



Network for Studies on Pensions, Aging and Retirement

2019 Financial Statements

Adopted by the Supervisory Board on April 24, 2020

April 2020



Annual Financial Statements for 2019

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2019 Financial Statements

Income (x € 1,000)	2018	2019
General income	2,543	2,028
Partner contributions	1,74	1,42
Government Contributions	800	575
Other Income	3	33
<i>Total General Income</i>	2,543	2,028
Specific Income	348	434
Specific Income	348	434
<i>Total Specific Income</i>	348	434
Total Income	2,891	2,462

Expenses (x €1,000)	2018	2019
Network Development	230	185
Knowledge Development	1,862	1,839
Knowledge Sharing	766	708
Knowledge Sharing - Events	132	141
Knowledge Sharing - Publications	89	90
Knowledge Sharing - Expertise Centre	300	258
Knowledge Sharing - Education	245	218
Management & Operations	431	574
Total Expenses	3,288	3,306

Notes to the 2019 Financial Statements

Summary

Netspar started implementing the four-year Action Plan "Pensions in Transition" in 2019. This Action Plan has resources available to initiate new short-term and multi-year research in 2019, 2020, and 2021.

Lower income due to lower annual contributions for 2019-2023 Action Plan

Income was lower in 2019 than in 2018 (€429,000; -15%). This was due in particular to lower annual contributions from partners and the government compared to the previous period. There was also a delay in the payment of the government contribution for the previous Action Plan.

Expenses Almost Unchanged

Netspar has launched a new Action Plan, but at the same time is also implementing ongoing projects from the previous Action Plan. Total expenses remained almost unchanged compared to 2018 (+€18,000; +1%). The expenses for the Expertise Center and for Education were lower, particularly due to less hiring of staff. The increase in Management & Operations expenses compared to 2018 was caused by the fact that from 2019 additional funds have to be transferred to the reserve for unemployment benefits and transition compensation for Netspar staff employed by TiU.

A more detailed explanation of income and expenditure is provided below.

EXPLANATORY NOTES

INCOME

General Income

The income from "Partner Contributions" was lower than in 2018 (-€320,000). This was due on the one hand to the one-off contribution from Tilburg University in 2018 (-€400,000) and structurally lower annual contributions from partners (-€370,000). On the other hand, additional contributions were received from Instituut Gak in 2019 (+€450,000).

"Government Contributions" were lower than in 2018 (-€225,000). The reasons for the lower government contribution in 2019 were that the contribution for the 2015-2019 Action Plan had not yet been received and the contribution for the new Action Plan was set at a lower level.

The "Other income" was higher than in 2018 (+€30,000) due to the contribution from Cardano and the receipt of copyright fees for syllabuses.

Specific Income

The "Specific Income" item refers to contributions received from third parties for specific, earmarked purposes. As in 2018, the specific income in 2019 related to the two endowed chairs and associated projects for Instituut Gak. In 2018 it also included the European MOPACT project and the Australian project with CEPAR. The specific income was higher than in 2018 (+€86,000), particularly because reimbursements for the Gak projects were already received up to the end of 2020.

EXPENSES

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

- Network Development;
- Knowledge Development;
- Knowledge Sharing (events, papers, and education)

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

Network Development

Netspar plays a facilitating and initiating role in bringing together industry, government, and academic parties to address the issues of retirement and aging. Various activities are developed for this purpose, such as the annual Netspar Anniversary Meeting (2019: *Pensioenen de reis van product naar persoon - Retirement and the journey from product to person*), the annual management dinners (held on two occasions in 2019 in the presence of the Minister of Social Affairs and Employment), a press event and the annual Match Making Event,

in which scholars carry out a pre-submission relevance check on their research proposals among industry representatives and other researchers. In addition, partner visits take place on various levels in the context of relationship management. Netspar also uses a variety of communication tools to develop its network, such as the monthly Newsflash newsletter and the Netspar website. The network development expenses were lower in 2019 than in 2018 (-€45,000; -20%), particularly as a result of the one-off increase in expenses for the overhaul of the website in 2018 and lower personnel costs in 2019.

Knowledge Development

The expenses related to knowledge development derive from the grants¹ that Netspar awards each year to various types of research projects, as well as from projects that Netspar carries out with funding from third parties. These include the cost of the research itself and its coordination, as well as any incidental data costs. Knowledge development expenses remained almost unchanged in 2019 compared to 2018 (-€23,000; -1%). A more detailed explanation of the expenses for the various types of projects can be found in Appendix I.

Knowledge Sharing

It is essential that the knowledge developed with Netspar's support finds its way to the industry, policymakers, and academia. Netspar accomplishes this by holding events, publishing papers, and providing education, among other things, as well as through the advisory services of its Expertise Center.

The expenses for events were slightly higher than in the previous year (+€9,000; +7%). Compared to 2018 there were more sector-specific events and higher execution costs. Publication costs were more or less unchanged (+€1,000; +1%). Expenses for the Expertise Center and education were lower than in 2018 (-€42,000; -14% and -€26,000; -11%) due to lower hiring of staff.

Management & Operations

The Management & Operations item comprises costs that cannot be allocated to one of Netspar's three primary functions (network development, knowledge development, and knowledge sharing) and mainly concerns the cost of managerial and administrative staff, auditing, office accommodations, IT, and HR, including reserves for items such as leave and working hour reductions and part of the severance payments (unemployment benefit and transition compensation) for the Netspar office staff in the event of liquidation.

The total Management & Operations costs were higher in 2019 than in 2018 (+€143,000; +33%). This was due in part to moving expenses and automation replacement in 2019, but particularly to a transfer to the provision for severance payments for Netspar office staff in the event of liquidation. No such transfer was required in 2018.

¹ Appendix I lists the projects awarded prior to 2019 for which payments were made in 2018 and 2019 or are due to be made in subsequent years.

2019 Results

In 2019, expenses (€3,306,000) exceeded income (€2,462,000) by €844,000. This amount was withdrawn from the general reserves (prepaid income).

Multi-year Financial Statement

Multi-year Financial Statement as at December 31, 2019

Expected Income and Assets		Expected Expenditures and Liabilities	
<i>Pledged Funds</i>		<i>Liabilities</i>	
Partner contracts	3,975,000	Current projects and education	5,463,101
Government funding	1,462,500	Personnel under contract	2,342,320
Targeted subsidies	1,601,333	Project winding-up scenario	619,750
		Reserves for personnel costs	918,080
Liquid assets	7,903,974		
		<i>Not yet allocated</i>	
		2019-2023 Program	4,903,257
		Unreserved balance	696,300
	14,942,808		14,942,808

Notes to the Multi-year Financial Statement

Netspar began implementing the “2019-2023 Action Plan” on April 1, 2019. As at December 31, 2019, over €14.9 million had been budgeted for this and for liabilities associated with earlier Action Plans.

All of the budgeted long-range income (€7.0 million) is covered financially by contracts and commitments. This figure does not include income that has not yet been generated. Of the projected long-range expenditures, 63% results from existing obligations. In addition, 37% has been budgeted for allocation to the 2019-2023 Action Plan. This occurs each year when the budget is adopted. When the annual figures for 2019 – combined with the budgets for 2020 through 2025 – are taken into account, the remaining "Unreserved Balance" item totals €696,000. If the expenses originally budgeted for 2019 but not fulfilled until 2020 are also taken into account, the projected "Unreserved Balance" in 2025 is €529,000.²

Expected Income and Assets

The various kinds of income and assets are described briefly below.

Partner Contracts

Partners from the pensions and insurance industry, including supervisory bodies, have committed to funding the 2019-2023 Action Plan, including the jointly prepared research agenda, for four years through fixed annual contributions. Instituut Gak has also made a lump-sum contribution available for the 2019-2023 Action Plan.

Government Funding

Netspar's 2015-2019 Action Plan is supported by a consortium of four government ministries: Social Affairs and Employment (SZW), Economic Affairs (EZ), Health, Welfare, and Sport (VWS), and Interior and Kingdom Relations (BZK). The 2019-2023 Action Plan is receiving government funding through a consortium of three ministries: Social Affairs and Employment (SZW), Finance (FIN), and Interior and Kingdom Relations (BZK).

Targeted Subsidies

Netspar carries out several projects subsidized by outside sponsors. Part of the funding pertains to two endowed academic chairs in the pensions field, including traineeships and postdoc positions, financed by the social venture capital fund Instituut Gak. This item also includes income for projects to be funded through the so-called PPP allowance ("PPS-toeslag" in Dutch) for public-private partnerships which is awarded by the Netherlands Enterprise Agency (RVO) and implemented through the Top Consortium for Knowledge and Innovation in the Creative Industry (ClickNL).

² The 2020 budget projected a final balance of €604,000. Based on the 2019 results, that figure will now be €75,000 lower, taking the projected balance to €529,000.

Liquid Assets

The amount of the "Liquid Assets" reflects the balance of income and expenditures from previous years.

Projected Expenses and Liabilities

On the expenses side, a distinction is drawn between continuing commitments and monies that are not yet committed to specific projects or operations. Continuing commitments are categorized under the following items:

Liabilities

- *Ongoing Projects and Education*

In addition to projects under the 2015-2019 and 2019-2023 Action Plans, a number of projects from the 2011-2014 plan period are still being completed. The obligations arising from all these projects are aggregated in this item. These concern annual payments to projects based on a previously agreed schedule, adjusted as necessary according to annual accounting for activities.

The obligations under the contract with TIAS to provide executive education were also included as of December 31, 2019.

- *Contracted Personnel*

Most of the staff working in the Netspar office have permanent employment contracts. The total wage costs presented here are based on the assumption of operations continuing through April 1, 2023.

- *Scenario for Winding Up Projects*

In the event that funding for a new 2023-2027 Action Plan is not secured, provisions have been made for a winding-up scenario that would take three years to complete (2023-2025), including a limited annual budget for papers, a number of events, and a minimal staff. The costs of any current research would be provided for at that time.

- *Reserves for Personnel Costs*

Under the terms of its implementation agreement with Tilburg University, Netspar is required to set aside certain reserves for personnel costs. These include reserves for leave and part of the severance payments to the Netspar office staff in the event of liquidation.

Monies Still to Be Allocated

- *2019-2023 Action Plan*

This item includes future costs for the implementation of the 2019-2023 Action Plan, except those pertaining to Netspar office staff (see "Contracted Personnel"). On the one hand, these costs include the projected expenses for new research to be commissioned and related activities, as provided for in the budget for 2020 and beyond. On the other hand, they include expenses deriving from execution of the 2019 plan that were shifted in time but were not provided for in the 2020 budget (adopted on February 25, 2020).

- *Unreserved Balance*

Upon execution and completion of the 2019-2023 Action Plan and previous plans, a balance of funds will remain that is "unreserved." As of December 31, 2019, that item amounted to €696,000. This takes into account the budget for 2020 and beyond, including the budgeted allocation of €2.1 million to Grants and a reserve for the wind-down scenario.

If the expenses originally budgeted for 2019 but not fulfilled until 2020 are also taken into account, the projected "Unreserved Balance" in 2025 is €529,000³. This balance serves as a buffer for any unforeseen setbacks.

³ The 2020 budget projected a final balance of €604,000. Based on the 2019 results, that figure will now be €75,000 lower, taking the projected balance to €529,000.

Appendix I Project Expenses in 2019

Below is a summary of the payments made for ongoing projects in 2019. This includes details of the new projects awarded in 2019. Appendix II lists the projects awarded before 2019 for which payments were made in 2018 and/or 2019.

Theme Projects⁴

As part of its research agenda, Netspar funds up to 50% of select three-year social science research projects, for a maximum of €250,000 or €500,000 per project. Project teams are composed of diverse academics and team members employed by one of the industry partners. Members of the project teams participate in working groups and present the research results at Netspar events. Agreements are also entered into on the number of industry papers that are to be drafted.

(Amounts in € 1,000)	Total Grant Amount	Payments															
		Until 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Granted in 2009	3.500	489	658	793	564	293	362	-	-	-	-	-	-	-	-	-	-
Granted in 2010	2.000	-	-	401	467	409	241	142	60	20	-	-	-	-	-	-	-
Granted in 2012	1.500	-	-	-	-	173	331	295	289	199	44	118	-	-	-	-	-
Granted in 2013	750	-	-	-	-	-	108	146	205	162	40	49	-	-	-	-	-
Granted in 2014	750	-	-	-	-	-	-	62	178	208	101	139	-	-	-	-	-
Granted in 2015	990	-	-	-	-	-	-	-	153	224	267	93	181	-	-	-	-
Granted in 2016	1.000	-	-	-	-	-	-	-	-	144	188	253	286	131	-	-	-
Granted in 2017	1.000	-	-	-	-	-	-	-	-	-	74	200	293	295	137	-	-
Granted in 2018	1.000	-	-	-	-	-	-	-	-	-	-	53	232	270	198	127	120
Granted in 2019	750	-	-	-	-	-	-	-	-	-	-	-	188	188	187	187	-
	13.240	489	658	1.194	1.031	875	1.042	645	885	957	714	905	1.180	884	522	314	120

Granted in 2019

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

⁴ Up until 2011, large projects were known as Theme Projects. In 2011, the terms Large and Medium Vision Projects were introduced for large and medium-sized projects. In 2015, however, we reverted to the name Theme Project for this class of projects.

Individual Research Grants⁵

In the Individual Research Projects, Netspar funds up to 50% of the costs for a PhD candidate, or the equivalent sum for a post-doc researcher, for a maximum of three years and up to €80,000. The PhD student or postdoc researcher undertakes to write two industry papers and participates in Netspar events.

No Individual Research Grants were awarded in 2019. No budget is available for these in the 2019-2023 Action Plan.

(Amounts in € 1,000)	Total Grant Amount	Payments											
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Granted in 2011	354	18	94	107	66	-	11	-	-	-	-	-	-
Granted in 2012	65	-	10	21	23	11	-	-	-	-	-	-	-
Granted in 2013	260	-	-	27	39	98	88	20-	-	-	-	-	-
Granted in 2016	176	-	-	-	-	-	12	62	71	31	-	-	-
Granted in 2017	240	-	-	-	-	-	-	21	82	39	48	2	-
Granted in 2018	253	-	-	-	-	-	-	-	38	87	86	33	9
	1.348	18	104	155	128	109	111	63	191	157	134	35	9

Topicality Projects

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

(Amounts in € 1,000)	Total Grant Amount	Payments										
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Granted in 2011	193	30	82	48	-	-	-	-	-	-	-	-
Granted in 2012	100	-	24	68	8	-	-	-	-	-	-	-
Granted in 2013	100	-	-	18	48	14	-	-	-	-	-	-
Granted in 2014	170	-	-	-	92	42	36	-	-	-	-	-
Granted in 2015	180	-	-	-	-	122	44	14	-	-	-	-
Granted in 2016	160	-	-	-	-	-	52	35	14	14	-	-
Granted in 2017	160	-	-	-	-	-	-	6	74	-	-	-
Granted in 2018	160	-	-	-	-	-	-	-	47	48	-	-
Granted in 2019	160	-	-	-	-	-	-	-	-	12	72	-
	1.383	30	106	134	148	178	132	55	135	74	72	-

Granted in 2019

- Raun van Ooijen (RUG): *Inkomenspositie nabestaanden (Income Position of Dependents)*
- Arthur van Soest (TiU): *Consequences of the increase in the retirement age on occupational disability*
- Marike Knoef (LEI): *Doelgroepanalyse van variabele uitkeringsrelingen (Target group analysis of variable benefit schemes)*
- Peter Schotman (UM): *Vormgeving van de variabele uitkering en garanties in persoonlijk pensioen (Design of the variable benefits and guarantees in personal pension)*
- Marike Knoef and Max van Lent (LEI): *Eenvoud en flexibiliteit bij pensioensparen voor zzp'ers (Simplicity and flexibility with regard to pension savings for the self-employed)*

⁵ With effect from 2015, Small Vision Grants were renamed Individual Research Grants.

- Servaas van Bilsen (UvA, TiU): *Interactie tussen determinanten uitkeringsnelheid: Hoog-laag constructie, lumpsum uitkering, vaste daling en ingangsdatum (Interaction between determinants of payment speed: high-low, lump sum, fixed decrease and effective date)*
- Mark Heemskerk (RU): *Vormgeving van compensatie bij stelselwijziging naar degressieve opbouw (Design of compensation in case of system change to a degressive accrual system)*
- Van Soest / Knoef / Muns (TiU): *Arbeidsmarkteffecten van progressieve premies en degressieve opbouw (Labor market effects of progressive contributions and degressive accrual)*

Comparative Research Grants⁶

Researchers who are not already receiving funding from Netspar may be eligible for a Research Grant of up to €20,000. A condition is that they must write an academic paper (Netspar Discussion Paper) to be presented at the International Pension Workshop.

(Amounts in € 1,000)	Total Grant Amount	Payments									
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Granted in 2011	70	21	49	-	-	-	-	-	-	-	-
Granted in 2012	49	-	15	21	13	-	-	-	-	-	-
Granted in 2013	66	-	-	20	39	7	-	-	-	-	-
Granted in 2017	79	-	-	-	-	-	-	25	54	-	-
Granted in 2018	60	-	-	-	-	-	-	-	18	42	-
Granted in 2019	40	-	-	-	-	-	-	-	-	12	28
	364	21	64	41	52	7	-	25	72	54	28

Granted in 2019

- Mauro Mastrogiacomo (VU): *Private pension annuities out of savings or housing wealth? A comparative study of Italy and the Netherlands*
- Adriaan Kalwij (UU): *Social Security and Retirement Around the World: Lessons from a Long-Term Collaboration*

One-time Projects

In addition to the regular Grants program, one-time project funding is occasionally awarded. No one-time projects were awarded in 2019.

Instituut Gak

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

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

⁶ With effect from 2015, Research Grants were renamed Comparative Research Grants.



Network for Studies on Pensions, Aging and Retirement

One PhD position and two traineeships were made available for these. These projects started in 2019.

Appendix II Grants Awarded prior to 2019

This appendix lists all the grants awarded before 2019 for which payments were made in 2018 and 2019 or are due to be made in subsequent years.

1. Theme Projects (previously known as Large and Medium Vision Projects)

Granted in 2012

- Michel Vellekoop (UvA): *Risk Management in Funded Pension Systems*
- Mauro Mastrogiacomo (VU/DNB): *Second and a Half Pillar for the Self-Employed?*

Granted in 2013

- Andries de Grip (UM): *Retirement, HR and Worker Behavior*
- Rob Alessie (RUG) and Marike Knoef (LEI): *Pension Savings and Consumption Needs of Current and Future Retirees*

Granted in 2014

- Dorly Deeg (VUMC): *Changes in retirement policies and cohort differences: Their impact on age at retirement, income, health, and mortality*
- Leo Lentz (UU) and Adriaan Kalwij (UU): *Preparing for retirement: tailoring, literacy and effective pension communication*
- Daniel van Vuuren (CPB): *Flexible combinations of work and retirement*

Granted in 2015

- Lisa Brügggen, Thomas Post (UM): *Engaging pension plan participants: How emotions, peer effects, and life events influence the effectiveness of pension communication*
- Rene Maatman, Mark Heemskerk (RUN): *Pension rights and ownership: A legal analysis in an economic context*
- Eddy van Doorslaer, Erik Schut (EUR): *Optimal saving and insurance for old age: The role of public long-term care insurance*

Granted in 2016

- Marike Knoef (LEI): *Uncertainty over the life cycle: implications for pensions and savings behavior*
- Benedict Dellaert (EUR): *Individuals' Choices of Comprehensive Pension Plans*
- Andries de Grip and Raymond Montizaan (UM): *Work, health and retirement*

Granted in 2017

- Johan Mackenbach and Wilma Nusselder (Erasmus MC): *Longer life, longer in good health, working longer? Implications of educational differences for the pension system*
- Antoon Pelsser (UM): *Design of Pension Contracts in Incomplete Markets and under Uncertainty*
- Marcel Lever (CPB): *Choice architecture in pensions and retirement*
- Peter de Goeij and Eric Postma (TiU): *Data Science Solutions to Enhance Pension Communication*

Granted in 2018

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

2. Individual Research Grants (previously known as Small Vision Projects)

Granted in 2016

- Anne Balter (TiU): *Contract specifications for new pension deals*
- Damiaan Chen (UvA): *Valuation of index-linked assets in incomplete markets*
- Jaap Oude Mulders (NIDI): *Confronting responses of employees and employers*

Granted in 2017

- Ellen Dingemans (NIDI): *Understanding the relationship between paid work after retirement and well-being in a European perspective*
- Wiebke Eberhardt (UM, OU): *Facing the pension communication challenges of tomorrow: On aging, emotions, and artificial intelligence*
- Marleen Damman (NIDI, RUN): *Retirement preparation and retirement transitions of the Dutch solo self-employed*

Granted in 2018

- Alexander Henkel (OU): *Untangling Human Interaction Patterns: Learning from Automated Emotion Detection in the Consumer Pension Context*
- Jessica Warren (TiU): *Contractual Savings for Housing in relation to Pension Plans in the Netherlands*
- Kristy Jansen (TiU): *Trading behavior of institutional investors*
- Bart Dees (TiU): *Pensions products for heterogeneous agents accommodating for life events*

3. Topicality Projects

Granted in 2016

- Marijke van Putten (LEI): *Relevante informatie t.b.v. keuzes bij variabele uitkeringen en doorbeleggen na pensioendatum (Relevant information for choices in variable benefits and continued investment after retirement date)*
- Marcel Lever (CPB): *Keuzevrijheden in de uitkeringsfase: hoe worden deze gebruikt in andere landen? (Freedom of choice in the payout phase: How is it used in other countries?)*

Granted in 2017

- Rik Dillingh, Daniel van Vuuren, and Marcel Lever (CPB): *Gevolgen van (verder) verhogen van pensioendatum (Implications of raising the retirement age [any further])*
- Ed Westerhout, Marcel Lever (CPB), Bastiaan Starink (TiU), and Eduard Ponds (APG): *Flexibele pensioenopname (Flexible pension payouts)*
- Bas Werker, Wesley Kaufmann, and Bastiaan Starink (TiU): *Keuze en maatwerk in pensioen; Economische en juridisch aspecten en data (Options and customization in pension plans: Economic and legal aspects and data)*
- Anja de Waegeneare (TiU), Michel Vellekoop (UvA), Agnes Joseph (PGGM), and Pascal Janssen (PGGM): *Effecten van verschillende vormen van het delen van macro-langlevensrisico (Effects of various forms of distributing macro-longevity risk)*

Granted in 2018

- Arno Riedl (UM): *Inter- and intragenerationele solidariteit tussen Nederlandse burgers (Inter- and intragenerational solidarity among Dutch citizens)*
- Ioulia Ossokina, Theo Arentze (VWS): *Woonvoorkeuren van ouderen: impact van zorgbehoefte en behoefte aan nabijheid van familie (Living preferences among older people: Impact of care needs and need for proximity to family)*
- Bastiaan Starink, Michael Visser (TiU): *Inrichting fiscaal kader bij afschaffing doorsneesystematiek (Design of tax framework under the elimination of uniform contributions)*
- Jona Linde (UM): *Vormgeving en realisatie opting-outsysteem (Design and execution of an opt-out system)*
- Dirk Brounen, Eduard Ponds (TiU): *In hoeverre kun je het eigen huis betrekken bij het pensioeninkomen? Pensioenaanvullingen in steen gebeiteld (To what extent can you include your home as part of your pension income? Pension supplements chiseled in stone)*
- Arthur van Soest, Johan Bonekamp (TiU): *Spaarmotieven en consumptiegedrag (Saving incentives and consumer behavior)*
- Erik Lutjens, Fieke van der Lecq (VU): *Gevolgen vervallen verplichtstelling (Consequences of eliminating mandatory requirements)*
- Lisa Brüggen, Thomas Post (UM): *Pension Communication and Pension Choice in Sweden*

4. Comparative Research Grants (previously known as Research Grants)

Granted in 2017

- Anne Balter (TiU), Malene Kallestrup-Lamb (Aarhus University, DK), and Jasper Rangvid (CBS, DK): *Comparison of variable annuities between the Netherlands and Denmark*
- Arthur van Soest, Henriette Prast (TiU), and Maria Christina Rossi (UniTo): *Pension Communication across Countries*
- Max Coveney, Eddy van Doorslaer, Tom van Ourti, and Pilar García-Gómez (EUR): *Which type of pension systems protect against the income and health inequality consequences of a recession?*
- Hazel Bateman (UNSW) and Frederica Teppa (DNB): *Regulation of information provision for pension choices: Australia and the Netherlands compared*

Granted in 2018

- Aleksandar Andonov (EUR), Mike Qinghao Mao (Deakin, AUS): *Comparison of the Portfolio Decisions of Participants in U.S. 401(k) Pension Plans with the Asset Allocation of Dutch Pension Plans*
- Dorly Deeg (VUMC), Wouter De Tavernier (Aalborg, DK), Per H. Jensen (Aalborg, DK), Sascha de Breij (VUMC, NL): *Occupation-based life expectancy: towards actuarial fairness of determining future statutory retirement age*
- Natascha van der Zwan (LEI), Karen Anderson (Southampton, UK), Tobias Wiss (Johannes Kepler, AT): *Pension Funds and Sustainable Investment: Comparing Regulation in the Netherlands, Denmark, and Germany*

One-time Projects

Granted in 2018

- Philipp Koellinger, Richard Karlsson Linnér (VU): *De effecten van genetische gezondheidsrisico's op de verwachte levensduur van individuen, verzekeringsdekking en pensioenbeslissingen (The effects of genetic health risks on people's life expectancy, insurance coverage, and retirement decisions)*

CEPAR

In 2015, an international comparative study of the Dutch and Australian pension systems was started in collaboration with CEPAR (funded in part by the Australian Research Council [ARC], which is similar to the Dutch Research Council [NWO]). The project was completed in 2018.

Instituut Gak

Three research projects were launched in 2015 in connection with the two endowed pension chairs:

- Beleggingsresultaten van niet-liquide activa op lange termijn (Investment results on illiquid assets in the long term);
- De afweging tussen kosten, ambitie en risico in pensioencontracten (The deliberation between costs, goals, and risk in pension contracts);
- De toereikendheid van pensioenen (The adequacy of pensions).

One PhD position and two traineeships were made available for these. These projects started in 2015 and were completed in 2019.



Appendix III Letter of Representation

Stichting Netspar (Netspar Foundation)
Attn: Chair of the Supervisory Board
PO Box 90153
5000 LE Tilburg

Tilburg, March 30, 2020
Re: Letter of Representation for the 2019 Financial Statements
Reference: N2020.026

Dear Mr. Bos,

We hereby submit the 2019 Financial Statements and Multi-year Financial Statement as at December 31, 2019, to the Supervisory Board for approval.

These are the financial statements and multi-year financial statement for the Netspar Center, part of Tilburg University. Stichting Netspar (the foundation) does not have its own financial statements. The commissioning contract concluded between Tilburg University and Stichting Netspar, dated August 27, 2012, specifies that Tilburg University is responsible for executing the Stichting Netspar multi-year program and for establishing a management unit for that purpose (the Netspar Center). Stichting Netspar has undertaken to place all resources it receives from its partners and other sponsors for the purpose of achieving its objectives with the Netspar Center, which must manage and use those resources in accordance with the instructions of Stichting Netspar.

The aforementioned contract further stipulates that no later than April 1 every year Tilburg University will provide Stichting Netspar with a financial annual report on the Netspar Center, including an auditor's report, for the previous fiscal year.

The figures for the Netspar Center are consolidated in the annual figures for Tilburg University, which include an auditor's report. To that end, the Netspar Center provides an

annual analysis of the decentralized financial statements in the format prescribed by the Executive Board of Tilburg University. It bases this on the administrative systems designed and provided by Tilburg University. For 2019, the decentralized financial statements (based on figures with a run date of February 17, 2020, and a freeze date of February 12, 2020), together with the requisite notes, were delivered to the Executive Board of Tilburg University on February 21, 2020.

Netspar’s Board of Directors considers that the format which the Netspar Center, as part of Tilburg University, is required to use to prepare its annual figures is poorly suited to providing its partners with a readily comprehensible overview of the income and expenses related to the principal functions Netspar performs.

Netspar therefore also prepares more customized financial statements in its own format, which are published on the Netspar website after the Supervisory Board has given its approval and after Tilburg University’s annual figures have been released.

The figures included in the 2019 financial statements for the annual report correspond as follows to the figures in the 2019 financial statements submitted to the Executive Board of Tilburg University.

	TiU EB	Netspar Annual Report
Income	3,364	2,462
Expenditure	3,238	3,306
Profit/Loss	126	-844

Amounts x EUR 1,000

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

The differences in income (-€902,000) and expenses (+€68,000) can be explained as follows:

- When compiling the financial statements according to the Tilburg University format, income was increased by €844,000 in order to arrive at the required result of €126,000 (the amount of the required addition to the provision for severance payments for the Netspar office staff in the event of liquidation). This amount was deducted from prepaid income in the balance sheet.
- In addition, under the TiU format, income received from Tilburg University amounting to €58,000 was recorded for internal secondment, adjustments to the recharging of costs, and project reimbursements, among other items.
- On the expenses side, there were credit entries related to costs recorded as income under the TiU format (-€68,000).
- The required addition to the provision for severance payments for Netspar office staff in the event of liquidation still shows as the result under the TiU format.

This fully explains the difference in the two results.

We acknowledge our responsibility for the preparation of the financial statements. We approve these statements and believe they present a true and fair view of the position. We have accounted for or explained all applicable liabilities in the financial statements. To the best of our knowledge, no events have occurred between the balance sheet date and the date of this letter that might require amendment to the financial statements or the accompanying notes.

Yours sincerely,

On behalf of the Board of Directors of the Netspar Center,

A handwritten signature in blue ink, appearing to be "Casper van Ewijk".

Casper van Ewijk
General Director