



ANNUAL REPORT 2024

47^e FINANCIAL YEAR



Approved,

On behalf of the Minister of Climate Policy and Green
Growth: drs. G.M. Keijzer-Baldé, Secretary-General

was signed July 1, 2025

The Hague



Table of contents

Annual report

Foreword	4
About COVA	6
Oil and oil storage markets in 2024	13
Management of risks and uncertainties	20
Report of the Board	28
Governance structure	30
Management Report	31
Stockholding overview 2024	39

Financial statements

Financial statements 2024	41
Balance sheet	42
Statement of income and expenditure	43
Cash flow statement	45
Notes to the balance sheet and statement of income and expenditure	46
Accountability statement under the Standards for Remuneration act (Wnt)	56
Profit appropriation and post balance sheet events	58
Signing of the financial statements	59

List of abbreviations	60
------------------------------	----

Other information

Independent auditor's report	62
------------------------------	----

Foreword

The global oil market was relatively stable in 2024, despite ongoing geopolitical tensions. In addition, the EU's import dependence for middle distillates decreased. This product group, comprising diesel, jet fuel and gasoil, is traditionally the market segment in which Europe requires the largest import volume. The developments in 2024 enabled COVA to focus its efforts on fundamental issues within the broad perspective of energy security.

Energy security in the energy transition

In 2024, the Ministry of Climate Policy and Green Growth (KGG) started revising the 2012 Petroleum Products Stockpiling Act (Wva). The amended act is expected to take effect in 2027. In the past year, COVA launched a number of initiatives to align its storage portfolio with this expected change. For instance, we decided to store gasoline in an underground cavern in northern Germany from 2025. We also initiated negotiations about our long-term storage position in the north of the Netherlands.

Through changes in COVA's storage portfolio, we anticipate on the expected amendment of the Petroleum Products Stockpiling Act (Wva)

We continue to keep a close eye on the oil market. After all, international uncertainty and increasing pressure on the European industry's competitiveness require permanent and targeted attention for energy security. This is why key figures about the current oil market situation in the Netherlands are now publicly available via the oil dashboard on our website. More information on the oil market and oil storage market can be found in the chapter [Oil and oil storage markets 2024](#).

To help strengthen energy system resilience in the transition, we exchanged knowledge at international forums. For instance, COVA and the Ministry took part in oil and energy security discussions in the EU and at the IEA. In the Netherlands, we examined potential cooperation with EBN in order to benefit from each other's strengths. This exploration will be given follow-up in 2025. More information on this subject can be found in the chapters [Management Report](#) and [Report of the Board](#).



Diesel sampling from underground cavern in the east of the Netherlands

Stockholding obligation

The stockholding obligation assigned to COVA by the Ministry for the year 2024-2025 remained unchanged at 4,100 kt COE. This figure includes the extra 600 kt COE of diesel which is assigned to us from 2022.

COVA's solvency remained robust despite increased costs because of inflation and higher interest charges

COVA's mission is to be able to provide assistance in times of crisis. In 2024, we looked at the procedures for delivering the diesel from underground caverns in the east of the Netherlands. The risks and uncertainties that may ensue from new developments in the market and in our business operations were again examined in detail as part of a comprehensive risk analysis. Where necessary, this resulted in remedial actions. More information on this subject can be found in the chapter [Management of risks and uncertainties](#).

Higher costs, but financially stable

Our storage costs rose sharply because of the adjustment (indexation) to the high rate of inflation. Our financing costs went up as well, because loans were refinanced at higher interest charges. The decrease in oil consumption led to a corresponding decrease in COVA's stockholding levy revenue. As the stockholding levy has never been adjusted for inflation yet, this considerably reduced our operating result also in 2024. Nevertheless, COVA's solvency is and remains robust. The market value of our stocks is well above the amount of the liabilities. More information on our financial position can be found in the [Management Report](#) and the [Financial Statements](#).

With all the steps we took in 2024 as regards the adjustment of the Wva and COVA's storage portfolio, we laid down solid foundations for even better security of oil and oil products supply in the Netherlands.

Stichting COVA

19 May 2025

About COVA

Background

The oil crisis in the 1970s prompted the Organization for Economic Cooperation and Development (OECD) to devise a joint strategy in order to cope with a potential future energy crisis. The International Energy Programme (IEP) was drawn up and the International Energy Agency (IEA) was founded. In the IEP Treaty, all OECD member countries agreed to form emergency oil stocks as a strategic reserve. The Netherlands was among the founders of the IEP Treaty.

This treaty was translated into an EU directive by the European Union (EU) and into the Petroleum Products Stockpiling Act (Wva) in the Netherlands. Where the Netherlands is concerned, this act provides that the emergency oil stocks are held by the obligated Dutch oil companies and by COVA.

The Dutch national stockholding obligation is calculated in accordance with the terms drawn up by the IEA and the EU. In the Netherlands, these terms have been laid down in the Wva. The Netherlands Enterprise Agency (RVO) monitors the obligation for the obligated industry. COVA's stockholding obligation is the calculated Dutch stockholding obligation minus the obligation imposed on companies in the oil industry. In March of each year, our annual obligation is communicated in writing on behalf of the Minister



of KGG and expressed as a total volume in kilotons of Crude Oil Equivalent (COE). This communication also specifies the minimum quantities of gasoline, diesel/gasoil and jet fuel (jet A1). More information can be found under [Stockholding obligation](#).

Objective

The Netherlands Petroleum Stockpiling Agency (COVA) was founded in 1978 and, being a legal person

with a statutory task (RWT), is an independent organisation. The Wva sets out COVA's structure and terms of reference. Our task is to hold a part of the statutory stock while providing the requisite supply security at the lowest possible cost, and to take all measures which help us to achieve this.

COVA keeps its share of the strategic oil stock suitable and available for delivery to the market when the Minister instructs us to do so. As part of its assignment,

COVA purchases, stores and, where necessary, sells or refreshes crude oil and oil products. These strategic oil stocks can be released during national or international oil shortages. The joint strategic reserves held by COVA and the obligated Dutch oil companies enable the Netherlands to contribute to:

- I. A joint action with the OECD countries so as to prevent major economic effects during a temporary disruption of oil supplies. The cause of such disruptions could be political tensions, natural disasters or war. As an EU Member State and IEA member, the Netherlands may then be requested, together with other countries, to put parts of the stock on the market in order to make up the shortages that have arisen. This happened for example during the Gulf War (1991), after Hurricane Katrina (2005), during the civil war in Libya (2011), and even twice during the Russian invasion of Ukraine in 2022.
- II. Supply security for domestic oil consumers, such as the industrial and transport sectors. We may receive instructions from the Minister of KGG to release (parts of) the stock in order to make up fuel shortages in the domestic market. COVA is part of the national crisis organisation. COVA must have a particular quantity of diesel/gasoil available that can be released under all circumstances, specifically for domestic crisis control purposes.

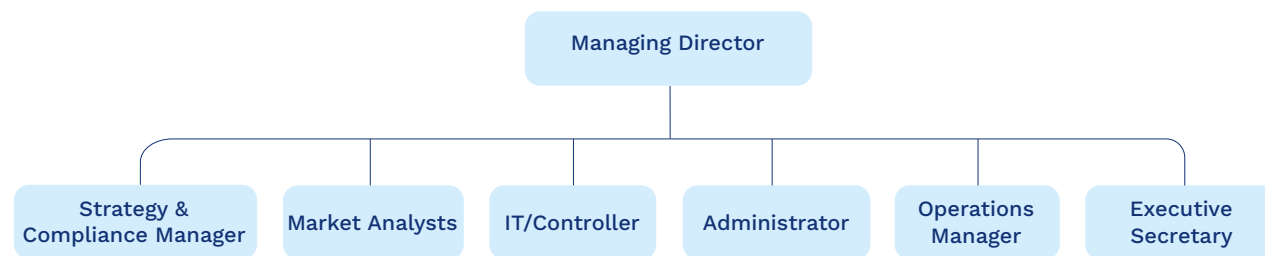


Figure 1 - Overview of COVA organisation

Organisation

COVA is a not-for-profit foundation. The Minister of KGG bears the ultimate responsibility for COVA, adopts its articles and approves the financial statements, budget and rules of procedure. The Board is appointed by the Minister and consists of four members, each with their own expertise. The Board appoints a Managing Director. The Managing Director is responsible for COVA's day-to-day management and for implementing the policies approved by the Board. This structure guarantees COVA's independent position in relation to the Dutch oil market and the Ministry¹.

COVA's business operations are supported by detailed stock and accounting records. COVA's liquidity and solvency are monitored through

financial planning and reporting and through regular treasury management. These are supplemented by essential supporting tasks, such as procurement of appropriate insurance and maintenance of COVA's IT infrastructure, as well as facility and office management. These tasks are performed by a team of eight staff members. Each of them has many years of work experience in the financial sector, the energy market or the public sector, but always in relation to oil. For legal, HR and specialist IT activities we draw on external support.

¹ COVA falls under the ultimate responsibility of the Minister of KGG. Where the annual report uses the terms Minister or Ministry, these refer to the Minister of KGG and the Ministry of KGG respectively.

Every four years, COVA performs a risk analysis for every storage location

At the Ministry's request, COVA has supported the central government since 2018 with its oil market intelligence. For this purpose, we maintain contacts with various organisations in the oil sector. We closely monitor the oil market statistics, publish a Dutch oil dashboard and provide the Ministry with regular reports on the developments in the oil market. We also support the Ministry with regard to the calculation of the Dutch stockholding obligation and in EU and IEA meetings.

Storage of crude oil and oil products

COVA's business operations are directed primarily at guaranteeing sufficient availability of crude oil and oil products on a long-term basis. We own the crude oil and oil products and rent the requisite storage facilities. Therefore COVA has no direct operational responsibility for the storage process.

We are an organisation with a low risk appetite. This means that we require our contracting parties to take adequate measures in order to comply with all applicable regulations. With help from external

parties, we monitor the product quality, the storage risks (such as security, environmental and IT risks) and the financial stability of contracting parties. The product quality is measured annually, while an external advisor carries out a risk analysis every four years for each storage location. In addition, COVA requests an overview every five years of the findings of the Human Environment and Transport Inspectorate at the relevant SEVESO+ companies. Where necessary, these findings are discussed with the storage facility holders.

An estimate of COVA's future stockholding obligation forms the basis of a long-term storage plan. This plan revolves around three issues:

1. adapting the requisite stocks by purchasing, selling or renewing crude oil and oil products;
2. finding suitable storage facilities;
3. purchasing or selling tickets as a stock adjustment instrument in order to absorb short-term volatility.

COVA has clear guidelines on monitoring and covering product risks, price risks and storage risks in relation to its stocks.

Funding of COVA

The annual financial cycle consists primarily of the budget and the annual report. The Board submits

these for approval to the Minister of KGG. COVA's operating costs are financed by a statutory stockholding levy which end users of transport fuels² have to pay. This stockholding levy has been laid down in the Wva and amounts to €8 per 1,000 litres. The levy is collected in the same manner as excise duty and is paid to COVA each month by the Tax and Customs Administration.

COVA funds its oil stock purchases with loans it takes out from the Ministry of Finance under the terms of treasury banking. The Ministry guarantees the loans contracted up to €1,465 million. The Wva provides that the State will be liable for any debts of COVA which remain after its winding-up as a legal person.

² The stockholding levy is effectively imposed and collected in respect of gasoline, diesel and LPG. As jet fuel is exempt from excise duty in the Netherlands, it is not subject to the stockholding levy either.



conformity with the CSRD. All the same, we intend to include a sustainability section in our next annual report.

From 2025, the gasoline stock will also be stored in an underground cavern in northern Germany

Laws and regulations

COVA's structure, terms of reference and funding have been laid down in the Wva. The Wva follows Directive 2009/119/EC, which was amended in 2021 through Implementing Directive 2018/1581/EU. The stockholding obligation applies for a period of one year at a time, starting on 1 July of that year.

As a legal person with a statutory task, COVA is subject to the Public Procurement Act. This is why COVA concluded framework agreements with various market parties for the purchase of crude oil, oil products or tickets after a public procurement procedure. The rent of immovable property, such as storage tanks, is exempt under the Public Procurement Act.

In 2018, the Minister designated COVA as an operator of an essential service (AED) in the context of the Network and Information Systems Security Act (Wbni).

COVA complies with the derivatives policy framework of the Ministry of Finance and uses hedges only to cover cash flow risks in transactions as a result of exchange rate or oil price volatility. COVA is subject to the Standards for Remuneration Act (Wnt) and complies with the rules of the General Data Protection Regulation (GDPR). As a foundation, COVA is exempt from corporate income tax.

In 2024, COVA started exploring the requirements of the European rules under the Corporate Sustainability Regulation Directive (CSRD) and their consequences for COVA. As a foundation, COVA is – for now – exempt from a reporting obligation in

Stockholding obligation

The Dutch stockholding obligation is calculated in accordance with the IEA and EU calculation methods, as laid down in the Wva. The key factor in these methods is 'net imports'. The IEA and EU calculation methods determine net imports as the difference between oil imports (in the Netherlands primarily crude oil) and oil exports (in the Netherlands both crude oil throughput and exported oil products). Oil products for bunker fuels (international shipping fuels) and the chemical industry (such as naphtha) are disregarded in this calculation.

IEA members and EU Member States are obliged to maintain a strategic stock equal to 90 days of net imports. In addition to the 90 days of net imports obligation, EU Member States must also comply with

a lower limit of 61 days of inland consumption. This lower limit for inland consumption is intended especially for countries producing large quantities of crude oil. After all, domestic production means low net oil imports, or no net oil imports at all, which might result in a low level of strategic stocks. For this reason, the EU has set a lower limit for the strategic stocks of oil-producing countries of at least 61 days of inland consumption supplementary to their production.

The EU rules also dictate that the strategic stocks must be held within the territory of the EU. The Wva provides that at least one third of the national compulsory oil stock must be maintained as refined product such as gasoline, diesel and jet fuel.

The stockholding obligation is calculated in Crude Oil Equivalent (COE). On this occasion, the physical quantities of crude oil or oil products are converted into a common oil equivalent unit, by multiplying crude oil or oil products by the conversion factors determined by the EU. For crude oil this is a conversion factor of 0.96, whereby account is taken of conversion losses in refining the crude oil. The conversion factor for oil products is 1.2.

The Netherlands takes up a special position where these calculations are concerned. In recent years,

the Netherlands has seen a sharp decline in calculated net imports, in particular as a result of increased processing of naphtha. Naphtha is an important blend component for gasoline in the Dutch oil market. At the time when the IEP Treaty was signed, naphtha was primarily a raw material for the chemical industry, which was disregarded in calculating the stockholding obligation. Naphtha (imports, production, consumption) is still disregarded in the net imports calculation, whereas it does count towards exports or consumption when blended into gasoline. Because of the large quantity of export gasoline in the Netherlands,³ a very large amount of naphtha is blended into the exported gasoline. As a result, the calculated net imports have fallen sharply. Given the low 90 days of net imports

obligation, the calculated Dutch stockholding obligation has since 2019 been equal to the lower limit set by the EU of 61 days of consumption. In 2024 the IEA, via a decision of the Ministerial Meeting, finalised a discussion on the oil crisis mechanism with the aim to improve energy security worldwide, specifically by means of crisis stocks. The Ministry represents the Netherlands in this review process. Through the lower limit of 61 days of consumption not intended for the Netherlands under the EU Directive, the Netherlands will by definition be compliant with the new IEA proposal. Because there is no representative stockholding obligation for the Netherlands, as explained above,

³ Amsterdam has the world's largest port for gasoline exports.



the Ministry invariably decided in recent years to keep COVA's stockholding obligation at the same level. In 2022, the government informed the Lower House of Parliament that it intended to adjust the statutory obligation to 90 days of inland consumption. This adjustment will be combined with the proposed amendment of the Wva.

Storage policy

COVA's storage strategy comprises of three core objectives: timely availability of the stocks, minimum storage risks and the lowest possible costs. We aim to cover our obligations primarily with stocks held in the Netherlands or in the immediate vicinity. In consultation with the Ministry, COVA has opted to store a part larger than one third of its compulsory stock as refined end products. These can be released quickly and are ready for use by consumers, and therefore offer a high degree of energy security.

Tickets

The Wva allows us to cover the stockholding obligation with 'tickets'. Tickets give the buyer the right to purchase stocks from the seller in the event of an oil crisis. The seller must keep the oil in stock during the term of the ticket contract. This right carries a fee, which is used to cover the seller's storage costs, price risks and interest charges, among other things. COVA's policy is to make limited

use of tickets, and mainly for the purpose of covering temporary shortages resulting from stockholding obligation volatility or, if necessary, during refreshments.

Storage locations

Diesel and gasoline are currently stored only in the Netherlands. Because of the costs, a part of the crude oil and diesel stocks is stored in underground caverns (see Figure 2). From 2025, gasoline will also be stored in an underground cavern in northern Germany. Parts of the crude oil and jet fuel stocks

are stored in neighbouring countries. All the storage terminals have a good connection to pipelines or open water. This means that the products can be readily available in the Netherlands when required.

COVA does not yet own any storage facilities itself. We therefore work closely with a range of partners in renting storage capacity. We normally conclude long-term contracts with oil storage companies at a favourable price. This enables us to store our products at the lowest possible cost.

Physical stocks at year-end 2024

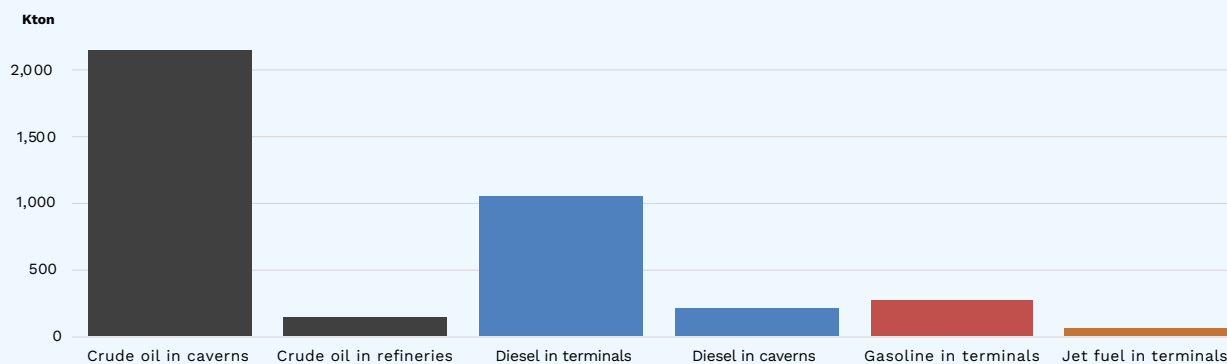
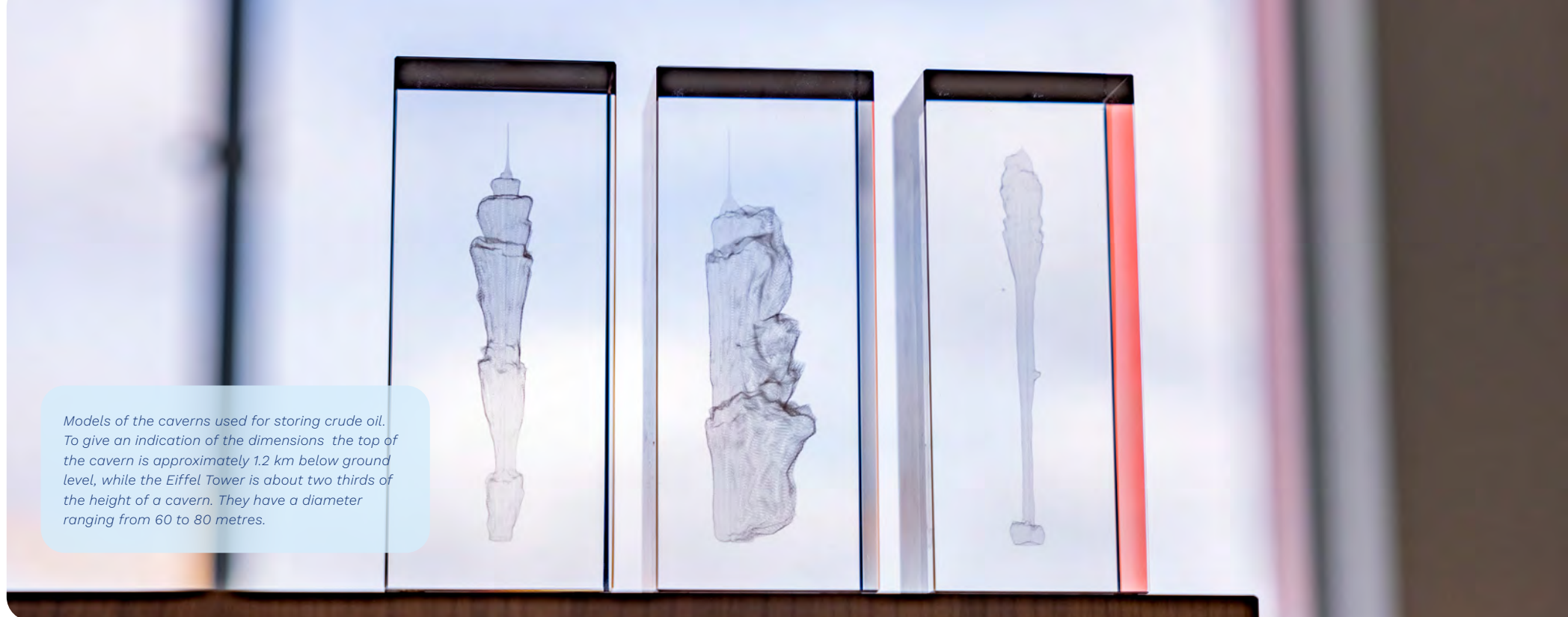


Figure 2 - Overview of COVA's stocks at year-end 2024



Models of the caverns used for storing crude oil. To give an indication of the dimensions the top of the cavern is approximately 1.2 km below ground level, while the Eiffel Tower is about two thirds of the height of a cavern. They have a diameter ranging from 60 to 80 metres.

In our storage portfolio, we take account of the possibility of an annual downward adjustment of the COVA stocks. The storage contracts we conclude have different end dates. This composition of our storage portfolio gives COVA annual adjustment flexibility.

COVA's benchmark

Every year, COVA takes part in a benchmark study within the Annual Coordinating Meeting of Entity Stockholders (ACOMES). This study compares our organisation and storage costs with those of dozens of agencies in Europe, Asia and America. Although

the outcome of this study is confidential, it does provide a good indication of COVA's cost efficiency.

COVA's total costs were measured against the size of COVA's storage space. This annual study shows that the costs per m³ of storage space are below the European average, due to the choices we made in our storage portfolio. However, these costs are significantly higher than the Asian/American average. This is because the Asian and American strategic storage entities are many times larger than COVA and store a much larger part in the form of crude oil in underground caverns. COVA's overheads per unit

of stored product are significantly lower than the European average.

Oil and oil storage markets in 2024

The Netherlands again made considerable contributions to European energy security in 2024. This is because of the presence of five refineries and extensive blending activity in the Dutch ports. Although fuel production came under increasing pressure in 2024, the Netherlands still has substantial jet fuel and diesel surpluses and exports large quantities of gasoline to the rest of the world.

The developments in the security of oil and (renewable) fuel supplies require permanent attention, due to increasing competitive pressure and current international uncertainty. COVA performs market and policy analyses on an ongoing basis. The results support the oil security and oil market policies of the Netherlands and help COVA in its business operations.

Falling oil price, despite geopolitical uncertainties

The year 2024 was characterised by ongoing geopolitical tensions and conflicts. The oil price was affected by rising tensions in the Middle East, in particular around the Red Sea, and announcements of additional sanctions against Russia and Iran. In spite of these uncertainties, the supply and demand equilibrium recovered and the oil price fell slightly in 2024. The average Brent price in 2024 was \$80.75 per barrel, which is 2.3% below the average price in



2023. This decline was driven by factors such as declining demand growth in China, coinciding with increased oil production in North and South America.

Dutch refineries make a major contribution to Europe's energy security

Refining and blending under pressure

The fall in oil product prices in 2024 exceeded that in the price of crude oil, with 7.2% for gasoline, 9.7% for diesel and 10.5% for jet fuel. If product prices fall more sharply than crude oil prices, this typically reduces global refining margins. After all, the revenue of refineries is based on the difference between the crude oil price and oil product prices. In addition to slowing global demand for oil products, refinery capacity in areas such as the Middle East, China, Mexico and West Africa increased. Partly for these

reasons, refining margins – which were at a very high level in 2022 – decreased by 74% in 2023 and again by 33% in 2024.⁴

The pressure experienced by European refineries is reflected in announcements of refinery closures in several EU Member States. In 2024, one energy company announced that it would close its refinery in Rotterdam due to economic circumstances. This site had already been processing less oil prior to 2024. Despite these developments, Dutch refineries proved to be relatively competitive in recent years compared with refineries elsewhere in Europe, where various closures have been announced.

Whereas the change in competitiveness of refineries in the Netherlands is mainly attributable to market developments, recent changes in gasoline production, which in the Netherlands largely takes place through component blending, is driven by stricter policy enforcement in particular. Previously, the Netherlands was a major exporting country of fuels to West African countries, where the quality restrictions are more lenient than in the EU.

Following a number of studies, the Human Environment and Transport Inspectorate (ILT) held the sector to account for its duty of care. Partly for

Crude oil and oil product prices 2023 and 2024

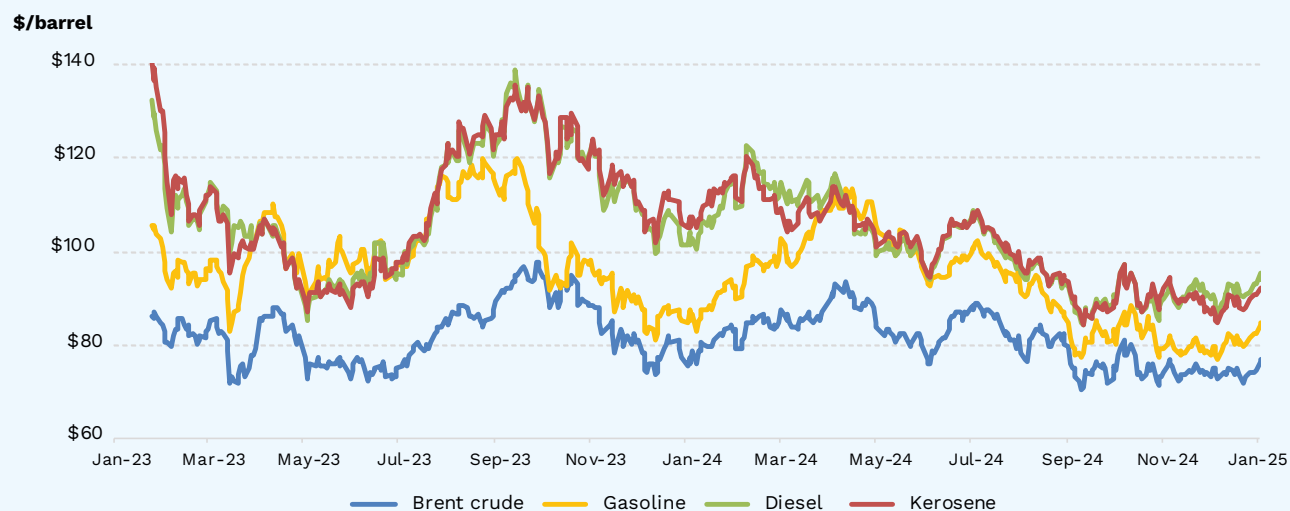


Figure 3 – Oil and oil product prices (Source: S&P Global Commodity Insights)

this reason, gasoline blending in the Netherlands fell by 19% in 2024.⁵

The Netherlands is still a key player in the European energy supply, due to the relative resilience of refining activities and the significantly reduced, yet still relatively high, level of gasoline blending.

⁴ Based on an average Northwestern European refinery with petrochemical integration. See IEA Global Indicator Refining Margins, February 2025.

⁵ Statistics Netherlands [Petroleum commodities and petroleum products balance sheet](#); production Other oil companies, February 2025

Major contribution by the Netherlands to European security of oil and oil product supply

Overall, the European oil market has a surplus of gasoline production but experiences a deficit of 'middle distillates'. This product group comprises jet fuel, diesel and gasoil. These fuels are essential for aviation, road transport, inland shipping, agriculture and emergency power supplies, among others. They are currently indispensable for the normal functioning of our society and economy. In 2024, there was a 14% decrease in European import dependence for middle distillates compared to the previous year (see Figure 4).

Without the Dutch production, EU27 import dependence for middle distillates would be twice as high

This was because demand fell by 1.6%, while middle distillate production decreased slightly by 0.9%. The fact that there was no increase in EU27 import dependence for middle distillates in 2024, despite the pressure on European industry and geopolitical uncertainty, is a positive sign of Europe's energy resilience. Despite the many changes in the European liquid fuel sector, import dependence for

Middle distillate balance

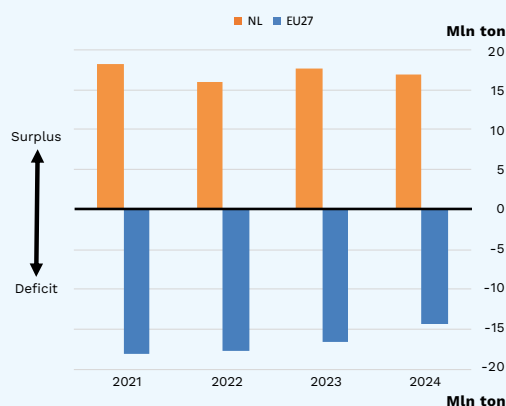


Figure 4 - Middle distillate balance of the Netherlands compared to EU27 in 2024

the product group with traditionally the largest import volume did not increase further in 2024. The Dutch industry played a crucial role in this development.

The contribution by the Netherlands to European oil security is illustrated in Figures 4 and 5. These figures show that the position of the Netherlands when it comes to middle distillates almost mirrors

Net fuel imports

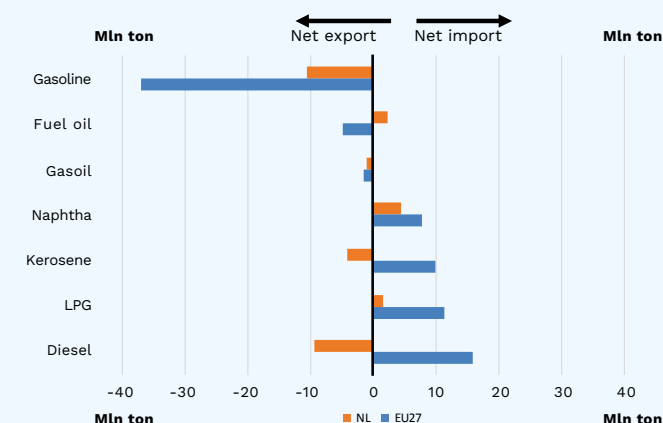


Figure 5 - Net fuel imports of the Netherlands compared to the EU27 in 2024

that of Europe as a whole. Whereas Europe has a jet fuel and diesel deficit, the Netherlands maintains a surplus. As a result, the refineries in the Netherlands make a major contribution to Europe's energy security. Without the Dutch production of middle distillates, EU27 import dependence would be twice as high.

Likewise, the many storage companies based in the Netherlands contribute to the European position within the global energy system. These companies, located across the Amsterdam-Rotterdam-Antwerp (ARA) cluster, not only offer storage facilities but also provide services in blending, trade and throughput of oil and (renewable) liquid fuels.

Especially the US East Coast depends on transatlantic gasoline imports. The US obtains more than 22% of its gasoline imports from the Netherlands

The storage terminals in the port of Amsterdam make a specifically relevant contribution. The future of fossil-fuel activities in this port after 2050 was the subject of increased discussion in 2024. Information in the public domain does not reveal to what extent strategic considerations and energy security play a role in the decision-making process about the port's long-term position.

The port of Amsterdam has recently become more relevant for European energy security and Europe's position in the world energy system.

Fuel consumption in the Netherlands (incl. bunkerfuel)

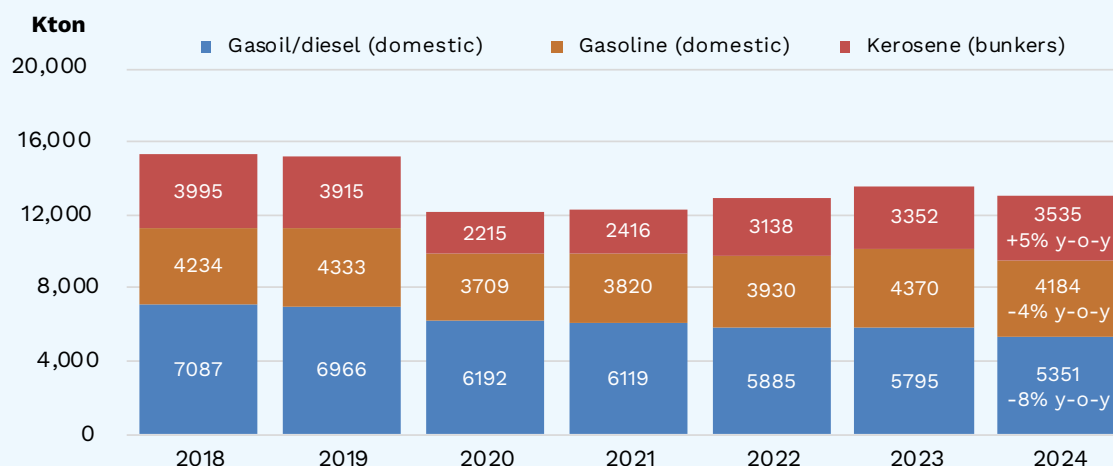


Figure 6 - Fuel consumption in the Netherlands 2018-2024

The port plays an essential part in supplying fuel to Schiphol Airport and is responsible for the largest part of Dutch gasoline exports. This gasoline is blended in the port and is intended for the United States in particular. Especially the US East Coast depends on transatlantic gasoline imports, in which Amsterdam plays a pivotal role. The US obtains more than 22% of its gasoline imports from the Netherlands. The Netherlands accounts for more than 64% of Europe's total net-exports position.

Gasoline is produced among other things by blending naphtha with other components.

Dutch oil consumption decreasing

Demand for road and air transport fuels in the Netherlands fell by 3.3% in 2024 relative to 2023. Figure 6 (on previous page) includes a 5% rise in aviation consumption. This rise can be attributed to a growing number of air passengers from and to the Netherlands, and to an increase in air cargo transport.⁶ Despite this growth, fuel consumption is still below the pre-pandemic peak.

Gasoline consumption has also shown an upward trend since demand collapsed in 2020 due to COVID-19. However, this trend reversed in 2024, with a 4% decrease. Diesel and gasoil consumption peaked as early as 2018 and fell again in 2024, this time by 8%.

Dutch consumption of road and air transport fuels fell by 3% in 2024

The decrease in the use of both fuels is attributed, among other things to cross-border refuelling. Because of the price differences, this was a popular trend in 2024. Changes in the vehicle fleet also contributed to the decline.

Development and distribution of national stockholding obligation

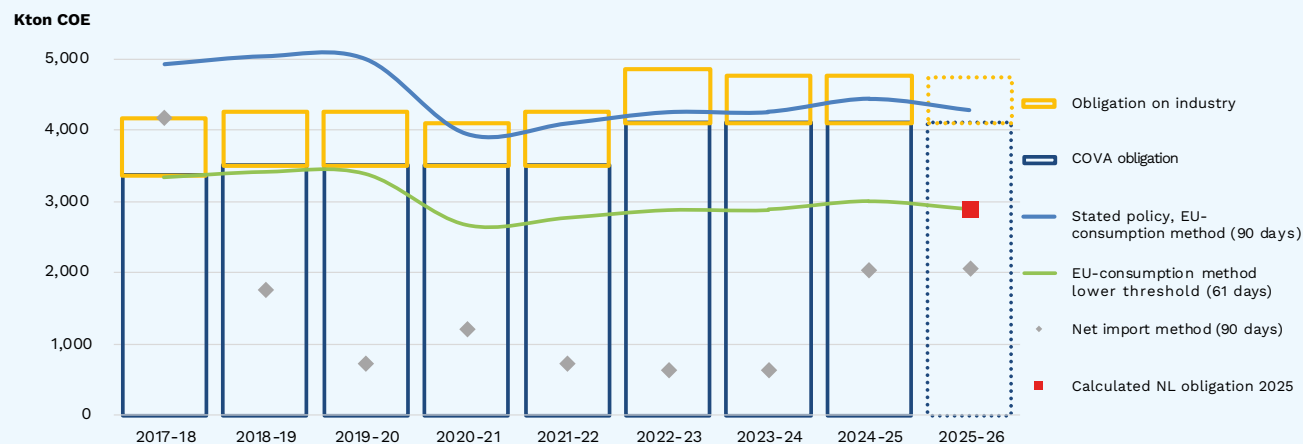


Figure 7 - Development of national stockholding obligation.

The graph shows the proposed statutory obligation based on 90 days of inland consumption for information purposes only.

Falling consumption slightly reduces the minimum stockholding obligation of the Netherlands

The trend in Dutch oil consumption has an impact on the national stockholding obligation for 2025-2026, calculated over reference year 2024. The decrease in fuel consumption in the Netherlands directly translates into a decrease in the stockholding obligation based on the 61-day lower limit.

The stockholding obligation based on the net imports method increased slightly in 2024, by 1.5%. This increase is explained by the aforementioned fall in gasoline blending in the Netherlands. This reduced the consumption of naphtha – an important gasoline component. In calculating the stockholding

⁶ See also Statistics Netherlands (2025) [76 million air passengers in 2024, 6 percent less than in 2019](#)

obligation based on the net imports method, naphtha imports are disregarded whereas exports of gasoline produced from naphtha are included. Increasing naphtha blending drives up the naphtha blending effect, which results in an artificially lower stockholding obligation (see the explanation of the naphtha blending effect under **Stockholding obligation**). As in 2023, the reverse occurred in 2024: a decrease in naphtha blending in 2024 caused a slight increase in the national stockholding obligation based on the net imports method. Based on 2024 data, this stockholding obligation amounts to 2.1 million tons COE. In comparison, the national stockholding obligation calculated for 90 days in accordance with the 'inland consumption' method would have been 4.3 million tons COE.

The stockholding obligation for 2025-2026 calculated on the basis of 2024 data, in accordance with the methods prescribed by law, will again be equal to the EU lower limit of 61 days of inland consumption (see **Stockholding obligation**).

Increasing product stocks

The stock level of storage terminals depends to a significant extent on the market structure. For crude oil, the market price structure (12 months ahead) was in backwardation for nearly all of the year. A backwardated market structure means that

forward prices of future supplies are below the spot prices during a number of months. This backwardated market structure makes it economically uninteresting for traders to hold stocks for a long period.

In contrast to previous years, the market price structure for diesel (3 months ahead) became less backwardated and was even in contango at times, see Figure 8. This creates a price incentive, as future

deliveries (several months ahead) were priced higher than spot deliveries, encouraging stock building. The volume of oil products stored in independent tank storage facilities showed a clear increase in 2024. All oil products ended the year above the 5-year average. At the end of December, the ARA stocks of gasoline and naphtha even reached the highest level for this time of year in at least five years (see Figure 9).

Diesel price and market structure 2023 and 2024



Figure 8 - Diesel price (Rotterdam) and market structure 2023-2024 Source: S&P Global Commodity Insights

The capacity of the storage sector in the Netherlands remained virtually the same in 2024. Work is currently in progress on starting up a new commercial storage terminal in the Maasvlakte area. Expectations are that this terminal will soon be put into operation.

In recent years, there has been a trend in the storage sector in converting and/or constructing storage tanks to accommodate renewable fuels. There is also a consolidation trend, with oil and oil storage companies taking over fossil fuel storage terminals. Likewise, various projects have been announced involving the production of Sustainable Aviation Fuel (SAF) and Hydrotreated Vegetable Oil (HVO) by market parties. This is partly driven by the rising demand for SAF, which is subject to the EU minimum blending obligation in the aviation industry of 2% SAF per year⁷.

Conclusion

Despite global uncertainties the oil market was relatively stable, with slightly falling prices and larger product stocks in the ARA cluster. The Netherlands continues to make an essential contribution to European energy security. It does so not only by holding strategic stocks but also via the Dutch refining and blending sectors, although these sectors are now experiencing the consequences of

decreasing refining margins. Finally, Dutch oil consumption declined in 2024, for the first time since the COVID-19 pandemic in 2020. This solid foundation positions the Netherlands to maintain its resilience in a changing global environment in 2025 and beyond.

Diesel/gasoil stocks independent tank storage ARA cluster

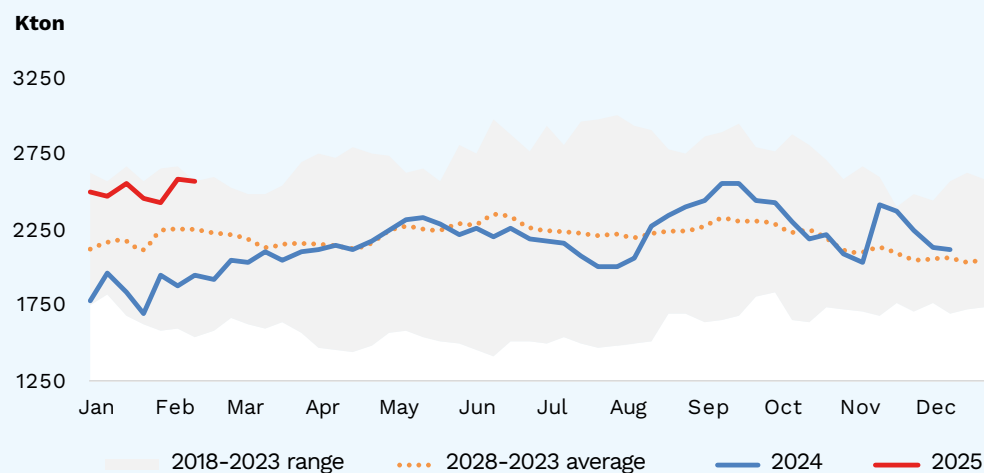


Figure 9 - Development of diesel/gasoil stocks in independent tank storage facilities (source: PJK/Insights)

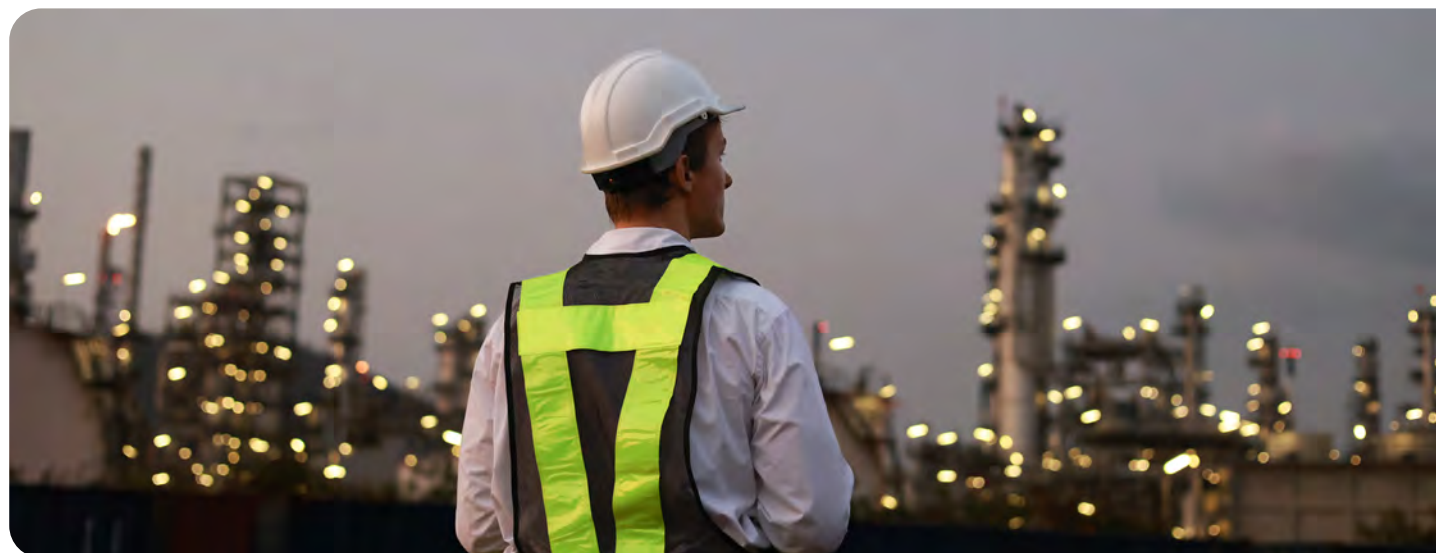
⁷ EU Regulation 2023/2405 "ReFuelEU Aviation", https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:L_202402405

Management of risks and uncertainties

COVA sees to it that the strategic oil stock remains available and usable in crisis situations. To ensure reliable use, we apply a low risk acceptance level in our business operations.

Risk management is a key element of our business procedures. In September of each year, we analyse the risks attached to our business procedures. This analysis provides us with reliable insight into the risks, an appraisal of our risk appetite, the possible risk management measures and any steps to be taken.

The results of the risk assessment are summarised in this chapter. At the end of the chapter, we will address COVA's continuity in the context of the geopolitical developments.



COVA risk matrix

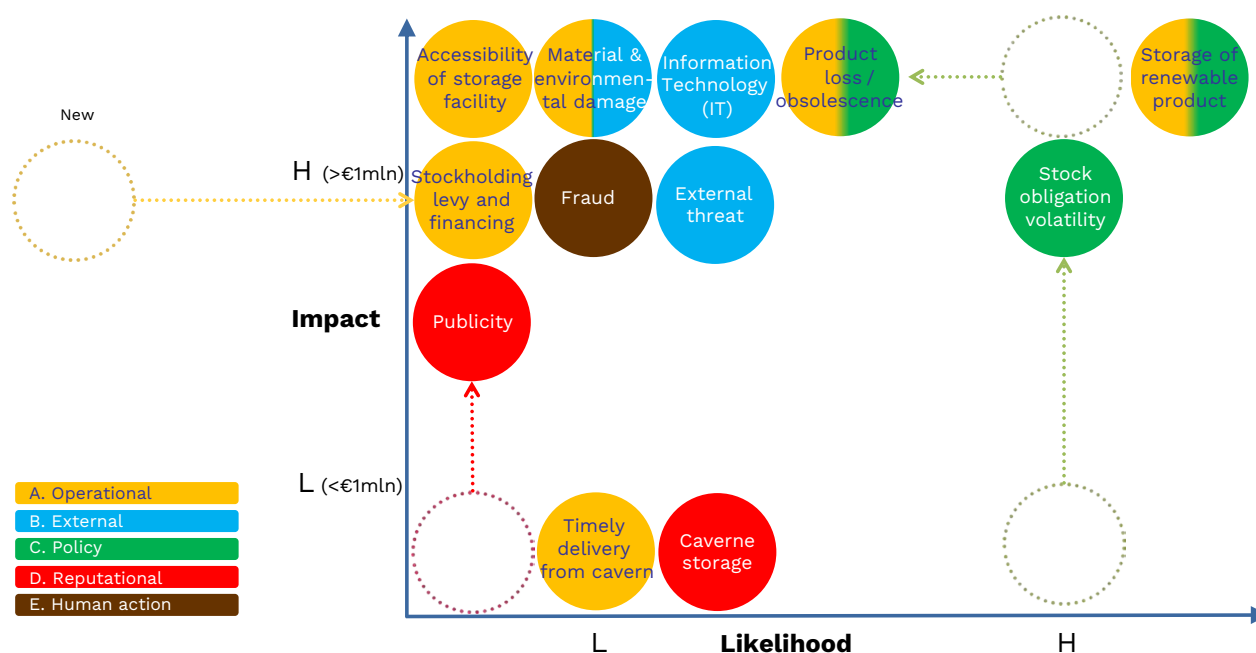
In 2024, the risk analysis covered the subjects of risk management, supervision and compliance. On this occasion, we reviewed both the internal organisation and external factors. In the analysis, we grouped the risks and uncertainties into six categories:

- A. Operational risks
- B. External risks
- C. Policy risks
- D. Reputational risks
- E. Risks due to human action
- X. Concerns

Concerns are situations which we manage or identify, or which are outside our sphere of influence. Where possible, we bring these situations to the attention of the bodies responsible for policy.

The matrix shows the risks and uncertainties identified in categories A to E, arranged by impact and likelihood. A colour code indicates the clustering according to risk category. The shifts in the matrix relative to the previous analysis are shown as dotted lines.

COVA Risk Analysis 2024



COVA risk matrix

Changes in the risk analysis

The risk estimate for **Stockholding obligation volatility** has been increased. This is due to lack of clarity about the renewal of the Wva, and KGG's stockholding obligation policy in the intervening period. This lack of clarity prevents COVA from

assessing the developments in the stockholding obligation over a multi-year period. COVA therefore needs to fall back on short-term contracts, which are usually more expensive. The ongoing debate about the stockholding levy in relation to the products subject to a stockholding obligation means

that COVA's operating result will be negative in the coming years if policy and legislation remain the same. Because of lack of clarity about the renewed Wva, **Stockholding Levy & Financing** has been added to a matrix as a new risk. More information can be found under 'Policy risks'.

The risk estimate for **Product loss/obsolescence** has been reduced because of our solid contract arrangements with storage facility holders and many years of experience with their business operations. These have reduced the likelihood of incidents involving our products. Insurance, taken out by the storage facility holders as well as COVA, help to reduce the impact of potential incidents. Nevertheless, product (value) loss remains an important risk also in the 2024 risk analysis, as was the case in previous years. A product may lose quality or value because of operational factors, such as obsolescence or contamination, or because of policy changes, such as sustainability requirements imposed on products for the domestic market.

Because of the social developments in relation to fossil energy carriers, the risk estimate for **Publicity** has been increased. COVA mitigates the publicity risk in part by liaising with the Ministry's communications department, while also fine-tuning the cooperation



with a spokesperson and a communication expert. Our code of conduct also help to reduce the risk of negative publicity. The position of this risk in the matrix symbolises its importance for COVA. More information can be found under **Reputational risks.**

Risks per category

Operational risks

Even though the risk **Product loss or obsolescence** has been downgraded, this remains an important risk for COVA. Obsolescence and product contamination at the terminal may cause a quality and value loss. This risk is mitigated to a significant extent via our contracts with storage facility holders. These contracts contain arrangements about the quality, maximum stock differences and responsibility in the event of product contamination. Operations receives monthly updates on the current stock situation, so that it can act immediately in case of deviations. Each year, we instruct independent inspection companies to test the quality of the COVA product stock at the terminals. The results of these tests provide an important indication of the product quality development. Where necessary, we can decide to refresh parts of the product stock in good time.

Our ISCC certification guarantees that COVA can market HVO also after many years of storage

By purchasing Hydrotreated Vegetable Oil (HVO), COVA added a new product category to its storage portfolio last year. The risk of **storage of renewable product** is included in the matrix as a separate risk also for 2024. Renewable products entail the same risks and management measures as the fossil products, but distinguish themselves by the fact that a large part of their value is derived from the sustainability aspects assigned to them. COVA is certified under the ISCC⁸ standards and purchases HVO with sustainability certificates (PoS). This guarantees that the product can be marketed, after many years of storage, while retaining its sustainability qualifications.

Renewable products are subject to national and international guidelines and policy rules. The market for renewable fuels is still relatively young and very much at the development stage, as is the policy on these fuels. Policy adjustments may result in market

8 International Sustainability & Carbon Certification

disruption and loss in value. We closely monitor the regulations and the policy and market developments in respect of renewable fuels. Operations records and assesses the results of quality tests performed and has insight into product quality development. Early identification gives us enough time to adjust our position or take other appropriate measures.

The risk **Material and environmental damage** comprises risks associated with leakage or uncontrolled and unintentional outflow of our products. Leakages or safety incidents may result in health risks and environmental damage and the loss of COVA product. Because COVA does not own the storage facilities at present, we take a neutral stance towards this risk. Our contracts with storage facility holders and carriers contain arrangements on liability in the event of an incident. Likewise, COVA's general terms and conditions transfer liability for the transport and storage of COVA products to the carriers and storage facility holders. In this way, we limit our liability.

Because of our duty of care under environmental legislation, we instruct an independent party every four years to carry out risk evaluations at the terminals. These give a picture of internal and external safety and compliance with laws and regulations. On top of this, COVA asks the

government environmental agencies every five years for the results of inspections at SEVESO+ companies. Where necessary, we discuss the results with the relevant storage facility holders. COVA is also insured against material and environmental damage, which insurance covers any residual risk.

Clear contractual agreements with storage holders have reduced the risk of incidents for our stored products

Delivering stocks in times of crisis is one of COVA's core duties. **Inability to deliver in time or limited accessibility of storage locations** are important risks, and we take a risk-averse position in this respect. Contractual arrangements have been made with the storage facility holders about the delivery of stored products within a period not exceeding 90 days. Additional specific arrangements have been made especially with the companies managing underground storage facilities. Together with the storage facility holder and the owner of the cavern storage facility in the east of the Netherlands, COVA has tested the arrangements in accordance with a long-term plan. The concluding audit was

carried out in 2024, which produced a final report. The recommendations have resulted in remedial actions.

Storage and delivery of Dutch strategic stock held abroad is secured via bilateral arrangements between the Netherlands and the EU countries. These arrangements provide that EU countries will always be able to access their respective (strategic) stocks, regardless of the situation in the oil market. In order to further mitigate the risk attached to storage abroad, COVA's policy is aimed at minimising transport time. This means that we only use storage facilities in nearby countries, which are situated along deep waterways no further than three days sailing from the ARA region.

External risks

Information technology remains a prominent risk in the matrix. Criminal access to business networks or large-scale outage of IT systems are important external risks on which we take action. COVA and our storage facility holders may become the victim of such incidents. The damage to COVA's operations may consist in inability to deliver, contamination or leakage of the product stored. Furthermore, a disruption of the IT processes within COVA may lead to business data being manipulated, held to ransom or stolen. This may

jeopardise COVA's continuity and financial stability. Having had the status of an AED since 2018, COVA is obliged to take supplementary digital security measures for our own IT environment. We increased digital security by adjusting our IT systems, by making contractual arrangements with IT suppliers and by documenting security measures and processes in our business procedures. In addition, we are increasingly using cloud-based solutions.

In the context of supplier management, which is a duty of care under the Wbni, we include a cybersecurity clause in each of our storage contracts. We also commissioned an assessment of the cyber maturity of the storage facility holders with which we have contracts. This assessment revealed that the risk of COVA's operations being disrupted by cyber attacks at storage facility holders is extremely low. The outcomes of this assessment were shared with the storage facility holders, and arrangements for improvement were made where necessary. Ongoing security of the IT systems is an integral part of the periodic risk evaluations at the storage terminals. In 2023, the storage facility holders were also designated as AEDs under the Wbni, which reinforced the supply chain even further. COVA holds annual consultations with the Wbni supervisory authority,



the Dutch Authority for Digital Infrastructure (RDI), during which progress in cybersecurity is discussed.

Among **external threats** COVA includes incidents such as assaults, industrial action and natural disasters. COVA's storage policy is aimed at mitigating these risks as well, and limiting the impact of these threats on the COVA organisation. The storage policy concerns aspects such as geographic diversification of storage locations and regular security assessments of the storage locations. During these assessments, an independent expert reviews the security and resilience of storage facility holders and locations. COVA has insured the stock, among other things against fire and terrorism, in order to cover any residual risk. The risk to the **continuity of the COVA**

organisation, for example due to serious damage to the office, is covered by excellent cloud and back-up facilities for the IT environment. This means that the option to work independent of time and place is guaranteed. Furthermore, COVA has its own emergency response staff and adequate insurance as back-up. In this way, the continuity of the core processes is sufficiently guaranteed. Nevertheless, the continuity of the COVA organisation remains a priority for the Management, to ensure we can continue performing our statutory task in an adequate manner.

Policy risks

The renewal of the Petroleum Products Stockpiling Act (Wva), with possible adjustments to the calculation of the stockholding obligation and the

stockholding levy, has been hanging over the market for a number of years. Where the calculation of the stockholding obligation is concerned, the Ministry has communicated the policy intention to raise the stock level to 90 days of inland consumption. A calculation in accordance with this method will mean a net increase in COVA's stockholding obligation. Awaiting the effectuation of the legislative change, the Ministry has kept COVA's annual stockholding obligation at the same level in recent years, being 3,500 kt COE. Because of the geopolitical tensions, the obligation was raised on a one-off basis in 2022, by 500 kt of diesel to a total of 4,100 kt COE. This further increased the discrepancy between the obligation calculated in accordance with the current method and the obligation imposed in figures. Due to the lack of clarity about the renewal of the Wva and the Ministry's stockholding obligation policy in the intervening period, the risk estimate for Stockholding obligation volatility has been increased. This risk has a direct impact on COVA's core duties. Geopolitical developments, a pandemic, and numerous significant social developments may lead to a sudden rise or fall in the stockholding obligation, due in part to a lack of clarity about the calculation method. Uncertainty about the method of calculating the **stockholding obligation** increases the risk of unforeseen volatility.

The sudden sharp rise in the stockholding obligation assigned to COVA in 2022 caused major changes to the financial obligations. In the event of a compulsory rapid fall in the stockholding obligation, COVA's flexibility will be restricted by long-term contracts. Accelerated stockpiling and stock reduction entails additional operating costs for COVA.

The extended applicability of the current Wva entails a new risk: **Stockholding levy & Financing**. Since the effectuation of the current Wva in 2012, a stockholding levy of €8 per 1,000 litres is imposed on the end users. As a result of interpretation of international aviation regulations, the Tax and Customs Administration does not collect this levy in respect of jet fuel bunkered in the Netherlands, which means that effectively the levy is collected only from the end users in road transport. COVA, on the other hand, is obliged to include a small (for now) quantity of jet fuel in its stock portfolio. This means that the operating costs incurred by COVA in this connection are financed by revenue from the levy on road transport. The forecasts of the Climate and Energy Report (KEV) of the Netherlands Environmental Assessment Agency (Pbl) for the coming years show an increase in the use of jet fuel and a decrease in the use of fossil fuels in road transport. We expect that the revenue from the levy

and our operating costs will no longer be in balance. COVA is also confronted with the fact that, unlike other levies and excise duties, the stockholding levy is not indexed annually. Our operating costs for storage of the stock are indexed every year, however. COVA mitigates this increasing imbalance by transferring stock to cheaper (underground) storage facilities. This remains a constant point of discussion with the Ministry in relation to the renewal of the Wva.

Policy decisions such as climate measures and changing statutory requirements mean that product (value) loss or obsolescence is a major risk. Farther-reaching obligations to blend in renewable components or changing sustainability requirements may affect the value of our product stock. Where gasoline is concerned, these developments might result in value loss of COVA's purely fossil stock, which is why we have started a project to replace, transfer and refresh our gasoline stock. We are doing so by using a quality gasoline that is suitable for blending with 10% ethanol (EBOB E10). We continue to closely monitor the international regulations and market developments in respect of (renewable) fuels. By purchasing HVO, we are taking major strides in enhancing our knowledge of the storage, management and handling of renewable fuels and their certification. In this way, COVA remains

sufficiently flexible to respond to changes in policy and national and international regulations.

Knowledge management is an important part of our remit. It provides us with the latest market information and outlook, which enables us to identify developments in the medium and long term. If the stockholding obligation is proportional to the market developments via a consistently applied calculation method, COVA will have sufficient insight into potential changes to the stockholding obligation in the current year and future years. Using scenarios, COVA can then also assess the financial consequences of changes to the future stockholding obligation, which will help us organise and direct our operations accordingly. It is our policy to aim for an overlapping structure of long-term storage contracts, giving special consideration to terms and end dates. In this way, we can release a part of the stock each year. This approach offers enough flexibility in the event of a gradual and predictable adjustment of the stockholding obligation. In that case, we will have sufficient opportunities to adjust our stock position either upwards or downwards.

Since 2019, the Ministry has mitigated volatility to some extent by imposing a constant stockholding obligation⁹ on COVA. However, until now there has been no policy-based and legally enshrined

adjustment to the method for calculating the stockholding obligation for the Netherlands. We adopt a risk-neutral position where policy risks are concerned.

Forecasts for the coming years show an increase in the use of jet fuel and a decrease in fossil fuels in road transport

Reputational risks

The position of the risk **Publicity** in the matrix reflects its importance for COVA. The role of fossil fuels is a topic of debate in today's social environment.

Concerns about the use of these fuels may lead to discussions about permits, enabling for instance the storage of oil or oil products in **caverns** deep underground, or COVA's right to exist. Various social groups and organisations are ready to take action in this connection, and COVA, too, may be confronted with this. Similarly, environmental damage due to problems at our storage facility holders may result in **negative publicity or violation of integrity**.

We mitigate this risk in part by liaising with the Ministry's communications department, while also

fine-tuning the cooperation with a spokesperson and a communication expert. COVA constantly aims to improve its communication activities. In doing so, we keep emphasising that the Netherlands is bound by international treaties. These treaties stipulate that there must be an oil stock, and COVA performs a statutory task in this context under a direct instruction from the government. Likewise, the stockholding obligation imposed on COVA, in conformity with the law, is a direct reflection of the quantity of fossil fuel consumed in the previous calendar year. If this quantity decreases, for instance as a result of the energy transition, our stock and stockholding obligation will decrease as well.

COVA further substantiates this with a transparent and unambiguous storage policy and clear contractual arrangements with storage facility holders about liability in the event of an incident. To ensure safe business operations, we periodically commission independent risk evaluations at the terminals, focusing on internal and external safety, resilience and compliance with laws and regulations.

⁹ Until 2022, this stockholding obligation was 3,500 kt COE each year. The sanctions imposed on Russia led to uncertainty about energy security. In response, COVA's stockholding obligation was increased by 600 kt COE (500 kt of diesel) in 2022, to 4,100 kt COE.

COVA also asks the environmental and safety regulator every five years for the results of inspections at SEVESO+ companies and discusses these with the storage facility holders where necessary. By doing so, we fulfil our social duty of care under environmental legislation.

Risks due to human action

Financial or product fraud may seriously harm our position and integrity. We take a risk-averse position on this point. We prevent payment fraud through maximum segregation of duties in the cash management system. For example, the staff member authorised to create new creditors or change bank account numbers is not permitted to approve payments. All payment mandates and authorisations must always be approved by two persons. Furthermore, COVA has a code of conduct which counteracts conflicts of interest, among other things. The COVA code of conduct was fully revised in 2023 and can be viewed on our website.

Continuity

With the stockholding obligation remaining unchanged at 4,100 kt COE, COVA's debt position fell from €1,125 million in 2023 to €1,096 million as at year-end 2024. At the same time, there was a sharp rise in interest charges and storage costs. In addition, it is not clear how the economy will

develop, for example as a result of geopolitical developments. An economic relapse may lead to lower oil consumption and therefore lower stockholding levy revenue for COVA.

The geopolitical situation continues to cause uncertainty with regard to oil supplies. Considering the current stock level of 4,100 kt COE, our knowledge and modelling of the market trend regarding (renewable) fuels, and our management of risks and uncertainties, COVA has a stable position in the national crisis organisation. We believe that we are in control and that COVA's continuity is safeguarded, also because of its robust solvency and the expected positive liquidity in the coming years. In addition, COVA has a funding cap of €1,465 million guaranteed by the Ministry, as well as guaranteed access to government treasury banking. Finally, there is the statutory guarantee laid down in Section 25 of the Petroleum Products Stockpiling Act: "The State will be liable for any debts of COVA that remain after it has been wound up as a legal person".

COVA's operating result in 2024 was €18 million positive. We therefore expect that, despite the inflation-driven increase in expenditure, COVA's results and cash flows will still be positive in the near future. If the recent increase in COVA's

stockholding obligation is imposed for a longer period and the collection of a stockholding levy on jet fuel remains does not materialise, the non-indexed stockholding levy will not provide enough compensation in due course for the inflationary pressure on expenditure and the rising interest rates. COVA's equity declined from €770 million to €762 million in 2024. The market value of COVA's stocks is €2,343 million as at year-end 2024 (calculated using a Brent oil price of \$74.65). This value is significantly higher than the value of the debts (€1,096 million), which means that any winding-up of COVA would not leave a residual debt – a reassuring thought for future generations.

Report of the Board

Reinforcing the foundations

Energy security of oil and oil products remains important for the Netherlands. Together with the Ministry of KGG, COVA devotes much effort to improving the foundations underlying this security. We are pleased that the Ministry intends to modernise the current Wva from 2012. This will enable us to prepare a more detailed long-term plan. During the process of legislative modernisation, however, we will keep an eye on the affordability for COVA of the various choices made by the Ministry.

COVA continues to monitor the oil market via the Dutch oil dashboard and the scenario exploration for middle distillates

The Board supports the Management's decision to continue the discussions held with EBN in 2024 about cooperation in the area of energy security for the Netherlands. In 2024, we also looked ahead with the Management to important choices in the storage portfolio. The Board agreed to the proposal to store COVA's compulsory gasoline stock in an underground cavern in northern Germany.



By publishing the oil dashboard since August 2024, COVA provides insight into the principal short-term developments in the oil market to a wide audience in the Netherlands.

Activities of the Board

Early in 2024, we laid down clear working arrangements with the Ministry. During three meetings with the Ministry, we not only discussed the intended amendments to the Wva but also spoke at length about the storage portfolio and the

choices in that connection. With the Minister's approval, the Board agreed to the COVA Management's proposal to start negotiations about the future of storage in the north of the Netherlands.

Together with COVA's Management, we reflected on the steps required during a potential oil crisis, based on the Dutch oil crisis plan and the international arrangements within the IEA and the EU. We spoke with COVA's Managing Director about his role and

the development of the COVA organisation. We also approved the Managing Director's appointment as chairman of ACOMES, the international network of petroleum agencies. In addition, we reviewed the audit engagement issued to the auditor, which was about to expire, and decided to extend this engagement by four years.

Altogether, COVA's Board met seven times in 2024. During the meeting in April, we discussed the annual report and the auditor's findings and adopted the 2023 annual report. We also devoted much consideration to the 2024 risk analysis (see the chapter [Management of risks and uncertainties](#)) and were updated about the audit of delivery procedures at the caverns in the east of the Netherlands. In November we adopted the budget for 2025, which was subsequently approved by the Minister in December.

Constantly alert

The foundations for important changes for COVA were laid in 2024. We will look out for the cost effects of these changes in the coming years. In doing so, we will remain alert that COVA can perform its task adequately in an uncertain world. We would like to thank the professional COVA team for their efforts.

On behalf of the Board of Stichting COVA,

Johan de Leeuw
Chairman



Wellhead cavern in the east of the Netherlands

Governance structure

During the reporting year 2024, the bodies set out below were composed as follows:

Board

Chairman	ir. J.F. de Leeuw
Member	drs. G.K. Roukens (Deputy Chairman)
Member	mr. I.J.M. Stegmann
Member	ir. J.W.C.M.G. Steeman MBA

Secretariat

Secretary	ing. B. Ent
Deputy Secretary	drs. G.J. ten Broeke RC

Management

Managing Director	drs. G.J. ten Broeke RC
Strategy & Compliance Manager	ing. B. Ent

Management Report

COVA's activities

Sharing insights about the oil market remains a key priority for COVA. In mid-2024, the Ministry of KGG instructed us to set up an extensive public Dutch oil dashboard. This dashboard provides dynamic insight into oil demand, refinery production, import and export flows, stocks and prices. In particular, it reflects Europe's dependence on oil imports from various parts of the world in a transparent manner. It also presents a multi-year picture of the role of oil in the Dutch energy system. The dashboard was launched on COVA's website in August.

COVA's scenario exploration for middle distillates was also beneficial in 2024. Together with the Ministry, we used the underlying model to identify potential bottlenecks at times of various geopolitical tensions. This was the case, for example, during the interruption of oil imports from the Druzhba pipeline to Central European countries. In addition, the Ministry organised a number of meetings with the oil and oil storage industry to which COVA contributed by sharing knowledge obtained from the scenario outlook.

In the first quarter of 2024, COVA again put its framework contracts for oil and ticket purchases out to tender. A large number of oil companies and oil trading firms were admitted to these framework

contracts. We also signed a contract with two new market parties in 2024 under which we can arrange commodity hedges.

In 2024, COVA put framework contracts for oil and ticket purchases out to tender

In 2024, COVA again actively engaged in the activities of ACOMES. This is the consultative body of operational strategic storage agencies, with sub-groups for benchmarking (BMG), best practices (BPG), product quality (ELABCO) and energy storage (ESTG). In 2024, COVA attended two ACOMES meetings: in Paphos (Cyprus) and Gyeongju (South Korea).

ACOMES requested COVA's Managing Director to take over the chairmanship. With the approval of the Board, and after consultation with the Ministry, this request was honoured. The chairmanship was transferred during the meeting in South Korea. In 2025, the ACOMES benchmark activities will be transferred to the Portuguese agency ENSE¹⁰.



ACOMES meeting in Gyeongju, South Korea

COVA's operations

The stockholding obligation imposed on COVA, including the purchase of an extra 500 kt of diesel (600 kt COE), was 4,100 kt COE throughout the year (see the chapter [About COVA](#)). COVA is allowed to temporarily fall below the assigned stockholding obligation during refreshment or stock transfer operations. This is subject to the condition that COVA maintains at least the calculated stockholding obligation¹¹ at all times.

March 2024 saw the completion of a small-scale refreshment of diesel products at a terminal in the south-west of the Netherlands. This brought the stock level to 4,103 kt COE, in line with the stockholding obligation. COVA conducted no other transactions in 2024 and met the stockholding obligation throughout the year, both at overall level and for the individual products.

¹⁰ Entidade Nacional para o Setor Energético

¹¹ The calculated value for 90 days of net imports or 61 days of inland consumption, whichever is higher

We looked extensively at the expected changes to the Wva and the potential choices in our storage portfolio. In this context, it is essential that we obtain clarity about our long-term storage in the north of the Netherlands. This terminal, with COVA as its only customer, was set up expressly for the storage of strategic stocks and is not intended for commercial use. This terminal may play a key role for COVA in the long term. We therefore decided, with the Board's approval and the Minister's agreement, that purchasing a majority stake in the terminal would be the best option. At the time of finalisation of this annual report, the negotiations about the possible acquisition of the terminal are still in progress.

COVA is negotiating the purchase of a majority stake in a terminal for strategic oil storage

We also visited a cavern terminal in the north of Germany used for underground gasoline storage. Various discussions with our sister organisation EBV¹² in Germany have given us the confidence that storing gasoline underground offers security for product quality and availability, but also that the gasoline can

be delivered from the cavern quickly enough at times of crisis. The cavern became available at the end of 2024 and will be rented and filled by COVA in 2025. In 2024, an in-depth audit was conducted with the storage facility holder and the owner of the caverns in the east of the Netherlands into the agreed procedure for delivery at times of crisis. It was established that the procedures are sufficiently robust. Through sampling the diesel in the caverns, it was also established that the product quality after seven years under the ground is still excellent.

An inspection and quality assessment of our products was carried out again in 2024, and all our products were found in order. In addition, an external specialist company performed three inspections at terminals. Since 2022, these also explicitly include the security of IT and OT systems. We also requested the reports on the SEVESO+ inspections for most of the storage terminals. These reports gave no cause for concern. We will follow up on the missing information in 2025.

External contacts with the Ministry and other organisations

In 2024, three meetings were held with the deputy Secretary-General, operational advisors and policy makers of the Directorate-General for Climate and Energy Policy. The working arrangements protocol

between COVA and the Ministry of KGG was finalised. During the meetings with the Ministry, we spoke about the intended adjustments to the Wva and their long-term financial implications for COVA.

With EBN we are exploring closer cooperation in our energy security task

We also discussed cooperation with EBN on several occasions. During these discussions we obtained insight into aspects such as the IT solutions offered by EBN, and we closely cooperated in a study, initiated by the Ministry, into energy security in the future energy system. EBN has been tasked since 2024 to replenish the gas storage facilities under the Mining Act, which is meant to strengthen gas supply security. In 2025, we will examine whether we can perform our respective energy security tasks better and more cheaply if we cooperate more closely. In this context, COVA has not only professional knowledge of the oil market but also the option of cheap borrowing via treasury banking.

12 Erdölbevorratungsverband

The Ministry of KGG holds regular meetings with a range of interest groups and oil market parties in order to discuss the situation on the oil market, in particular the consequences of the oil import sanctions. COVA supports the Ministry in these meetings by providing presentations of our market analyses and outcomes of the scenario exploration for middle distillates. COVA was also a member of an external feedback group in a study performed on the instructions of KGG. This study focused on the definition of Security of Supply and the development of a framework for measuring this security for various energy carriers.

On request, COVA supports the Ministry's representatives during international consultations. COVA participated in two IEA working groups, the Standing group on Emergency Questions (SEQ) and the Standing group on the Oil Market (SOM). At EU level, we contributed to the Oil Coordination Group (OCG). In 2024, we took part in the IEA's international virtual emergency response exercise. In November, the IEA's crisis protocols were practised with a large number of countries in Paris. COVA's Managing Director gave a presentation to the Energy Community. This is an organisation of prospective EU Member States which helps them prepare their energy policy in accordance with the EU rules.



COVA helped draw up the proposal to maintain specific oil stocks that can be released quickly in the event of an oil crisis. This proposal was accepted by the IEA's Governing Board in 2023 and ratified by the IEA's Ministerial Meeting in 2024. The new measure does not entail any additional storage obligations for COVA. However, together with the Ministry we did contribute to the discussion at the IEA about clear reporting on the new measure.

Stockholding obligation and stock coverage

Stockholding obligations

The stockholding obligation was as follows in 2024:

	Until 30 June	From 1 July
Total obligation (kt COE)	4,100	4,100
of which:		
minimum quantity of gasoline (kt)	171	186
minimum quantity of diesel (kt)	(*)772	(*)779
minimum quantity of jet fuel (kt)	19	21

Table 1 () The statutory minimum diesel stock of 272 kt for 2023/2024 and 279 for 2024/2025 has been increased in the overview by the assignment of 500 kt of diesel.*

Stock coverage

COVA met its stockholding obligations in 2024. During the fourth quarter of 2023, a small diesel position had been refreshed in connection with maintenance work. This diesel was released again at the end of the first quarter of 2024. COVA is allowed to temporarily fall below the assigned stockholding obligation while carrying out refreshments, provided that COVA continues to meet the minimum calculated total stockholding obligation¹³ (2,306 kt COE in 2024-2025) and the minimum calculated product stockholding obligation.

At the end of the year, the total physical stock amounted to 4,103 kt COE, which was well above the minimum stockholding obligation and product stockholding obligation.

The Stockholding overview 2024 table on [page 39](#) presents a detailed overview of the obligations, the current stocks and the development of the coverage thus achieved in 2024.

Purchases and sales of crude oil and oil products

In the first quarter of 2024, the diesel stock in the south-west of the Netherlands was released on account of a refreshment.

¹³ COVA falls under the ultimate responsibility of the Minister of KGG. Where the annual report uses the terms Minister or Ministry, these refer to the Minister of KGG and the Ministry of KGG respectively.

Development of COVA's stockholding obligation in kt COE

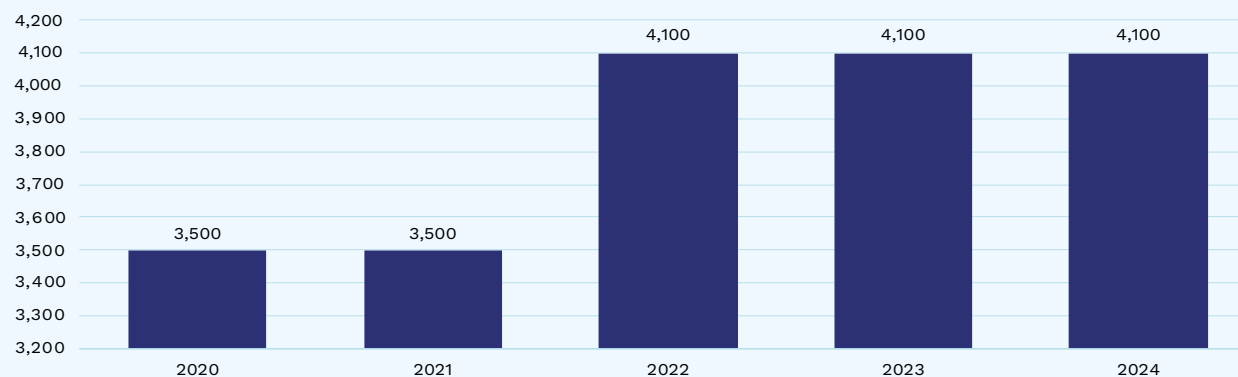


Figure 10 - Development of COVA's stockholding obligation (for an explanation, see Stockholding obligation)

Strategic stock breakdown as at 1 July in kt COE

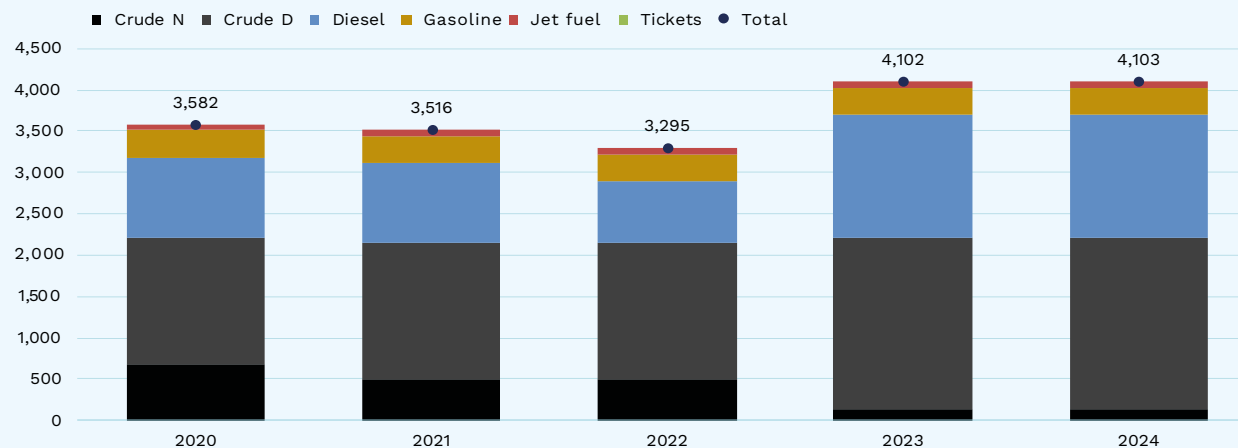


Figure 11 - Breakdown of COVA's strategic stocks as at 1 July (from 2021, the factors for converting physical quantities into the 'crude oil equivalent' were changed on the instructions of the Ministry)

Purchases and sales of tickets

COVA had no ticket transactions in 2024.

Storage

The storage costs rose sharply in 2024 because of the adjustment to the high rate of inflation in 2023. In recent years, we managed to limit the increase in storage costs by transferring a large part of our crude oil stock to cheaper underground caverns. We extended a number of contracts, and at the end of 2024 we made basic arrangements for storing gasoline in an underground cavern in the north of Germany.

Results

Operating result

The stockholding levy revenue recorded in 2024 was €99.9 million. This figure includes amounts still to be received, as specified by the Tax and Customs Administration. The stockholding levy revenue in 2024 was €2.2 million lower than in 2023. This was in line with the decrease in gasoline and diesel consumption in the Netherlands (3%). The stockholding levy remained unchanged in 2024, at €8 per 1,000 litres. No tickets were sold in 2024. This meant that total revenue in 2024 was €2.2 million lower than in 2023.

The storage costs were €3.9 million higher than in the previous financial year. The indexation of the storage

COVA's storage costs in €/m³ a year

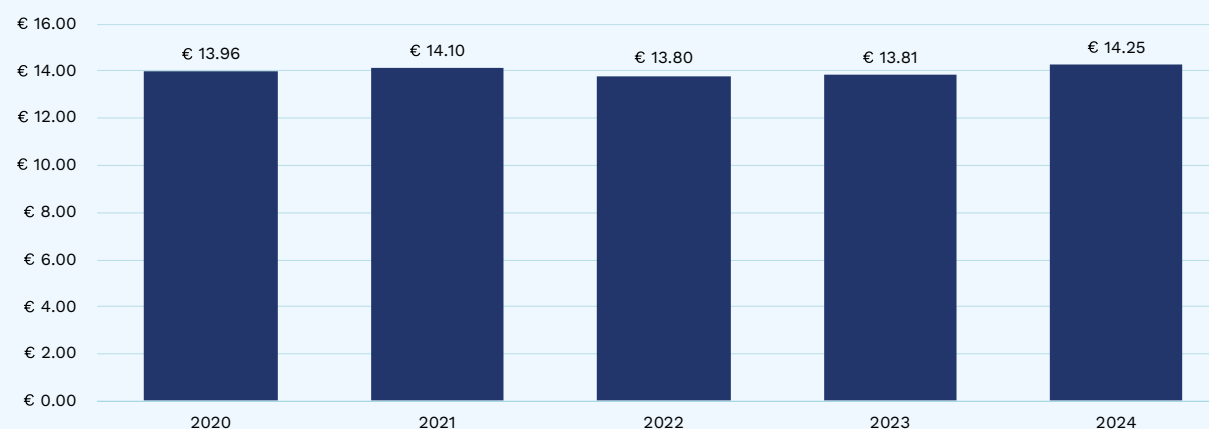


Figure 12 - COVA's storage costs per unit of stored product

Operating result 2024 vs 2023

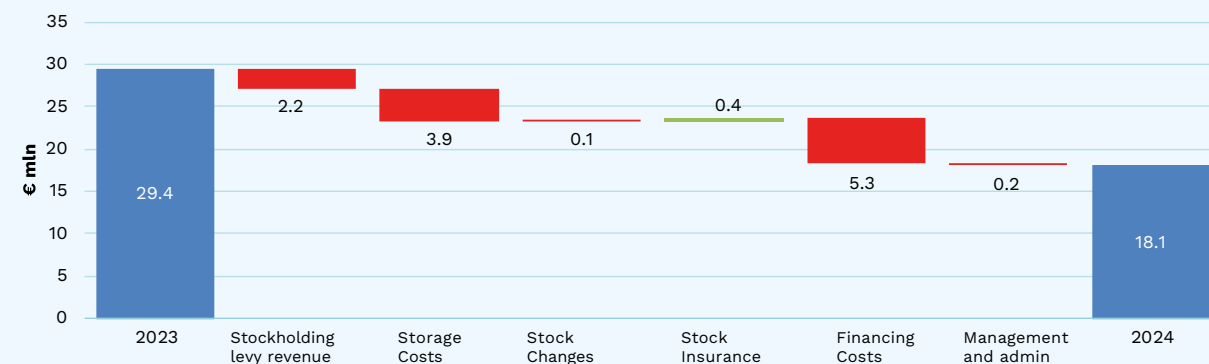


Figure 13 - COVA's 2024 operating result relative to 2023

charges by more than 8% was the main reason for the sharp increase in the storage costs. Due to stock transfers, furthermore, COVA had not incurred any costs for the storage of crude oil during a number of months in 2023, whereas we paid a full year of storage costs in 2024. The stock differences attributable to evaporation, density and measurement differences were €0.1 million higher than in 2023.

Our operating result fell because of an imbalance between high inflation and rising interest rates on the one hand and a non-indexed stockholding levy on the other

The insurance costs were €0.4 million lower than in 2023, in particular because of a lower insured value due to the average fall in oil prices. At €0.1 million, the quality inspection costs were equal to those of 2023.

The management and administration costs were €0.2 million higher (rounded figure) than those of 2023. This was due in particular to higher indexation costs, a pension scheme of former COVA staff, higher subscription and automation costs, legal support

costs in connection with the framework tender and inflation.

Because of these developments, total expenditure increased by €9.1 million, from €72.7 million to €81.8 million in 2024.

The lower income combined with the higher expenditure resulted in a €11.3 million decrease in the operating result to €18.1 million in 2024.

Result on product sales

There were no sales transactions in 2024. Diesel stocks were sold in the second and fourth quarters of 2023, generating a total result on sales of €2.8 million.

Revaluation of stocks

The oil price at year-end went down from \$77.59 per barrel in 2023 to \$74.65 per barrel at the end of 2024. The year-end euro rate fell against the US

Operating result 2020 - 2024

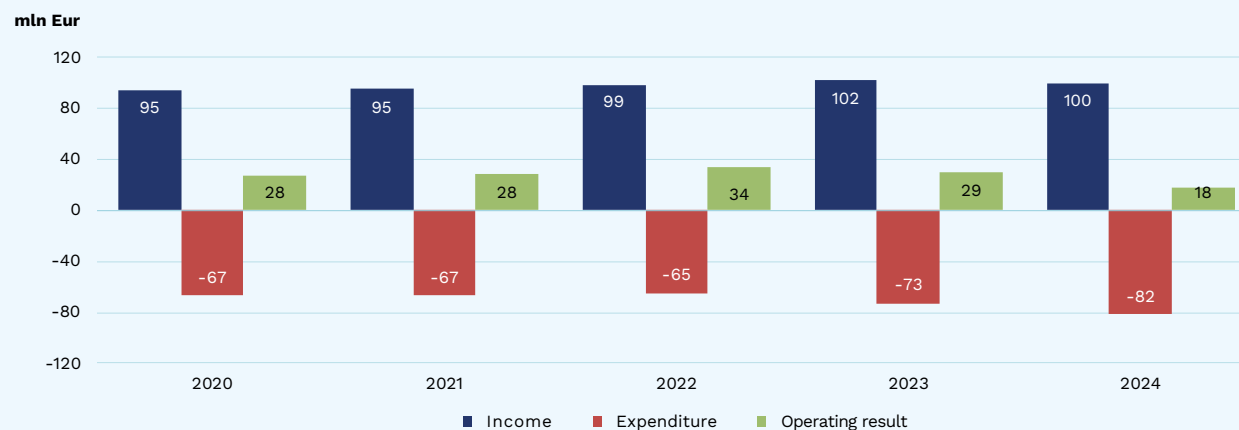


Figure 14 - Development of COVA's income, expenditure and operating result over the years

dollar by approximately 6.0% relative to the end of 2023. This meant that the euro-denominated crude oil price had risen by the end of 2024. However, the euro-converted market prices of jet fuel, diesel, HVO and gasoline fell. This resulted in a downward revaluation of the product stocks by €26.5 million in total. In 2023, there had been a downward revaluation of the stocks by €65.6 million.

The total result for 2024 (operating result, result on sales and revaluation) was €8.4 million negative, versus a result of €33.4 million negative in 2023.

Financing

The financing requirement decreased by €15.7 million, nearly entirely because of the difference between the revenue and operating expenses. A total of €135 million in loans was repaid, while €110 million was borrowed in new loans. This reduced the long-term loan position by €25 million. The current account position at year-end 2024 was €15.2 million. As at year-end 2024, COVA only had long-term loans with a total value of €1,096 million.

Financing expenses

The financing expenses increased by €5.3 million, from €5.4 million in 2023 to €10.7 million in 2024. This was because of higher interest rates on

Total expenditure per unit of compulsory stock in €/ton COE



Figure 15 - COVA's total costs set off against the average stockholding obligation for the year

Interest rates

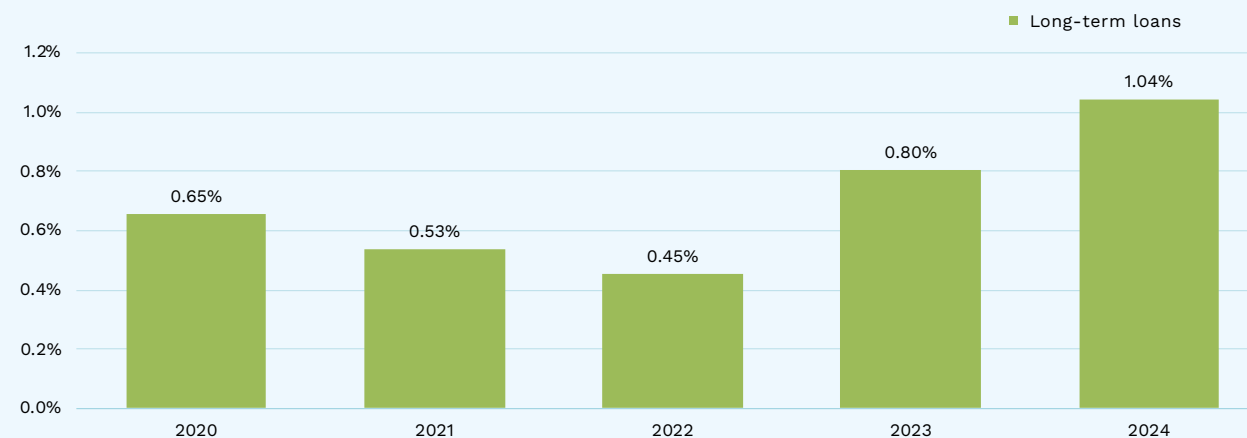


Figure 16 - COVA's effective interest rates on long-term loans

outstanding loans and lower short-term interest income, due in particular to a very high current account balance in the first quarter of 2023 during a transfer operation.

Equity

Because of the operating result of €18.1 million, the retained earnings increased to €336.4 million. Because of the downward revaluation of the stocks by €26.5 million, the distributable product results fell to €425.6 million.

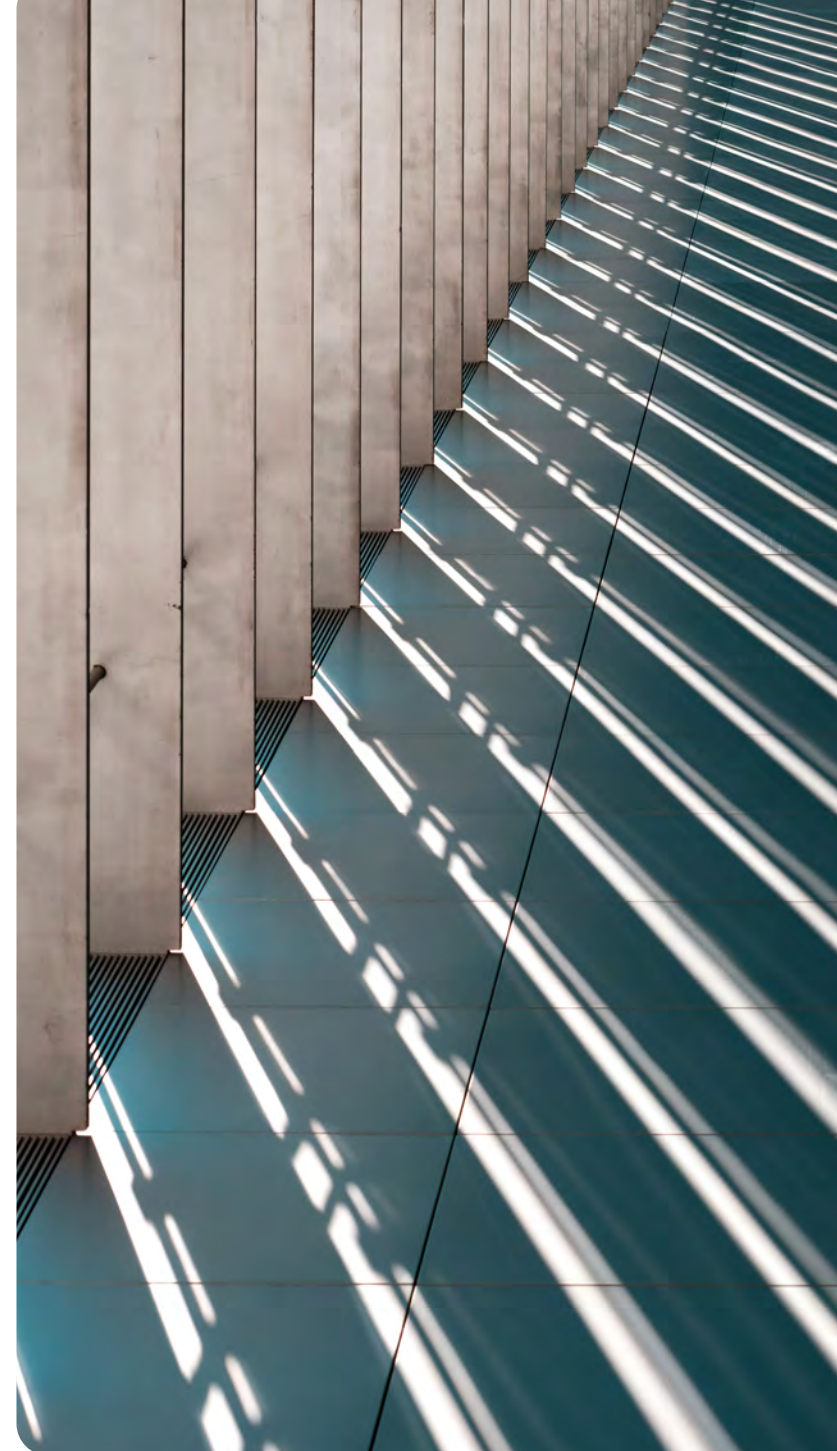
Total equity decreased from €770.4 million at year-end 2023 to €762.0 million at year-end 2024.

Rotterdam, 19 May 2025

Stichting COVA

Gertjan ten Broeke
Managing Director

Bob Ent
Strategy & Compliance Manager



Stockholding overview 2024

Inventories and stockholding obligation		31-12-2023	01-04-2024	01-07-2024	01-10-2024	31-12-2024
In kt COE						
A,	Minimum stockholding obligation (100%) COE	4,100	4,100	4,100	4,100	4,100
	Total products - physical (kt)	1,561	1,585	1,585	1,585	1,585
	Total products - tickets (kt)	-	-	-	-	-
	Crude oil stocks - physical (kt)	2,293	2,293	2,293	2,293	2,293
	Crude oil stocks - tickets (kt)	-	-	-	-	-
	Total physical stocks (kt)	3,854	3,878	3,878	3,878	3,878
		-	-	-	-	-
	Total stock coverage (kt)	3,853	3,878	3,878	3,878	3,878
B,	Total stock coverage COE	4,074	4,103	4,103	4,103	4,103
B,1	Physical stocks COE	4,074	4,103	4,103	4,103	4,103
B,2	Tickets COE	-	-	-	-	-
	Surplus relative to stockholding obligation (B-A) COE	(1) (26)	3	3	3	3
	Total stock as a % of A (B/A)	99%	100%	100%	100%	100%
	Tickets COE as a % of total stock COE	-	-	-	-	-

(1) As at year-end 2023, 24 kt (29 kt COE) of diesel held in a terminal in the western Netherlands was in the process of refreshment. The diesel was released in the first quarter of 2024. In conformity with the stockholding obligation assigned, COVA is allowed to temporarily fall below the assigned stockholding obligation while carrying out refreshments, on condition that COVA continues to meet the minimum stockholding obligation (2,219 kt COE in 2023-2024) and the minimum product stockholding obligation. COVA complies with these conditions.

Stockholding overview 2024 - continued

Inventories and stockholding obligation		31-12-2023	01-04-2024	01-07-2024	01-10-2024	31-12-2024
In kt COE						
Crude oil (in kt product)						
C1,	Crude oil stocks in the Netherlands - physical	142	142	142	142	142
C2,	Crude oil stocks abroad	2,151	2,151	2,151	2,151	2,151
C3,	Crude oil stocks - tickets					
C,	Total available crude oil	2,293	2,293	2,293	2,293	2,293
Gasoline (in kt product)						
D,	Stockholding obligation	171	171	186	186	186
E,1	Gasoline stocks - physical	270	270	270	270	270
E,2	Gasoline stocks - tickets					
E,	Total available gasoline	270	270	270	270	270
	Surplus (E-D)	99	99	84	84	84
Gasoil + HVO (in kt product)						
F,	Stockholding obligation	772	772	779	779	779
G,1	Gasoil stocks - physical	1,231	1,255	1,255	1,255	1,255
G,2	Gasoil stocks - tickets					
G,	Total available diesel	1,231	1,255	1,255	1,255	1,255
	Surplus (G - F)	(1) 459	483	476	476	476
Jet fuel - Jet A1 (in kt product)						
H,	Stockholding obligation	19	19	21	21	21
I,1	Jet fuel stocks - physical	60	60	60	60	60
I,2	Jet fuel stocks - tickets					
I,	Total available jet fuel	60	60	60	60	60
	Surplus (I - H)	41	41	39	39	39

(1) As at year-end 2023, 24 kt (29 kt COE) of diesel held in a terminal in the western Netherlands was in the process of refreshment. The diesel was released in the first quarter of 2024. In conformity with the stockholding obligation assigned, COVA is allowed to temporarily fall below the assigned stockholding obligation while carrying out refreshments, on condition that COVA continues to meet the minimum stockholding obligation (2,219 kt COE in 2023-2024) and the minimum product stockholding obligation. COVA complies with these conditions.

Financial statements 2024



Balance sheet

(including result of current financial year)

In €	Note		31.12.2024		31.12.2023
Assets					
Non-current assets					
Tangible fixed assets	1		41,731		26,690
Current assets					
Inventories	2	1,817,018,436		1,843,684,698	
Trade receivables and other current receivables	3	27,164,011		25,256,386	
Cash and cash equivalents	4	15,224,380		24,483,942	
			1,859,406,827		1,893,425,026
Total			1,859,448,558		1,893,451,716
Liabilities					
Equity					
Retained earnings	5	336,356,051		318,271,134	
Distributable product results	5	425,635,607		452,129,705	
			761,991,658		770,400,839
Non-current liabilities	6		926,000,000		986,000,000
Current liabilities					
Cash loans	6	-		-	
Current part of long-term debts	6	170,000,000		135,000,000	
Trade payables and other current liabilities	7	1,456,899		2,050,876	
			171,456,899		137,050,876
Total			1,859,448,558		1,893,451,716

Statement of income and expenditure

(including result of current financial year)

In €	Note		31.12.2024		31.12.2023
Income					
Stockholding levy	9		99,910,161		102,132,923
Ticket revenue	10		-		-
Other income or (expenses)	11		-		2,164
Total income			99,910,161		102,135,087
Expenses					
Stock management					
Storage rental fees	12	67,651,304		63,792,329	
Insurance costs	13	988,002		1,444,639	
Inventory volume differences	14	280,563		192,955	
Inspection costs	15	81,558		61,271	
Transport costs	16	1,140		-	
Total inventory related charges			69,002,567		65,491,194
Financial charges	17		10,678,130		5,350,367
Management and administration					
Staff costs	18	1,653,576		1,453,981	
Office rental	19	84,577		87,465	
Depreciation	19	13,503		17,786	
Third-party services and general insurance	20	253,585		251,579	
Other charges	21	139,308		115,073	
Total management and administration costs			2,144,548		1,925,884
Total expenses			81,825,245		72,767,445
Operating result			18,084,916		29,367,642
Result on product sales	22		-		2,833,494
Adjustment of inventory cost price to lower market value	2		(26,494,097)		(65,615,003)
Result			(8,409,181)		(33,413,867)

In €	Note		31.12.2024		31.12.2023
Appropriation of the result for the year					
Allocation to Retained earnings					
Operating result			18,084,916		29,367,642
Allocation to Distributable product results					
Result on product sales			-		2,833,494
Adjustment of inventory cost price to lower market value			(26,494,097)		(65,615,003)

Cash flow statement

(indirect method)

In €			31.12.2024		31.12.2023
Result			(8,409,181)		(33,413,867)
Depreciation of tangible fixed assets		13,503		17,786	
Changes in working capital					
Changes in inventories		26,666,262		(530,281,397)	
Changes in receivables and payables		7,738,218		110,163,293	
Interest received		1,396,209		4,691,055	
Interest paid		(11,636,028)		(9,505,218)	
Cash flow from operating activities			15,768,983		(458,328,348)
Investments:					
Tangible fixed assets		(28,544)		(2,385)	
Cash flow from investment activities			(28,544)		(2,385)
Long-term loans raised		110,000,000		140,000,000	
Long-term loans repaid		(135,000,000)		(165,000,000)	
Changes in cash loans		-		-	
Cash flow from financing activities			(25,000,000)		(25,000,000)
Change in cash and cash equivalents			(9,259,561)		(483,330,733)
Cash and cash equivalents on 1 January			24,483,942		507,814,675
Cash and cash equivalents on 31 December			15,224,381		24,483,942

Notes to the balance sheet and statement of income and expenditure

General

Stichting COVA, having its registered office at Boompjes 40, Rotterdam, registered with the Rotterdam Chamber of Commerce under number 24134320, has the task of holding stocks of oil products in compliance with international obligations of the Netherlands. COVA aims, in conformity with its statutory remit, to maintain these stocks at the lowest possible cost, with due regard for the requisite supply security, and to do anything that may be conducive thereto.

COVA raises and maintains financial resources for the strategic stocks with banks and financial institutions under a guarantee from the State of the Netherlands.

COVA raises and maintains financial resources for the strategic stocks with the Ministry of Finance pursuant to a covenant between the Ministries of KGG and Finance which provides for the risk assumption by the Ministry of KGG.

Accounting policies

The financial statements have been compiled in accordance with Dutch Accounting Standard 640, "Not-For-Profit Organisations", and with due observance of the audit protocol adopted by the Minister, dated November 2020. COVA is subject to the Standards for

Remuneration Act (Wnt). As a foundation, COVA is exempt from corporate income tax.

Tangible fixed assets

The tangible fixed assets are measured at acquisition cost reduced by depreciation. This depreciation is calculated using fixed percentages of the acquisition cost, based on the expected service life per category.

Strategic stocks

The strategic stocks are measured at weighted average cost, including additional costs, or at market value if this is lower. The market value is determined on the basis of market prices adjusted for specific gravity. The result realised on product sales is recognised in the income statement. In the event of stock refreshment of stored product at virtually the same cost, no purchase costs or sales proceeds are recorded, but a small amount of refreshment costs (if any) is included in the stock value.

Equity

COVA's operating results for the years are added to the retained earnings. The distributable product results comprise the annual product results and the downward revaluations of the stocks to market price level. Both these equity components are freely distributable.

Currencies

In the balance sheet as at 31 December 2024, amounts in USD have been converted at an exchange rate of €1 = \$1.039 (2023: €1= \$1.105). If any forward transactions are in progress, the rates pertaining to these transactions will prevail. The result generated is recognised in the income statement.

Other assets and liabilities

All other assets and liabilities are measured at their nominal value.

Income statement

In determining the result on product sales, COVA proceeds from the income and expenses based on historical cost that can be allocated to the financial year.

Stockholding levy

The stockholding levy is a levy applied to oil products that are subject to excise duty on mineral oils. The levy is imposed by the Minister of Finance and collected by the Dutch Tax and Customs Administration. The Minister of Climate Policy and Green Growth pays out the levies raised to COVA. COVA recognises the stockholding levy in the months to which the levy relates. The Tax and Customs Administration applies the cash accounting system.

It pays out the stockholding levy to COVA two months after the month in which the supplies were marketed to which the stockholding levy relates. At year-end, this results in a receivable against the Tax and Customs Administration equalling two months' stockholding levy. The non-standard monthly closing system also causes rounding differences, which are stated separately. The Tax and Customs Administration also has a receivable against market parties for deferred payments in relation to support measures provided by the government during the COVID-19 lockdowns. The market parties pay off this debt over a number of years.

Financial instruments

The stock value of crude oil and oil products is subject to price fluctuations and exchange rate differences. These fluctuations are not hedged. COVA does apply cost price hedges to cover the volatility of oil prices or exchange rates in future payments or receipts. These hedges are measured at market value, and are included in the result at the moment when the underlying transaction is realised. Market values of hedges on as yet unrealised transactions are not included in the balance sheet, but are explained in the notes to the balance sheet on the basis of generic information. In conformity with the derivatives policy framework of the Ministry of Finance, COVA uses only non-speculative hedges.

If a hedge should nevertheless have an ineffective part, this part will be recognised in the income statement.

Cash flow statement

The cash flow statement is based on the indirect method, except with regard to the interest payments and receipts.

Notes to the balance sheet and statement of income and expenditure – continued

(including result of current financial year)

In €			
1.	Tangible fixed assets - office equipment: € 41,731 (2023: € 26,690)		
	2024		2023
Acquisition price at start of financial year	167,219		217,770
Investments	28,544		2,384
Write-downs	(9,687)		(52,935)
Acquisition price at end of financial year	186,076		167,219
Cumulative depreciation at start of financial year	140,529		175,678
Depreciation in current financial year	13,503		17,786
Write-downs	(9,687)		(52,935)
Cumulative depreciation at end of financial year	144,345		140,529
Book value at end of financial year	41,731		26,690

Notes to the balance sheet and statement of income and expenditure - continued

In €

2. Inventories: € 1,817,018,436 (2023: € 1,843,684,698)

	Quantity	Cost price	Cost price	Adjustment to lower market value	Cost price/lower market value
	t	€/t	€	€	€
2024					
Crude oil	2,292,627	316.99	726,736,059		726,736,059
Gasoline	270,115	717.01	193,676,283	(6,040,591)	187,635,692
Gasoil	1,245,543	748.48	932,263,341	(82,292,057)	849,971,284
Bio HVO	9,676	2,134.93	20,658,122	(3,776,452)	16,881,670
Jet A1	59,914	597.42	35,793,731		35,793,731
	3,877,875		1,909,127,536	(92,109,100)	1,817,018,436
2023					
Crude oil	2,292,627	316.99	726,736,059		726,736,059
Gasoline	270,305	717.01	193,812,050	(33,247)	193,778,803
Gasoil	1,220,926	749.74	915,380,743	(63,492,164)	851,888,579
Bio HVO	9,676	2,134.93	20,658,122	(2,089,592)	18,568,530
Jet A1	59,914	597.42	35,793,731		35,793,731
	3,853,447		1,892,380,705	(65,615,003)	1,826,765,702
Inventories to be received (diesel)					16,918,996
Total value of inventories					1,843,684,698

The market value of the strategic stocks at the end of 2024 stood at €2,342,696,792 (2023: €2,328,136,338). In comparison: the Platt's closing price for Brent crude at the end of 2024 was \$74.65/bbl, versus \$77.59/bbl at the end of 2023. The strategic stocks are measured at cost, including additional costs, or at market value if this is lower. In 2023, the item 'inventories to be received' related to a gasoil refreshment.

Notes to the balance sheet and statement of income and expenditure – continued

In €		2024	2023
3.	Trade receivables and other current receivables: € 27,164,011 (2023: € 25,256,386)		
	Receivables from Tax and Customs Administration - Stockholding levy	26,291,882	24,184,353
	VAT receivables	37,787	18,166
	Prepaid expenses	554,881	438,155
	Other current receivables	279,461	615,712
		27,164,011	25,256,386

The item 'other current receivables' in 2024 relates to current account interest receivable and an amount of prepaid expenses in connection with the potential purchase of a majority stake in an oil terminal in the north of the Netherlands. In 2023, this item primarily related to current account interest receivable.

4.	Cash and cash equivalents: € 15,224,380 (2023: € 24,483,942)		
	Freely disposable:		
	- Cash in hand	203	203
	- Cash at banks	6,203,540	15,463,102
	Not freely disposable:		
	- Guarantees	9,020,637	9,020,637
		15,224,380	24,483,942

An amount of €9 million in security for excise duty is administered in a separate account. The €9 million guarantee was issued by the Ministry of Finance to Customs on COVA's behalf in relation to COVA stocks stored at bonded warehouses. No excise duty is owed on these stocks, but a guarantee to Customs is required.

Notes to the balance sheet and statement of income and expenditure – continued

In €

5. Equity: € 761,991,658 (2023: € 770,400,840)

Balance as at 1 January 2024	Retained earnings	Distributable product results	Equity
Balance as at 1 January 2024	318,271,135	452,129,705	770,400,840
Result on product sales		-	-
Operating income 2024	18,084,916		18,084,916
Adjustment to lower market value 31-12-2024		(26,494,098)	(26,494,098)
Balance as at 31 December 2024	336,356,051	425,635,607	761,991,658

Balance as at 1 January 2023	Retained earnings	Distributable product results	Equity
Balance as at 1 January 2023	288,903,493	514,911,214	803,814,707
Result on product sales		2,833,494	2,833,494
Operating income 2023	29,367,642		29,367,642
Adjustment to lower market value 31-12-2023		(65,615,003)	(65,615,003)
Balance as at 31 December 2023	318,271,135	452,129,705	770,400,840

The operating result is added to the retained earnings. The result on product sales and the adjustment to lower market value are added to the distributable product results.

Notes to the balance sheet and statement of income and expenditure – continued

In €		2024	2023
6.	Financing: € 1,096,000,000 (2023: € 1,121,000,000)		
	Long-term debts:		
	- Ministry of Finance	926,000,000	986,000,000
	The average interest rate for long-term debts outstanding as at 31-12-2024 is 1.04 % (31-12-2023 0.80 %)		
	Current debts:		
	- Cash loans from Ministry of Finance	-	-
	- Current part of long-term debts	170,000,000	135,000,000
		170,000,000	135,000,000
	Total outstanding debt	1,096,000,000	1,121,000,000
	Of which with an average tenure of more than 5 years:		
	- Ministry of Finance	506,000,000	481,000,000
	Total	506,000,000	481,000,000
The total outstanding debts are guaranteed by the Dutch State, against which a pledge on the strategic stocks was granted to the State. At the end of 2024 there were no derivative contracts.			
7.	Trade payables and other current liabilities: € 1,456,899 (2023: € 2,050,876)		
	Interest due on loans	1,299,717	1,280,597
	Payable in relation to strategic stocks	-	-
	Taxes payable	72,881	69,191
	Other liabilities	84,301	701,088
		1,456,899	2,050,876

Notes to the balance sheet and statement of income and expenditure – continued

In €	2024	2023
------	------	------

8. Off-balance sheet rights and commitments

Annual commitments relating to existing storage contracts that expire at various dates up to and including 2033 amount to approx. €204 million. Of this amount, €66 million will expire within 1 year, €109 million between 2 and 5 years and €29 after more than 5 years.

Annual commitments relating to an office rental agreement and a number of parking spaces starting in 2019 for a period of 10 years amount to approx. €75 thousand per year including service costs. A guarantee of €20,637 was provided to a third party for the rent of office space.

9. Stockholding levy € 99,910,161 (2023: €102,132,923)

Stockholding levy received in the bank	97,802,631	104,972,544
Change in deferred stockholding levy receivable from Customs because of COVID-19 support measure	(771,507)	(785,194)
Outstanding stockholding levy receivable from Customs	1,109,970	(105,501)
Difference between cash month and accrual month	1,769,066	(1,948,926)
	99,910,161	102,132,923

Since early 2021, the Tax and Customs Administration provides transparency about administrative delays of outstanding stockholding levies. A part of the deferred payments is related to support measures provided by the government during the COVID-19 lockdowns. Another part is related to a changed payment methodology by the Tax and Customs Administration. Of these two deferred amounts, a sum of €8,004,634 (2023: €7,666,171) was still outstanding as a receivable (see also note 3: Receivables from Tax and Customs Administration). A part of the receivable relating to COVID-19 support measures was repaid in 2024.

Notes to the balance sheet and statement of income and expenditure - continued

In €		2024	2023
10.	Ticket sales - (2023: € -)		
	The ticket sales for the year can be split into the following categories:		
	crude oil	-	-
	gasoline	-	-
	gasoil	-	-
		-	-
11.	Exchange result realised on product purchases/sales and sundry income € - (2023: -€ 2,164)		
12.	Storage rental fees € 67,651,304 (2023: € 63,792,329)		
	The total contracted storage volume at the end of the financial year was approx. 4.75 million m ³ (2023: approx. 4.75 million m ³).		
13.	Inventory insurance fees € 988,002 (2023 : € 1,444,639)		
	These relate to all-risk, liability and transport insurance in respect of strategic stocks.		
14.	Inventory volume differences € 280,563 (2023 : € 192,955)		
	These are measurement differences during storage, pumping and transport and measured density differences.		
15.	Inspection/refreshment costs € 81,558 (2023 : € 61,271)		
	These are the costs of inspection agencies engaged for quantitative and qualitative stock inspections.		
16.	Transport costs € 1,140 (2023 : € -)		
	This relates to demurrage charges incurred during the release of a batch of gasoil.		
17.	Net financial charges € 10,678,130 (2023 : € 5,350,367)		
	Interest charges	11,658,538	9,199,567
	Interest income	(980,408)	(3,849,200)
		10,678,130	5,350,367

COVA receives current account interest income because of the positive short-term interest rate.

Notes to the balance sheet and statement of income and expenditure – continued

In €	2024		2023
18. Staff costs € 1,653,576 (2023 € 1,453,981)			
Salaries management	318,972	291,405	
Salaries other staff	623,450	614,354	
Social security charges management	24,010	22,337	
Social security charges other staff	70,927	70,746	
Pension charges management	45,690	45,255	
Pension charges other staff	443,539	319,468	
Other staff costs	126,988	90,416	
	1,653,576		1,453,981
Average number of FTE 7.3 (2023 FTE 7.8). The Staff costs also include the payments to directors under ‘Salaries other staff’; more details can be found under the Wnt accountability statement. (see page 56)			
19. Office rental and depreciation € 98,080 (2023: € 105,251)			
Depreciation of tangible fixed assets	13,503	17,786	
Office rental including service charges, energy, cleaning and other costs	73,676	77,616	
Telecommunication	10,901	9,849	
	98,080		105,251
20. Third-party services and general insurance € 253,585 (2023 € 251,578)			
Accountants (audit of the financial statements)	48,400	53,140	
Other third-party services	170,623	158,382	
General insurance costs	34,562	40,056	
	253,585		251,578
21. Other costs € 139,308 (2023: € 115,073)			
Subscriptions, documentation, office supplies, postage, office material, office management and other charges	136,819	107,138	
Representation charges	2,489	7,935	
	139,308		115,073
22. Result on product sales € (2023: € 2,833,494)			
Revenue	-	18,459,360	
Cost price	-	(15,625,866)	
Result	-		2,833,494

Accountability statement under the Standards for Remuneration act (Wnt)

Remuneration of officials

The Netherlands Petroleum Stockpiling Agency (COVA) has to meet the publication requirement laid down in Section 4.1 of the Standards for Remuneration Act (Wnt) in relation to the top officials, former top officials and supervisors mentioned below. Pursuant to Section 4.2 Wnt, this also applies to officials whose remuneration during the financial year, restated to the full-time equivalent on an annual basis, exceeded the statutory remuneration cap.

During the financial year, there were no top officials, former officials or supervisors whose remuneration exceeded the Wnt cap.

Top officials, former top officials

Position details	G.J. ten Broeke <i>Managing Director</i>	B. Ent <i>Strategy & compliance manager</i>
<i>Amounts in €</i>		
Details 2024		
Start and end dates of position in 2024	1-1 to 31-12	1-1 to 31-12
Full-time equivalent of the contract	1.0	1.0
Employment contract?	yes	yes
Remuneration		
Remuneration plus taxable reimbursements	169,738	148,277
Provisions for post-employment benefits	23,425	22,265
Subtotal	193,163	170,542
Individual remuneration cap applicable	233,000	233,000
-/- Undue payments	-	-
Total remuneration 2024	193,163	170,542
Reasons for undue payments	Not applicable	Not applicable
Information on claims relating to undue payments	Not applicable	Not applicable
Details 2023		
Start and end dates of position in 2023	1-1 to 31-12	1-1 to 31-12
Full-time equivalent of the contract	1.0	1.0
Employment contract?	yes	yes
Remuneration		
Remuneration plus taxable reimbursements	152,270	138,834
Provisions for post-employment benefits	22,662	22,593
Subtotal	174,932	161,427
Individual remuneration cap applicable	223,000	223,000
Total remuneration 2023	174,932	161,427

The remuneration cap applicable to Stichting COVA in 2024 is €233,000, which is the general remuneration cap.

Board model

Position details	J.F. de Leeuw <i>Chairman</i>	G.R. Roukens <i>Board member</i>	I.J.M. Stegmann <i>Board member</i>	J.W.C.M.G. Steeman <i>Board member</i>	H. Trumpi <i>Board member</i>
<i>Amounts in €</i>					
Details 2024					
Start and end dates of position in 2024	1-1 to 31-12	1-1 to 31-12	1-1 to 31-12	1-1 to 31-12	-
Remuneration	22,926	18,218	18,218	18,233	-
Individual remuneration cap applicable	34,950	23,300	23,300	23,300	-
-/- Undue payments	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total remuneration	22,926	18,218	18,218	18,233	-
Reasons for undue payments	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Details 2023					
Start and end dates of position in 2023	1-12 to 31-12	1-12 to 31-12	1-9 to 31-12	1-9 to 31-12	1-1 to 31-8
Remuneration	21,435	17,065	5,729	5,776	11,394
Individual remuneration cap applicable	33,450	22,300	7,433	7,433	14,867

Profit appropriation and post balance sheet events

Appropriation of the result for the year

The operating result of €18,084,916 was added to the retained earnings. The downward revaluation of the stocks to lower market value, amounting to €26,494,097, was charged to the distributable product results.

Post balance sheet date events

None.

Signing of the financial statements

The annual report and the financial statements were adopted at the 194th meeting of the Board of Stichting COVA.

Rotterdam, 19 May 2025

Stichting COVA

drs. G.J. ten Broeke RC
Managing Director

ing. B. Ent
Strategy & Compliance Manager

Board of Stichting COVA

ir. J.F. de Leeuw
Chairman

mr. I.J.M. Stegmann
Board Member



Board and management COVA. From left to right Bob Ent, Bert Roukens, Gertjan ten Broeke, Johan de Leeuw, Inge Stegmann and Jos Steeman.

drs. G.K. Roukens
Deputy Chairman

drs. J.W.C.M.G. Steeman MBA
Board Member

List of abbreviations

Abbreviation	Description
ACOMES	Annual Coordination Meeting of Entity Stockholders
AED	Operator of an essential service (<i>Aanbieder Essentiële Dienst</i>)
ARA region	Amsterdam-Rotterdam-Antwerp region
GDPR	General Data Protection Regulation
Backwardation	Market situation in which future prices are lower than spot prices
Bbl	Barrel, 42 US gallons, 159 litres
BFI	Business operations, Finance and IT (annual meeting with KGG)
BMG	Benchmark Group (ACOMES working group)
BPG	Best Practice Group (ACOMES working group)
Brent	Crude oil benchmark for 'European' oil (formally 'Dated Brent')
BRZO+	Major Accidents (Risks) Decree (<i>Besluit Risico's Zware Ongevallen</i>) (hazardous substances), collective name for the Alliance of government agencies focusing on inspection and enforcement at large high-risk companies (from 2024 SEVESO+)
CBS	Statistics Netherlands (<i>Centraal Bureau voor de Statistiek</i>)
Contango	Market situation in which future prices are higher than spot prices
COVID-19	COronaVirus Infection Disease 2019
CSRD	Corporate Sustainability Reporting Directive
DGKE	Director (or Directorate) General for Climate and Energy Policy
EBN	Energiebeheer Nederland
ELABCO	Experts Laboratory Coordination (ACOMES working group)
ERE	Emergency Response Exercise (IEA)
EU	European Union
FEZ	Financial and Economic Affairs Department

Abbreviation	Description
HVO	Hydrotreated Vegetable Oil - a renewable fuel that can be used as a 100% diesel substitute
I&W	Ministry of Infrastructure and Water Management
ICPG	International Crude Project Group (ACOMES working group)
IEA	International Energy Agency in Paris
IEP	International Energy Programme (IEA Agreement, 1974)
ILT	Human Environment and Transport Inspectorate
ISCC	International Sustainability & Carbon Certification
Jet A1	Aircraft kerosene
KEV	Climate and Energy Report
KGG	Ministry of Climate Policy and Green Growth
Km³	One thousand cubic metres
Kt	Kiloton
Kt COE	Kiloton Crude Oil Equivalent
LCP-O	National Oil Crisis Plan
LPG	Liquefied Petroleum Gas
Middle distil-lates	Diesel, jet fuel and gasoil products released in the middle of a refinery's distillation column
NOVE	Netherlands Organisation for the Energy Sector (<i>Nederlandse Organisatie Voor de Energiebranche</i>)
(d)SG	(Deputy) Secretary-General
OCG	Oil Coordination Group (EU working group)
OECD	Organization for Economic Cooperation and Development
Pbl	Netherlands Environmental Assessment Agency (<i>Planbureau voor de leefomgeving</i>)

Abbreviation	Description
PoS	Proof of Sustainability
COE	Crude Oil Equivalent
SAF	Sustainable Aviation Fuel
SEVESO+	Alliance of government agencies focusing on inspection and enforcement at large high-risk companies (until 2024 BRZO+)
SEQ	Standing group on Emergency Questions (IEA working group)
SOM	Standing group on the Oil Market (IEA working group)
Ticket	Contract with the right to buy a specific quantity of oil or oil product at a later time at the market price then applicable
USD	United States Dollar
VEMOBIN	Energy for Mobility and Industry Association (<i>Vereniging Energie voor Mobiliteit en Industrie</i>)
VOTOB	Dutch Association of Tank Storage Companies (<i>Vereniging van Nederlandse Tank Opslag Bedrijven</i>)
Wbni	Network and Information Systems Security Act (<i>Wet bescherming netwerk- en informatiesystemen</i>)
Wnt	Standards for Remuneration Act (<i>Wet normering topinkomens</i>)
Woo	Open Government Act (<i>Wet open overheid</i>)
Wva	Petroleum Products Stockpiling Act (<i>Wet voorraadvorming aardolieproducten</i>)

Other information

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT

To the board of Stichting Centraal Orgaan Voorraadvorming Aardolieproducten

Report on the audit of the financial statements 2024 included in the annual accounts

Our opinion

We have audited the financial statements 2024 of Stichting Centraal Orgaan Voorraadvorming Aardolieproducten, based in Rotterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Centraal Orgaan Voorraadvorming Aardolieproducten as at 31 December 2024, and of its result for 2024 in accordance with the RJ-Richtlijn 640 'Organisaties zonder winststreven' (Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board) and the conditions and requirements of the Dutch act 'Wet normering topinkomens (WNT)'. In our opinion, the revenues, expenses, and balance sheet changes accounted for in the financial statements for 2024 comply in all material respects with the requirements of financial legality. This means that these amounts are in accordance with the relevant laws and regulations as stated in the auditor's protocol of the Central Agency for Stockholding of Oil Products (COVA) from December 2020.

The financial statements comprise:

1. The balance sheet as at 31 December 2024.
2. The statement of income and expenditure 2024.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Deloitte Accountants B.V. is registered with the Trade Register of the Chamber of Commerce under number 24362853. Deloitte Accountants B.V. is a Netherlands affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited.

25064A0DC2/JO/1



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 Stichting Centraal Orgaan Voorraadvorming Aardolieproducten in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how those charged with governance exercise oversight, as well as the outcomes. We refer to section 'Management of risks and uncertainties' of the annual report, in which the joint risk analysis, including fraud risks, by the board and management is explained.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Based on this work and the risk assumed in the auditing standards, we have assessed the presumed fraud risks related to the override of internal controls by the management, including whether there are indications of biases in the management that may pose a risk to a material misstatement due to fraud.

25064A0DC2/JO/2



Our audit work with regard to fraud risks focuses on an evaluation of the design and implementation of the relevant internal controls to mitigate these risks.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of relevant members of the board and management.

We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

We evaluated whether the selection and application of accounting policies by the entity, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.

We evaluated whether the judgments and decisions made by management in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud.

This did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach compliance with laws and regulations

We assessed the laws and regulations relevant to the entity through discussion with the director, reading minutes of the board and the management joint meetings.

As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: compliance with the auditor's protocol of the Central Agency for Stockholding of oil products (COVA) from December 2020, and as derived from the protocol the provisions according to the WVA 2012 and the prevailing underlying further regulations included in the implementation regulation for stockholding of oil products 2013 and the decision on stockholding of oil products 2013.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Apart from these, the entity is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Given the nature of the foundation's business and the complexity of these other laws and regulations, there is a risk of non-compliance with the requirements of such laws and regulations.

25064A0DC2/JO/3



Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to the entity's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to (i) inquiry of management, those charged with governance, the executive board and others within the entity as to whether the entity is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Audit approach going concern

Our responsibilities, as well as the responsibilities of the board and management, with regard to the going concern assumption are described in the chapter "Description of responsibilities with regard to the financial statements."

In our audit, we have established that the entity is fully financed by the national government through the inventory levy and through long-term financing. Long-term financing is currently provided within the funding cap issued in 2012. The inventory position of the entity has been pledged as collateral to cover the long-term debts. Compared to the funding cap for further long-term financing, the foundations long-term financing is currently 369 million euros lower than the guarantee ceiling. Over the past years, the entity has realized a positive operating surplus. According to the 'WVA', the Dutch government is liable for any remaining debts that remain in the event of the foundation's dissolution.

The foundation has explained the going concern assumption in the annual report section "Continuity" on page 27 of the annual report.

Compliance of the anti-cumulation provision of the WNT was not audited

In accordance with the Regulation Audit Protocol WNT 2024, we have not audited the anti-cumulation provision, as referred to in Article 1.6a WNT and Article 5, paragraph 1, sub n and o of the Implementation Regulation WNT. This means that we have not audited whether or not there is an excess of the norm by a leading top official due to any employment relationships as a leading top official at other WNT-obligated institutions, nor whether the explanation required in this context is correct and complete.

25064A0DC2/JO/4



Report on the other information included in the annual accounts

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

The other information consists of:

- Annual Report
- List of abbreviations.
- The other Information.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and is inclusive of all information that is required based on the guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with the guidelines for annual reporting of the Dutch Accounting Standards Board.

25064A0DC2/JO/5



Description of responsibilities regarding the financial statements

Responsibilities of management and the board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the RJ-Richtlijn 640 'Organisaties zonder winststreven' (Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board), the conditions and requirements of the Dutch act 'Wet normering topinkomens (WNT)'.

Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Management is under the supervision of the board responsible for overseeing the foundation's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective 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 misstatements, whether due to fraud or error, during our audit.

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

We have exercised professional judgment and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

25064A0DC2/JO/6



- 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 company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.
- Concluding on the appropriateness of the board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company'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 company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Rotterdam, 19 May 2025

Deloitte Accountants B.V.

Signed on the original: L.M. Stokman

25064A0DC2/JO/7

COVA

Boompjes 40
(Gebouw Willemswerf)
3011 XB Rotterdam
The Netherlands

Telephone +31 10 413 47 40

E-mail cova@cova.nl

Editor

HVB Communicatie

Translator

Marga Scott-Johnson

Design & layout

Buro Eigen