

Annual Report for 2023

Deposit Guarantee Fund

Amsterdam

DeNederlandscheBank

EUROSYSTEEM

Disclaimer

In the event of discrepancies or inconsistencies between the texts and tables set out in this document and those set out in the original financial statements prepared in Dutch and submitted to DNB, the latter will prevail.

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Foreword

This Annual Report describes the activities performed by the Deposit Guarantee Fund (DGF) and the developments that affected it in 2023. It also looks ahead to the coming year. It contains the management report and financial statements, which are submitted to De Nederlandsche Bank (DNB) before 15 March 2024¹.

¹ Pursuant to Section 29.10(3) of the Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Wft (*Besluit bijzondere prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft – Bbpm*)

Report of the Management Board

The DGF was established in late 2015 as a legal entity under public law. Together with DNB it is tasked with administering the Dutch deposit guarantee scheme (Dutch Deposit Guarantee or DGS). The Dutch Deposit Guarantee is a set of rules that guarantees the deposits which customers hold with Dutch banks. If a bank should fail, the Dutch Deposit Guarantee guarantees bank balances (guaranteed deposits) up to a maximum of €100,000 per person per bank. The DGF will fund the depositor compensation amounts established by DNB. In addition, the DGF can be deployed to fund resolution tools.

Since 2016, banks established in the Netherlands have paid quarterly contributions to the DGF. DNB sets the contributions and collects them on behalf of the DGF. An individual bank's contribution depends on the balance of its deposits as guaranteed under the DGS (the deposit base) and its risk profile.² A fund is created from these contributions, managed by the DGF, to fund compensation pay-outs to depositors if a bank should fail.

Activation of the DGS in connection with Amsterdam Trade Bank N.V.'s bankruptcy in 2022

On 22 April 2022, Amsterdam Trade Bank N.V. (ATB) was declared bankrupt. DNB subsequently activated the DGS, requesting the DGF to make €700 million available for pay-out under the DGS. In 2022, compensation payments of €669 million were made. When payments are made, the DGF is subrogated to the rights of depositors, acquiring a preferential claim against the failed bank's assets.

In 2022, €669 million of the claim was already collected through interim payments. In 2023, a further €1.4 million in payments were paid and €3.4 million in distributions from the bank's assets were received. The total accrued interest claim up to 2023 is €2.8 million. In 2024, the DGF's claims must be validated.

Accumulation of available financial means and backstop funding

By mid-2024, the fund should reach a target size of 0.8% of all guaranteed deposits.³ The number of guaranteed deposits in the Netherlands grew by 2.2% to €592 billion.⁴ The contributions for 2023 totalled €561 million (2022: €553 million). This brings the available financial means to €4,566 million, or more than 96% of the fund's target size. Figure 1 below shows the development in available own means in 2023. The banks' periodic contributions were added to own funds. Available financial means are held in separate accounting systems, in an individualised and a collective component. The basic contribution paid by each bank accrues as its individual balance. Combined, the balances paid by the banks make up the individualised component of available financial means, while the collective component comprises the risk-based contributions paid by the banks.

² DNB sets the contributions in accordance with Annex 1 to the Bbpm.

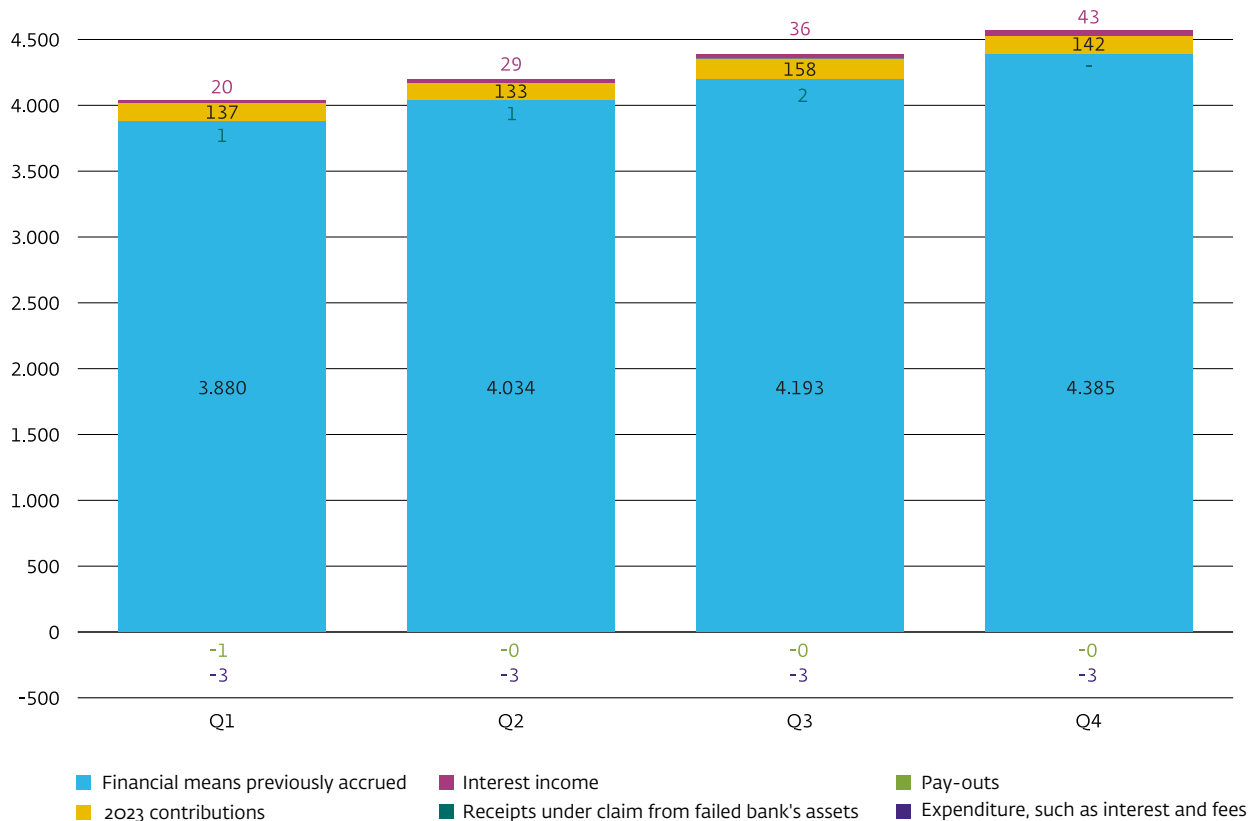
³ In accordance with Article 10(2) of Directive 2014/49/EU on deposit guarantee schemes (DGS Directive).

⁴ Data as at 30 September 2023

DNB decides on activation of the deposit guarantee scheme, requesting the DGF to release financial means⁵. When the DGF makes compensation payments to depositors it first charges these to the bank that is failing or is put into resolution. It then charges them to the collective component of the DGF's own funds, and subsequently to the individualised components of the other banks.

In addition to contributions made by Dutch banks, the fund's available financial means changed due to transfers of contributions between deposit guarantee schemes in the European Union. They take place when coverage of deposits is transferred to another deposit guarantee scheme in the EU.⁶ In 2023, there was a transfer from the French DGS to the DGF.

Figure 1 Changes in available financial means in 2023



⁵ Section 3:259a of the Financial Supervision Act (*Wet op het financieel toezicht* – *Wft*) describes exhaustively for which purposes DNB may request the DGF to apply its own funds.

⁶ This could for example be the case if a foreign branch is converted into a subsidiary. Article 14 of the DGS Directive provides that in such a case the contributions paid during the 12 months preceding the end of the DGS membership must be transferred to the other DGS.

Liquid assets⁷ stood at €4,383 million as at 31 December 2023 (31 December 2022: €3,611 million). They are available for pay-out under the Dutch Deposit Guarantee where needed.

At 31 December 2023, the available liquid assets are sufficient to compensate the guaranteed deposits of 63% (2022: 67%) of the banks without attracting additional funding.⁸ Alternative sources of funding are also available.

If the DGF should establish that the available financial means are insufficient for pay-outs under the DGS, it will need to levy extraordinary contributions.⁹ DNB sets the amounts and payment deadlines of such ex post contributions. The volume of the extraordinary contributions charged is limited to 0.5% of a bank's guaranteed deposit base in a calendar year, which currently provides a maximum annual contribution potential of around €3 billion.¹⁰ Any remaining amount will then be charged in subsequent calendar years.

The DGF secured a €3 billion credit line commitment in 2018 from a consortium of four Dutch banks to ensure sufficient available financial means to pay out compensation to depositors. The facility is designed to help bridge the period until the funding shortfall can be covered by all extraordinary contributions. The DGF pays a commitment fee for this. The facility's term is until mid-2024. In 2023, the DGF analysed whether maintaining such an alternative source of funding was desirable, concluding that it was desirable to

have a similar facility even after the fund's target size is reached.

If the sources of funding referred to above should prove insufficient, the DGF may request the Minister of Finance for a current account overdraft as a last resort to bridge a period of transient liquidity shortfall.

Management of available financial means, and financial and operational risk management

The DGF has held virtually all of its liquid assets in a current account with the National Treasury since late 2018. As a result, the DGF has not been exposed to any material interest rate risk¹¹ or credit risk. Procedural arrangements were made with the Dutch State Treasury Agency to ensure immediate access to the fund's available financial means when requested by DNB.

Crisis drills are held from time to time to ensure that the DGF is well-prepared for a potential DGS pay-out situation. A drill was held in 2023 jointly with the German, French and Spanish deposit guarantee schemes. This involved testing different scenarios, with the Dutch DGS acting as the so-called home DGS and host DGS. The Dutch Deposit Guarantee also covers deposits held with branches of Dutch banks located in other EU Member States. The DGF in the Netherlands funds compensation pay-outs, but they are made by the deposit guarantee scheme in the other Member State on behalf of and on the instruction of the

⁷ The discrepancy with available financial means is mainly attributable to the fact that the contributions for the fourth quarter of 2023 will not be collected until the first quarter of 2024.

⁸ A proportion of the remaining banks would not be wound down but put into resolution instead if they were to fail. For those banks, the DGF can contribute to the deployment of resolution tools. The calculation of the said percentage does not take into account the possible simultaneous failure of multiple banks.

⁹ Section 29.14 of the Bbpm.

¹⁰ Data as at 30 September 2023. The amount that can effectively be collected will depend on the banks' financial health at that time.

¹¹ The DGF does not use the possibility of taking out time deposits as part of its treasury banking. Interest is received on the balance held in the Treasury current account at the daily rate in accordance with the applicable treasury banking regime. If the daily rate is negative, it is set at 0%.

Dutch DGS. If a Dutch bank fails that has a branch abroad, DNB is the home DGS, with the DGS in the other Member State acting as the host DGS. Such collaboration arrangements are pursuant to the DGS Directive, which obliges national DGS authorities to make mutual home-host working arrangements. Following earlier bilateral working arrangements made with the German, French, Belgian, Maltese, Luxembourg and Hungarian deposit guarantee schemes. This means agreements have now been concluded with all priority countries. In 2023, DNB and the DGF did not enter into any new working agreements. These agreements flesh out the terms of the multilateral agreement of the European Forum of Deposit Insurers (EFDI), of which the Dutch DGS is a member.

The DGF has outsourced its accounting processes to DNB. To that end, it has entered into a collaboration protocol with DNB, setting out the support tasks DNB performs for the DGF's benefit. DNB must ensure the adequate design of processes and early identification and management of risks. Powers of attorney are in place that specify which persons are authorised to perform specific acts.

The Management Board has instructed an independent auditor to audit the financial statements. See the independent auditor's report on page 18.

Governance

The DGF is represented by a three-member Management Board. DNB's Executive Board decides on the appointment, remuneration, suspension and dismissal of Management Board members and appoints the chair. They are appointed for a term of four years, with the option of reappointment. The composition of the Management Board did not change in 2023.

The DGF does not employ any staff. DNB supports the DGF in performing its task, providing the resources and services needed, including keeping its financial accounts.

Outlook

Amsterdam Trade Bank N.V.

The Management Board expects the DGF to make the last payments to ATB depositors and the bankruptcy of ATB to be settled in 2024. As part of the final settlement, the DGF's claims on ATB will be validated.

Appointment of Managing Board member

On 12 February 2024, Martin Heerma stepped down from the Management Board upon accepting a position elsewhere. He was succeeded by Saskia van Dun with effect from that date. In 2024, the terms of office of Cindy van Oorschot and Bert Boertje will expire. They are both available for reappointment.

Achievement of target fund size

On 3 July 2024, the DGF is required by law to have achieved its target size. As at 31 December 2023, we have no reason to believe the target size will not be achieved on time. After the target size is reached, DNB will continue to set quarterly contributions based on the Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the *Wft* (*Besluit bijzondere prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft – Bbpm*). Whether they will actually be levied will depend on deposit growth in the sector and for each bank individually.

Credit line

The DGF is in talks to obtain a new credit line and aims to secure this in 2024.

Deposit Guarantee Amendment Decree 2024

The Deposit Guarantee Amendment Decree 2024 is likely to come into force in 2024. It will amend several sections of the *Bbpm*, affecting the DGF in the following areas: i) the levy system for quarterly contributions after the target size is reached, ii) a specification of the allocation of positive or negative returns, and iii) the provision that banks' individual balances can be mutually transferred in the case of mergers and acquisitions. These changes will enhance efficiency in the use of the available financial means. DNB will ensure that the changes are properly implemented.

CMDI

In 2023, the European Commission published proposals to review the Crisis Management and Deposit Insurance (CMDI) framework, comprising the SRMR¹², BRRD¹³ and DGSD¹⁴. Although the outcome of this review is as yet uncertain, it is likely to have an impact on the use of the DGF's available financial means. Negotiations will continue at the European level in 2024.

¹² Regulation (EU) No 806/2014

¹³ Directive 2014/59/EU

¹⁴ Directive 2014/49/EU

Signing of the Report of the Management Board

Amsterdam, 12 March 2024

The Management Board of the Deposit Guarantee Fund

Cindy van Oorschot
Chair

Bert Boertje
Member

Saskia van Dun
Member

Financial statements

Balance sheet

EUR thousands

	31-12-2023	31-12-2022		31-12-2023	31-12-2022
Assets			Liabilities		
1 Receivables	185,477	280,136	1 Own funds	4,566,334	3,888,295
1.1 Accounts receivable	141,810	498			
1.2 Accruals and prepaid expenses	43,667	279,638	2 Current liabilities	2,201	2,990
2 Current account deposits	4,383,058	3,611,149	2.1 Accruals and income collected in advance	2,201	2,990
Total assets	4,568,535	3,891,285	Total liabilities	4,568,535	3,891,285

Statement of income and expenditure

EUR thousands

	2023	2022
Income		
1 Contributions	561,384	554,109
2 Reimbursement of expenses	49	39
3 Interest income	130,358	12,247
Total income	691,791	566,395
Expenses		
4 Credit line expenses	13,713	13,752
5 Interest expenses	-	156
6 Audit fee	30	19
7 Other expenses	9	10
Total expenses	13,752	13,937
Result for the year	678,039	552,458

Statement of cash flows

EUR thousands

	2023	2022
1 Cash flow from operations*	771,909	416,114
1.1 Result	678,039	552,458
1.2 Movements in receivables	94,659	-137,097
1.3 Movements in current liabilities	-789	753
2 Cash flow from investment	-	-
3 Cash flow from financing	-	-
Movements in current account deposit	771,909	416,114

* In 2023 interest payments were nil (2022: €156,000), while interest receipts were €98,990,000 (2022: €1,137,000).

Notes to the balance sheet as at 31 December 2023 and statement of income and expenditure for 2023

Introduction

The Deposit Guarantee Fund (DGF) is a legal entity under public law, with registered office at Westeinde 1, 1017 ZN, Amsterdam. It is listed in the trade register of the Chamber of Commerce under number 65035321 0000. The DGF's task is to manage the financial means which may be needed to operate the Dutch Deposit Guarantee Scheme (DGS).

Going concern basis of accounting

The 2023 financial statements were prepared using the going concern basis of accounting.

Accounting policies

The 2023 financial statements were prepared in accordance with the Non-Departmental Public Bodies Framework Act (*Kaderwet zelfstandige bestuursorganen – Kzbo*), and Part 9 of Book 2 of the Dutch Civil Code¹⁵ was applied correspondingly. In addition, the Dutch Accounting Standards (*Richtlijnen voor de Jaarverslaggeving – RJ*) were applied to the extent relevant to the DGF. Executive remuneration is disclosed in accordance with the provisions of the Public and Semi-public Sector Executives Remuneration (Standards) Act (*Wet bezoldiging topfunctionarissen publieke en semipublieke sector – WNT*).

The financial statements are presented in euro (€), which is the DGF's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Amounts receivable and payable

Amounts receivable as current account balances and other receivables, as well as amounts payable, are presented at their nominal amounts. Amounts receivable are carried net of a provision for doubtful debts.

Income and expenses

Income and expenses are recognised in the financial year to which they relate.

The DGF receives periodic contributions from banks established in the Netherlands, the amounts of which are set by De Nederlandsche Bank (DNB).¹⁶ Once a bank or part thereof ceases to fall under the scope of the Dutch DGS and comes under the scope of a different DGS in the European Union, and vice versa, the contributions received for the previous 12 months are transferred.¹⁷

Statement of cash flows for 2023

The statement of cash flows has been prepared using the indirect method.

Taxes

The DGF is not liable to pay corporation tax.

¹⁵ The relevant sections of the *Kzbo* are listed in the *Bbpm*, Bulletin of Acts, Orders and Decrees 2015, no. 433.

¹⁶ Pursuant to Section 29.12(2) of the *Bbpm*.

¹⁷ See Article 14(3) of the DGS Directive, which was transposed to Dutch law in Section 29.20 of the *Bbpm*.

Notes to the balance sheet

ASSETS

1. Receivables

Receivables, amounting to €185,477,000 as at 31 December 2023 (31 December 2022: €280,136,000) can be broken down as follows:

- 1.1 Accounts receivable: €141,810,000 (2022: €498,000). This item includes billed contributions for the fourth quarter of 2023.
- 1.2 Accruals and prepaid expenses: €43,667,000 (2022: €279,638,000). This item includes: interest receivable of €42,475,000 (2022: €11,110) and prepaid commitment fees for the credit line secured from four Dutch large banks of €857,000 (2022: €2,350,000)¹⁸

2. Current account deposits

This item, amounting to €4,383,058,000 as at 31 December 2023 (31 December 2022: €3,611,149,000) consists of deposits held at the Dutch State Treasury Agency of €4,377,860,000 (31 December 2022: €3,602,845,000) and deposits held at DNB of €5,198,000 (31 December 2022: €8,304,000). Of the amount held with the Treasury Agency, €50,000 is withdrawable on demand. Amounts in excess of this threshold are withdrawable on an overnight basis. As at 31 December 2023, interest was 3.88% at the Treasury Agency¹⁹ (31 December 2022: 1.89%). As at 31 December 2023, interest on the deposits held at DNB was 3.68% (31 December 2022: 1.89%).

LIABILITIES

1. Own funds

The result for 2023 was added to own funds in full. Following appropriation of the result for 2023, own funds stood at €4,566,334,000 as at 31 December 2023 (31 December 2022: €3,888,295,000).

EUR thousands

	Fondsvermogen
Balance as at 31 december 2021	3,335,837
Result for the year 2022	552,458
Balance as at 31 december 2022	3,888,295
Result for the year 2023	678,039
Balance as at 31 december 2023	4,566,334

Own funds are intended for use when the Dutch deposit guarantee scheme is activated. DNB decides on activation of the deposit guarantee scheme, requesting the DGF to release financial means.²⁰

2. Accruals and income collected in advance

This item amounted to €2,201,000 as at 31 December 2023 (31 December 2022: €2,990,000). These are credit line expenses payable of €2,180,000 (31 December 2022: €2,214,000) and the fee of the independent auditor of €21,000 (31 December 2022: €19,000).

¹⁸ These are upfront fees for securing (2018) and extending (2020) the credit line, recognised over the term of the agreement.

¹⁹ Interest is received on the balance held in the Treasury current account at the daily rate in accordance with the applicable treasury banking regime. If the daily rate is negative, it is set at 0%.

²⁰ Section 3:259a of the Financial Supervision Act (*Wet op het financieel toezicht – Wft*) describes exhaustively for which purposes DNB may request the DGF to apply its available financial means.

OFF-BALANCE SHEET RIGHTS AND OBLIGATIONS

As at 31 December 2023, not all ATB depositors who are entitled to a pay-out under the DGS have come forward. Depositors may still apply for compensation from DNB totalling €4,354,000. It is expected that this amount can be funded from ATB's assets in full. However, it is unlikely to be claimed from DNB in full before the bankruptcy is settled, and will therefore result in claims for the DGF.

In July 2018, the DGF secured a credit line commitment from four Dutch large banks, initially for five years. This was extended by one year in 2020, meaning it expires on 31 July 2024. Under the agreement concluded, the DGF can draw on a maximum €3 billion credit line. The DGF did not draw on the credit line in 2023.

Notes to the statement of income and expenditure

1. Contributions

Income from contributions was €561,384,000 in 2023 (2022: €554,109,000). This amount mainly comprises the banks' contributions paid in the four quarters of 2023.

Pursuant to the DGS rules²¹, if a bank ceases to be member of a DGS and joins another DGS, the contributions paid during the 12 months preceding termination must be transferred to the other DGS. In 2023, such changes totalled €132,000 (2022: €577,000).

2. Reimbursement of expenses

DNB reimburses the DGF for the costs incurred, which were €49,000 in 2023 (2022: €39,000). Pursuant to the Financial Supervision Funding Act, DNB will recover these costs from the financial sector. DNB reimbursed the DGF for the expenses detailed under "Other expenses" and "Audit fees" for 2023. In addition, it reimburses the DGF for the costs incurred in engaging the services of external parties that coordinate and execute the credit line agreement, as detailed under "Credit line expenses".

3. Interest income

In 2023, interest income was €130,359,000 (2022: €12,247,000). At 31 December 2023, interest on the current account stood at 3.88% at the Treasury Agency (31 December 2022: 1.89%). As at 31 December 2023, interest on the deposits held at DNB was 3.68% (31 December 2022: 1.89%).

4. Credit line expenses

The expenses relating to the credit line were €13,713,000 in 2023 (2022: €13,752,000). They can be broken down into the expenses related to concluding the credit line agreement, of €1,494,000 (2022: €1,499,000)²², the expenses related to the availability of backstop funding, of €12,209,000 (2022: €12,243,000), and expenses incurred for coordination and execution of the credit line agreement, of €10,000 (2022: €10,000).

²¹ See Article 14(3) of the DGS Directive, part of which was transposed to Dutch law in Section 29.20 of the *Bbpm*.

²² While the costs for concluding the credit agreement were incurred in 2018 and 2022, they are recognised over the term of the agreement.

5. Interest expenses

As interest rates were positive throughout 2023, the DGF incurred no interest expense in 2023 (2022: €156,000).

6. Audit fee

The fee of the independent auditor amounts to €30,000 (2022: €19,000), of which €20,000 relates to the 2023 annual audit and €10,000 to additional costs of the 2022 annual audit.

7. Other expenses

Other expenses amounted to €9,000 in 2023 (2022: €10,000).

DNB supports the DGF in performing its task, providing the resources and services needed, including keeping its financial accounts. As agreed between DNB and the DGF, DNB reimburses²³ the costs involved in these support activities directly. They are not charged to the DGF.

Workforce

The DGF does not employ any staff, as DNB enables it to perform its statutory task by providing staff and other resources.

Remuneration of the members of the Management Board

The members of the Management Board were appointed for a period of four years in 2020.²⁴ During the period under review, membership of the Management Board was as follows:

Cindy van Oorschot - *Chair*

Bert Boertje - *Member*

Martin Heerma - *Member*

The DGF is a legal entity under public law, which means it is governed by the Public and Semi-public Sector Executives Remuneration (Standards) Act (*Wet Normering Topinkomens – WNT*). The DGF classifies its Management Board members as senior executives. In accordance with the decision taken by DNB's Executive Board, the members of the Management Board did not receive any remuneration for 2023. No net expense allowances were paid either. There were no loans outstanding to members of the Management Board as at 31 December 2023.

Relates parties

The DGF works closely with DNB as the administrator of the Dutch DGS. DNB decides when the DGF is deployed and supports the DGF in the adequate performance of its task.

²³ Pursuant to the Financial Supervision Funding Act, DNB will recover these costs from the financial sector.

²⁴ Cindy van Oorschot was appointed on 19 April 2020. Bert Boertje was reappointed on 19 April 2020. On 12 February 2024, Martin Heerma stepped down from the Management Board upon accepting a position elsewhere. He was succeeded by Saskia van Dun with effect from that date.

Notes to the statement of cash flows

1. Cash flows from operations

Cash flows from operations of €771,909,000 (2022: €416,114,000) can be broken down as follows:

- 1.1 Operational result: €678,039,000 (2022: €552,458,000).
This is the result as stated in the statement of income and expenditure.
- 1.2 Movement in receivables: €94,659,000 (2022: €-137,097,000).
This concerns a movement in accounts receivable (€-141,312,000) and in accruals and prepaid expenses (€-235,971,000) as detailed in item 1 under "Assets" of the notes to the balance sheet.
- 1.3 Movement in current liabilities: €-789,000 (2022: €753,000).

The current accounts held with DNB and the Ministry of Finance are considered cash equivalents.

2. Cash flows from investment

There were no cash flows from investment.

3. Cash flows from financing

There were no cash flows from financing.

Appropriation of the result

The full result for the 2023 financial year has been added to own funds.

Events after the balance sheet date

No events after the balance sheet date had a material impact on the 2023 financial data.

Signing of the financial statements

Amsterdam, 12 March 2024

The Management Board of the Deposit Guarantee Fund

Cindy van Oorschot
Chair

Bert Boertje
Member

Saskia van Dun
Member

Other information

Independent auditor's report

To the Management Board of the Deposit Guarantee Fund

Report on the financial statements as set out in the Annual Report

Our opinion

We have audited the financial statements for 2023 of the Deposit Guarantee Fund (or "the fund") in Amsterdam ("the financial statements").

In our opinion, the financial statements as set out in this Annual Report fairly present the financial position of the fund's own funds as at 31 December 2023 and the result for the financial year then ended, in accordance with Part 9 of Book 2 of the Dutch Civil Code, which applies in the Netherlands, and the provisions of and pursuant to the Public and Semi-public Sector Executives Remuneration (Standards) Act (*Wet normering topinkomens – WNT*).

The financial statements comprise:

- 1 the balance sheet as at 31 December 2023;
- 2 the statement of income and expenditure for 2023;
- 3 the statement of cash flows for 2023; and
- 4 the notes to the balance sheet as at 31 December 2023 and statement of income and expenditure for 2023, comprising a summary of the accounting policies and other disclosures.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. 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 fund in accordance with the Code of Ethics for Professional Accountants (*Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten – ViO*) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Dutch Code of Ethics (*Verordening gedrags- en beroepsregels accountants – VGBA*).

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

Compliance with the cumulative remuneration provision under the WNT not verified

Pursuant to the 2023 WNT Audit Protocol we did not verify compliance with the cumulative remuneration provision referred to in Section 1.6a of the WNT and Section 5(1)(n) and (o) of the WNT Implementation Regulation. Accordingly, we did not verify whether remuneration received by any senior official exceeds the standard due to employment at other institutions that are under a duty to disclose remuneration under the WNT or whether the required disclosure is accurate and complete.

Report on the other information included in the Annual Report

In addition to the financial statements and our independent auditor's report thereon, the Annual Report contains other information.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain any 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 any 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 Management Board is responsible for the preparation of the other information.

Description of responsibilities regarding the financial statements

The Management Board's responsibilities for the financial statements

The Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Management Board is responsible for such internal control as it determines 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 Management Board is responsible for assessing the organisation's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Management Board should prepare the financial statements using the going concern basis of accounting unless it either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so. The Management Board should disclose events and circumstances that may cast significant doubt on the organisation's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform the audit assignment 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 errors and fraud 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 the 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 judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included:

- 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 fund's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Concluding on the appropriateness of the Management 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 fund'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 the fund to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings that have emerged from our audit, including any significant internal control deficiencies.

Amstelveen, 12 March 2024

KPMG Accountants N.V.

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