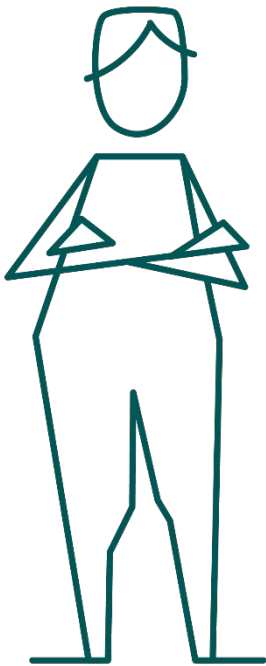


PUM.



Financial Accounts 2025

Stichting PUM



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General information

This document contains the directors' report and the financial statements of the foundation Stichting PUM (PUM). This directors' report describes last year's course of events; please refer to the 2025 PUM Annual Report for a detailed report of our activities and results.

The foundation has its registered office in The Hague, the Netherlands, and is included in the Commercial Register under Chamber of Commerce number 41160229. The foundation does not aim to make a profit and seeks to operate as a public benefit organisation within the meaning of Section 5b of the Dutch State Taxes Act (registered under number RSIN 805699041).

Objective

PUM is an impact-driven organisation with knowledgeable, committed and entrepreneurial people. PUM empowers ambitious entrepreneurs in building a structurally better future for their community; socially, ecologically and economically.

The foundation seeks to achieve these objectives by, for instance:

- a) recruiting and deploying experts on a voluntary basis, who use their knowledge and skills, working jointly with entrepreneurs to optimise entire business ecosystems.
- b) promoting and facilitating entrepreneurship in the countries where the entrepreneurs are located, thereby creating jobs and fostering the local economy, the environment and well-being in the long term;
- c) promoting, and causing the promotion of, the incorporation, development and support of national and sectoral business organisations in the countries as well as projects and activities carried out to achieve this;
- d) sharing knowledge, networks and experiences to promote economic and social development activities in the countries and developing or strengthening entrepreneurial ecosystems at SME level;
- e) incorporating legal entities, sustainably exploiting know-how, financing and otherwise warranting the performance of third parties, all in the broadest sense and all to the extent that this is conducive to the above;
- f) raising funds.

Composition of the Executive Board

On 31 December 2025, the Executive Board of Stichting PUM consisted of:

- Ms A.D. Brouwer-Bom, Chair of the Executive Board
- Mr P.J.L. Bongaerts, member of the Executive Board

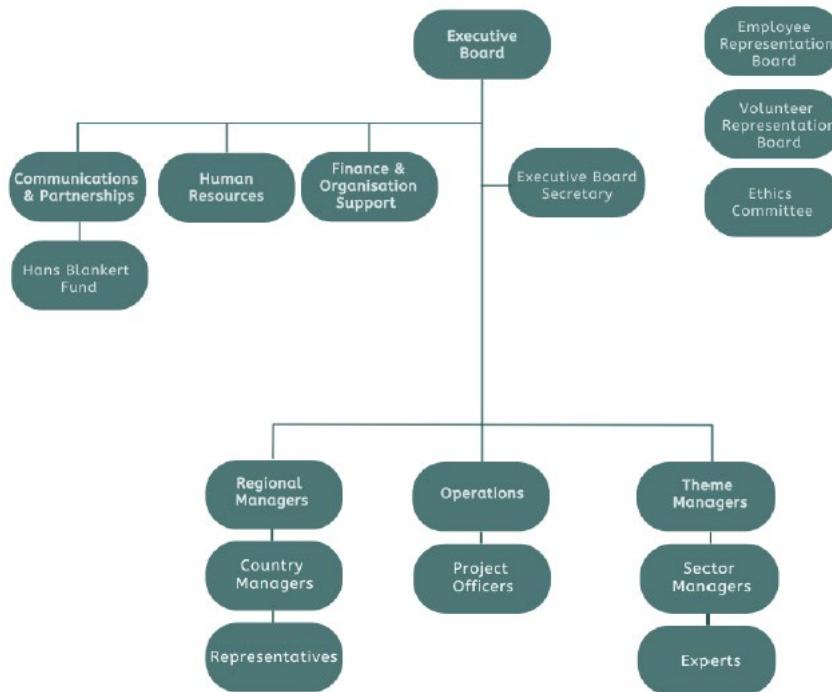
Composition of the Supervisory Board

The composition of the Supervisory Board was as follows in 2025:

	Position	Period
Ms I.D. Thijssen	Chair	01/01/2025 - 31/12/2025
Mr J. Vonhof	Vice-Chair	01/01/2025 - 31/12/2025
Mr R.E. Wolleswinkel	Audit Committee Member	01/01/2025 - 01/12/2025
Mr A.C. van Haeringen	Audit Committee Member	01/01/2025 - 31/12/2025
Mr R.L.M.H. Puts	Member	01/01/2025 - 31/12/2025
Ms L. Ait-Baali	Member	01/01/2025 - 31/12/2025
Mr. J.M. Kerstjens	Audit Committee Member	01/12/2025 – 31/12/2025

Organisational Chart

The organisational chart of PUM in 2025 is as follows:



Soft controls

Soft controls are steering and control measures aimed at promoting desired and responsible behaviour among employees and management. Importantly certain norms and values and or desired behaviour must be clear and endorsed by everyone. For this PUM has a code of conduct, misconduct reporting rules and an anti-fraud and corruption policy.

The policies, as part of the organisational manual, are available for all (voluntary) staff of PUM via MyPUM on intranet.

Background and main features of the annual figures

Built on a shared commitment and a passion for making a difference, PUM stands where it does today thanks to the knowledge and dedication of our experts and staff volunteers, the drive of our representatives, and the professional support of our employees. With more than 45 years of meaningful impact behind us, we can look back with pride on everything PUM has achieved.

In 2025, we delivered 1.530 projects, an impressive 17% increase compared to the previous year. At the same time, the world around us is changing rapidly, putting our current way of working under increasing pressure. Remaining strong in the future means acting today and, as the saying goes, “repairing the roof while the sun is shining.” Acting now will help ensure that PUM continues to flourish in the years ahead – and, more importantly, fulfil our mission and help, many people by connecting the PUM expert with the entrepreneur.

Background

The landscape of international development cooperation is changing rapidly. There is a clear shift towards more crisis-driven and humanitarian aid, alongside a sharp decline in funding for long-term development cooperation. At the same time, donors increasingly expect decision-making power and resources to be transferred to local actors in the Global South (“shifting the power”). In parallel, expectations regarding impact, transparency, and value for money continue to rise.

Our ambition towards 2030

Our ambition is to deliver 2.200 high-quality projects within business ecosystems by 2030. To achieve this growth, we must become a more professional, agile, and financially resilient organisation, capable of delivering greater impact at scale.

A key condition for this is securing diversified, long-term funding. Currently, we depend on a single donor, the Ministry of Foreign Affairs, for nearly 90% of our funding. By 2030, our ambition is to raise €4 million of the total €12 million budget from partners other than the Ministry of Foreign Affairs.

In this complex global context, there is need for a different mindset and impactful approaches that lead to sustainable systemic change, in line with our mission. Therefore, as an organisation, PUM is undergoing a transformative shift.

Before 2025 we operated in 30 different sectors, which has made navigation challenging and less client friendly. In 2025 we have been working on restructuring these sectors into 22 sectors divided by three themes (food, non-food, enabling) to make them more understandable and accessible for our representatives, clients, PUM experts, and partners. We have also explored better alignment with the Top Sectors of the Netherlands, which represent Dutch expertise. The goal of this new structure is, apart from simplifying, to support the transition toward managing more projects per client or group of clients, enhancing the ecosystems in which we want to operate in close agreement with the Ministry of Foreign Affairs.

We have been diligent in refining our processes, and we are proud to announce that we have passed the first-year audit in connection to our ISO certification. This certification ensures that we continue to improve and optimise our operational processes and become more attractive to other donors.

During 2025, there have been no changes in the portfolio of countries. We will continue our efforts in Bolivia and Peru, still funded by our donor, the Argidius Foundation, starting 2025 in combination with a new donor. In the course of the time, starting mid-2027 towards 2030, PUM must find specific refinancing and/or phase out another 8 countries, as agreed with the Ministry of Foreign Affairs due to changing policies.

Last but certainly not least, we recognise the importance of being more explicit about our CSR strategy, aligning fully with our mission. To this end, we have been working on further finetuning of our PUM People, Planet, Prosperity Plan, which sets clear targets from both internal and external perspectives, focusing on social, environmental, and economic aspects. This way social dialogue is even better embedded in our organisation.

For 2025 the total requested subsidy was €10.075.000 in reality we spent €9.407.451 being 93% of the requested amount. We are extremely proud that we, even in this challenging context, could manage to achieve this number of successfully completed projects.

For a detailed explanation of the deviation from the budget see the financial statements.

In accordance with the grant decision, the grant period is divided into two phases:

1. Phase 1 is from Januari 1 2023 till December 31 2026 with a grant of €41.050.000
2. Phase 2 is from Januari 1 2027 till December 31 2030 with a grant of €35.775.000

Overview of actual revenues for phase 1

	2023	2024	2025	2026	Granted	Unused
	€	€	€	€	€	€
Income						
Contribution from DGIS-DDE	9.406.629	9.626.638	9.407.451		41.050.000	12.609.282
Other contributions	528.173	679.097	1.384.016			
Total Income	9.934.802	10.305.735	10.791.467	-	41.050.000	12.609.282
Expenses						
Country programme expenses	4.203.029	4.372.485	4.957.508			
Personnel expenses	4.317.637	4.546.665	4.550.355			
Monitoring and evaluation expenses	147.601	17.582	51.640			
Overhead expenses	1.323.065	1.461.926	1.401.628			
Total expenses	9.991.332	10.398.658	10.961.131			
Operating result	-56.530	-92.923	-169.664			
Financial income	17.645	26.661	37.141			
Result	-38.885	-66.262	-132.524			

Deficit and reserves

A loss of €132.524 has been posted as the Ministry of Foreign Affairs requires that the operating reserve is reduced to nil in 2026.

Solvency and liquidity

The operating reserve is intended to absorb budget differences associated with the execution of the grant decision issued by the Ministry of Foreign Affairs. However, the Ministry of Foreign affairs has decided to reduce this and phase out the reserves in the years 2024-2026. It goes without saying that the Ministry of Foreign affairs admits a duty of care towards its implementing partners and in the event of discontinuation of subsidies, this does not have to be overcome by maintaining an operating reserve and this can therefore be carefully phased out.

For 2025 it was reduced by €132.524 and therefore the operating reserve now totals €132.524.

The equalization reserve is intended to cover the risks we run on all other income. This free reserve amounted to €329.326 as at December 2025. The amount of the reserve exceeds the prescribed amount set at 15% of the value of the contracts on which PUM runs risks.

Liquidity as at 31 December 2025 was considerably higher than last year as the prepaid budget of the Ministry of Foreign Affairs has not been fully spend. Further the receipts of the other donors for 2026 operations are part of the cash position. PUM has no liquidity problem as an advance is received every six months.

Outlook for 2026 and beyond

2026

To support our growth ambitions and ensure PUM is ready for the future, the board and management team have been working over the past months on an important strategic step: **PUM 3.0**. This stands for a more streamlined organisation, simpler processes and systems, clearer roles, and stronger decision-making, all with our clients and experts, more clearly at the centre. The aim is to make volunteer work truly voluntary again. This transformation will of course impact how we are organised and will lead to changes in certain roles.

Volunteers can then fully focus on what they do best: sharing their knowledge, skills and experience. By removing managerial and coordinating responsibilities, volunteering becomes more content-driven, meaningful and rewarding, within a professional organisational framework. This allows volunteers to maximise their impact while making our way of working simpler and more efficient.

In order to enable and facilitate the new organisation, we have redesigned our processes from the ground up to create a faster, simpler, and more transparent journey to connect the client and the expert in the most efficient way. To support these new processes, we will introduce a new digital platform, including a PUM app. First, it will enable faster and smarter matching by allowing experts to apply directly for projects that suit their skills. Second, the app will serve as a communication and community platform for volunteers, representatives, and employees, strengthening connections across the organisation.

The main transition in the regions in 2026 will be the shift to in-country managers. PUM now primarily operates from the Netherlands, at a distance from in-country developments, networks, clients and representatives. We have seen positive results with in-country managers in the past years (in Bangladesh, Egypt, Vietnam and Bolivia).

On the sector side, we are going to work in a limited number of 12 programmes (instead of the current 22 sectors with one or more volunteer Sector Manager(s)) managed by 12 paid Programme Managers. By doing so, we are also placing greater focus on areas where the Netherlands excels and where there is growing demand in the Global South, such as food security, health, and water. The new PUM platform and app promote interchangeability of experts between different programmes. Programme Managers stimulate cross-sectoral proposition development together with expert communities. Working in 12 programmes also makes the PUM offering clearer for the representatives, so that they can fulfil their acquisition role more effectively.

So, we foresee 2026 will be a year in the next phase of PUMs transition, in which we aim to stabilise the number of projects during this period at a comparable level as in 2025 (1.500 projects). The expectation is that the organisational change will require a settling-in period in 2026, in which we are preparing for growth in the years to come. After the transition year, our ambition is to continue growing with the adapted organisation to 2.200 projects by 2030.

These changes are necessary to safeguard PUM's mission and long-term impact. Change brings uncertainty, and we fully acknowledge this. Throughout the process, transparency, clear communication and care will guide our actions.

With the transition to PUM 3.0, we are preparing PUM to be future-fit: professional in its operations, centred on the client and expert journey, and capable of delivering lasting, measurable impact for entrepreneurs and their communities.

For 2026 we presented a budget and workplan showing an incidental loss of €541k which is caused by transition costs PUM 3.0. The Ministry of Foreign Affairs has approved the 2026 budget, including the specified reorganisation costs. No additional subsidy will be provided for this specific projected deficit of €541k. But PUM is expected to absorb this shortfall within the total available financial framework and over the remaining term of the current grant.

Summary of 2026 budget

	€
Income	
Contribution from DGIS-DDE	10.035.000
Other contributions	1.676.800
Total income	11.711.800
Expenses	
Country programme expenses	4.864.244
Personnel expenses	5.945.939
Monitoring and evaluation expenses	90.000
Overhead expenses	1.485.000
Total expenses	12.385.183
Result	-673.383
Appropriation of result	
Operating reserve	-132.524
	-540.859

Risks paragraph

2026 will be a year of transition to a futureproof and sustainable organisation model. Of course, with full focus on clients, projects, business ecosystems and social dialogue. But also further building on innovative solutions for our operations and a new culture.

We are confident the Annual Plan 2026 will be implemented in an energetic and fulfilling way. Yet there are some risks to be aware of. PUM identifies the following main risks and ways to mitigate these risks.

Strategic risk analysis

The strategic risk analysis is provided in the table below. PUM has a low overall risk appetite.

	Probability	Impact	Action/control measure
Reputational risk			
PUM has a solid reputation. We operate in various sectors undergoing fundamental changes and we believe it is important to be transparent and accountable for the use of public funds. Negative publicity caused by organisational, financial or programmatic issues may cause reputational damage. This also holds for organisational complaints exposed by employees, volunteers or stakeholders and/or improper social media usage. Reputational damage may jeopardise our position and brand, which may have consequences for our financing, recruitment and partnerships.	Possible	Major	We prevent this risk from occurring by enforcing an updated Code of Conduct. An Ethics Committee provides solicited and unsolicited advice on ethical issues and dilemmas. A complaint procedure is in place, as well as a crisis management policy. Proactive, explanatory and authentic communication should avoid reputational risks.
Unsatisfactory attributable impact			
Making impact is key for PUM. Uncertainty whether our interventions lead to the intended impact is therefore an important programmatic risk with major consequences: goals are not achieved and no contribution to our mission is made.	Possible	Major	We prevent this risk from occurring by setting clear goals, which we measure effectively. We have a planning, monitoring, evaluation and learning policy in place and reinforcing impact orientation is part of our primary process. By means of a survey, we measure the structural effectiveness of our interventions after one and two years. Besides quantitative data, we emphasise our impact by sharing stories of clients that have been supported by PUM.

	Probability	Impact	Action/control measure
<p>Complex organisation and processes</p> <p>PUM aims to fulfil its mission in a high-quality way with operational excellence. When processes are complex this may lead to organisational risks, like frustration, slowdown of the operation and increased workload, with loss of volunteers and reduced performance of the organisation as a consequence. And this ultimately lowers our impact.</p>	Possible	Moderate	<p>As preventive measures for occurrence of this risk, PUM optimises its primary process. Regular reporting and biweekly updates monitor whether we are still on the right track. In addition, we are firmly committed to building a One PUM Culture, with the right people at the right place and behaviour that is not only in line with our policies and procedures, but also with our values and Code of Conduct.</p> <p>Furter, specifically in the light of PUM 3.0, there are the following measures:</p> <p>Preventive measures:</p> <ul style="list-style-type: none"> • Paid recruiter to accelerate recruitment for new roles. • Performance agreement with external recruitment agency for country managers (in-country). <p>Reactive measures:</p> <ul style="list-style-type: none"> • Extended transition capacity of current staff volunteers. • Reallocate internal resources (back-up team of 9 employees who can continue the operation)

The Hague, 27 March 2026

A.D. Brouwer-Bom

Chair of the Executive Board

P.J.L. Bongaerts

Member of the Executive Board

Financial statements 2025

Balance sheet as at 31 December 2025

(after appropriation of result)

	<u>31-dec-25</u>		<u>31-dec-24</u>
	€		€
ASSETS			
Tangible assets			
Software	72.320		76.720
Hardware	33.466		20.125
Fixtures and fittings	402.884		494.402
Office machines	<u>915</u>		<u>1.392</u>
	509.585	1	592.639
Current assets			
Accounts receivable	21.707		11.564
Taxes and social security contributions	92.164		80.332
Other receivables	<u>281.617</u>		<u>217.196</u>
	395.489	2	309.092
Cash and cash equivalents	3.280.064	3	2.328.011
	<u>4.185.138</u>		<u>3.229.742</u>

Balance sheet as at 31 December 2025

(after appropriation of result)

	<u>31-dec-25</u>	<u>31-dec-24</u>
	€	€
EQUITY AND LIABILITIES		
Equity		
Operating reserve	132.524	265.048
Equalisation reserve	<u>329.326</u>	<u>329.326</u>
	461.850 4	594.374
Current liabilities		
Advances received	2.659.898	1.898.004
Accounts payable	469.842	356.986
Taxes and social security contributions	220.116	188.952
Other liabilities, accruals and deferred incom	373.432	191.426
	3.723.288 5	2.635.368
	<u>4.185.138</u>	<u>3.229.742</u>

Statement of Income and Expenditure 2025

	Budget 2025	Actual 2025		Actual 2024
	€	€		€
Income				
Contribution from Ministries	10.389.500	9.698.507		9.722.701
Sponsorship and other contributions	1.404.900	1.092.960		583.034
Total income	11.794.400	10.791.467	6	10.305.735
Expenses				
Country programme expenses	5.610.683	4.957.508	7	4.372.485
Personnel expenses	4.665.553	4.550.355	8	4.546.665
Monitoring & Evaluation expenses	50.000	51.640	9	17.582
Rent, facilities & office expenses	560.000	556.192	10	540.568
Communication expenses	457.500	313.364	10	345.347
IT expenses	180.000	102.907	10	223.697
Audit & consultancy expenses	180.000	168.687	10	111.403
Depreciation costs	105.000	157.472	10	144.999
General expenses	94.000	103.007	10	95.912
Total expenses	11.902.736	10.961.131		10.398.658
Operating surplus/deficit	-108.336	-169.664		-92.923
Financial income and expenses	-	37.141		26.661
Surplus/deficit	-108.336	-132.524		-66.262
Appropriation of surplus/deficit				
Operating reserve	-108.336	-132.524		-66.262
Equalisation reserve	-	-		-

Statement of Cash Flows for 2025

	2025 €	2024 €
Operating surplus/deficit	-169.664	-92.923
Adjustments for:		
Depreciation (and other changes in value)	157.472	144.999
	157.472	144.999
Movements in working capital:		
Movement in current receivables	-86.397	-60.329
Movement in current liabilities	1.087.920	250.425
	1.001.523	190.096
Cash flow from business operations	989.331	242.172
Interest received/paid	37.141	26.661
Cash flow from operating activities	1.026.472	268.833
Additions to/disposals of property, plant and equipment	74.419	6.923
Cash flow from investing activities	74.419	6.923
Cash flow from financing activities		
Net cash flow	952.053	261.910
Exchange rate and translation differences on cash	-	-
Movement in cash	952.053	261.910

Accounting policies

General

Name under the Articles of Association	Stichting PUM
Chamber of Commerce number	41160229
RSIN/tax registration number	805699041
PBO (ANBI) status	Yes
Address	Bezuidenhoutseweg 12 2509 AB The Hague The Netherlands

PUM's objective and activities

PUM contributes to sustainable and inclusive economic development by economically, socially and sustainably reinforcing SMEs in the countries where PUM operates.

General principles for the preparation of the financial statements

In preparing its financial statements, PUM follows the guideline RJ 640 not-for-profit organisations. The general basis for valuation of assets and liabilities, as well as for the determination of the balance of the current financial year is the acquisition price. Unless stated otherwise, assets and liabilities are stated at nominal value.

Integration of PUM contracts

PUM's financial statements include the financial information concerning the grants contributed by:

- Ministry of Foreign Affairs (Sustainable Economic Development Department; DGIS-DDE) and the sponsorship contributions of:
 - Ministry of Agriculture, Nature and Food Quality (LVVN)
 - Ministry of Foreign Affairs - POBB (Armenia)
 - Argidius Foundation
 - A family foundation
 - Technoserve Uganda
 - Advance Consulting
 - International Trade Centre / United Nations
 - Quintex Ghana
 - SNV Uganda

Comparative figures

The comparative figures have been reclassified in the financial statements where necessary for presentation purposes.

Foreign currency translation

The reporting currency is the euro. Receivables, payables and liabilities in foreign currencies are converted at the exchange rate applicable on the balance sheet date. Transactions in foreign currencies effected during the reporting period are recognised in the financial statements at the exchange rate applicable on the transaction date. Exchange rate differences ensuing from the conversion as at the balance sheet date are recognised in the statement of income and expenditure.

Accounting policies - continued

Property, plant and equipment

Property, plant and equipment are measured at the cost of acquisition less accumulated depreciation and, if applicable, impairments. Depreciation is based on the estimated economic life and calculated using a fixed percentage of the cost of acquisition, taking account of any residual value. Property, plant and equipment are depreciated from the date they are put into use.

The depreciation periods are as follows:

- Software 3-5 years (33%-20%)
- Hardware 5 years (20%)
- Fixtures and fittings 5-8 years (20%-12.5%)

Receivables, prepayments and accrued income

Receivables are carried at amortised cost net of the provisions for bad debts that are deemed necessary. These provisions are determined based on an individual assessment of the receivables.

Cash

Cash consists of bank balances and deposits with maturities of twelve months or less. Current account overdrafts at banks are recognised as amounts due to credit institutions, as current liabilities. Cash and cash equivalents are carried at face value.

Equity

Equalisation reserve

PUM has a free reserve. Its size is set normatively at about 15% of the value of the contracts on which PUM is at risk. These are price-value and payment risk.

Operating reserve

The operating reserve is intended to absorb budget differences associated with the execution of the grant decision issued by the Ministry of Foreign Affairs. However, the Ministry of Foreign affairs has prescribed to reduce this and phase out the reserves in the years 2024-2026. It goes without saying that the Ministry of Foreign affairs has a duty of care towards its implementing partners and in the event of discontinuation of subsidies, this does not have to be overcome by maintaining an operating reserve and this can therefore be carefully phased out

Pension scheme

Since 2018, PUM has had a pension scheme with Nationale Nederlanden that qualifies as a defined contribution scheme, in which future pension benefits are based on the value on the retirement date. There is no mandatory indexation; the Executive Board determines this annually.

For 2025, the maximum amount is €137,800. PUM applied an average-pay scheme before 2018; since that year, indexation has taken place on the rights accrued. The contributions due are recognised as costs in the financial year in accordance with the Dutch Guidelines for Annual Reporting.

An indexation deposit was formed in the past for indexation for active and deferred members. No funds have been available for active members since 1 January 2018. The policyholder finances indexation for active members by paying single contributions. These costs are invoiced and allocated as pension costs to the period to which they relate.

The amount of the indexation deposit is such that indexation can be financed for deferred members.

Current liabilities

Current liabilities are measured at fair value upon initial recognition.

Accounting principles

General

The balance for the financial year is the difference between income and expenses that may be allocated to the reporting year.

Surpluses/deficits arising from other PUM contracts are recognised in the year in which they are realised. Where a deficit is expected, a provision is formed in accordance with the prudence principle as soon as we become aware of the potential deficit.

Income

Income is recognised in the year to which it relates, considering contributions yet to be received.

Expenditure

Direct costs are allocated directly to the individual contracts.

Other costs are allocated to the contracts according to a general allocation formula based on the number of cases realised. If these costs can be allocated directly to the contracts, they are effectively passed on to the relevant contract.

Statement of cash flows

The statement of cash flows is prepared according to the indirect method.

Notes to the Statement of Financial Position as at 31 December 2025

(amounts in €)

1. Property, plant and equipment

A breakdown of property, plant and equipment is presented below:

	Software	Hardware	Office furniture and equipment
Cost	380.868	500.588	1.025.803
Accumulated depreciation	-304.148	-480.463	-530.009
Carrying amount as at 1 January 2025	76.720	20.125	495.794
Additions	38.938	35.480	-
Disposals	-173.659	-426.725	-296.056
Accumulated depreciation disposal	173.659	426.725	296.056
Depreciation	-43.338	-22.139	-91.995
Movements	-4.400	13.341	-91.995
Carrying amount as at 31 December 2025	72.320	33.466	403.799
Cost	246.147	109.343	729.747
Accumulated depreciation	-173.827	-75.877	-325.948
Carrying amount as at 31 December 2025	72.320	33.466	403.799

The relatively considerable amount of disposals for all categories is a result of clean-up of the asset administration as part of the migration of the financial systems in 2025.

Notes to the Statement of Financial Position as at 31 December 2025

(amounts in €)

	31-dec-25	31-dec-24
<u>2. Receivables, prepayments and accrued income</u>		
Accounts receivable		
Debtor contribution from clients to projects	21.707	11.564
	21.707	11.564
No provision for bad debts necessary		
Taxes and social security contributions		
VAT receivable	92.164	80.332
	92.164	80.332
Other receivables		
Interest receivable	12.641	10.158
Prepaid invoices	255.074	197.838
Other receivables	13.903	9.200
	281.617	217.196
<u>3. Cash</u>		
Bank current accounts		
Rabobank current account	814.464	452.264
ABN Amro current account	43.406	43.768
Adyen - SimplifiedCard account	5.557	-
Savings/deposit account		
RABO Doelreserveren	657	315
ABN Amro	2.415.980	1.831.664
	2.416.637	1.831.979
Total cash	3.280.064	2.328.011
At balance sheet date, all cash is fully freely available		

Notes to the Statement of Financial Position as at 31 December 2025

(amounts in €)

4. Equity

	31 Dec 2025	31 Dec 2024
Operating reserve	132.524	265.048
Equalisation reserve	<u>329.326</u>	<u>329.326</u>
	461.850	594.374

Notes to the operating reserve

In the addendum to the grant decision for 2023-2030 dated 4 March 2024 (MINBUZA-2024.232311) establishes the reduction of the operation reserve. The purpose is to phase out the reserve in the years 2024-2026 according to the following schedule:

- In 2023 a 5% reserve of the average grants effectively approved 2020-2022
- In 2024 a 4% reserve of the average grants effectively approved 2020-2022
- In 2025 a 2% reserve of the average grants effectively approved 2020-2022
- In 2026 a 0% reserve of the average grants effectively approved 2020-2022

Grant effectively approved for 2020	6.643.977
Grant effectively approved for 2021	5.523.655
Grant effectively approved for 2022	<u>7.710.954</u>
	19.878.586
Average	6.626.195
Permitted 2% of average	132.524

Movements in the operating reserve, including proposed appropriation of the surplus for 2025:

Balance as at 31 December 2025	265.048
Withdrawal in 2025	<u>-132.524</u>
Balance after appropriation of surplus	132.524

Notes to the equalisation reserve

The equalisation reserve is a free reserve. Its prescribed size is approximately 15% of the value of the contracts on which PUM runs risks. These are price, exchange rate and payment risks.

Balance as at 31 December 2025	329.326
Appropriation of result 2025	<u>0</u>
Balance after appropriation of result	329.326

The amount of the reserve exceeds the prescribed amount of approximately 15% of the value of the contracts. We expect a substantial increase in the contract value with effect from 2026, which, in our opinion, justifies holding this reserve amount.

Notes to the Statement of Financial Position as at 31 December 2025

(amounts in €)

<u>5. Current liabilities</u>	31-dec-25	31-dec-24
	€	€
Advances received		
Ministry of Foreign Affairs, DGIS-DDE 2023-2030	1.918.284	1.666.735
Ministry of Foreign Affairs, POBB	27.879	90.670
Ministry of LVVN	64.637	-
Family foundations	644.784	135.945
Other financing parties	4.313	4.654
	2.659.898	1.898.004
Accounts payable		
Accounts payable	469.842	356.986
Taxes and social security contributions		
Payroll tax payable	220.116	188.952
Other liabilities, accruals and deferred income		
Staff costs payable - Holiday allowance	199.636	177.451
Staff costs payable - Settlement agreement	50.000	-
Grants in progress - HBF	51.082	-
Accruals and deferred income	72.714	13.975
	373.432	191.426

Notes to the Statement of Financial Position as at 31 December 2025

Off-balance sheet liabilities

Long-term financial obligations

Business accommodation

A covenant was signed with VNO-NCW on 7 December 2022, which is valid until 31 December 2030. The covenant includes arrangements on the lease of the office on the 15th floor of the Malietoren office tower. The rent, including parking spaces and service charges, amounts to €410.035 per annum. Procurement of facility services totals €90.860 per annum.

PUM indexation fund

As per 22 December 2025, an amount of €1.525.278 was deposited with Nationale Nederlanden, which is earmarked for persons who were deferred pension scheme members on 31 December 2017 and whose employment has ended. The employer has formed this indexation deposit with Nationale Nederlanden to finance the increases. If the balance in the deposit is insufficient to grant the indexation described, the employer will pay Nationale Nederlanden an additional single contribution. The amount and timing of any additional contributions depend on future indexation rates, the size of the group of former participants, and the development of the deposit. This obligation is uncertain in amount and timing and is therefore not recognized on the balance sheet but is disclosed as an off-balance sheet liability.

The agreement entered into force on 1 January 2021, is open-ended and can be terminated at the end of every year.

Lease contracts

A lease contract with Leaseplan for 2 cars is in place. Liabilities: <1 yr €17.292 (ex VAT). The contracts will both end in 2026.

Subsequent events

On February 12th 2026, a new operating model following the PUM 3.0 strategic plans has been presented as an intended decision. The new operating model relates to changes in processes, roles and systems. The ERB of PUM has been involved in the process. Transition costs amounting approximately €1.200.000 are involved and presented in the budget 2026 accordingly.

WNT justification for 2025, Stichting PUM

Stichting PUM is subject to the Dutch Executives' Pay (Standards) Act (*Wet normering topinkomens*; WNT). As from 2025, the individually applicable maximum is the general maximum, i.e. €246.000 per annum.

Remuneration of senior executives

(amounts x €1)

Data for 2025		
	<i>A.D. Brouwer</i>	<i>P.J.L. Bongaerts</i>
Position details	CEO	COO
Beginning and end of job performance in 2025	01/01-31/12	01/01-31/12
Scope of employment (part-time factor in FTEs)	1.00	1.00
Employment relationship?	Yes	Yes
Remuneration plus taxable expense allowance	169.657	167.501
Remuneration payable on a future date	34.597	26.633
Remuneration	204.254	194.134
Individually applicable maximum remuneration	246.000	246.000

Data for 2024		
	<i>A.D. Brouwer</i>	<i>P.J.L. Bongaerts</i>
Position details	CEO	COO
Beginning and end of job performance in 2024	01/01-31/12	01/01-31/12
Scope of employment (part-time factor in FTEs)	1.00	1.00
Employment relationship?	Yes	Yes
Remuneration plus taxable expense allowance	161.688	155.377
Remuneration payable on a future date	30.057	22.031
Remuneration	191.745	177.408
Individually applicable maximum remuneration	233.000	233.000

Supervising senior officials

The members of PUM's Supervisory Board do not receive any remuneration or fee for their activities.

	Position	Period
Ms I.D. Thijssen	Chair	01/01/2025 - 31/12/2025
Mr J. Vonhof	Vice-Chair	01/01/2025 - 31/12/2025
Mr R.E. Wolleswinkel	Audit Committee Member	01/01/2025 - 01/12/2025
Mr A.C. van Haeringen	Audit Committee Member	01/01/2025 - 31/12/2025
Mr R.L.M.H. Puts	Member	01/01/2025 - 31/12/2025
Ms L. Ait-Baali	Member	01/01/2025 - 31/12/2025
Mr. J.M. Kerstjens	Audit Committee Member	01/12/2025 – 31/12/2025

Notes to the Statement of Income and Expenditure for 2025

(amounts in €)

6. Income

	Budget 2025	Actual 2025	Actual 2024
Contribution from Ministries			
Ministry of Foreign Affairs, DGIS-DDE+E&L	10.389.500	9.698.507	9.722.701
Sponsorship and other contributions			
Contribution from VNO-NCW	380.000	428.575	402.040
Contribution from sponsors	994.900	628.385	145.994
Contribution from HBF sponsors	30.000	36.000	35.000
	1.404.900	1.092.960	583.034
Total income	11.794.400	10.791.467	10.305.735

The contribution from the Ministry of Foreign Affairs is based on the following decision and addenda:

- Decision NL Employers 4 SDG8 2023-2030 dated 22 November 2022 (valid 2023-3030) for an amount of €77.025.000. This decision is accompanied with the following addendum:
- Decision NL Employers 4 SDG8 activity number 4000006606 dated 4 March 2024 with a downward adjustment of the available PMEL budget for the total program period 2023-2030 with a total amount of €200.000 now that the endline evaluation will no longer be marketed by PUM, but by DDE.

Explanation of the difference compared with the budget

The revenue generated from grants was €690.993 lower than initially budgeted (7%), this was mainly due to:

- On one hand a higher number of realised projects; 1.530 realised versus 1.500 budgeted. But efficiency and smart planning next to more structural assessment whether a Remote Advice fits the situation made the actual direct costs decrease in comparison to the budget.
- Direct programme costs were considerably lower than budgeted due to efficient spending of the Partnership department and ICT Country Support costs.
- Contribution from other sponsors is €311.940 lower than budgeted due to the challenges with fundraising in general and the related timeframe needed to get into structural financial partnerships. But at the end of 2025, PUM has a new agreement with a new sponsor for the years 2026-2028 of €900.000.

Notes to the Statement of Income and Expenditure for 2025

(amounts in €)

7. Direct expenses for country programmes

	Budget 2025	Actual 2025	Actual 2024
Flight and travel expenses	2.281.033	1.848.759	1.676.492
Visas, insurance and medication costs	210.000	196.546	164.348
DSA and costs of accommodation	900.000	849.802	795.891
Material and other direct costs	120.000	92.388	119.165
Hans Blankert Fund	275.000	297.964	268.775
Representatives' expenses	850.000	953.171	833.096
Project management costs	20.000	5.930	17.970
Programme support costs	954.650	712.948	496.748
	5.610.683	4.957.508	4.372.485

Explanation of the difference compared with the budget

The direct expenses incurred were €653.175 (12%) lower than budgeted, which is explained by the fact that the budget tariffs for advices on location projects were determined very and during 2025, PUM could manage to execute more projects in a very efficient way by combining a country visits of experts after careful and in-depth preparation of more than one project remotely.

Notes to the Statement of Income and Expenditure for 2025

(amounts in €)

	Budget 2025	Actual 2025	Actual 2024
8. Staff costs			
Management and support staff	2.211.401	2.071.600	2.136.933
Programme staff	2.454.152	2.478.755	2.409.732
Total staff costs	4.665.553	4.550.355	4.546.665
<u>Specification:</u>			
Wages and salaries			
Gross salaries	2.891.147	2.833.579	2.557.959
Holidays	18.024	17.279	-12.630
Transition payments	75.000	93.677	-9.489
Absence insurance paid less benefit		-54.948	45.007
	2.984.171	2.889.587	2.580.847
Social security charges			
Employer contribution to unemployment benefits (WW)/disability benefits (WAO)/industry-wide fund	625.000	535.016	482.703
Pensions			
Pension costs	501.000	471.972	429.534
Life-course savings	55.000	42.597	52.233
	556.000	514.568	481.767
Other staff costs			
Miscellaneous staff costs	198.382	155.415	181.729
Travel expenses	90.000	53.987	79.014
Costs of temporary and agency staff	120.000	343.356	679.245
Training costs	92.000	58.425	61.360
	500.382	611.184	1.001.348
Total staff costs	4.665.553	4.550.355	4.546.665
Average FTEs	42,0	39,3	37,4

Explanation of the difference compared with the budget

On balance, total staff costs ended up 2% lower than budgeted. Despite the necessity of deploying interim staff for Operations, Communication and IT/Finance, it could be managed to keep the staff costs in line with the budget. There has been a necessity due to long-term illness of key MT members, and the difficulty of fulfilling some vacancies. Further in this light, costs in relation to recruitment of MT staff were not fully budgeted for.

Notes to the Statement of Income and Expenditure for 2025

(amounts in €)

9. Monitoring & Evaluation Expenses

	Budget 2025	Actual 2025	Actual 2024
Monitoring & evaluation expenses	5.000		17.582
Subcontracted evaluation & learning	45.000	51.640	-
	50.000	51.640	17.582

Explanation of the difference compared with the budget

Evaluation and monitoring activities has been taken over in-house by paid staff members specialised in PMEL. But in the course of 2025, the preparation and first execution phase for the Mid Term Evaluation 2026 has been kicked off. This evaluation should be concluded just after the summer of 2026.

10. Other expenses

	Budget 2025	Actual 2025	Actual 2024
Rent, facilities and office expenses			
Rent and services	400.000	417.983	400.531
Facilities expenses	100.000	104.021	109.547
Office expenses	60.000	34.187	30.490
	560.000	556.192	540.568

Explanation of the difference compared with the budget

Rent facilities and office expenses are in line with the budget. Both the rental fee and the contribution of VNONCW have been increased by inflation which makes the net contribution in balance.

	Budget 2025	Actual 2025	Actual 2024
Communication expenses			
Campaign and Media	150.000	212.017	3.054
Rebranding costs	195.000	59.423	249.929
Promotional material	57.500	19.363	23.190
Website	40.000	10.059	43.012
Other communication	15.000	12.502	26.162
	457.500	313.364	345.347

Explanation of the difference compared with the budget

Communication expenses are considerably lower than expected. During 2025, there has been a shift from branding to campaign and media. During 2025, a very successful radio campaign has been launched.

Notes to the Statement of Income and Expenditure for 2025

(amounts in €)

Continued – 10. Other expenses

	Budget 2025	Actual 2025	Actual 2024
IT expenses			
Small items	3.000	155	20
Data communication	10.000	10.848	10.481
Software support	160.000	91.035	208.957
Costs of equipment leases	2.000	-	779
Costs of telecommunications	5.000	869	3.460
	180.000	102.907	223.697

Explanation of the difference compared with the budget

The IT expenses in 2025 were slightly lower than the budget. Most of the IT resources have been utilized on getting the applications in relation to the primary process of PUM futureproof. So ICT Country Support costs are slightly higher than budgeted (part of Country expenses). Further, in 2024, a new application for the processing of purchase invoices was implemented (ca. €70k) and immediately disposed.

Audit & consultancy expenses

Consultancy expenses	115.000	91.585	49.327
Audit expenses	65.000	77.102	62.076
	180.000	168.687	111.403

Explanation of the difference compared with the budget

The audit expenses are higher due to the revised offer of PUMs audit firm.

Depreciation

Depreciation of intangible assets - softwa	-	41.847	42.688
Depreciation of fixtures and fittings	80.000	91.996	86.911
Depreciation of hardware & software	25.000	23.630	15.400
	105.000	157.472	144.999

Explanation of the difference compared with the budget

The budget 2025 was approved before the annual accounts 2024 were published. Depreciation costs for software were in the annual accounts 2022-2023 wrongly categorised as ICT Country Support costs. This has been corrected in the annual accounts of 2024. Further, during 2025, investments in hardware and software resulted in an increase in depreciation expenses.

Notes to the Statement of Income and Expenditure for 2025

(amounts in €)

Continued – 10. Other expenses

	Budget 2025	Actual 2025	Actual 2024
General expenses			
Insurance	45.000	31.710	44.706
Bank charges	15.000	22.708	22.642
General – other	34.000	48.588	28.564
	94.000	103.007	95.912

Explanation of the difference compared with the budget

General expenses are considerably higher than the budget and last year's expenses. Bank charges are aligned with last year but again higher than the budget because during the budget exercise of 2025, one was not yet aligned with the considerable increase of transaction costs for foreign transactions.

Insurance expenses seem lower than budgeted and in comparison with last year. But the expenses in relation to the WIA insurance (€16k) have been recategorised in the staff expenses section

Signature page Board of Directors and Supervisory Board
Adopted in The Hague on March 27, 2026

A.D. Brouwer-Bom
Chairman of the Board of Directors

P.J.L. Bongaerts
Member of the Board of Directors

J. Vonhof
(Vice-)Chairman of the Supervisory Board a.i.

A.C. van Haeringen
Member of the Supervisory Board

L. Ait-Baali
Member of the Supervisory Board

J. M. Kerstjens
Member of the Supervisory Board

L. van Breugel
Member of the Supervisory Board

Other Information

Determination of result

The Articles of Association of Stichting PUM Netherlands senior experts do not include any provisions on the determination of surplus or deficit.

The deficit of 2025 has been added to the operating reserve.

Auditor's Report