the balance sheet. Assets and liabilities are also no longer reported in the balance sheet from the moment at which the conditions of the likelihood of the future economic benefits and/or the reliability of the determination of the value are no longer satisfied.

Income and expenditure are allocated to the period to which they relate.

The financial statements are presented in euros, the organisation's functional currency. All financial information is indicated in thousands of euros unless otherwise stated. Negative values in the tables are shown in brackets ().

### 4.3.2 Use of estimates

The preparation of the financial statements requires the management to form opinions and make estimates and assumptions that affect the application of policies and the reported values of assets and liabilities, income and expenditure. The actual results may deviate from these estimates. The estimates and underlying assumptions are assessed continually. Revised estimates are recognised in the period in which the estimate is revised and in future periods affected by the revision.

### 4.3.3 Related parties

#### Scope of consolidation

The following legal entities belong to the scope of consolidation (DASB 217.301) of NWO-I:

- AstroTec Holding BV (100%) in Dwingeloo
- CWI Incubator BV (100%) in Amsterdam
- NIOZ Holding BV (100%) in Den Hoorn, which includes NIOZ Haven, 100% owned by NIOZ holding
- Particle Physics Inside Products BV (P2IP) in Amsterdam (100%)
- Stichting Wiskunde en Informatica Conferenties in Amsterdam (>50%)

Based on Article 407(1), Book 2, Title 9 of the Dutch Civil Code, the aforementioned organisations are not consolidated and the exemption for consolidation on the grounds that the effect on NWO-I's solvency and liquidity is negligible is therefore applied. The participating interests are accounted for under financial fixed assets in the financial statements.

#### Other related parties

The other related parties are parties with which NWO-I is permanently affiliated and which satisfy the definition of a related party:

**Table 4: Other related parties**

	<b>Nature of the affiliation</b>
NIOZ Haven BV	100% owned by NIOZ holding company
Stichting Beheer Wetenschappelijk Centrum Watergraafsmeer	Participation on executive board
Swat.holding BV	25% owned by CWI Incubator

The Foundation for Dutch Scientific Research Institutes (NWO-I) is a research organisation under the Dutch Research Council (NWO). The consolidated financial statements are published on [nwo.nl](https://www.nwo.nl).

## **ARCNL**

NWO-I is a participant in the Advanced Research Center for Nanolithography (ARCNL) collaboration. Because NWO-I appoints one of the four members of ARCNL's Governing Board, ARCNL is consolidated for 25% of ARCNL's value in NWO-I's financial statements (proportional consolidation). In the financial statements, the inter-entity debts, receivables and transactions have been eliminated in proportion to the share in ARCNL.

### **4.3.4 Foreign currency accounting principles**

A foreign currency transaction is initially measured at the exchange rate on the transaction date.

### **4.3.5 Financial instruments**

Financial instruments include both primary financial instruments, such as receivables, securities and debts, and derivative financial instruments (such as derivatives).

For the accounting principles for the primary financial instruments, please refer to the treatment per balance sheet item.

#### **Loans granted and other receivables**

Loans granted and other receivables are initially recognised at fair value plus any transaction costs and subsequently at amortised cost using the effective interest method. Income and expenses are recognised in the statement of income and expenditure as soon as the loans granted and other receivables are transferred to a third party or become impaired.

#### **Other financial liabilities**

Other financial liabilities are measured on their initial recognition at fair value less transaction costs and are valued subsequently at amortised cost using the effective interest method. The repayment obligations t+1 of the long-term liabilities are included in current liabilities.

## Determination of fair value

The fair value of a financial instrument is the amount for which an asset could be traded or a liability settled between knowledgeable and willing parties in an arm's-length transaction. A number of notes in the financial reporting require the determination of the fair value of financial instruments. The fair value is determined in those cases by discounting the expected cash flows at a rate equal to the prevailing risk-free market interest rate for the remaining term plus credit and liquidity surcharges.

## Netting

An asset and a liability item are netted in the financial statements only if and to the extent that:

- a sound legal instrument is available to settle the asset and the liability item netted and simultaneously; and
- there is a firm intention to settle the netted amount as such or both items simultaneously.

## Price risk

NWO-I undertakes few commercial activities, so there is not much exposure to price risk.

## Credit risk

Accounts receivable include receivables from grantors and receivables from other debtors. The credit risk on these receivables is limited.

## Interest rate risk and exchange rate risk

NWO-I incurs only limited interest rate risk on its debt, as cash flows are largely independent of market interest rates. The liquid assets are held with the government. NWO-I runs relatively little exchange rate risk because virtually all transactions take place in euros. To manage interim interest fluctuations, NWO-I has a policy not to use derivative financial instruments.

## Liquidity risk

NWO-I uses treasury rules to manage liquidity risks. The fundamental principle of these treasury rules is that the NWO-I monies may not be invested or used as collateral. The liquid assets are held at the Ministry of Finance.

## Present value

The discount rate at which to discount is the government bond yield (DASB 252).

NWO-I is bound to treasury banking with the Ministry of Finance. In other words, the liquid market for corporate bonds is not available for NWO-I. For the discount rate, NWO-I uses the interest rates for government bonds as listed on the website of the Ministry of Finance, Dutch State Treasury Agency.

The term of the personnel provisions at NWO-I is less than 10 years, except for the provision for long-service awards. All provisions are presented at present value. The effect of the present value calculation is reflected in the statement of movements in the provisions and is accounted for under financial income and expenditure.

The term of the 'Other provisions' at NWO-I is fixed at 10 years; this provision is also calculated at present value and the effect is accounted for under financial income and expenditure.

NWO-I has made a calculation to present value both for the Provisions and for the off-balance sheet liabilities and off-balance sheet assets.

### 4.3.6 Intangible fixed assets

An intangible fixed asset is included in the balance sheet if:

- it is probable that future economic benefits associated with an asset will accrue to the group; and
- the expenses of the asset can be reliably measured.

Expenditure on an intangible fixed asset that does not meet the conditions for capitalisation is recognised directly in the statement of income and expenditure.

The intangible fixed assets are valued at acquisition or manufacturing price, less accumulated amortisation and, if applicable, cumulative impairments. The costs of development are capitalised if the conditions stipulated for technical, commercial and financial feasibility are fulfilled. Another legal reserve is maintained in the amount of the balance sheet value.

Intangible fixed assets are amortised systematically on the basis of their estimated useful life with a maximum of twenty years using the straight-line method. The useful life and amortisation method are reassessed at the end of each fiscal year.

Amortisation rates:

- infrastructural costs of research and development: 15.38%-25%
- other intangible fixed assets: 25%

### 4.3.7 Tangible fixed assets

Tangible fixed assets intended for grant projects and projects with companies are valued at cost (acquisition or manufacturing price) less accumulated depreciation, if applicable accumulated impairments and, if applicable, taking into account a residual value.

Tangible fixed assets not intended for own use are not depreciated and are charged directly to the project in question in the year of acquisition.

Contributions received from subsidy providers for the purpose of financing tangible fixed assets are accounted for as investment grants received in advance under the long-term or current liabilities, respectively. The investment grants are realised according to the depreciation of the relevant tangible fixed assets. The release of the investment grants is deducted as movement in investment grants from depreciation expense in the statement of income and expenditure.

The depreciation is calculated as a percentage of the acquisition price according to the straight-line method. The rate is based on the expected useful life of the asset. Land and tangible fixed assets under construction and prepayments on tangible fixed assets are not depreciated. Depreciation takes place from the moment the asset is put into use. If the expectation regarding the depreciation method, useful life and/or residual value undergoes changes over time, they are accounted for as a change in estimate.

The following depreciation rates are applied:

- Buildings: 2.5% - 25% per year
- Land: no depreciation
- Inventory and equipment:
  - Installations and equipment: 5% to 25% per year, depending on useful economic life
  - Office furniture: 10%-25% per year
  - Computer equipment: 20%-25% per year
- Other tangible fixed assets:
  - Vessels: 3%-10% per year
  - Means of transport: 20% per year
  - Other fixed tangible fixed assets: 10%-25% per year

For the buildings, the components can be divided into shell, lifts, floors, roofing and other. For the vessels, the components can be divided into shell, engine and maintenance. The depreciation periods are determined based on the estimated time of replacement maintenance.

The cost of major maintenance is recognised as part of the cost of the asset as soon as these expenses arise and the capitalisation criteria are met. The carrying amount of the components to be replaced is then considered disinvested and charged to the statement of income and expenditure as a lump sum. All other maintenance expenses, insofar as they constitute 'minor' maintenance, are recognised directly in the statement of income and expenditure.

### 4.3.8 Financial fixed assets

Participating interests where the organisation can exercise significant influence on the business and financial policy are measured according to the equity method on the basis of their net asset value. Participating interests with a negative net asset value are stated at zero. If NWO-I guarantees the debts of the participating interest in question, a provision is created, provided there is an expected outflow of resources. This provision is formed primarily at the expense of the receivables from this participating interest and, for the remainder, under the provisions, for the amount of the share in the losses suffered by the participating interest, or for the expected payments by the organisation for this participating interest.

Participating interests in which no significant influence can be exercised are valued at cost or permanently lower value in use.

NWO-I provides interest-bearing monetary loans to startup companies of former employees as part of the commercialisation of research results. These so-called 'starter loans' are carried on the balance sheet at amortised cost. For each loan, an estimate is made of the risk that the loan cannot be repaid. In that case, a provision for bad debts is made.

### 4.3.9 Impairments

Fixed assets are assessed for impairment whenever changes or circumstances arise that suggest that the carrying amount of an asset may not be recoverable.

### 4.3.10 Disposal of fixed assets

Assets available for sale are measured at the lower of their carrying amount and net realisable value.

### 4.3.11 Receivables

#### Projects in progress

Projects in progress are determined based on the 'percentage of completion' method, or PoC method. The balance of projects in progress is valued at the directly attributed cost of labour and materials with a surcharge for indirect costs on the personnel expenses and less the provision for expected losses. Invoiced instalments/advances received are deducted from the balance of projects in progress.

Proceeds from projects and project costs from the project in progress are recognised as net revenue and expenses on the income statement in proportion to the work performed as of the balance sheet date, if the outcome of a project in progress can be reliably estimated (using the percentage-of-completion method). The percentage of completeness is based on the project costs incurred in relation to the estimated total project costs.

If it is probable that total project costs will exceed total proceeds from projects, a provision for a loss-making contract is established and the expected losses are recognised immediately on the income statement.

### **Grant projects and third-party projects**

NWO-I is involved in many complex grant projects and third-party projects. Projects with a positive balance are included under receivables. Projects with a balance of amounts received in advance are included in current liabilities.

### **Other current receivables**

Current receivables are initially recognised at fair value plus the directly attributable transaction costs and subsequently measured at amortised cost less any necessary provision for bad debts.

## **4.3.12 Liquid assets**

Liquid assets means cash, balances in bank accounts, bills of exchange and cheques. Liquid assets are stated at face value. They are at the organisation's free disposal unless otherwise noted. Liquid assets not available or not expected to be available to the group for more than twelve months are classified as financial fixed assets.

## **4.3.13 Equity**

Presented under equity are the general reserve, earmarked reserves, earmarked funds and other legal reserves.

The general reserve consists of the reserves at the free disposal of NWO-I. If a more limited spending possibility has been imposed by the Foundation Board, the part of the equity thus segregated is designated as an earmarked reserve. All reserves of the institutes and Office are earmarked reserves. If the more limited spending possibility has been imposed by third parties, then this portion is designated as an earmarked fund. The movement statement shows all earmarked funds separately. The other legal reserve was formed pursuant to DASB 240.229. Capitalised costs of self-developed software are included in capitalised development costs for which another legal reserve must be created.

## 4.3.14 Provisions

Unless otherwise stated, all provisions are measured at the present value of the expenditures expected to be necessary to settle the liabilities and losses. The discount rate used is the interest rate as listed on the Ministry of Finance's website at the end of December 2024 (indicatively, 1 year 2.16%, 5 years 2.30%, 10 years 2.61%).

A provision is recognised in the balance sheet when there is:

- a legally enforceable or constructive obligation resulting from a past event; and
- of which a reliable estimate can be made; and
- it is likely that settlement of that obligation will require an outflow of funds.

If it is probable that any of the expenses expected to be necessarily incurred to settle the provision will be reimbursed by a third party, wholly or in part, the reimbursement is presented as a separate asset. Additions to the provisions are made at the expense of the statement of income and expenditure. Expenditures are made directly from the provision. For each provision it is indicated how it is valued; therefore it is presented either at nominal value if the difference between present and nominal value (the effect of time value) can be considered immaterial or at present value whereby a discount rate is used. To calculate the discount rate, NWO-I uses the interest rates for government bonds, as listed on the website of the Ministry of Finance, Dutch State Treasury Agency.

### **Provision for social policy, reorganisations and other legal status**

This relates to the expenses of the 2015-2017 Social Plan for the 2015 reorganisation at NIOZ. The provision was formed to cover future salary expenses of redundant employees. The calculation is based on the maximum benefit period of the employee in question and the expected transition payments or other charges.

### **Provision for long-service awards**

This provision was established for liabilities arising from future long-service awards of personnel employed by NWO-I.

### **Unemployment contributions**

NWO-I is self-insurer for the Unemployment Insurance Act (WW) and, in addition to the regular WW, has negotiated an Enhanced Scheme (BWOI) with the unions. If an employee of NWO-I becomes unemployed, the benefit is fully at the expense of NWO-I. The provision for unemployment benefits is based on the obligation to former employees known at 31 December 2024. These relate to benefit expenses payable during the maximum term of the benefit period at nominal value. This provision is presented at present value. The effect of the time value has been deducted from the personnel expenses.

### **Chronically ill employees**

If an employee is ill, NWO-I is obliged to continue paying the employee 100% of the salary during the first year and 70% during the second, or 85% if the employee is sufficiently rehabilitated. Pursuant to DASB 271, a provision has been made for the future wage costs of employees who are ill as of 31 December of the reporting year and for whom it is virtually certain that they will no longer or not fully return to work.

The liability is calculated as the present value of future salary payments and transition payments. The effect of the time value has been deducted from the personnel expenses.

### **Transition payment under the Work and Security Act**

NWO-I employees who, after temporary employment, do not leave voluntarily are entitled to a transition payment in accordance with the Work and Security Act and the supplementary Balanced Labour Market Act.

As a result of amended legislation (the Balanced Labour Market Act), from 1 January 2020 onwards a provision must be created for all temporary employees, regardless of the period of their employment. Until 1 January 2020, a minimum employment period of two years applied.

### **Generation Plan scheme**

NWO-I employees on an employment contract who are within five years of the state pension age have the option of participating in the Generation Plan scheme. Pursuant to this scheme, this employee shall be granted extraordinary leave with partial retention of pay. The scheme came into effect for the first time with the 2018-2019 CLA for Research Institutions, and the scheme was renewed in the current CLA. The provision was created to cover the salary costs of this scheme. This provision for future payments to current participants of the Generation Plan for Research Institutions is based on a calculation of the entitlements accrued by the employees up to the end of the year. This exclusively concerns the entitlements of employees who are actually using the scheme as of the balance sheet date. This provision is presented at present value. The effect of the time value has been deducted from the personnel expenses.

### **Provision for remediation of radioactive materials PiMu**

The basement of the PiMu building, located on a lot at the Amsterdam Science Park that NWO-I holds in leasehold until the end of 2025, contains materials that have become radioactive due to accelerator activities in the 1980s. NWO-I has an obligation to ensure proper disposal of the radioactive materials prior to termination of the leasehold. The cost of removing these radioactive materials will be equally shared between NWO-I and landowner NWO. For these removal costs, a provision was made in 2016 by NWO-I for the full obligation, and a claim on landowner NWO was subsequently recognised separately.

This provision is presented at present value. The effect of time value is presented as financial income and expenditure.

## **4.3.15 Liabilities**

### **Investment grants received in advance (long term)**

NWO-I received investment grants and investment contributions for the new construction and/or renovations of a number of buildings.

For these grants and contributions, an annual release in proportion to the amortisation is recognised to the credit of the statement of income and expenditure. The release is deducted from the amortisation item. The portion that will be released in the year under review is presented under current liabilities, investment grants and contributions received in advance (current).

### **Current liabilities and accrued liabilities**

Liabilities with a remaining maturity of up to one year on the balance sheet date are designated as current liabilities. Liabilities are not netted with assets.

Accrued liabilities are amounts received in advance (including earmarked contributions) and amounts yet to be paid regarding expenses allocated to an expired period.

For supplementary grants made available for multiple years, the unspent portion is held on the balance sheet as an accrued liability. Release to the credit of the statement of income and expenditure then takes place annually pro rata to the expenditure. With this method of accounting, amounts received in advance are allocated to successive periods systematically and proportionate to time.

### **4.3.16 Financial assets and liabilities no longer included in the balance sheet**

A financial instrument is no longer recognised in the balance sheet if a transaction results in all or virtually all rights to economic benefits and all or virtually all risks relating to a position being transferred to a third party.

In accordance with the requirements of DASB 252, off-balance sheet liabilities and off-balance sheet assets are also valued at present value.

### **4.3.17 Determination of results**

Income and expenditure are allocated to the fiscal year to which they relate. Gains are recognised only insofar as they have been realised on the balance sheet date. Losses and risks originating before the end of the year under review are taken into account if they have become known before the adoption of the financial statements.

Revenue from the provision of services is recognised proportionally to the services provided, based on the services performed before the balance sheet date relative to the total services to be provided.

## **Income**

### **Government grants from Ministry of Education, Culture and Science via NWO**

Government grants from the Ministry of Education, Culture and Science via NWO are recognised as income in the statement of income and expenditure in the fiscal year to which the allocation relates.

### **Grant projects**

Grants are recognised as income in the statement of income and expenditure in the fiscal year in which the subsidised costs were incurred. If there is an own contribution to a subsidised project, the own contribution is spread over the term (matching).

### **Projects in progress**

For projects in progress, income is recognised based on the 'percentage of completion' method, i.e. the PoC method. With this method, income is recognised based on progress. Progress is determined based on the actual estimated progress or the expenses. The balance of projects in progress is valued at the directly attributed cost of labour and materials with a surcharge for indirect costs of personnel expenses. Invoiced instalments/advances received are deducted from the balance of projects in progress.

Profit recognition of projects financed by third parties is determined in accordance with the PoC method.

Expected losses are recognised in the statement of income and expenditure as soon as they are known. A predefined own contribution to a project is not regarded as a loss on a project in progress, as a result of which no additional loss provision is created.

If the result of a project in progress cannot be reliably estimated, revenue is recognised in the statement of income and expenditure only up to the amount of the project costs incurred that are likely to be recoverable ('percentage of completion with zero profit' method).

### **Income in kind**

Income in kind is stated at fair value (insofar as this can be reliably determined and is material) and recognised in the statement of income and expenditure.

### **Expenses**

The expenses are determined in accordance with the aforementioned accounting principles and allocated to the fiscal year to which they relate. Foreseeable liabilities and possible losses originating before the end of the fiscal year are taken into account if they were known before the preparation of the financial statements and if the conditions for including provisions are satisfied.

Periodic interest charges and similar expenses are charged to the year for which they are owed.

### **Personnel expenses**

Salaries and social security costs (including pension contributions) are recognised in the statement of income and expenditure on the basis of the employment conditions, insofar as they are payable to employees.

NWO-I is affiliated with the Stichting Pensioenfonds ABP. ABP is a sectoral pension fund with a defined benefit pension scheme (multi-employer defined benefit scheme). Given that the pension scheme is a multi-employer scheme, the pension scheme has been accounted for as a defined contribution scheme. The funding ratio at the end of December 2024 was 111.7%.

The starting point is that the pension expense to be recognised in the reporting period is equal to the pension contributions payable to the pension fund for that period. A liability is recognised for any pension contributions payable that remain unsettled on the balance sheet date. If the pension contribution already paid by the balance sheet date exceeds the pension contribution payable, an asset is recognised under prepayments and accrued income if the fund will refund this amount or offset it against future payable pension contribution.

A provision is also recognised at the balance sheet date for existing additional liabilities to the fund and employees if it is probable that an outflow of funds will be required to settle those liabilities and the amount of the liabilities can be reliably estimated. Whether or not additional liabilities exist is assessed on the basis of the administration agreement with the fund, the pension agreement with the employees and other (explicit or implicit) commitments to employees. The provision is measured at the best estimate of the present value of the amounts required to settle the liabilities on the balance sheet date.

NWO-I recognises a liability if the organisation has demonstrably made an unconditional commitment to pay a severance or transition payment. If the dismissal is part of a reorganisation, NWO-I recognises the cost of a severance or transition payment in a provision for reorganisation costs.

### **Financial income and expenditure**

Interest income is recognised on a time-proportionate basis in the statement of income and expenditure. This takes into account the effective interest rate of the asset concerned, if the amount is determinable and likely to be received.

Periodic interest charges and similar expenses are charged to the year for which they are owed.

### **Result from participating interests**

The share in the results of investee companies includes the group's share in the results of these participating interests. Gains and losses on transactions that involved the transfer of assets and liabilities between the group and the non-consolidated participating interests, or between its participating interests themselves, are not recognised if they can be deemed unrealised.

The results of participating interests acquired or disposed of during the fiscal year are recognised in the result of NWO-I from the moment of acquisition and until the moment of disposal, respectively.

### 4.3.18 Cashflow statement

The cash flow statement has been prepared in accordance with the indirect method.

The cash in the cash flow statement consists of liquid assets and short-term securities. The securities can be considered highly liquid investments. Short-term highly liquid investments can be converted into cash without restrictions and without material risk of impairment as a result of the transaction.

Exchange rate differences on cash are shown separately in the cash flow statement.

Income and expenditure arising from interest, dividends received and tax on profits are included in cash flow from operating activities. Dividends paid are recognised under 'Cash flow from financing activities'.

The acquisition price of acquired group companies and the sale price of sold group companies are included in cash flow from investment activities, to the extent that payment in cash has been made. Cash present in these group companies is deducted from the purchase price or sale price respectively.

Transactions involving no exchange of cash are not included in the cash flow statement.

## 4.4 Notes to the balance sheet

### 4.4.1 Intangible fixed assets

**Table 5: Intangible fixed assets (amounts x €1,000)**

	Costs of research and development	Other intangible fixed assets	Tangible fixed operating assets under construction and prepayments on intangible fixed assets	Total
<b>Position as of 1 January 2024</b>				
Purchase price 01/01/2024	4,183	1,463	-	5,646
Depreciation/amortisation cumulative 01/01/2024	-1,589	-1,463	-	-3,052
<b>Carrying amount 01/01/2024</b>	<b>2,594</b>	<b>-</b>	<b>-</b>	<b>2,594</b>
<b>Movements 2024</b>				
Investments	355	-	-	355
Disposals	-	-	-	-
Depreciation/amortisation	-649	-	-	-649
Other movements in value	-	-	-	-
<b>Balance</b>	<b>-293</b>	<b>-</b>	<b>-</b>	<b>-293</b>
<b>Position as of 31 December 2024</b>				
Purchase price 31/12/2024	4,538	1,463	-	6,001
Depreciation/amortisation cumulative 31/12/2024	-2,238	-1,463	-	-3,701
<b>Carrying amount 31/12/2024</b>	<b>2,301</b>	<b>-</b>	<b>-</b>	<b>2,301</b>

The intangible fixed assets are the capitalised costs of the acquisition of software, website, promotional film, a new finance system in 2021 and a new personnel information system, Youforce, in 2024.

The amortisation in Costs of research and development relates to the new financial system and the new personnel information system.

## 4.4.2 Tangible fixed assets

**Table 6: Tangible fixed assets (amounts x €1,000)**

	<u>Buildings</u>	<u>Land</u>	<u>Inventory and equipment</u>	<u>Other intangible fixed assets</u>	<u>Tangible fixed operating assets under construction and prepayments on tangible fixed assets</u>	<u>Total</u>
<b>Position as of 1 January 2024</b>						
Purchase price 01/01/2024	237,451	3,053	98,800	13,178	38,375	390,857
Depreciation/ amortisation cumulative 01/01/2024	-102,869	-	-64,523	-9,385	-	-176,777
<b>Carrying amount 01/01/2024</b>	<b>134,582</b>	<b>3,053</b>	<b>34,277</b>	<b>3,793</b>	<b>38,375</b>	<b>214,080</b>
<b>Movements 2024</b>						
Investments	5,227	-	5,707	3,845	35,494	50,273
Putting into use	1,392	-	284	13,763	-15,439	-
Disposals	-	-	-1	-	-	-1
Depreciation	-9,692	-	-7,160	-584	-	-17,436
Other movements in value	-	-	-	-	-	-
<b>Balance</b>	<b>-3,073</b>	<b>-</b>	<b>-1,171</b>	<b>17,024</b>	<b>20,055</b>	<b>32,836</b>
<b>Position as of 31 December 2024</b>						
Purchase price 31/12/2024	244,070	3,053	104,790	30,786	58,430	441,129
Depreciation/ amortisation cumulative 31/12/2024	-112,561	-	-71,683	-9,969	-	-194,213
<b>Carrying amount 31/12/2024</b>	<b>131,509</b>	<b>3,053</b>	<b>33,106</b>	<b>20,817</b>	<b>58,430</b>	<b>246,916</b>

At year-end 2024, the tangible fixed assets amounted to €247 million, therefore increasing by €33 million.

Investment in tangible fixed assets in 2024 amounted to €50 million (2023: €44 million). A substantial part of this was for the fleet renewal. In mid-2024, the Wim Wolff was delivered and put into use. The construction of the Anna Weber-Van Bosse is progressing steadily.

The other investments relate to investments in buildings including for condition-based maintenance, and annual investments in inventory, equipment and computers.

Tangible fixed operating assets under construction and prepayments on tangible fixed assets at the end of 2024 totalled €58.4 million, of which €55.2 million related to the NIOZ fleet replacement (2023: €35 million).

## Land

### Ownership

NWO-I owns the following lots of land:

- Landsdiep 4 and Zuider Haaks 5 and 7 in Den Hoorn (Texel, section P, number 704)  
NIOZ's main building is on this parcel.
- Koringaweg 7 in Yerseke (Reimerswaal, section Y, number 869 (previously 407)  
NIOZ's branch office is on this parcel.
- Oude Torenstraat 39 in Yerseke, (Yerseke, section G, number 6808)  
The guest accommodation of NIOZ is on this parcel.
- Veenschapsweg 10 in Schoonebeek (Schoonebeek, section C, number 5183)  
The LOFAR station RS208 is on this parcel.

### Leasehold

NWO-I is leaseholder of the following parcels:

- Science Park 104 in Amsterdam (Watergraafsmeer, section B, number 5192 (created from 5057))  
AMOLF is located on this parcel. The leasehold ends on 30 November 2060.
- Science Park 105 and 107 in Amsterdam (Watergraafsmeer, section B, numbers 5054 and 5055)  
Nikhef and the University of Amsterdam are on this parcel (via right of use with NWO). The leasehold ends on 30 November 2060.
- Science Park 108 in Amsterdam (Watergraafsmeer, section B, number 5187 (created from 5106))  
The PiMu laboratory building, which has been used by Nikhef since 1 June 2019, is on this parcel. The leasehold ends on 31 December 2025.

- Science Park 123 in Amsterdam (Watergraafsmeer, section B, number 4046)  
CWI is located on this parcel. The leasehold ends on 30 November 2060.
- Niels Bohrweg 4 in Leiden (Leiden, section X, number 4620)  
The new building for SRON was built on this parcel. SRON's completion and relocation took place in mid-2021. The leasehold is perpetual.
- Oude Hoogeveensedijk 4 in Dwingeloo (Dwingeloo, section E, numbers 1560 and 1602)  
ASTRON's main building is on this parcel. The leasehold ends on 31 January 2042.
- Schattenberg 1 and 2 in Zwiggelte (Westerbork, section A, numbers 2957 and 3131)  
Twelve of ASTRON's parabolic antennas, the Westerbork Synthesis Radio Telescope (WSRT), 2 of which are mobile, are on these parcels. There is also a service building and some other structures (including a shed, dwelling house and garage boxes). The leasehold for both parcels ends on 31 January 2026.
- Halckenbroeken in Aa en Hunze (Rolde, section T, number 1661)  
Two more mobile radio telescopes are located at number 1661, about 1.5 kilometres eastward from the 12 antennas in Zwiggelte. The leasehold ends on 31 January 2026.
- De Zaale 20 in Eindhoven (Tongelre, section D, number 1197 (partial)).  
This parcel is home to DIFFER. The leasehold ends on 11 September 2063.

NIOZ Haven's land is leased from the Municipality of Texel. Consequently, NIOZ Haven is a subsidiary of NIOZ Holding and is not directly incorporated within the NWO-I Foundation.

The parcel 'Watergraafsmeer, section B, number 4045' at Science Park in Amsterdam was held in leasehold by Cooperatie SURF UA (hereafter SURF) and concerns the WCW building section Z (including conference rooms, the boiler room and some CWI and Nikhef offices). SURF relinquished the leasehold and the parcel became the property of the landowner NWO at the end of 2022. NWO has divided the parcel into lots 5293 and 5294. Subsequently, NWO allocated parcel 5294 in leasehold to NWO-I Foundation for the CWI building and, along with parcel 4046, extended the leasehold to 30 November 2060.

Parcel 5294 is subject to an easement for use by Nikhef and WCW Management Foundation, and NWO-I became the grantor of the easement.

### **Rights of superficies and user agreements**

ASTRON concluded 34 rights of superficies, including for the LOFAR antennas, other outdoor stations, cables and pipelines. ASTRON also has 4 land user agreements, for the construction, use and maintenance of infrasound sensors.

NWO-I (at the time FOM) concluded a user agreement with NWO on 22 July 2014 for the Science Park, parcel B 5107, Watergraafsmeer, for the units at Science Park 110. In 2021, Nikhef concluded three rights of superficies for the realisation and use of drilling and inspection wells, including related electrical/ instrument cabinets, measurement sensors, cabling and pipelines, and associated work areas.

## Buildings

The buildings owned by NWO-I are as follows:

- Science Park 102 in Amsterdam AMOLF
- Science Park 104 in Amsterdam AMOLF
- Science Park 105 in Amsterdam Nikhef (main building)
- Science Park 108 in Amsterdam Nikhef (laboratory building)
- Science Park 110 in Amsterdam Nikhef (temporary office building; porta cabins)
- Oude Hoogeveensedijk 4 in Dwingeloo ASTRON
- Oude Hoogeveensedijk 6 in Dwingeloo ASTRON
- Schattenberg 1 in Zwiggelte ASTRON
- Schattenberg 2 in Zwiggelte ASTRON
- Science Park 123-125 in Amsterdam CWI (125 concerns building section WCW)
- De Zaale 20 in Eindhoven DIFFER
- Landsdiep 4 in Den Hoorn NIOZ
- Zuider Haaks 17c in Den Hoorn NIOZ
- Zuider Haaks 18 in Den Hoorn NIOZ
- Zuider Haaks 20 in Den Hoorn NIOZ
- Korringaweg 7 in Yerseke NIOZ
- Oude Torenstraat 39 in Yerseke NIOZ
- Niels Bohrweg 4 in Leiden SRON

The University of Amsterdam wing of Science Park 107 in Amsterdam Nikhef (in use by University of Amsterdam) adjacent to Nikhef is legally owned by NWO-I. NWO-I has granted the University of Amsterdam right of use until the end of the leasehold/superficies of NWO-I with NWO. The University of Amsterdam is the beneficial owner and has the right to sublet.

The insured value of all movable and immovable property, irrespective of whether owned, managed or utilised by NWO-I, as well as the movable and immovable property for which NWO-I bears responsibility, amounted to €886.7 million as of 1 July 2024. Some €429.2 million of this relates to buildings.

The value for the purposes of the Valuation of Immovable Property Act of real estate owned by NWO-I is €115.9 million (various reference dates: 1 January 2024, 1 January 2023, 1 January 2021 and 1 January 2020).

**Table 7: Financial fixed assets (amounts x €1,000)**

	Carrying amount 01/01/2024	Investments and loans provided 2024	Disposals and repaid loans 2024	Other movements +/- 2024	Result from participating interests +/- 2024	Carrying amount 31/12/2024
<b>Financial fixed assets</b>						
Other participating interests	1,782	-	-	-	2,029	3,811
Other receivables long term	2,082	-	-	-30	-	2,052
Provision for bad debts -/-	-1,446	-19	-	-	-	-1,465
<b>Financial fixed assets</b>	<b>2,418</b>	<b>-19</b>	<b>-</b>	<b>-30</b>	<b>2,029</b>	<b>4,398</b>

### Other participating interests

This concerns the 100% interest in:

**Table 8: Other participating interests (amounts x € 1,000)**

Astrotec Holding BV (ATH) based in Dwingeloo	598
CWI Incubator based in Amsterdam	2,721
NIOZ Holding based on Texel, (in which NIOZ Haven BV for 100%)	499
Particle Physics Inside Products BV (P2IP), based in Amsterdam	-/- 7
Stichting Wiskunde en Informatica Conferenties in Amsterdam (100%)	-
<b>The total amounts to</b>	<b>3,811</b>

### Other receivables

NWO-I provides monetary loans as part of the commercialisation of the research results. This amounted to €2.1 million at the end of 2024. This includes two loans granted to P2IP (total €1 million) with a term that ends on 1 July 2025. There are also several other loans for a combined amount of €0.6 million. Since these loans are risk-bearing in nature, a provision of the same amount has been made for them.

Furthermore, the permanent advance to WCW amounts to €0.5 million.

## Related parties

**Table 9: Model E Related parties**

Based on criteria from the Related parties guideline

Name	Legal form	Participation	Statutory seat	Activities code	Equity	Result year	Total income	Year
	2024	%			31/12/2023 k€	2023 k€	2024 k€	
AstroTec Holding BV	BV	100%	Dwingeloo	4	548	-50	71	2023
Wiskunde en Informatica Conferenties	Foundation	>50%	Amsterdam	4	63	26	323	2023
CWI Incubator	BV	100%	Amsterdam	4	2715	2027	2021	2024
Particle Physics Inside Products (P2IP)	BV	100%	Amsterdam	4	-7	-20	-	2023
NIOZ Holding	BV	100%	Den Hoorn	4	498	-20	-	2023
NIOZ Haven	BV	100%	Den Hoorn	4	220	-18	262	2023
Stichting Beheer Wetenschappelijk Centrum Watergraafsmeer (WCW)	Foundation	20%-50%	Amsterdam	4	2365	16	4829	2023
SWAT.holding	BV	25%	Amsterdam	4	1148	475	475	2023
					<b>7,550</b>	<b>2,436</b>	<b>7,981</b>	

\*No '403 statement' (joint and several liability) has been prepared by NWO-I

Legend Code table: 1. Contract education, 2. Contract research, 3. Real estate, 4. Other

It should be noted that the 2024 figures as set out in this table are draft figures.

Listed here are the related parties of which NWO-I:

- is the sole shareholder (100% shareholding);
- is the majority shareholder (20 to 50% of the shareholding/voting rights);
- is an influential shareholder (presumption of significant influence); or
- has management influence/a key role in management.

## 4.4.4 Receivables

### Short-term receivables

**Table 10: Short-term receivables (amounts x €1,000)**

	<u>31/12/2024</u>	<u>Budgeted 2024</u>	<u>31/12/2023</u>
<b>Receivables</b>			
Accounts receivable general	8,247	4,646	7,620
Receivables from NWO	9,050	4,816	7,968
Receivables from other participating interests	3,098	4,035	2,213
Receivables from personnel	85	86	156
Valuation of projects in progress NWO	82	-	44
Valuation of projects in progress	1,134	1,300	879
Other receivables	29,045	8,592	21,827
Taxes and social insurance contributions	4,296	675	3,960
Prepaid expenses	7,058	9,665	8,963
Other accrued assets	-	2,000	-
Less: Provision for bad debts -/-	-708	-501	-841
<b>Receivables</b>	<b>61,388</b>	<b>35,314</b>	<b>52,788</b>

Receivables amounted to €61.4 million, having increased by €8.6 million compared to 2023 (€52.8 million).

The largest movement relates to other receivables, which increased by €7.2 million compared to 2023. This includes the receivable from LOFAR-ERIC (increase of €6.9 million compared to 2023). In addition, the item Receivables from NWO shows an increase of €1.1 million.

Compared to the budget, the item Other receivables in particular increased (€20.5 million). This increase was due in part to the receivable from LOFAR-ERIC (€6.9 million). The item Grant projects still to be claimed also showed an increase of €10.3 million.

## Accounts receivable

Table 11 shows the breakdown of accounts receivable:

**Table 11: Accounts receivable (amounts x €1,000)**

Breakdown	NWO 31/12/2024	Group company 31/12/2024	Third parties 31/12/2024
Accounts receivable general	273	1	7,973

## Valuation of projects in progress

**Table 12: Valuation of projects in progress (amounts x €1,000)**

	31/12/2024	Budgeted 2024	31/12/2023
Realised billable costs NWO	214		44
Expected losses -/-	-		-
Invoiced instalments -/-	-132		-
<b>Valuation of projects in progress NWO</b>	<b>82</b>	<b>-</b>	<b>44</b>
Realised billable third-party costs	4,533		5,086
Expected losses -/-	-		-
Invoiced instalments -/-	-3,399		-4,206
Valuation of projects in progress third parties	-		-
<b>Valuation of projects in progress (third parties)</b>	<b>1,134</b>	<b>1,300</b>	<b>879</b>
<b>Valuation of projects in progress</b>	<b>1,216</b>	<b>1,300</b>	<b>923</b>

The balance of the valuation of projects in progress with a debit position involves research projects for which the research costs at year end exceed their invoiced instalments. On balance, a net amount remains to be claimed from the financiers in question.

## Other receivables

**Table 13: Other receivables (amounts x €1,000)**

	<b>31/12/2024</b>	<b>Budgeted 2024</b>	<b>31/12/2023</b>
Other receivables third parties	13,718	1,861	6,810
Other receivables related parties	-	-	-
Remaining projects still to be claimed	15,328	11,800	15,017
Internal current account relationship	-	-5,068	-
<b>Other receivables</b>	<b>29,045</b>	<b>8,592</b>	<b>21,827</b>

Other receivables amount to €29 million and increased by €7.2 million compared to year-end 2023. The increase in Other receivables was due to Other receivables third parties, which was caused by an increase in the receivable from LOFAR-ERIC and the partners for the hardware and software for the LOFAR project.

## Taxes and social insurance contributions

**Table 14: Taxes and social security contributions (amounts x €1,000)**

	<b>31/12/2024</b>	<b>Budgeted 2024</b>	<b>31/12/2023</b>
Turnover tax	4,263	675	3,106
Other taxes	33	-	854
<b>Taxes and social insurance contributions</b>	<b>4,296</b>	<b>675</b>	<b>3,960</b>

Taxes and social insurance contributions amounted to €4.3 million and were €0.3 million higher than at year-end 2023.

## Provision for bad debts

**Table 15: Provision for bad debts (amounts x €1,000)**

	31/12/2024	Budgeted 2024	31/12/2023
Position as of 01/01	-841		-603
Withdrawal (+/+)	233		7
Allocation (-/-)	-		-245
<b>Less: provision for bad debts</b>	<b>-608</b>	<b>-501</b>	<b>-841</b>

The provision for bad debts amounted to €0.6 million. The provision relates to doubtful debts.

## Liquid assets

**Table 16: Liquid assets (amounts x € 1,000)**

	31/12/2024	Budgeted 2024	31/12/2023
Cash	20	8	21
Bank account balances	373	643	204
Current account balance Treasury banking	60,516	49,191	79,576
<b>Liquid assets</b>	<b>60,908</b>	<b>49,842</b>	<b>79,801</b>

Liquid assets decreased by €18.9 million from €79.8 million to €60.9 million in 2024. In 2024, €31 million was spent on the fleet replacement. This decrease in liquidity was partly offset by the disbursement at the end of 2024 of €10 million for 'Strategic Priorities'.

Liquid assets consist of cash and bank balances and are freely available to the institution with the exception of €0.4 million.

- €0.3 million relates to the bank guarantee for the rental of a property at Science Park in Amsterdam
- €0.1 million relates to a bank guarantee issued to the Dutch Tax and Customs Administration Groningen

The intra-day limit at ABN-AMRO Bank is €10.2 million.

## 4.4.6 Equity

**Table 17: Equity previous year (amounts x €1,000)**

	<b>Position as of 01/01/2023</b>	<b>Result +/- 2023</b>	<b>Other movements +/- 2023</b>	<b>Position as of 31/12/2023</b>
General reserve	7,816	2,074	-	9,890
Earmarked reserve (public)	103,314	5,860	-	109,173
Earmarked fund (public)	1,187	-146	-	1,041
Other legal reserves	3,243	-649	-	2,594
<b>Equity</b>	<b>115,559</b>	<b>7,140</b>	<b>-</b>	<b>122,699</b>

**Table 18: Equity current year (amounts x €1,000)**

	<b>Position as of 01/01/2024</b>	<b>Result +/- 2024</b>	<b>Other movements +/- 2024</b>	<b>Position as of 31/12/2024</b>
General reserve	9,890	6,017	-	15,907
Earmarked reserve (public)	109,173	20,532	-	129,706
Earmarked fund (public)	1,041	-1,041	-	-
Other legal reserves	2,594	-294	-	2,301
<b>Equity</b>	<b>122,699</b>	<b>25,215</b>	<b>-</b>	<b>147,914</b>

The movements in Equity are the movements based on the appropriation of the net result in 2024. Equity increased from €122.7 million at the end of 2023 to €147.9 million at the end of 2024.

The general reserves increased by €6.0 million to €15.9 million. In 2024, the settlement of granting activities added €7 million to the general reserve and interest income of €3 million to the general reserve. This was offset by an allocation for renovation work and completion of relocation totalling €4 million.

The earmarked reserve increased by €20.5 million to €129.7 million in 2024. The earmarked reserve is intended for, among other things:

- specific financial risks,
- depreciation charges for buildings, building-related and infrastructure investments
- the mismatch in time between operating grants for new construction and renovation and the associated expenses
- buffer capital.

The earmarked funds public were nil at the end of 2024. The earmarked funds concerned the sector plan funds within the BUW. The BUW was largely financially settled by the end of 2024, including the remainder of the sector plan funds.

**Table 19: Earmarked fund (public) (amounts x €1,000)**

	Position as of 01/01/2024	Newly awarded in 2024	Result +/- 2024	Other movements +/- 2024	Position as of 31/12/2024
<b>Earmarked fund (public)</b>					
Sector plan	1,023	-	-1,023	-	-
Einstein Telescope	18	-	-18	-	-
Earmarked fund investment for the cleanroom	-	-	-	-	-
<b>Earmarked fund (public)</b>	<b>1,041</b>	<b>-</b>	<b>-1,041</b>	<b>-</b>	<b>-</b>

The 'Other legal reserves' item became mandatory in 2020 for the capitalisation of research and development costs in relation to the investment in the New Finance System and the new personnel information system.

## 4.4.7 Provisions

**Table 20: Provisions (amounts x €1,000)**

	Position as of 01/01/2024	Allocations 2024	Withdrawals 2024	Release 2024	Interest rate movement (at present value) 2024	Position as of 31/12/2024	Current portion < 1 year	Long-term portion > 1 year
Provision for social policy, reorganisations and other legal status	548	82	-83	-49	16	514	-	514
Provision for long-service awards	1,008	475	-119	-62	-272	1,031	137	894
Unemployment contributions	1,203	799	-387	-194	4	1,425	640	785
Chronically ill employees	1,130	819	-524	-514	260	1,171	225	946
Transition payments	1,732	992	-565	-301	3	1,861	1,174	687
Generation Plan	683	567	-301	-174	-9	766	294	472
Other personnel provisions	278	-	-	-286	8	-	-	-
Other provisions	3,169	-	-	-	-68	3,101	-	3,101
<b>Total provisions</b>	<b>9,750</b>	<b>3,735</b>	<b>-1,978</b>	<b>-1,581</b>	<b>-57</b>	<b>9,869</b>	<b>2,470</b>	<b>7,399</b>

The provisions increased by €0.1 million to €9.9 million.

### **Provision for social policy, reorganisations and other legal status**

The Provision for social policy, reorganisations and other legal status amounted to €0.5 million (2023: €0.5 million). It mainly concerns the reorganisation scheme which was formed to cover future salary costs of redundant employees.

### **Provision for long-service awards**

The long-service provision amounted to €1 million (2023: €1 million) and relates to future obligations to employees in respect of bonuses based on the current CLA.

### **Unemployment contributions**

Unemployment contributions amounted to €1.4 million (2023: €1.2 million).

The allocation for 2024 amounted to €0.8 million, for several employees to the end of 2032.

### **Chronically ill employees**

If an employee is ill, NWO-I is obliged to continue paying the employee 100% of the salary during the first year and 70% during the second, or 85% if the employee is sufficiently rehabilitated. Pursuant to DASB 271, a provision has been created for the future salary costs of employees who are sick as of the reporting date and for whom it is fairly certain that they will not return to work or will not return to work in full.

The liability is calculated as the present value of future salary payments and transition payments.

This provision amounted to €1.2 million at the end of 2024 (2023: €1.1 million).

### **Transition payment under the Work and Security Act**

NWO-I employees who, after temporary employment, do not leave voluntarily are entitled to a transition payment in accordance with the Work and Security Act and the supplementary Balanced Labour Market Act.

As a result of amended legislation (the Balanced Labour Market Act), from 1 January 2020 onwards a provision must be created for all temporary employees, regardless of the period of their employment. The provision amounted to €1.9 million at the end of 2024 (2023: €1.7 million).

## Generation Plan

This provision for future payments to current participants of the Generation Plan for Research Institutions is based on a calculation of the entitlements accrued by the employees up to the end of the year. This exclusively concerns the entitlements of employees who are actually using the scheme as of the balance sheet date. The scheme came into effect for the first time with the 2018-2019 CLA for Research Institutions. The balance at the end of 2024 was €0.8 million (2023: €0.7 million).

The remaining personnel provisions were fully released in 2024.

## Provision for remediation of radioactive materials PiMu

The provision amounted to €3.1 million at the end of the reporting year (2023: €3.2 million).

The basement of the PiMu building, located on a lot at the Amsterdam Science Park that NWO-I holds in ground lease by operation of law until the end of 2025, contains radioactivity that arose in the 1980s. NWO-I has an obligation to ensure proper disposal of the radioactive materials prior to termination of the leasehold. The cost of removal will be equally shared between NWO-I and landowner NWO. In accordance with DASB 252, the NWO contribution has been deducted from the expenses. Short-term receivables include the NWO contribution as a receivable from NWO (€2.6 million).

## 4.4.8 Long-term liabilities

**Table 21: Long-term liabilities (amounts x €1,000)**

	Position as of 01/01/2024	Loans taken out	Repayments	Position as of 31/12/2024	Term > 1 year	Term > 5 years
Long-term loans: other	-	-	-	-	-	-
Investment grants and contributions received in advance	68,324	700	-4,515	64,509	64,509	45,289
Long-term liabilities NWO consolidation	-	-	-	-	-	-
<b>Long-term liabilities</b>	<b>68,324</b>	<b>700</b>	<b>-4,515</b>	<b>64,509</b>	<b>64,509</b>	<b>45,289</b>

The balance of long-term liabilities concerns the investment grant received from NWO in advance, being the pre-financing of new construction and renovation projects. In addition, a contribution was received for the Nikhef building renovation from the University of Amsterdam for the entrance. The repayment relates to the shift from long-term to current liabilities. In addition, there is a conditional right provided by NWO for the Housing New Construction Leiden; at the end of the reporting year this right still amounted to €33.4 million.

#### 4.4.9 Current liabilities

**Table 22: Current liabilities (amounts x €1,000)**

	<b>31/12/2024</b>	<b>Budgeted 2024</b>	<b>31/12/2023</b>
Amounts owed to NWO	40,281	44,307	44,936
Pre-invoiced instalments for projects	298	100	128
Accounts payable	3,918	4,532	8,523
Taxes and social insurance contributions	12,071	682	10,030
Pensions	1,935	-	1,806
Other	22,577	3,206	16,562
Investment grants and contributions received in advance (current)	4,454	4,801	5,738
Amounts received in advance	3,894	1,102	1,862
Vacation pay and days	14,668	13,359	14,293
Other accrued liabilities	49,523	31,076	47,031
<b>Current liabilities</b>	<b>153,620</b>	<b>103,164</b>	<b>150,908</b>

Total current liabilities amounted to €153.6 million and increased by €2.7 million. This increase can be seen in the item Other and in the item Other accrued liabilities. The items Amounts owed to NWO and Accounts payable showed a decrease compared to the previous year.

## Pre-invoiced instalments for projects

**Table 23: Pre-invoiced instalments for projects (amounts x € 1,000)**

	<u>31/12/2024</u>	<u>Budgeted 2024</u>	<u>31/12/2023</u>
Realised billable third-party costs	-735		-473
Expected losses -/-	51		51
Invoiced instalments -/-	982		550
<b>Valuation of pre-invoiced third parties</b>	<b>298</b>	<b>100</b>	<b>128</b>

The item Pre-invoiced instalments for projects relates to research projects for which the invoiced instalments at the end of the reporting year exceed the realised research costs.

## Taxes and social insurance contributions

**Table 24: Taxes and social security contributions (amounts x €1,000)**

	<u>31/12/2024</u>	<u>Budgeted 2024</u>	<u>31/12/2023</u>
Payroll tax	8,007	-	7,208
Turnover tax	4,064	682	2,822
<b>Taxes and social insurance contributions</b>	<b>12,071</b>	<b>682</b>	<b>10,030</b>

Payroll tax and turnover tax liabilities mainly relate to the tax returns for December 2024.

## Other

The item Other mainly concerns expenses still to be paid. The largest item in this is the contribution obligation for LOFAR-ERIC of €4.8 million. The remaining €17 million are smaller items, all relating to outstanding costs, including €1.5 million outstanding for the Einstein Telescope, €1.8 million outstanding in HFML costs and €0.7 million outstanding in SURF storage costs from previous years.

## Investment grants received in advance (short term)

Decrease from 2023 €1.3 million.

These grants are updated annually for coverage on depreciation costs.

## Other accrued liabilities

The Other accrued liabilities increased by €2.5 million. This item relates to projects where the grant received exceeded the costs incurred. This item fluctuates annually depending on the projects approved, the instalment receipts and expenses incurred in a fiscal year. One project stands out, namely the Einstein Telescope Growth Fund (balance of €11.2 million).

## 4.4.10 Off-balance sheet rights and liabilities

**Table 25: Off-balance sheet rights and liabilities (amounts x €1,000)**

	Amount 31/12/2023	Movements	Amount 31/12/2024	< 1 year	2 to 5 years	5 years or more	Total
<b>Off-balance sheet liabilities</b>							
<b>1. Contingent liabilities and unrecognised liabilities</b>							
a) Claims submitted by third parties		-	-	-	-	-	-
b) Guarantees and sureties, etc., issued	12,614	(8,576)	4,038	1,299	2,518	221	4,038
c) Liabilities from orders for tangible fixed assets	54,713	(29,529)	25,184	23,901	983	300	25,184
d) Other off-balance sheet liabilities	6,930	(1,459)	5,471	3,406	2,043	22	5,471
Future liabilities		-	-	-	-	-	-
Tax entity for VAT NWO and NWO-I		-	-	-	-	-	-
<b>TOTAL contingent liabilities and unrecognised liabilities</b>	<b>74,256</b>	<b>(39,564)</b>	<b>34,693</b>	<b>28,607</b>	<b>5,543</b>	<b>543</b>	<b>34,693</b>
<b>2. Long-term financial liabilities</b>							
a) Rights of use and other rights (leasehold, superficies, rental, lease and leasing)	3,773	(650)	3,123	621	1,126	1,377	3,123
b) Obligations under cooperative arrangements and potential risks of financial setbacks arising from these obligations.	10,897	4,395	15,292	15,292	-	-	15,292
<b>TOTAL Long-term financial liabilities</b>	<b>14,671</b>	<b>3,745</b>	<b>18,415</b>	<b>15,913</b>	<b>1,126</b>	<b>1,377</b>	<b>18,415</b>
<b>TOTAL Off-balance sheet liabilities</b>	<b>88,927</b>	<b>(35,819)</b>	<b>53,108</b>	<b>44,519</b>	<b>6,669</b>	<b>1,920</b>	<b>53,108</b>

**Table 25: Off-balance sheet rights and liabilities (amounts x €1,000)**

	Amount 31/12/2023	Movements	Amount 31/12/2024	< 1 year	2 to 5 years	5 years or more	Total
<b>1. Contingent rights and unrecognised rights</b>							
a) Claims submitted to third parties		-	-	-	-	-	-
b) Other	44,988	(2,604)	42,384	2,890	10,691	28,803	42,384
<b>TOTAL Off-balance sheet rights</b>	<b>44,988</b>	<b>(2,604)</b>	<b>42,384</b>	<b>2,890</b>	<b>10,691</b>	<b>28,803</b>	<b>42,384</b>

The amounts in the statement of off-balance sheet rights and liabilities and the notes thereto are stated at present value excluding VAT. In general, VAT increases the costs for NWO-I.

## Contingent liabilities and unrecognised liabilities

### Claims submitted by third parties

No claims were submitted by third parties in 2024.

### Guarantees and sureties, etc., issued

Compared to 2023, the liability decreased by €8.6 million due to a breakout option in the ARCNL lease, with the option to terminate the lease at the end of 2027.

### Liabilities from orders for tangible fixed assets

Compared to 2023, the liability fell by a net amount of €29.4 million. This decrease mainly relates to the Fleet Replacement Wim Wolff (€2 million) and Anna Weber-van Bosse (€27.5 million).

### Other off-balance sheet liabilities

Compared to 2023, the liability fell by €1.5 million.

### Future liabilities

NWO-I has multiple commitments to provide financial contributions to partnerships.

NWO-I's personnel is its largest asset. NWO-I therefore has liabilities for its personnel as well, both when it comes to permanent staff and temporary staff. All of these liabilities result from NWO-I's normal business operations and are covered from the grant contributions from NWO and contracts concluded with third parties.

Grants awarded are subject to specific grant conditions. Upon completion of a project, account must be rendered with the inherent risk that the grantor may lower the grant awarded if specific conditions have not been satisfied. The risk cannot be quantified.

### **Tax entity for VAT NWO and NWO-I**

On 28 September 2017, the request was submitted to the Tax Authorities for a tax entity for VAT between NWO and NWO-I as of 1 January 2017. Even though a formal confirmation has not yet been received, the financial statements from 2018 onwards are stated as if a tax entity had been created for VAT.

A consequence of a tax entity is that NWO-I becomes (jointly and severally) liable for the tax debts of this tax entity as a whole.

## **Long-term financial liabilities**

### **Rights of use and other rights**

Compared to 2023, user and other rights underwent movement for a total of €0.6 million.

### **Liabilities under cooperative arrangements and potential risks of financial setbacks arising from these liabilities**

Liabilities increased €4.4 million compared to 2023, which was mainly caused by the ILT upgrade LOFAR 2.0/Dupllo software and hardware at ASTRON.

## **Off-balance sheet rights**

### **Contingent rights and unrecognised rights**

#### **a. Claims submitted to third parties**

No position

#### **b. Other**

Compared to 2023, this decreased by €2.6 million

NWO awards Nikhef an annual grant as a non-earmarked basic grant, and this grant must be recognised as 100% income. As such, this item automatically goes via the statement of income and expenditure to the earmarked reserve in equity (annually until 2038). In 2023, this item (€19.5 million) was included for the first time and decreases by €1.3 million annually.

NWO awards SRON/NWO-I an annual grant as a non-earmarked basic grant, and this grant must be recognised as 100% income. As such, this item automatically goes via the statement of income and expenditure to the earmarked reserve in equity (annually until 2048).

In accordance with DASB 252, the amounts included in the statement of Off-balance sheet rights and liabilities must be recognised at present value, if the effect of the time value of money is material.

Taking into account the currently prevailing interest rates, the calculation showed that the effect of this for the Off-balance sheet liabilities is therefore €1.9 million lower and for the Off-balance sheet rights €13.1 million lower.

In addition to the off-balance sheet rights and liabilities, NWO-I entered into a loan agreement with NWO on 20 December 2022. The principal amount is €120 million, which is intended for the (partial) financing of the NIOZ fleet replacement, the new SRON building, the renovation of the WCW boiler house (CWI/Nikhef) and the renovation of Nikhef. The loan will be disbursed in tranches upon request or based on the financing requirement. When requested, the financing requirement will be substantiated with verifying documents, such as an investment progress report and an up-to-date liquidity forecast. The term of the loan is 30 years, with the interest rate set at 2.21% for the entire term of the loan and based on the published interest rate for 30 years treasury banking. As of 31 December 2024, no tranche had been requested.

## 4.5 Notes to the statement of income and expenditure

### 4.5.1 Government grants

**Table 26: Government grants (amounts x €1,000)**

	2024	Budgeted 2024	2023
Government grants from Ministry of Education, Culture and Science via NWO	165,669	142,429	146,784
Other grants from the Ministry of Education, Culture and Science via NWO	3,514	50	-
<b>Government grants</b>	<b>169,183</b>	<b>142,479</b>	<b>146,784</b>

The total government grants amounted to €169.2 million and were on balance €22.4 million higher than in 2023. The increase in this income was caused by allocations for 'Strategic Priorities' (€10 million), Innovation Fund (€2.5 million) and Development Fund (€2.5 million), on the one hand. An allocation was also made for the Einstein Telescope (€5.5 million).

The difference between the 2024 realisation and the budget is also mainly explained by the items mentioned above.

## 4.5.2 Government contributions/grants from other authorities

**Table 27: Government contributions / grants from other authorities (amounts x €1,000)**

	2024	Budgeted 2024	2023
Provincial contributions and grants	62	100	121
Other municipal and joint arrangement contributions and grants	-	60	-
Other authorities	-	992	266
<b>Other government contributions and grants from other authorities</b>	<b>62</b>	<b>1,152</b>	<b>386</b>

The other government contributions and grants from other authorities concern the provincial contribution from the Province of North Brabant and from the municipality and region of Eindhoven for DIFFER. The budget contained the Horizon Europe item for this. The classification hereof has been adjusted with respect to the budget.

### 4.5.3 Income from work for third parties

**Table 28: Income from work for third parties (amounts x €1,000)**

	2024	Budgeted 2024	2023
Contract research	106,555	92,964	69,400
Other income from work for third parties	2,117	7,399	1,614
<b>Income from work for third parties</b>	<b>108,672</b>	<b>100,363</b>	<b>71,014</b>

The total income from work for third parties amounted to €108.7 million and was €37.7 million more than 2023.

**Table 29: Total income from contract research (amounts x €1,000)**

	2024	Budgeted 2024	2023
International organisations	24,262	15,574	19,459
National authorities	26,861	24,597	8,668
NWO	28,171	38,044	20,801
KNAW	336	-	83
Other non-profit organisations	21,255	12,339	15,046
Companies	5,670	2,411	5,342
<b>Contract research</b>	<b>106,555</b>	<b>92,964</b>	<b>69,400</b>

Income from contract research (€106.5 million) increased by €37.1 million compared to 2023.

A number of growth funds were acquired in 2022/2023 which translated into higher income in 2024. The growth funds at AMOLF provided an increase of €2.3 million and at Nikhef an increase of €9.5 million. All the institutes showed an increase in NWO open competition projects of €7.2 million. All the institutes showed an increase in EU projects of €4.2 million in total. The increase in income Other non-profit organisations was largely attributable to a fee for deploying the Pelagia for foreign research at the end of 2024.

Compared to the budget, the item International organisations showed an increase of €8.7 million and the item NWO a decrease of €10 million.

For the institutes, the income in these items fluctuates yearly depending on newly awarded projects and to the extent expenses are incurred in a fiscal year, or it is determined using the PoC method.

#### 4.5.4 Other income

**Table 30: Other income (amounts x €1,000)**

	2024	Budgeted 2024	2023
Rental income	5,475	5,700	5,012
Secondment of personnel	283	123	242
Gifts	-	-	-
Sponsorship	8	-	21
Other	1,263	566	1,867
<b>Other income</b>	<b>7,030</b>	<b>6,389</b>	<b>7,141</b>

This income, with the exception of rental income, was non-recurring income.

Compared to the budget, the item Other was €0.7 million higher, mainly due to the sale of equipment.

## Rental income

Nikhef has agreements for an indefinite period of time with over 160 parties for the use of facilities in the Nikhef data centre. This concerns income in the context of internet exchange housing and the renting out of buildings not used for research.

## 4.5.5 Personnel expenses

**Table 31: Personnel expenses (amounts x €1,000)**

	2024	Budgeted 2024	2023
Wages, salaries, social security costs and pension costs	139,224	140,034	129,332
Other personnel expenses	20,531	16,481	19,092
Fees received -/-	-622	-70	-359
<b>Personnel expenses</b>	<b>159,133</b>	<b>156,445</b>	<b>148,064</b>

### Breakdown

#### Wages and salaries

Wages and salaries	109,374	109,504	101,846
Social security costs	14,365	13,516	13,130
Pension contributions	15,485	17,013	14,357
<b>Wages and salaries</b>	<b>139,224</b>	<b>140,034</b>	<b>129,332</b>

Personnel expenses amounted to €159.1 million and increased by €11.1 million compared to 2023.

- Direct personnel expenses (wages, salaries and pension expenses) increased by €10.1 million. On the one hand, this increase was caused by the salary increase due to the new collective labour agreement; on the other hand, the number of FTE increased by 39 in 2024 compared to 2023 (partly due to newly started projects).
- Other personnel expenses increased by €1.8 million compared to 2023:
  - Movements in personnel provisions € 0.3 million
  - Non-employee personnel expenses an increase of €0.6 million
  - Other salary costs (expense claims, etc.) €0.6 million

Compared to the budget, other personnel expenses in particular increased (€4 million). This increase was caused by additional external hiring as vacancies are difficult to fill.

The average number of FTE during the reporting year was 1,637, increasing the workforce by 39 FTE.

**Table 32: Average number of FTE**

Reporting period	Management	Primary process (science)	Support	Total average	Average 2023	Difference
Office	1	0	49	50	45	5
NWO-I BUW	-	3	-	3	18	-16
NWO-I DIFFER	2	59	58	119	111	8
NWO-I AMOLF	2	124	80	207	188	19
NWO-I ARCNL	2	45	9	56	50	6
NWO-I ASTRON	2	65	131	198	187	11
NWO-I CWI	2	145	42	189	195	-6
NWO-I JIVE	-	11	11	22	23	-
NWO-I LOFAR	-	-	-	-	-	-
NWO-I Nikhef	2	89	115	206	201	5
NWO-I NIOZ	2	172	150	324	332	-8
NWO-I NSCR	2	47	8	57	53	4
NWO-I SRON	2	107	97	206	196	10
Final total	19	867	751	1,637	1,598	39
Final total previous year	19	848	731	1,598		
Movement	-	19	20	39		

### Reporting based on the Dutch Senior Executives in the Public and Semi-Public Sector (Standards for Remuneration) Act

The Senior Executives in the Public and Semi-Public Sector (Standards for Remuneration) Act, or WNT Act, came into effect on 1 January 2013. This legislation applies to NWO-I. The maximum remuneration applicable for NWO-I was €233,000.00 (general maximum remuneration) in 2024. The senior executives on an employment contract identified at our organisation are not employed as senior executives by any other institution(s) subject to the WNT Act (entered into from 1 January 2018 onwards).

**Table 1a: Senior executives on an employment contract (amounts x €1)**

	<b>S.C.M. Bentvelsen</b>	<b>M.W. Wise</b>
<b>Job details</b>	Director Nikhef <1>	Director SRON <1>
Start and end of holding the post in 2024	01/01 - 30/09	01/01 - 30/09
Part-time factor in FTE	1	1
(Notional) employment relationship?	yes	yes
<b>Remuneration</b>		
Remuneration plus taxable expense allowances	€150,994.41	€127,255.83
Remuneration payable in due course	€17,470.80	€17,424.00
Remuneration	€168,465.21	€144,679.83
Individually applicable remuneration maximum	€174,431.69	€174,431.69
-/- Unduly paid amount		
<b>Total remuneration</b>	<b>€168,465.21</b>	<b>€144,679.83</b>
The amount of the excess and the reason why the excess is or is not allowed	N/A	N/A
<b>2023 Data</b>		
	<b>S.C.M. Bentvelsen</b>	<b>M.W. Wise</b>
Start and end of holding the post in 2023	01/01 - 31/12	01/01 - 31/12
Part-time factor 2023 in FTE	1	1
(Notional) employment relationship	yes	yes
Remuneration plus payable expense allowance	€178,796.99	€161,861.98
Remuneration payable in due course	€22,507.92	€22,467.96
Subtotal	€201,304.91	€184,329.94
Individually applicable remuneration maximum	€223,000.00	€223,000.00
<b>Total remuneration 2023</b>	<b>€201,304.91</b>	<b>€184,329.94</b>

<1> The officer is designated as a senior executive until no later than 01/10/2024 due to change in governance as of 01/10/2020

**Table 1d: Senior executives on a total remuneration of €1,900**

<b>Name</b>	<b>Position</b>
<b>M.M. Levi</b>	President of the Foundation Board
<b>C.E. Visser</b>	Vice president of the Foundation Board until 01/09/2024
<b>H.M. Amman</b>	Ad interim vice president of the Foundation Board since 30/09/2024
<b>J. de Boer</b>	Member of the Board
<b>M.P.C. Weijnen</b>	Member of the Board
<b>A. van den Bosch</b>	Member of the Board
<b>M.A. Ikram</b>	Member of the Board

The income of board members is accounted for in the NWO Annual Report.

## 4.5.6 Depreciation/amortisation

**Table 33: Depreciation/amortisation (amounts x €1,000)**

	<b>2024</b>	<b>Budgeted 2024</b>	<b>2023</b>
Amortisation on intangible fixed assets	649	649	649
Depreciation on tangible fixed assets	11,637	10,352	8,661
Depreciation/amortisation charges passed on	-42	-	-41
<b>Depreciation/amortisation</b>	<b>12,244</b>	<b>11,001</b>	<b>9,269</b>

Depreciation of tangible fixed assets was €3 million higher than in 2023, which was largely due to Nikhef taking the renovated building into use at the end of 2023. This resulted in higher depreciation charges in 2024 of €2.4 million.

Compared to the budget, the item depreciation/amortisation charges increased by €1.3 million. This increase was largely due to the fact that the 2024 budget had taken into account a different amount of depreciation for the Nikhef renovation.

The investment grants and contributions (being a contribution from NWO for various new construction projects and from University of Amsterdam for the entrance to the Nikhef building as part of the renovation) have been deducted from the depreciation of tangible fixed assets (€5.8 million).

## 4.5.7 Housing expenses

**Table 34: Housing expenses (amounts x €1,000)**

	2024	Budgeted 2024	2023
Rent expenses	1,201	910	996
Insurance expenses	514	258	387
Maintenance expenses (minor maintenance)	3,633	5,074	2,930
Energy and water	7,231	7,480	6,783
Cleaning costs	1,704	1,398	1,630
Housing taxes and levies	1,037	1,064	1,066
Other housing expenses	1,611	1,332	1,362
<b>Housing expenses</b>	<b>16,931</b>	<b>17,515</b>	<b>15,156</b>

The housing expenses were €1.8 million higher than in 2023. This increase was caused by maintenance (€0.7 million), energy costs (€0.5 million), WCW charging on (€0.3 million) and other housing costs (€0.3 million).

Maintenance costs lagged behind with respect to the budget. This was caused partly by the deferral of budgeted maintenance and partly because the capitalisation of expenditure on it is different in reality than budgeted.

## 4.5.8 Other expenses

**Table 35: Other expenses (amounts x €1,000)**

	2024	Budgeted 2024	2023
Administration and management expenses	10,709	19,335	12,317
Inventory and equipment	12,621	15,446	6,609
Allocation to other provisions	-87	-	274
Other	53,155	40,022	28,448
<b>Other expenses</b>	<b>76,398</b>	<b>74,804</b>	<b>47,648</b>

### Breakdown of administration and management expenses

IT costs	3,540	2,332	2,939
Outsourced work	1,388	8,485	1,245
Auditor's costs	475	473	500
Interest expenses associated with interest subsidies	-	-	-
Other administration and management expenses	5,306	8,045	7,633
<b>Administration and management expenses</b>	<b>10,709</b>	<b>19,335</b>	<b>12,317</b>

### Breakdown of auditor's costs

Costs of auditing the financial statements	407	401	352
Other audit engagements	54	32	86
Advice on tax matters	-	40	62
Other non-audit services	14	-	-
<b>Auditor's costs</b>	<b>475</b>	<b>473</b>	<b>500</b>

Other expenses amounted to €76.4 million, €28.8 million higher than in 2023 therefore.

In 2023, some project costs were recognised under administration and management expenses, but in 2024 it was determined that it was more appropriate to recognise them entirely under research-related costs. As a result, the comparative figures for 2023 have been adjusted for correct comparison. The item Administration and management expenses was reduced by €8.5 million, while the item Other, mainly research-related costs, was increased by the same amount.

Costs for inventory and equipment increased by €6 million, mainly due to the increase in newly started projects.

The €23.7 million increase in the item Other (mainly research-related costs) can largely be explained by a €10.6 million increase in research costs for the Einstein Telescope and the contribution for LOFAR-ERIC (€4.8 million). Finally, research-related costs also rose due to the increase in newly launched projects.

Other expenses showed a small increase compared to the budget and are therefore in line with expectations.

## 4.6 Financial income and expenses

Financial income and expenses show a windfall of €1.1 million compared to 2023. Compared to the budget, actual financial income and expenses were €2.5 million higher, due to a higher bank balance than expected. This higher bank balance is broadly related to higher pre-financing from project grants on the one hand, and a delay in payments for fleet investments on the other.

## 4.7 Result from participating interests

In 2024, a result on participating interests of €2 million was achieved through the sale of an interest.

## 4.8 Profit distribution

The net result for the 2024 fiscal year amounted to €25.2 million and is distributed within the equity according to the specification in table 36. For a more detailed explanation, please refer to the balance sheet items in question in the Notes to the balance sheet.

**Table 36: Profit distribution (amounts x €1,000)**

	31/12/2024	Budgeted 2024	31/12/2023
- Movement in the general reserve	6,017	-590	2,074
- Movement in earmarked reserves (public)	20,532	-7,692	5,860
- Movement in earmarked funds (public)	-1,041	-	-146
- Movement in other legal reserves	-294	-649	-649
<b>Total profit distribution</b>	<b>25,215</b>	<b>-8,931</b>	<b>7,140</b>

## 4.9 Notes to the cash flow statement

The NWO-I cash flow statement shows what caused the decrease in liquidity of €18.9 million.

This decrease is due to:

- operating activities (€33.6 million)
- Investment activities (-/- €52.5 million)

On balance, cash flow from operating activities resulted in a €33.6 million increase in liquidity, mainly due to the balance of income and expenses adjusted for depreciation/amortisation (€18.1 million) and provisions (€0.1 million). In addition, there was a decrease in Receivables (-/- €8.6 million) and an increase in Current Liabilities (€0.8 million), mainly due to higher grant projects received in advance. The movement in the current liabilities takes into account the annual movement from the long-term investment grant to the short-term investment grant.

The cash flow from investment activities resulted in a decrease in liquid assets of €52.5 million mainly due to movements in tangible fixed assets (-/- €52.9 million), intangible assets (-/- €0.4 million) and investment grants and contributions received in advance (€0.7 million).

## 4.10 Post balance sheet events

There were no events after the balance sheet date that had a significant financial impact on the 2024 figures.



## 5 Provisions in the articles on result appropriation

The articles contain no stipulations concerning the result appropriation. The Foundation Board has approved the appropriation of results as incorporated in these financial statements.



## 6 Independent auditor's report

The independent auditor's report begins on the next page.

The following is an English translation of the independent auditor's report issued 18 June 2025

## Independent auditor's report

To: the board of the Foundation for Dutch Scientific Research Institutes

### Report on the audit of the financial statements 2024 included in the annual report

#### Our opinion

We have audited the accompanying financial statements for the financial year ended 31 December 2024 of the Foundation for Dutch Scientific Research Institutes, based in Utrecht.

In our opinion the financial statements included in this annual report give a true and fair view of the financial position of the Foundation for Dutch Scientific Research Institutes as at 31 December 2024, and of its result for the year 2024 in accordance with the RJ-Richtlijn 660 Onderwijsinstellingen (Dutch Generally Accepted Accounting Principles for Educational Institutions) and in accordance with the provisions contained in Wet Normering Topinkomens (WNT) (Standards for Remuneration Act).

The financial statements comprise:

- The balance sheet on 31 December 2024
- The statement of income and expense for the year 2024
- The notes comprising a summary of the accounting policies and other explanatory information

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the Auditing Protocol 2024 for WNT. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of the Foundation for Dutch Scientific Research Institutes in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics for professional accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Compliance with anti-cumulation provision of WNT is unaudited

In accordance with the "Controleprotocol WNT 2024" (WNT Auditing Protocol 2024), we did not audit the compliance with the anti-cumulation provision in Section 1.6a of the WNT and Section 5(1) (n and o) of the "Uitvoeringsregeling WNT" (WNT Implementation Regulation). Therefore, we did not audit whether or not a remuneration maximum was exceeded by a senior management official as a result of possible employment as senior management official at other institutions that are subject to the WNT, nor did we audit whether the required disclosure is accurate and complete in this respect.

## Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board is responsible for the preparation of the other information.

## Description of responsibilities regarding the financial statements

### Responsibilities of the board for the financial statements

The board is responsible for the preparation and fair presentation of the financial statements in accordance with the "Richtlijn 660 Onderwijsinstellingen" and in accordance with the provisions contained in Wet Normering Topinkomens (WNT). Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the entity's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board either intends to liquidate the institution or to cease operations, or has no realistic alternative but to do so.

The board should disclose events and circumstances that may cast significant doubt on the institution's ability to continue as a going concern in the financial statements.

### Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error, during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit and have exercised professional judgment where relevant, in accordance with Dutch Standards on Auditing, het Controleprotocol WNT 2024 (Regulation Auditing Protocol WNT), ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of Material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity
- Concluding on the appropriateness of the board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

## Communication

We communicate with the board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Groningen, 18 June 2025

Ernst & Young Accountants LLP

I.D. Oortman

# 7 List of abbreviations

## List of abbreviations

<b>Abbreviations</b>	<b>Definition</b>
<b>ABP</b>	General Pension Fund for Public Employees [Algemeen Burgerlijk Pensioenfonds]
<b>AMOLF</b>	Institute for research into the physics of functional complex matter
<b>AO</b>	Administrative organisation
<b>ARCNL</b>	Advanced Research Centre for Nanolithography
<b>ASTRON</b>	Netherlands Institute for Radio Astronomy
<b>AVOM</b>	Customised conditions of employment
<b>BUW</b>	University Working Groups Administrative Unit
<b>CLA</b>	Collective labour agreement
<b>CEO</b>	Chief Executive Officer
<b>CERN</b>	Conseil Européen pour la Recherche Nucléaire; European Organisation for Nuclear Research
<b>COO</b>	Chief Operating Officer
<b>COR</b>	Central Works Council
<b>CSO</b>	Chief Science Officer
<b>CWI</b>	Centrum Wiskunde & Informatica
<b>DCC</b>	Digital Competence Center
<b>DIFFER</b>	Dutch Institute for Fundamental Energy Research
<b>DIG</b>	Diversity, inclusion and equality [Dutch: Diversiteit, inclusie, gelijkwaardigheid]
<b>EMR</b>	Euregio Meuse-Rhine
<b>ERC</b>	European Research Council
<b>ESA</b>	European Space Agency
<b>ET</b>	Einstein Telescope
<b>EU</b>	European Union
<b>EZ</b>	Ministry of Economic Affairs
<b>FOM</b>	Foundation for Fundamental Research on Matter
<b>FTE</b>	Full-time equivalent

## List of abbreviations

<b>Abbreviations</b>	<b>Definition</b>
<b>GOR</b>	Group Works Council
<b>GWI</b>	Large-scale scientific infrastructure
<b>HFML-FELIX</b>	High Field Magnet Laboratory – Free Electron Laser for Infrared eXperiments
<b>HTSM</b>	High Tech Systems and Materials
<b>IC</b>	Internal control
<b>ILO</b>	Industrial Liaison Officers
<b>INPROCAP</b>	Building Innovation Procurement Capabilities in Big Science
<b>KNAW</b>	Royal Netherlands Academy of Arts and Sciences
<b>LIOF</b>	Regional development fund for Limburg
<b>LNVH</b>	Dutch Network of Women Professors
<b>LOFAR</b>	Low Frequency Array
<b>MHE</b>	Matching Horizon Europe
<b>NFU</b>	Netherlands Federation of University Medical Centres
<b>Nikhef</b>	National Institute for Subatomic Physics
<b>NIOZ</b>	Royal Netherlands Institute for Sea Research
<b>NPO</b>	National Education Plan
<b>NRIN</b>	Netherlands Research Integrity Network
<b>NSCR</b>	Netherlands Institute for the Study of Crime and Law Enforcement
<b>NWO</b>	The Dutch Research Council
<b>NWO-I</b>	The Foundation for Dutch Scientific Research Institutes
<b>OCW</b>	Ministry of Education, Culture and Science
<b>Oio</b>	PhD student
<b>P2IP</b>	Particle Physics Inside Products BV
<b>PCNI</b>	Standing Committee on National Institutes
<b>PhD</b>	Doctor of Philosophy
<b>PNN</b>	PhD Network Netherlands
<b>PPP</b>	Public-private partnership
<b>Executive Board</b>	Executive Board
<b>RVO</b>	Netherlands Enterprise Agency

## List of abbreviations

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<b>Abbreviations</b>	<b>Definition</b>
<b>Supervisory Board</b>	NWO Supervisory Board
<b>SEP</b>	Strategy Evaluation Protocol
<b>SKA</b>	Square Kilometre Array
<b>SOC/SIEM</b>	Security Operations Center/ Security Information & Event Management
<b>SRON</b>	Space Research Organisation Netherlands
<b>TKI</b>	Top Consortium for Knowledge and Innovation
<b>TO2</b>	Knowledge institutes for applied research (united in the TO2 federation)
<b>UNL</b>	Universities of the Netherlands
<b>UvA</b>	University of Amsterdam
<b>Implementing Regulations</b>	Implementation regulations
<b>WNT</b>	Senior Executives in the Public and Semi-Public Sector (Standards for Remuneration) Act
<b>WVOI</b>	Employers' Association of Research Institutes
<b>WIA</b>	Work and Income (Capacity for Work) Act
<b>WW</b>	Unemployment Insurance Act

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