

HIVOS ANNUAL REPORT 2022



**SPEAKING UP
FOR CHANGE**

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Hivos
people unlimited



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01 Message from the Executive Board

What a rollercoaster ride 2022 took us on. No sooner did the Covid pandemic start to loosen its grip, than Russia invaded Ukraine and the prices of food, fertilizer and energy went through the roof. In many countries, politicians failed to act to protect people's access to everyday essentials, and some even cut public spending further. Angry that their governments were seemingly ignoring them, people embarked on a wave of protests around the world.

Instead of listening, many governments just cracked down harder on activists, journalists and peaceful protestors. Including in countries with a strong democratic tradition. Anti-rights social and political agendas also gained ground worldwide last year, propelling populist leaders and parties to high office in numerous countries and facilitating their attempts to seize power in others.

In Afghanistan, the Taliban closed schools and universities to female students beyond the sixth grade. In Iran, 22-year-old Mahsa Jina Amini died in police custody after being arrested for not wearing her hijab correctly. Spontaneous demonstrations led by young women around the country were met with brutal repression: over 530 peaceful protestors were reported to have been killed by Iranian security forces by the end of the year.

But authoritarian countries were not the only arenas for deadly backlashes in 2022. Our partner ILGA World reported that anti-LGBTIQ+ violence reached a 10-year high in Europe last year. In the US, the Supreme Court revoked the right to abortion, a decision expected to increase the deaths of black women in pregnancy by a third. Emboldened by this success at home, American conservatives channeled massive funding to anti-choice and anti-LGBTIQ+ campaigns in many other countries.

Conservative forces around the world also mobilized to spread climate denialism and block environmental action. This despite Europe experiencing its worst drought in 500 years; 22 million people in the Horn of Africa facing the threat of famine; and epic floods submerging a third of Pakistan under water.

Scientists issued a last-ditch warning that such impacts will soon threaten human survival unless all new fossil fuel development stops now. Yet energy companies – unimpeded by governments – plowed much of their record-breaking windfalls from the Ukraine crisis straight into in new oil, gas and coal projects. And while oil companies doubled their profits, developing countries once again left the UN climate negotiations with empty pockets. To date they have received only a tiny fraction of the funds they need to protect themselves from the worst climate impacts.

BEACONS OF HOPE

Fortunately, 2022 also shone some rays of hope on the path to a better, fairer future. In fact, some of the movements and coalitions that Hivos and partners have been building for years achieved remarkable successes last year:

Gender Equality, Diversity and Inclusion

- In South America's Andes region, we got the Andean Parliament and its individual member states to adopt trailblazing policies, regulations and programs protecting LGBTIQ+ rights.
- With the Work No Child's Business coalition, we helped over 500,000 children in six countries to stay out of the workforce. For example, in Busia, Uganda, many girls struggled to return to school after Covid lockdowns ended. So Hivos worked with local government to find pathways for girls and teenage mothers back into formal education or vocational training. Our advocacy also helped to secure a global pledge from world leaders to fight child labor by increasing investment in universal, quality education for all, especially girls.

Climate Justice

- Sonia Guajajara, one of our long-time partners in the Indigenous peoples' movement in the Amazon, was appointed the first ever Minister for Indigenous Affairs in Brazil. She immediately set about strengthening legal protections to prevent Indigenous forest territory being taken over by miners and cattle ranchers.
- Another of our partners in the Amazonian Indigenous movement, Alexandra Narvaez, won the 2022 Goldman Prize (also known as the Green Nobel Prize) for spearheading community efforts that led Ecuador's courts to cancel 52 illegal mining concessions inside Indigenous territory.

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- We reached a milestone of over 9,100 women entrepreneurs providing affordable renewable energy to more than 4.5 million people in energy-poor communities, thanks to training and support from the ENERGIA network.
- We signed up 84 public and private actors to the Gender and Energy Compact, launched by ENERGIA and two other global organizations in 2021. Compact members, who include governments, inter-governmental bodies, financing institutions, companies, academia and NGOs, committed to take action towards a gender-just and sustainable energy transition.
- Our GreenWorks program created some 3.600 green jobs for young people in the MENA region, over half of them young women.

Civic Rights in a Digital Age

- Hundreds of human rights defenders and journalists around the world were able to advance and protect digital freedom through our Digital Defenders Partnership. An impressive array of results in 2022 included uncovering persecution of the LGBTIQ+ community and abuse of police powers in Russia; producing a “home-grown” guide for women and girls in Nigeria to combat online gender-based violence; launching the Tech Care digital safety support guide for smaller civil society organizations and grassroots groups, and equipping feminist digital rights activists in Latin America with offensive security skills.

SHIFTING POWER

As these successes show, the key to lasting change is bolstering the leadership of people facing injustice and marginalization. Hivos supports their efforts to create their own vision of a better world. And we assist them in organizing to gain power locally, nationally and globally, so they can make change happen.

Consistent with this philosophy, we took further steps in 2022 to shift decision-making and control of resources from Hivos to our Global South partners. For example, by adopting participatory grant-making in our flagship multi-country programs and ensuring that program design and governance is fully shared with partners. Internally, we also transferred more responsibilities from our head office in the Netherlands to our hubs in Costa Rica, Kenya, Lebanon and Zimbabwe. For example, most of our multi-country programs are now led and managed from one of these regional hubs. And we established an International Works Council to ensure that all Hivos staff, regardless of where they are based, have a voice in important decisions about the organization’s strategy and policies.

WE ARE INSPIRED

We are grateful to our long-term funding partners and individual supporters for making our work possible: our private donors in the Netherlands; the Dutch Ministry of Foreign Affairs; the Swedish International Development Cooperation Agency; the Global Fund to Fight AIDS, Tuberculosis and Malaria; and the Dutch Postcode Lottery, amongst others. We thank them wholeheartedly and look forward to continue our collaboration.

In closing, we want to express our special appreciation for Hivos’ staff and partners. The Covid pandemic took a heavy personal and organizational toll on many - yet the turbulent events of 2022 afforded them little chance for respite. Indeed, for some the past year brought harsher conditions and greater dangers. But they somehow found new reserves of energy to keep going, patiently building the power of excluded and threatened people one step at a time.

Every day, we’re inspired by the courage, creativity and determination of those we work with. In the face of growing anti-rights forces, Hivos must and will do even more to support people’s movements for inclusion and justice around the world.

The Hague, October 27, 2023



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02 The Hivos Way

Hivos was founded in 1968, inspired by humanist values. In our first ever brochure, our founders wrote that “necessary changes should spring from communities themselves – from people at the base of society.” These convictions are still reflected in our work.

VISION

Hivos firmly believes in every person’s right to live in freedom and dignity, to enjoy equal opportunities, and to influence decisions made regarding the changes they want to see in their lives, communities and country.

We envision a world in which individual differences and backgrounds are respected and used to strengthen communities. A world in which people join forces to challenge the power imbalances that allow environmental degradation and propel climate change; that condone exploitation, oppression and exclusion; and that perpetuate gender inequalities.

MISSION

Hivos works for a world where people can realize their full potential, unleashing their ingenuity and creativity to build fair, just and life-sustaining societies for themselves and generations to come. Our mission is to amplify and connect voices that promote social and environmental justice and challenge power imbalances. We particularly empower underrepresented rightsholders to raise their voice and demand freedom of choice.

Hivos supports the development of alternative solutions to deep-seated problems so that individuals and communities can make responsible and equitable choices within political and economic systems that serve their needs and preserve the planet. We connect people and organizations offering alternatives to those looking for solutions in their fight for social and environmental justice.

CORE VALUES



We believe that human life in its many forms is valuable; that all people deserve to achieve their full potential, while bearing responsibility for sustaining our natural environment. Living a life in freedom and dignity, with respect for each other and the planet, leads to greater individual well-being and fair, vibrant societies.

FIVE STRATEGIES FOR CHANGE

INFLUENCING POLICIES AND PRACTICES



SUPPORTING FRONTRUNNERS



MOVING THE MIDDLE



FORGING MULTI-ACTOR INITIATIVES

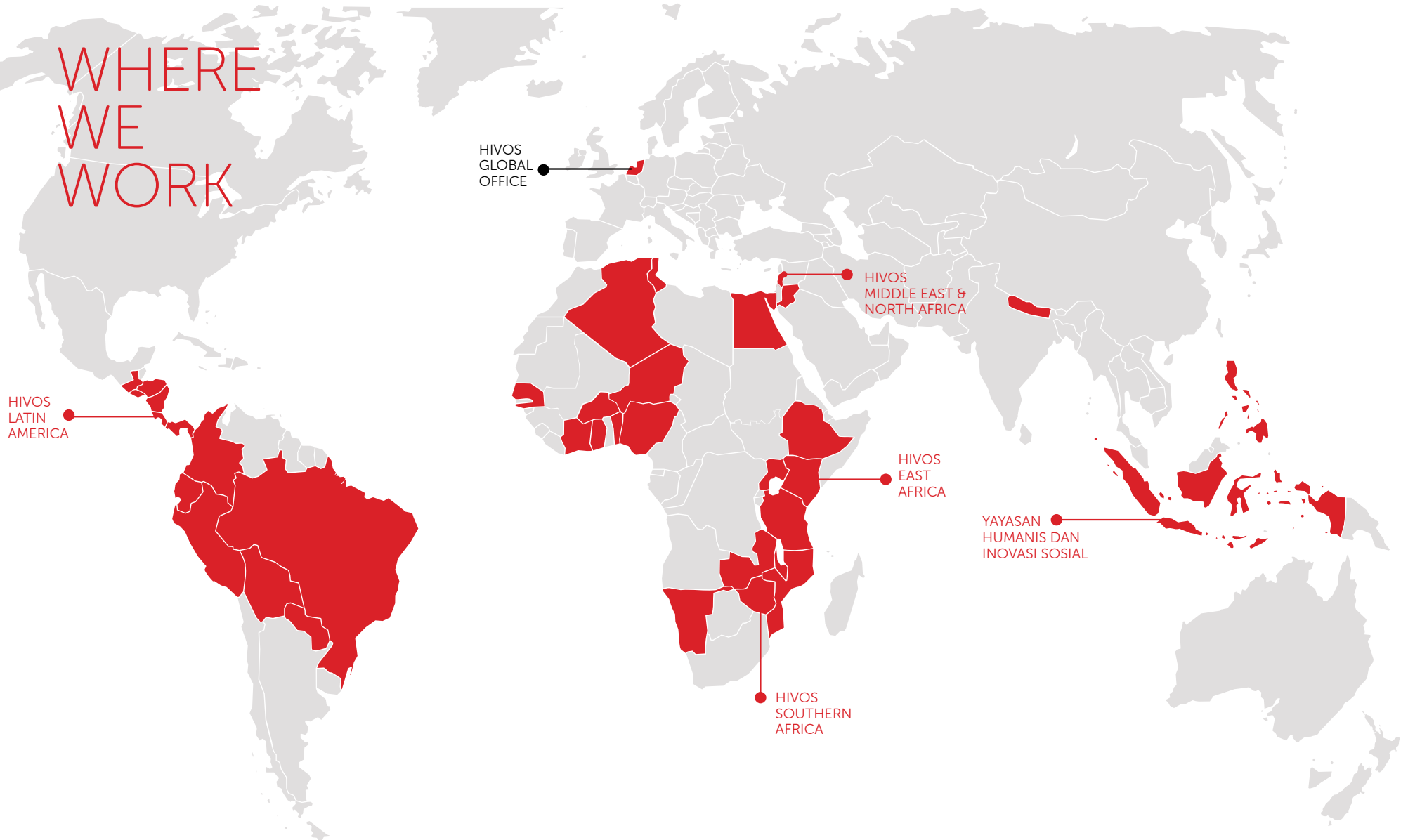


BOOSTING LOCAL OWNERSHIP



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WHERE WE WORK



- | | | | | | | | |
|--------------|---------------|-------------|-----------|------------|----------|-----------------|-------------|
| Algeria | Colombia | El Salvador | Indonesia | Mali | Nigeria | Philippines | Tunisia |
| Benin | Costa Rica | Ethiopia | Jordan | Mozambique | Niger | Rwanda | Timor-leste |
| Bolivia | Cote d'Ivoire | Ghana | Kenya | Namibia | Panama | Senegal | Uganda |
| Brazil | Ecuador | Guatemala | Lebanon | Nepal | Paraguay | Tanzania | Zambia |
| Burkina faso | Egypt | Honduras | Malawi | Nicaragua | Peru | The Netherlands | Zimbabwe |

- Global office
- Regional hubs
- Where we work

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03

Key Figures



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NUMBER OF PARTNER ORGANIZATIONS

533

Worldwide

51

Asia

71

MENA

46

Africa

251

Latin America

114

TOTAL SPENT ON OBJECTIVES

71,166



Gender, Equality, Diversity & Inclusion
38,820



Climate Justice
17,321



Civic Rights in a Digital Age
6,369

Other
8,656

TOTAL INCOME



Income from lottery organizations
4,836

Income from companies
2,623

Income from private individuals
2,083

76,802

Amounts
x1,000 euros

Income from government subsidies
55,630

Income from other non-profit organizations
9,427

Other income
2,202

FINAL OPERATING RESULT

-1,277



Reserves and funds
65,133



Solvency rate
56%



Current ratio
1.7



Spent on generating income
1,440



Management and accounting costs
5,428



Exceptional items and provisions
-50

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04

Impact 2022

HIVOS IS FOCUSING ON THREE
IMPACT AREAS:

- Gender Equality, Diversity and Inclusion
- Climate Justice
- Civic Rights in a Digital Age



For further details please see our
Strategic Compass 2021-2024.



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4.1 GENDER EQUALITY, DIVERSITY AND INCLUSION

Increasing inequality and discrimination, together with growing political repression, are having a particularly devastating impact on girls and young women, as well as youth with diverse sexual orientation and gender identities.

We support these groups to build resilient movements, and together with them we advocate for policies, laws and public services that advance equality for all.

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BUILDING STRONG LGBTIQ+ MOVEMENTS

The LGBTIQ+ community around the world is facing increasing inequality, discrimination and violence. Resilient and diverse movements play a crucial role in countering global anti-rights forces. Here we take a closer look at the concerted efforts of several of our programs in Latin America to protect the rights of LGBTIQ+ people.

Harnessing political power

In four countries in the Andean Region, we established a unique school for political training. The EMPODERA school has so far trained 420 LGBTIQ+ leaders in advocacy, security and spokespersonship.

Their leadership led to a huge victory when the Andean Parliament approved Recommendation No. 439. This historic ruling called on Andean member states to protect the human rights of LGBTIQ+ people. More than 40 other pro-LGBTIQ+ policies, programs and legal rulings were additionally approved by the member states. Thanks to the support of private donors in the Netherlands, Hivos can continue its work in the Andean region in 2023. The aim is to ensure the individual Andean countries translate the recommendation into national laws.

Mapping violence

To combat inequality with justice, you need hard evidence. Especially when people deny that violence specifically targeting LGBTIQ+ people exists. So we use data, which provides hard evidence of human rights violations that activists and organizations can use to investigate and prosecute violence against the community.

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If there is no data, the problem does not exist. This data shows that violence against us exists.

Leonard Ortega
Guatemalan partner GAX

- We created the open data portal CUCR in Honduras.
- We supported the LGBTIQ+ Open Data Center in Guatemala.
- In collecting and analyzing data, our partner GAX exposed the inefficient prosecution of violence against the LGBTIQ+ community. As a result, a rare public debate ensued about legal frameworks and protocols in Guatemala.
- In four Andean countries we report annually on rights violations.

Changing the narrative

Leadership training and evidence building are important tools to increase public awareness and build confident LGBTIQ+ movements.

- In the four Andean countries our work led to 144 ground-breaking data-based reports and human-interest stories that appeared in local and national media outlets. They both influenced public opinion and presented new narratives in defense of the LGBTIQ+ population’s rights. Evidence of this is that by December 2022, over 5,800 complaints had been received and dealt with by justice systems in the countries, a strong indication of increase public awareness.
- With the Creation Room we established a virtual laboratory that helped journalists and activists create new, more accurate LGBTIQ+ narratives. Together, they not only produced 16 multi-format communication products, but also created the community journalism manual Free to Communicate.



PROGRAMS

ADELANTE CON LA DIVERSIDAD (PHASE II)

Period: 2020 – 2023

Donor: European Union and private individual donors

Partners: Promsex (Peru), Sendas (Ecuador), ADESPROC Libertad (Bolivia) and Colombia Diversa (Colombia)

LIBRE DE SER

Period: 2019 – 2022

Donor: The Dutch Embassy in Central America

Partners: Visibles (Guatemala), ASPIDH Arco Iris Trans (El Salvador), Colectivo Unidad Color Rosa (Honduras), Mesa Nacional LGBTIQ and the RDS Nicaraguan social network (Nicaragua), and Transvida, MESART, Accede, Gafadis, and the Presidential Commissioner for LGBTI affairs, among others, as allies in Costa Rica.

GUATEMALA, DIVERSA E INCLUSIVA

Period: 2019 – 2023

Donor: Embassy of Sweden in Guatemala

Partners: Implemented by Hivos’ country office in Guatemala with ODASA, SOMOS, Vidas Paralelas, GAX, Visibles, OSAR, Incide Joven and FLACSO

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AMIRA



RAHINATOU



FLORIDALMA

WE OWN OUR BODIES

Exclusion in health policies has a destructive impact, especially on young people. They need to be able to make informed decisions about their sexuality and health. For this, we must guarantee they have access to quality services and information. That is why in 2022, we trained and supported hundreds of young people across 11 countries to speak up for sexual and reproductive health rights.

Selection of results:

- In Niger, we have successfully found important allies. Rahinatou explains: “The governor in the Maradi region was the first governor to openly support the sexual rights of young girls.”
- In Guatemala, we work with women living with a disability. Floridalma: “The support has helped me grow as a woman. Hivos trained us to give workshops. Our goal was to get 50 women from the community to attend, but actually 80 showed up.”
- In Lebanon, we’re fighting for the sexual health of migrant women, many of whom become victims of modern slavery. Amira: “We’ve trained 90 migrant women in Lebanon. Another 60 women have followed the train-the-trainer workshop.”
- We supported and amplified regional youth-driven SRHR research case studies on subjects such as “ending child marriages amongst girls with disabilities” in Zimbabwe and “promoting adolescent access to sexual and reproductive health services” in Malawi.
- To share best practices and strengthen movements across Southern Africa, we held successful regional webinars and research dissemination meetings in Zimbabwe, Zambia and Malawi, with one attended by more than 1000 people.

PROGRAMS

WE LEAD

Where: Nine countries in Africa, the Middle East and Central America

Period & budget: 2021 - 2025, €40.7 million

Donor: The Dutch Ministry of Foreign Affairs

Consortium partners: Positive Vibes, Restless Development, Marsa, FEMNET, the Central American Women’s Fund. Technical partner: M&C Saatchi World Services

THE REGIONAL SRHR FUND

Where: Program focus countries are Kenya, Malawi, Zimbabwe

Period, donor & budget: 2017-2022 \$9.3 million SIDA, 2022-2025, \$0.6 million Ford Foundation

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ALIANZA LIDERAZGO EN POSITIVO (ALEP)

The Alianza Liderazgo en Positivo (HIV Positive Leadership) and Poblaciones Clave (Key Populations) project strengthened and trained social organizations and key populations to do advocacy work. The goal was to achieve a better quality of life and full human rights for all key populations living with HIV in Latin America. ALEP phase 1 worked in 11 countries and involved over 75 organizations across Latin America and the Caribbean. Looking back over the run of the project (2019-2022) we can highlight some significant achievements.

Selection of results:

- ALEP created the platform Observadatos.org to gather data on the results of citizen monitoring of the HIV response. The data helped the political advocacy of civil society organizations (CSOs) and was useful for holding governments to account for their HIV spending and policies.
- ALEP's studies on community models for access to HIV treatment, purchasing policies, and access to information led to the creation of new roadmaps in five countries for access to treatment and services.
- CSOs in all 11 countries now have strategies in place with authorities for better HIV treatment and information.
- To improve the skills and knowledge of key populations, the project collaborated with academic institutions offering university degrees in HIV and Public Health and created the Leadership Academy for KP leaders. Over 230 people graduated. Another 53 beneficiaries of ALEP graduated from a regional literacy program in the prevention, diagnosis and treatment of HIV.

Phase 2 of ALEP started in October 2022 and will seek to strengthen the project's intersectional perspective by connecting with other agendas, movements, and initiatives in the field of feminism, environmentalism, and education.

PROGRAM ALIANZA LIDERAZGO EN POSITIVO

Where: Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Paraguay and Peru

Period: 2019 - 2022

Donor: The Global Fund to Fight AIDS, Tuberculosis and Malaria

Partners: Country Coordinating Mechanisms where there is a Global Fund program in progress, UNAIDS, and PAHO.

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WE OWN OUR BODIES



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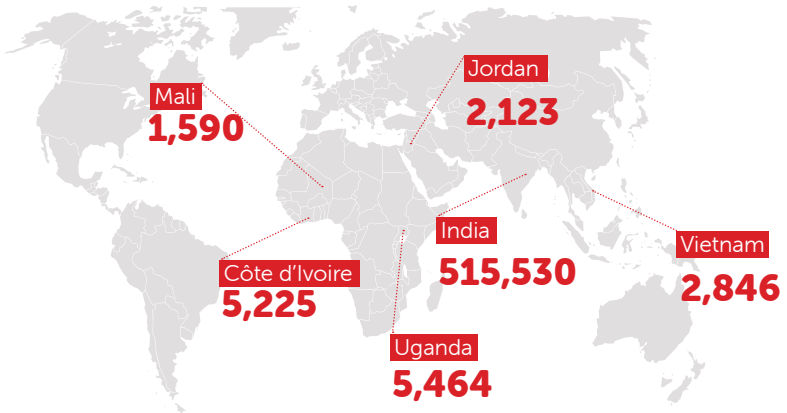
UNICEF Vietnam

FIGHTING CHILD LABOR

The chance to go to school is still being denied to 63 million girls around the world who are engaged in child labour. Many of them end up in forced marriages with devastating life-long consequences for their physical and mental health. That's why, since 2003, Hivos has worked to end all forms of child labor. Since 2019, Save the Children Netherlands, UNICEF Netherlands, and the Stop Child Labour Coalition run Work: No Child's Business (WNCB) – an alliance with Hivos as the lead organization.

Selection of results:

Number of children reached directly in 2022 with child protection services, access to education, and vocational training:



Indirectly, we reached thousands more children in all partner countries in 2022 by economically strengthening their families and communities and successfully advocating for improved policies and practices of governments and companies.

PROGRAM WORK: NO CHILD'S BUSINESS

Where: Cote d'Ivoire, India, Jordan, Mali, Vietnam and Hivos leads implementation in Uganda.

Period and budget: 2019-2024, €35 million

Partners: Save the Children Netherlands, UNICEF Netherlands and the Stop Child Labour Coalition. Hivos is the lead organization and hosts the program management unit.

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FREE TO BE ME

Free to be Me is an innovative program that builds and maintains a movement of self-confident and diverse LGBTIQ+ organizations and activists who advocate for their human and socioeconomic rights. In 14 countries in Africa, the Middle East and Asia we support LGBTIQ+ people so they can assert their rights and start change in their community, country and internationally.

Strengthening LGBTIQ+ organizations

- The programs' success in 2022 was made possible by the joint efforts, hard work and dedication of 163 LGBTIQ+ organizations funded by the program.
- In 2022 over €6.8 million in grants was disbursed. A large part of these funds was disbursed through the participatory grant-making mechanism with national level panels formed in 10 countries.
- 109 nascent organizations received capacity strengthening in various aspects of organizational development, including lobby and advocacy, program design, implementation, reporting, finance management, and proposal writing.

Good news from Zimbabwe

In Zimbabwe we actively worked to oppose the Crossdressers Bill. This was a proposed amendment to the Same-Sex Marriage Prohibition Act that targeted trans and non-binary people. Thanks to the collective efforts of the Communities of Action and other stakeholders, the Crossdressers Bill was rejected by the National Assembly in December 2022.



I hope to see people's perception of the LGBTIQ+ population starts to change and they will increasingly behave as an ally, rather than an enemy, of our community.

Teddy Munyimani *Communities of Action Facilitator in Hivos' Free to be Me program*

PROGRAM FREE TO BE ME

Where: Fourteen countries in Africa, the Middle East and Asia

Period & budget: 2021 – 2025, €37.0 million

Donor: the Dutch Ministry of Foreign Affairs

Partners: Positive Vibes, ILGA World, Global Interfaith Network, Workplace Pride,

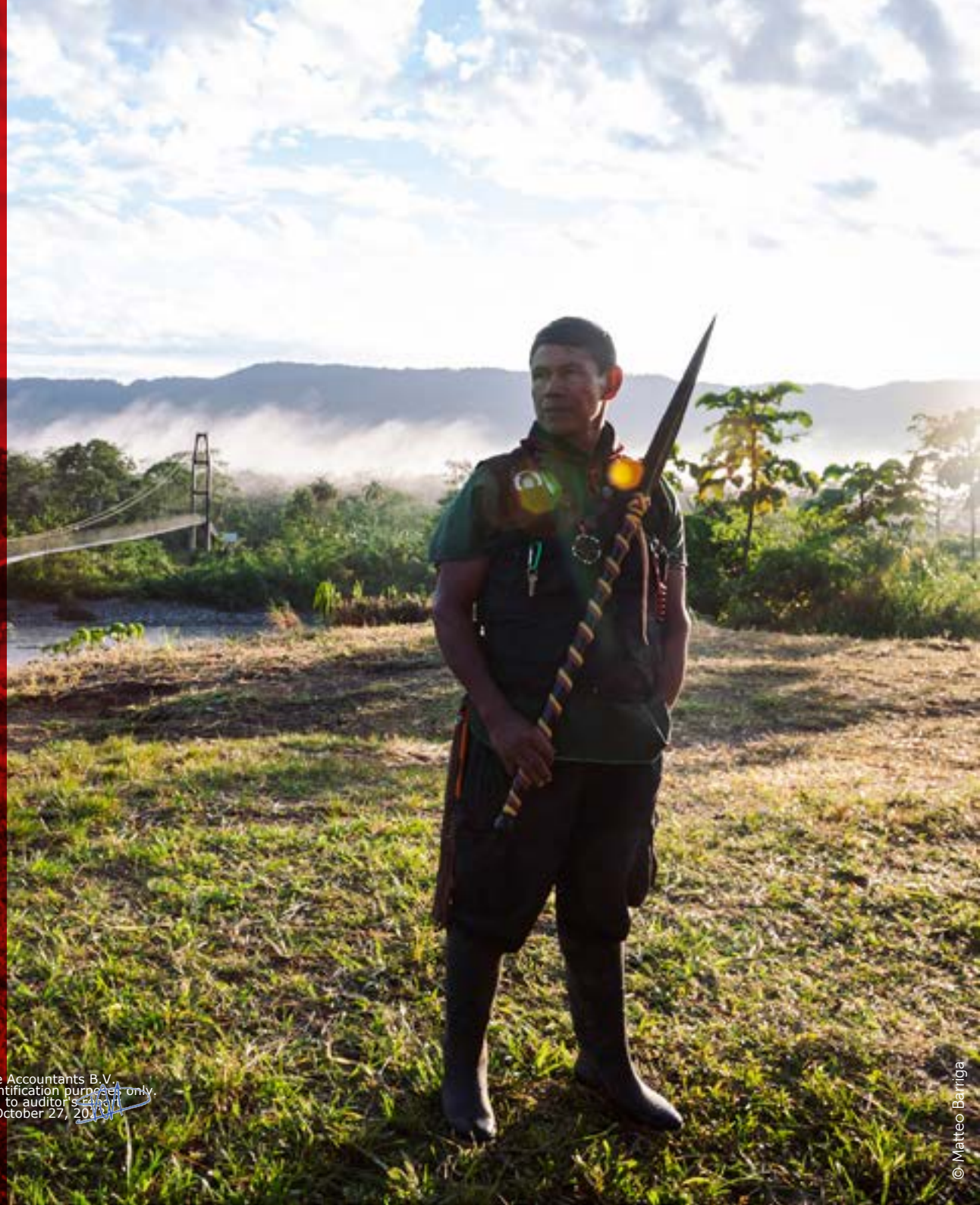
Sogicampaigns

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4.2 CLIMATE JUSTICE

During 2022, climate-related disasters such as floods, droughts, heatwaves and wildfires killed or displaced hundreds of millions of people. Most of them were in the developing world, which has done the least to cause global warming. Hivos is focusing on shifting resources and decision-making power to communities on the frontlines of the climate emergency in the Global South, so that they can drive their own climate solutions.



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SUCCESSFULLY CREATING SUSTAINABLE JOBS

We believe that youth, women, and others most affected by climate change, should have the resources they need to implement their own climate solutions. Solutions that are highly effective because they meet local needs, suit the local context, and create sustainable economic opportunities. That is why Hivos supports women-led renewable energy through our ENERGIA program and green jobs for youth in our GreenWorks program.

Young people in North Africa

- In 2022, the GreenWorks Alliance employed 3,600 young people and supported 153 social enterprises in Egypt, Tunisia and Algeria.
- The alliance successfully helped its social enterprise entrepreneurs to leverage more than 10 million euros in the same year.



At a time when underemployment, unemployment, and extreme vulnerability to climate change are gaining a stranglehold on North Africa, we cannot afford to ignore the huge unexploited potential of green enterprises.

Noha El Sebaie *Program Manager for Green Employability and Entrepreneurship Programs*

NEW PROGRAM

At the end of 2022, Hivos launched the “Challenge Fund for a Just Transition” with which we aim to contribute to climate change mitigation by supporting green small and growing businesses in North Africa. The Challenge Fund for a Just Transition aims to provide sustainable decent jobs for more than 10,000 people in the green transition process in Algeria, Egypt, Morocco and Tunisia.

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Supporting women entrepreneurs

The aim of the ENERGIA network, hosted by Hivos, is to make both energy access and control over sustainable energy services universal, equal and equitable for all. Women are at the center of these efforts. The network also targets governments, multilateral organizations, donors, financial institutions, utilities, and energy companies to promote equal and inclusive opportunities and create an environment where women can thrive.

Selection of results:

- By the end of 2022, we supported over 9,100 resilient renewable energy businesses run by women entrepreneurs in Kenya, Nepal, Nigeria, Senegal and Tanzania.
- 3,600 women entrepreneurs gained access to over €1.4 million of credit mobilized from financial institutions.
- Over 4.5 million consumers in last mile communities were reached with energy-enabled services and products.

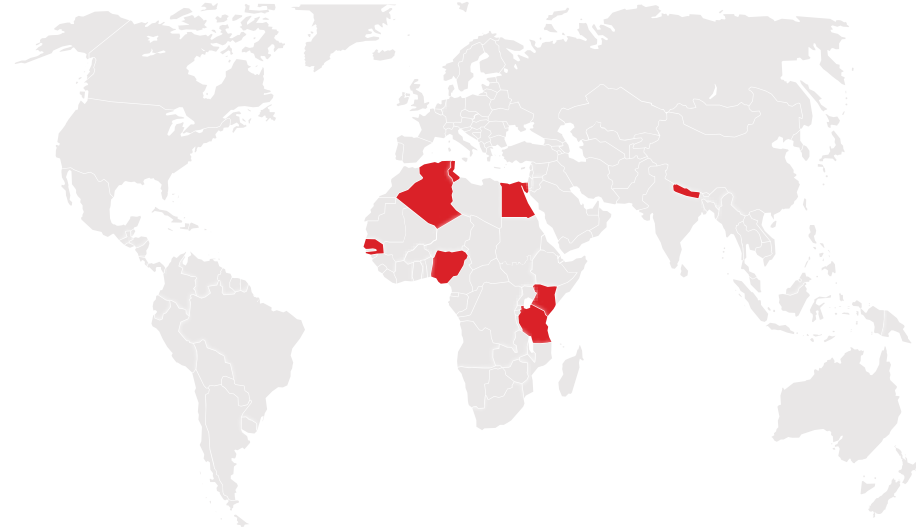


Women must be part of a just, climate-resilient transition. This is absolutely critical to address current and future challenges on a planet with limited resources and gaping inequities.

Sheila Oparaocha *Director of ENERGIA*

ENERGIA's advocacy and lobby activities in 2022 fostered gender equality in the energy sector and ensured that women's voices were heard in energy policy discussions and intergovernmental negotiations, resulting in:

- 176 partnerships formed with civil society organizations, government agencies, private sector actors and research institutions
- 37 (sub)national strategies/policies contributed to an enabling environment for gender and energy
- 21 gender action plans implemented by energy organizations



PROGRAMS

GREENWORKS (LEAD PHASE II)

Where: Egypt, Tunisia, Algeria

Period and budget: 2020 - 2024, €9.3 Million

Donor: The Dutch Ministry of Foreign Affairs

ENERGIA

Where: Kenya, Nepal, Nigeria, Senegal, Tanzania

Period and budget: 2018-2022, SEK 134.7 million

Donors: Swedish International Development Cooperation Agency

Co-funding from other donors (ADB, DGIS, FCDO, UNEP, MCC, AFDB, EnDev, MECS, Hivos, UK PACT, RVO, GIZ, UNIDO)

CHALLENGE FUND FOR A JUST TRANSITION

Period and budget: November 2022 – 2025, €5 million

Donor: The Dutch Ministry of Foreign Affairs through the Challenge Fund for Youth Employment, which is managed by Palladium, VSO Nederland, and Randstad

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PROTECTING THE AMAZON BY DEFENDING INDIGENOUS RIGHTS

With our All Eyes on the Amazon program we have supported Indigenous Amazonians in Peru, Ecuador and Brazil in their fight against deforestation, environmental degradation, and the violation of their rights. The program, which came to an end in 2022, combined state-of-the-art technology, like satellites and drones, with local knowledge. Our mission? To detect and record deforestation, and territorial and human rights violations, and try to end them.



Selection of results:

- Thanks to All Eyes on the Amazon, almost 7 million hectares of rainforest were monitored in Brazil, Ecuador and Peru.
- 1,600 Indigenous and community monitors were trained to collect evidence of deforestation.
- The data collected was used to take four strategic cases to court. In Ecuador, this evidence led to a landmark ruling protecting 79,000 hectares of rainforest.
- To this day, the program's online learning platform connects Indigenous communities and shares valuable lessons and strategies about defending the Amazon with almost 10,000 users.

Reflecting on the historic victory in Ecuador

Indigenous leader Alexandra Narvaez fights against the destruction of the Ecuadorian Amazon. With support from All Eyes on the Amazon, she and her community achieved the legal victory in Ecuador. Alexandra, along with another member of her community, won the 2022 Goldman Environmental Prize for this victory.

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Thanks to the program, we received legal assistance in filing a lawsuit against the government. And technological tools to better monitor our territory. Cameras, drones and an improved warning system for suspicious activities helped us document many illegal activities. This evidence was crucial to winning our court case.

Judges recognized the violation of our rights and the serious risk to the survival of our community that mining posed. 52 mining permits were annulled, a ruling that protects 79,000 hectares of pristine rainforest.

Alexandra Narvaez
Indigenous leader

Our work in the Amazon

Hivos continues to support Indigenous peoples in the Amazon with our Voices for Just Climate Action program in Brazil.

PROGRAM ALL EYES ON THE AMAZON

Where: Brazil, Ecuador and Peru

Period and budget: 2017-2022: €18.8 million

Donor: Dutch National Postcode Lottery

Alliance Partners: Greenpeace plus 24 international and local partners

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VOICES FOR JUST CLIMATE ACTION

With our partners in the Voices for Just Climate Action alliance, we made notable progress towards increasing the voice of Indigenous people, rural women, urban slum-dwellers and other excluded groups in climate decision making across seven countries.

Selection of results:

- Clear recommendations for governments, international donors, and funds to increase and secure the flow of financial resources to local level actors, particularly in African countries.
- Thirty-five Amazonian Indigenous leaders from Brazil attended the COP27. Their effective networking resulted in bringing international participants to post-COP events in Brazil.

Women take on climate change in Zambia

Lucy Dende is a 40-year-old smallholder farmer living with a disability after an accident in 2007 that left her quadriplegic. When the reality of climate change hit her farm, she decided that it was time to act. She met a supportive group of women in her community with whom she helped form the Kasenga Tiyende Pasogolo Women's Club. With the support of Voices for Just Climate Action, the club is now exploring local solutions for climate change.

Joining Voices for Just Climate Action has changed the game for us. We are now more knowledgeable about climate change, very aware of our environment, and busy planting trees to tackle deforestation. We aren't talking about problems, we're showing you that we have our own solution.

Lucy Dende,
Kasenga Tiyende Pasogolo Women's
Club and Farmer



PROGRAM VOICES FOR JUST CLIMATE ACTION

Where: Brazil, Bolivia & Paraguay, Indonesia, Kenya, Tunisia, and Zambia

Period and budget: 2021 - 2025, €55.0 million

Donor: The Dutch Ministry of Foreign Affairs

Contract lead: World Wide Fund for Nature (WWF) Netherlands.

Alliance Partners: SouthSouthNorth, Akina Mama wa Afrika, Slum Dwellers International, Fundación Avina

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4.3 CIVIC RIGHTS IN A DIGITAL AGE

2022 saw escalating repression, disinformation and division in many countries both online and in real life. Hivos was able to provide hundreds of human rights and environmental defenders, journalists, artists and accountability campaigners around the world with practical tools and support to continue organizing and speaking out.

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TEN YEARS OF PROTECTING HUMAN RIGHTS DEFENDERS

While 2022 was another challenging year for activists and human rights defenders facing digital threats, our Digital Defenders Partnership (DDP) program celebrated its tenth anniversary.

Since its inception, it has supported activists and human rights defenders working on issues such as environmental rights, LGBTIQ+ advocacy, gender equality, and election monitoring. DDP continues to protect activists and human rights defenders in times of increasing repression from regimes and the weaponization of digital tools. It works in repressive and transitional environments to achieve our vision of an open internet free from threats and to promote the right to free expression, association, assembly, privacy and other human rights.

Selection of results:

- Over its 10-year existence, DDP directly supported 335 organizations, activists and human rights defenders, including journalists, artists, women's rights defenders, LGBTIQ+ rights activists, environmental, land or Indigenous rights defenders, and digital rights initiatives.
- In 2022 DDP directly supported 90 organizations and 15 individuals.
- The Bessy Ferrera Emergency Fund, managed by DDP, assisted some 30 people and organizations in Africa, the Middle East, and Latin America since it launched in 2020.



We, the team, found this support from DDP very useful. We were able to resume our activities for the rights of women and raise their voices for equality, put an end to misogynistic thoughts and advocate for women and their roles in society. On the other hand, we were able to buy equipment and software for our staff and they with confidence continue their mission and work.

Human rights defender, Afghanistan

In the most critical time when front line was just few kilometers from our homes, we felt a great relief by knowing that we are not alone. When many of our citizens were fleeing, and other were fighting on the battle fields, and the state authorities were mostly helpless and embarrassed, the friendly aid of your organization was very timely, and therefore your moral support is impossible to overestimate.

Human rights defender, Ukraine



PROGRAM DIGITAL DEFENDERS PARTNERSHIP

Where: Worldwide

Partners: Media Defence, Front Line Defenders, VirtualRoad. Member of CiviCERT and Rarenet

Donors in 2022: US State Department, Netherlands Ministry of Foreign Affairs, SIDA, Ministry of Foreign Affairs of Estonia, Embassy of the Czech Republic, and the Ministry of Foreign Affairs of Denmark.

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THE DISRUPTIVE POWER OF MEDIA, ARTS & CULTURE

At Hivos, we treasure the disruptive power of arts, culture, and the media. We have a long track record of working with journalists and creatives from all over the world. They have the power to question dominant structures in society, propose alternatives, and bring about change. In fact, freedom of expression is the main measure of openness in a society. But globally, the space for free expression is shrinking. This reduces the diversity and independence of makers, media, content, channels and audiences. That is why Hivos continues to support journalists, artists, and creative hubs in many countries who want to freely express themselves despite economic and political obstacles.

Protecting journalism

The free exchange of information, and the ability of journalists to exercise freedom of expression and investigate facts, are essential in a healthy democracy. Together with the National Union of Tunisian Journalists (SNJT) we support journalists who want to fulfill their important responsibility.

Selection of results:

- To mark World Press Freedom Day 2022, SNJT launched a campaign raising the alarm about declining press freedom in Tunisia.
- Free and honest journalism seeks out and tells the truth. Together with SNJT we launched a fact-checking unit. It not only tackles the growing problem of misinformation and fake news in Tunisia, but also aims to normalize fact-checking as a journalistic practice in the country.
- Additional activities in 2022 to support Tunisian journalists included training on laws that either protect or threaten freedom of expression, data journalism, investigative journalism, information gathering, data processing and visualization techniques.

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Diversifying dialogue

We support artists and creative hubs around the world in diversifying dialogue and using the power of creative expression through digital channels to spark debates and bring about structural social change.

Selection of interventions:

- The publication of Vertical Atlas, a work exploring current digital transformations by a diverse group of renowned artists, writers, scientists and technologists.
- The publication of an intellectual property toolkit for creatives in Kenya, Uganda and Tanzania, and a financial management and sustainability toolkit for creatives in East Africa.
- The launch of “The Utility and Viability of Digital Technologies,” a report on digital technologies for producing and disseminating creative content on human rights.
- We powered East Africa’s creative and theater sector and organized a forum about how traditional practices influence modern critical art in Zimbabwe.

PROGRAMS

FREEDOM OF EXPRESSION AND INFORMATION IN TUNISIA

Where: Tunisia

Partners: National Union of Tunisian Journalists (SNJT)

RESOURCES OF OPEN MINDS (R.O.O.M.)

Where: Egypt, Lebanon, Tanzania, Kenya, Uganda, Malawi, Zambia, Zimbabwe

Period and budget: SIDA: 2017-2023, €8.7 million, (RVO: 2019-2021, €1.1 million)

Partners: 100+ partners worldwide, including creative hubs, artists, artist collectives, civil society organizations, research institutes and social enterprises.

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VOICE

Voice, an innovative grant facility consortium led by Oxfam Novib and Hivos, supports marginalized or discriminated rightsholders and groups in their efforts to demand more responsive and inclusive societies.

Selection of results:

- 631 grants issued over an 8-year implementation period.
- €55.2 million allocated to Voice grantee partners.
- In 2022, three new members who reflect rightsholder target groups joined the Voice Advisory Board.

Voice is synonymous with inclusion, explicitly targeting those left furthest behind. Its added value lies in its ability to give practical meaning to the notion of “nothing about us, without us” by creating and managing an easily accessible grant funding mechanism. Examples of Voice’s work include improving support for lesbian, bisexual and queer people in rural Kenya, and building LGBTIQ+ organizations in the rural Philippines.

PROGRAM VOICE

Where: Hivos: Kenya, Tanzania, Indonesia and Philippines. Total program includes Cambodia, Laos, Mali, Niger, Nigeria & Uganda

Period & budget: 2016-2024 €50.0 million (contract): €35.0 million (grant funds), €12.0 million (program management/ linking and learning)

Donor: The Dutch Ministry of Foreign Affairs

Partners: Oxfam Novib (lead contractor)

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05 Partners and Donors

Hivos supports a vibrant global community of courageous and innovative (local) organizations and allies who work to realize their solutions for more just and equal societies. With over 500 partners, we strive to bring about transformational social changes that benefit all, but especially the most underrepresented groups in society.

Our partnerships and networks span LGBTIQ+ communities, Indigenous and youth organizations, frontrunners in environmental justice, women's and human rights defenders, artists, journalists and independent media, and transparency advocates.

INSTITUTIONAL DONORS AND FOUNDATIONS

It is our long-term donors who make our work possible: the Dutch Ministry of Foreign Affairs; Sweden's SIDA; Global Affairs Canada; the Global Fund to Fight AIDS, Tuberculosis and Malaria; and the European Union, to name a few. In 2022 several exciting new initiatives were also developed. Together with Fondation Botnar, for example, Hivos co-created Urban Futures, a new global program working at the intersection of urban food systems, youth wellbeing and climate action set to launch at the beginning of 2023.

DUTCH MINISTRY OF FOREIGN AFFAIRS

In 2022 we continued implementing four important programs under the Dutch Foreign Ministry's Power of Voices framework:

- With We Lead we strengthen the influence and position of young women whose sexual and reproductive health and rights are neglected most.
- The Free to be Me program builds a movement of self-confident and diverse LGBTIQ+ organizations and activists who advocate for their human and socio-economic rights.
- Voices for Just Climate Action aims to ensure that by 2025, local civil society and underrepresented groups will have taken on a central role as creators, facilitators and advocates of innovative climate solutions.
- Voice, an innovative grant facility consortium led by Oxfam Novib and Hivos, supports marginalized or discriminated rightsholders and groups in their efforts to demand more responsive and inclusive societies.

The Dutch Foreign Ministry's support has also helped us continue our work on four other programs: Work: No Child's Business; the Digital Defenders Partnership; and GreenWorks and the Challenge Fund for a Just Transition, which create sustainable employment in North Africa.

PARTNER SURVEY

In 2022 we commissioned an external survey, asking our partners what could improve in our daily organization and operations. The results (that we received the beginning of 2023) differed between regions, but the valuable feedback from our partner organizations in any case helped us to understand where our areas of improvement lay, which we will seriously confront in 2023.

HIVOS TRIODOS FUND

In 1994, Hivos and Triodos Bank – a leading expert in sustainable banking – joined forces as one of the world's first adopters of inclusive finance. Today, Hivos-Triodos Fund invests in renewable energy and sustainable agriculture initiatives that enable tens of thousands of businesses to thrive. To date, it has invested over €250 million, catalyzing green, inclusive prosperity in emerging markets.

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DUTCH POSTCODE LOTTERY

We are proud to say that Hivos has been a beneficiary of the Postcode Lottery since 2007 and receives annual funding of €1.35 million. In addition, the Postcode Lottery supported our work by funding programs such as All Eyes on the Amazon. This program, which ran from 2017 to 2022, was financed by the Postcode Lottery's Dream Fund and an additional contribution of the lottery in 2020.

In 2022, contributions from the over three million National Postcode Lottery participants raised no less than € 337,890,099 for charity. This amount goes directly to 168 charities that each in its own way work towards a better world. We are very grateful to the Postcode Lottery's participants and thank them wholeheartedly for their generosity.

INDIVIDUAL GIVERS

It's inspiring to see that more and more individual givers in the Netherlands want to support our mission. In 2022, we received generous donations, gifts and legacies from over 27 thousand people. The Dutch public's financial support makes it possible for us to come into action when it is most needed. For instance, our Bessy Ferrera Fund helps LGBTIQ+ activist facing life-threatening situations. The fund bears the name of a courageous trans rights activist who was murdered in Honduras in 2019. Since the start of the fund in 2020, we have assisted over 30 people and organizations in Africa, the Middle East and Latin America.

DUTCH SOCIETY

We're proud that the support of Dutch individuals went beyond donations. For example, many of our supporters joined us at the Women's March in Amsterdam, the Climate Justice demonstration in Rotterdam, the Amsterdam Pride Walk, and the commemoration for LGBTIQ+ victims of the Second World War at the Homo Monument in Amsterdam.



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We also engaged with our supporters during recurring – and by now well-known – HIVOS events. In 2022 we partnered with the Pink Film Days in Amsterdam to increase the acceptance of diversity through film. We think this is an excellent way to highlight diversity and spark conversations about inclusion and equality. Our donors were invited to a special film screening, and for the fifth year in a row we handed out the Free to be Me Award. The prize rewards LGBTQ+ films and filmmakers for their brave work. The winner of this edition was Kapana, the first gay love story from Namibia.

Winning the Free to be Me Award means a lot everyone who worked on the film. In Namibia, like in many other African countries, gay relationships are still criminalized, which means many people are not free to be themselves or be with whom they want to be. We wanted to bring hope, and yet also challenge the status quo.

The [crew] were all incredibly brave to embark on this project. Particularly the actors who are the face of the film – I applaud their effort, their commitment and their passion. This award is for all of us, and everybody who supports screenings of Kapana in Namibia.

Philippe Talavera *director of Kapana*



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06 Transferring Power and Local Ownership

Improving Southern leadership and boosting local ownership is both part of Hivos' DNA and a vital strategy to achieve real and lasting change. In 2022 these ambitions drove our work and shaped us as an organization.

UPDATE YAYASAN HUMANIS DAN INOVASI SOCIAL

We are proud that Hivos Southeast Asia has now become Yayasan Humanis dan Inovasi Sosial (2021), a Jakarta-based Indonesian foundation. While still part of the Hivos family, in 2022 the organization became increasingly autonomous.



The Yayasan Humanis dan Inovasi Sosial provides a platform for continuing to strengthen civil society at a much more local level. This is what Hivos has been working towards with its allies and partners for quite some time now. With the majority of board members and senior positions locally filled and led by Global South actors, Yayasan can have even more significant impact.

Tunggal Pawestri
director of Yayasan Humanis dan Inovasi Sosial

HIVOS CARBON FINANCE PROGRAMS NOW LOCALLY OWNED

In 2022 Hivos transferred its successful carbon finance programs, including around €1 million in funds, to longstanding partners Yayasan Rumah Energi, Biogas Solutions Uganda Ltd., and African Bioenergy Programs Ltd. These organizations have become fully independent entities and will implement national biogas programs and associated carbon finance programs in Indonesia, Uganda and Kenya.

LOCAL OWNERSHIP AND LEADERSHIP

In 2022, we continued embedding local leadership in our work. New programs were designed and will be implemented jointly with rightsholders and local organizations. Hivos believes that global leadership can be provided from the Global South just as easily as from the Netherlands, so many of our flagship multi-country programs are now run by one of our regional hubs on behalf of the whole organization. Through the Communities of Action that characterize our Power of Voices programs, rightsholders' organizations determine how program funds are allocated via participatory grantmaking, as well as connecting, learning, and developing joint strategies to improve their lives and well-being. In other words, "Nothing about us without us."

INTERNATIONAL WORKS COUNCIL

Dutch law provides for all organizations to have formal works councils that represent staff interests. This law limits membership of the council to staff employed in the Netherlands. But Hivos wants to ensure all our staff are represented in discussions with the Executive Board on key strategic and financial issues, and HR policies. That is why we formally established the International Works Council, which held its inaugural meeting in November 2022. This will give a voice to all Hivos employees around the world concerning the organization's policies and strategy.

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07 Supervisory Council Report

To be able to tackle increasing external challenges, Hivos is taking significant steps internally to bolster its organizational resilience, which we applaud. In fall 2022 the Executive Board (EB) set out four priorities for the next year: growing impact and income; increasing the organization's visibility and influence; improving program implementation, and making sure all staff feel included and empowered.

ENSURING THE FUTURE OF HIVOS

At the beginning of 2022, after seven years leading the organization, Edwin Huizing left Hivos as CEO. As employer of the EB, the Supervisory Council (SC) was responsible for finding a replacement. After consulting with members of the Management Team and the Works Council, we were very pleased to recruit Hivos' new CEO Anne Jellema, who started in October.

Anne has over 20 years of experience in building global organizations that deliver transformative change. She was born in the United States and is partly based in South Africa, where she's lived for over 20 years. Throughout her career, Anne has put the agency and practical needs of rightsholders first in designing strategies for change. This approach is rooted in her years as a community organizer and land rights activist in South Africa. She has worked with social movements, women's organizations, hacktivists and other grassroots forces across Africa, Asia, Latin America and the Middle East.

We are fully confident that Anne will lead Hivos in an authentic and feminist way through challenging times for the development sector and the world in general. In the first months of her tenure the Supervisory Council was excited to see Anne's energy and her clear focus on strengthening Hivos' external voice.

We also want to thank Michel Farkas for his commitment to Hivos and his hard work in not only guiding Hivos as COO, but also stepping in as CEO in the interim period for the better part of 2022. He executed both roles with a lot of energy, maintaining the organization's focus on implementing its Strategic Compass and delivering on the 2022 annual plan. The Supervisory Council was kept well informed during this period and recognizes the positive relationship between the CEO/COO (with the support of the MT) and the organization.

OUR ROLE

It is our mission to ensure that Hivos sticks to its values and fulfills its objective to strengthen, amplify and connect rightsholders' voices calling for just, inclusive and life-sustaining societies. We also make sure that Hivos adheres to the principles of good governance.

In 2022, Hivos carried out several internal improvements, for example in project management, but in 2023 the Supervisory Council would like to see further improvements in Hivos' financial management and IT environment. One important area is continuous and year-end financial assessment of projects; another is how Hivos assesses the integrity of and cooperates with project partners. This is necessary to mitigate financial risks. For 2023, the Supervisory Committee would like to see steps taken to better measure the impact of these aspects.

On the other hand, looking at the existing programs which have been extended, and the new ones starting, we are confident that Hivos will indeed increase its impact and visibility. Together with ongoing structural improvements within the organization, and Hivos' firm goal to achieve an annual budget that breaks even, the SC feels assured about the future health and sustainability of Hivos.

NUTS AND BOLTS

The SC formally convened six times in 2022. It also held meetings to find a new CEO. The SC has two standing committees, the audit committee and the remuneration committee. In order to evaluate the performance of the EB, the remuneration committee consulted SC members, management, and the Global Office Works Council, and met regularly with the COO before reporting to the full SC.

In addition to the regular meetings, the SC convened in October for two days with the – by then – complete Executive Board. During this retreat, the EB and SC discussed

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Hivos' progress on implementing its Strategic Compass 2021 - 2024 and the proposed priorities for the remainder of the strategic period. They also reviewed the best way of working between the (new) EB and SC. Part of the program was also dedicated to having a first meeting with the recently established International Works Council to hear their expectations for future collaboration with EB and SC.

At the beginning of 2022 we welcomed two new SC members, namely Dianda Veldman, currently Director of the Dutch Patient Federation, and Savio Carvalho, from India and based in Amsterdam, working for Greenpeace International as Global Biodiversity Campaign Lead. In accordance with the guidelines of the Dutch Central Bureau on Fundraising (CBF) and the Dutch Good Governance Code for Charitable Organizations, it was established that, during 2022, none of the individual SC members held primary or additional occupations that were in conflict with their supervisory role at Hivos. As detailed in the Annual Accounts, the EB remuneration is in line with the Dutch Standards for Remuneration Act.

THANK YOU

The energy, dedication and passion for their work that we see in Hivos' staff, EB, Management Team, and all other stakeholders, makes it a pleasure for all of us to serve as members of the Supervisory Council. We thank you all for your efforts in 2022.

The Hague, October 27, 2023

Diana Monissen

Chair Supervisory Council

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TABLE COMPOSITION

HIVOS SUPERVISORY COUNCIL (AS OF JANUARY 1ST, 2023)

First appointment	Name, position, term <i>(max. two terms)</i>	End of current term	Occupation and other positions
2020 As of October	Diana Monissen Chair (1st term) Member of the Remuneration Committee	2024 September	Recently member of several Supervisory Boards, for instance ROM region Utrecht, L1 Limburg, and Maggie's Nederland. Chair and member of several ZonMW committees. Was former CEO of the Princess Maxima Center of childhood oncology, CEO of a health insurance company, and Director General of the Ministry of VWS.
2018 As of July	Elizabeth Lwanga (2nd term)	2026 June	Innovations in development advisor; Search for alternative approaches to Africa's development; Leadership development; Creative talent promotion; Gender and development; Promoting rebuilding of ethics and values.
2019 As of October	Marianne van Kimmenade (1st term) Chair of the Audit & Risk Committee	2023 September	Chartered Accountant, senior policy advisor fraud and governmental auditing at the Royal Netherlands Institute of Chartered Accountants and former partner of EY
2021 As of January	Bernard ter Haar (1st term) Member of the Audit & Risk Committee	2024 December	Board member of several non-profit organizations and advisor of central government. Former DG at Ministries of Environment and Social affairs.
2021 As of October	Frida Kruijt (1st term)	2025 September	Director Movement Engagement for the Americas, International Secretariat, Amnesty International based in Mexico City, Mexico
2022 As of February	Dianda Veldman (1st term) Chair of the Remuneration Committee	2026 January	Executive Director of Netherlands Patient Federation, SC member of Stichting VeiligheidNL.
2022 As of February	Savio Carvalho (1st term)	2026 January	Global Campaign Lead Biodiversity Greenpeace International.

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Governance and Risk



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8.1 ORGANIZATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Hivos' governance model consists of a seven-person Supervisory Council (SC) including the chair, of which two are international members, and a two-person Executive Board (EB). The Supervisory Council supervises the EB and has oversight responsibilities with regard to Hivos' general policies and organizational continuity responsibilities. They include specifically approving Hivos' multi-annual strategy, annual budget, annual accounts, oversight on integrity and risk management of the organization. The SC is also the "employer" of the EB and supports it with advice and suggestions. The Supervisory Council members carry out these responsibilities both individually and jointly. Its current composition can be found in Chapter 7.

The EB in 2022 consisted of the Chief Operations Officer (COO) Michel Farkas who also acted as Chief Executive Officer (in addition to his COO position) until October 1, 2022. This is when Anne Jellema assumed the position of Chief Executive Officer (replacing Edwin Huizing who left Hivos on February 1, 2022).

In 2022, the EB was supported by a management team of five Hub directors and five heads of support units. These directors and unit heads are responsible for content, (staff) management, and finances within the confines of the mandates agreed with the EB. The EB, on average, convenes once every three weeks, and the Global MT convenes fortnightly.

8.2 FINANCIAL RESULTS FOR 2022

Hivos' operational result over 2022 is a deficit of €1.3 million, against a budget deficit of €0.7 million.

Despite the deficit against budget, 2022 results show a financial recovery against the 2021 deficit of €2.3 million. The Covid-19 pandemic had impacted program delivery in 2021 and the improved result in 2022 is mainly caused by an acceleration in project implementation, especially in large programs as Free to be Me and We Lead, in order to catch up with the backlog of earlier year(s).

The 2022 underlying results from core operations is a deficit of €1.0 million, positively impacted by a foreign exchange result of €0.7 million.

Underlying vs reported result 2022		
REPORTED RESULT 2022		-1 277
Funded from reserves		
Carbon Credit Funds	831	
Earmarked private funds	37	
		868
Other extraordinary items		
Release of closed project balances	-73	
Revaluation Hivos Food & Lifestyle Fund	104	
Release long term liability (ALF)	-81	
		-50
OPERATING RESULT INCL. FX		-459
FX	-743	
Provision Bolivia office close	153	
		-590
UNDERLYING OPERATING RESULT		-1 049

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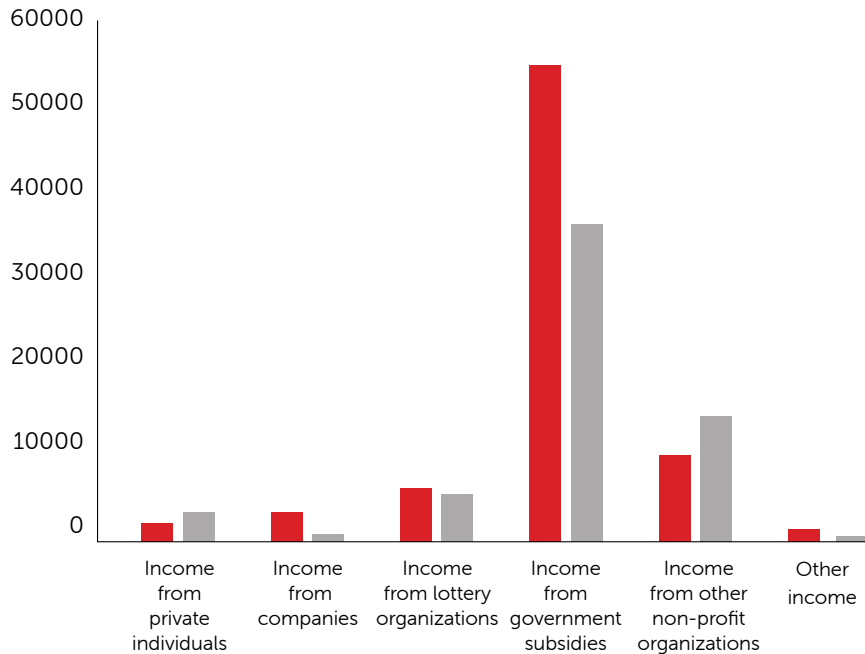
During 2022, Hivos depleted part of its earmarked funds in line with the Strategic Compass for phasing out its carbon credit portfolio (€831k) as well as for supporting urgent activities for which no project funding was at hand. Examples of such activities are contributions to the Bessy Ferrera Fund (€37k).

The release of closed project balances (-€73k) is the net result of administrative corrections on projects prior to 2020 and the clean-up of balance sheets due to the migration to a new enterprise resource planning (ERP) system in 2020. The evaluation was postponed until 2022 to ensure the relevant migrated projects were completed.

8.2.1 INCOME AND ORDER INTAKE PERFORMANCE FOR 2022

Hivos' income in 2022 was €76.8 million, which is €18.3 million more than the 2021 income of €58.5 million. This increase reflects the accelerated project implementation in 2022.

• 2022 • 2021 (x €1000)



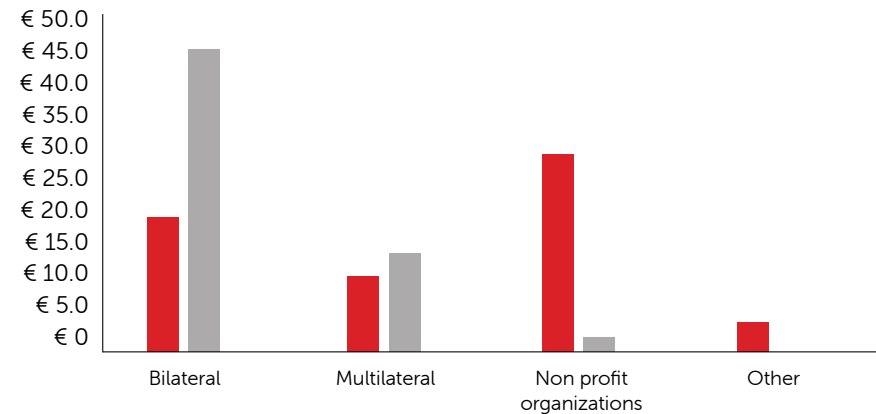
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The dominant source of income remains government grants and multilateral institutions at €55.6 million, followed by other non-profit organizations and foundations for €9.4 million. Income from lottery organizations was €4.8 million: a structural contribution of €1.4 million from the Dutch Postcode Lottery and €3.4 million for the All Eyes on the Amazon program. Income from companies was €2.6 million while income from private individuals was €2.1 million. Other income totaling €2.2 million includes income from investments of €0.9 million (mainly interest earned from the HTF subordinated loan €0.8 million) and net foreign exchange gains of €0.7 million, among others.

The overviews below show the new donor funding agreements concluded in 2022.

2022 ORDER INTAKE (€ MILLIONS)

• 2022 • 2021



2022 ORDER INTAKE

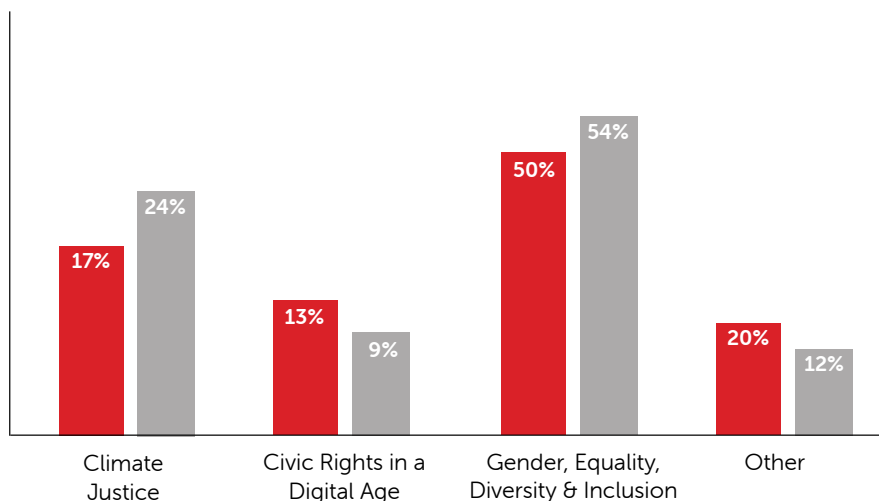


Order intake for 2022 reached €61.7 million, which was below the annual target of €70.0 million, but a 7% improvement compared to the previous year. The shortfall against target was partly caused by the Russian war in Ukraine that led to repurposing of development aid in EU countries. Next to this, there were delays in closing deals and these will most likely be finalized in 2023.

The increase in funding from non-profit organizations and companies is due to funding agreements achieved with Fondation Botnar for €19.6 million, Palladium €5.0 million and Bloomberg €2.3 million. The most significant bilateral grant agreements concluded in 2022, included SIDA for €5.8 million, Netherlands Ministry of Foreign Affairs for €3.4 million, Global Affairs Canada for €3.2 million, Norad for €2.6 million, and the US State Department for €1.9 million. An amount of €3.2 million was also secured from the Frontline Defenders (accounted under other).

For 2023, the order-intake target is set at an ambitious level of €75 million. This is to compensate for the shortfall in 2022 order-intake and with the expectation that several deferred deals will be concluded in the first quarter of 2023. The first results for 2023 are promising in this regard, but achieving this target will be challenging, especially in light of a volatile donor environment.

8.2.2 EXPENDITURE AND IMPLEMENTATION OF PROJECTS



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Hivos spent (x mln €)	2022		2021		Variance	
	€	Percentages	€	Percentages	€	Percentages
Direct project costs	16.0	20%	11.4	19%	4.6	2%
Re-granting	37.7	48%	28.2	47%	9.5	2%
Project staff costs & indirect overheads	17.5	22%	14.0	23%	3.5	-1%
Total spent on objectives	71.2	91%	53.6	88%	17.6	3%
Management and accounting costs	5.4	7%	5.7	9%	-0.3	-2%
Spent on generating income	1.4	2%	1.1	2%	0.3	0%
Exceptional items and provisions	-0.1	0%	0.2	0%	-0.3	0%
Overall	78.0	100%	60.0	100%	17.4	0%

Total spending in 2022 was €78.0 million, compared to €60.0 million in 2021. Of this total, €71.2 million or 91% was spent on objectives, compared with €53.6 million or 89% in 2021.

The increase in re-granting costs is due to an increase in concluding multi-year contracts with our partners. This continues the trend of implementing less on our own and shifting towards "participatory" or "delegated" re-granting to our local partners. The actual spending is in line with our Strategic Compass and underlines Hivos' role as a project implementation organization, where directly implemented Hivos activities are combined with partner activities that boost local ownership.

The easing of Covid-19 restrictions at the start of 2022 led to an increase in (previously curtailed) offline activities, and the higher direct project costs reflect this change.

Management and accounting costs decreased from €5.7 million in 2021 to €5.4 million in 2022 (7% of total expenditures). This is a result of continuous focus on cost control and some incidental decreases due to unfilled positions and delays in IT investments.

Costs related to income generation were €1.4 million or 2% (compared to €1.1 million in 2021, or 2% of total expenditures). The increase from the previous year is primarily due to the higher costs of our private fundraising strategy in the Netherlands.

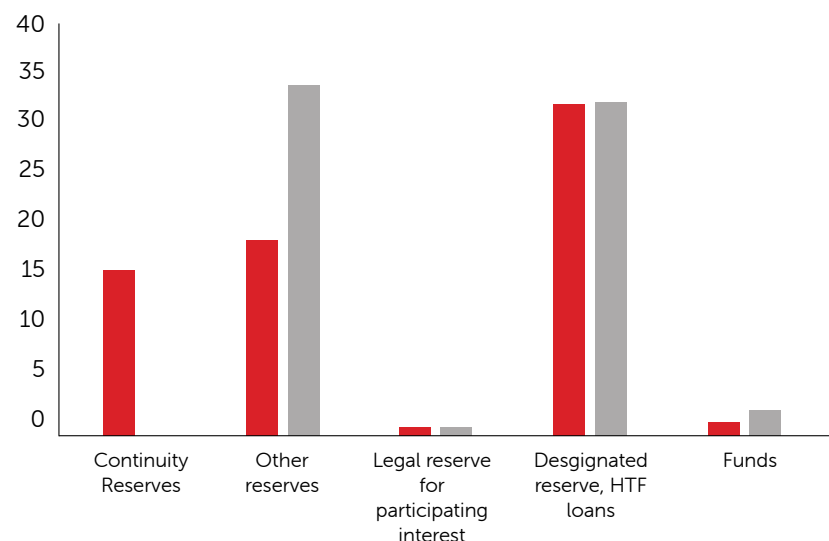
The total number of FTE in 2022 was 267 compared to 295 in 2021. The number of staff in the Global Office has progressively decreased from 134 at the end of 2019 to 65 at the end of 2022. This trend is in line with the restructuring objectives aimed at decentralizing program management and implementation to the regional hubs and reducing the proportion of unbilled staff. Actual billability for 2022 was 65% against a target of 70% (2021: 66%), 5% short of the target of 70%.

8.2.3 RESERVES AND YEAR-END POSITION OF APPROPRIATED RESERVES AND FUNDS

Since 2019, Hivos has been on a clear path to a normalized break even result. Although this was interrupted in 2021 by Covid-19 challenges, the budget for 2023 (a planned deficit of €0.3 million) continues in the same direction. To achieve this and realize Hivos' ambition to build up unrestricted income for organizational investments and program innovations, the focus remains on the structural improvement of our operational results.

In 2022 a material error in the financial statements of 2020 and 2021 was discovered. The material error was due to an incorrect presentation of the donor receivables and claims for grants. The net cumulative impact of the material error was €3 million. The total amount of this error was processed as an adjustment to the ending balance of the other reserves in 2021.

OVERVIEW OF KEY FUND AND RESERVES (X € 1000) • 2022 • 2021



The total funds and reserves at the end of 2022 decreased with €1.3 million to €65.1 million as a consequence of the deficit. The HTF loan reserve of €31.4 million represents the value of the Hivos subordinated loan to HTF, which remained unchanged in 2022. The appropriated funds were lowered with €0.9 million due to the handing over of the Carbon Credits portfolio and releasing of unearmarked funds of €37k. The legal reserve was lowered with €0.1 million and the other (general) reserve lowered with €0.3 million.

In 2022, a risk analysis (profiling) and quantification was carried out resulting in the designation of €16.0 million as a continuity reserve. The remaining balance of €15.1 million of the general reserve will be retained as other reserves, in accordance with the Goeden Doelen Nederland's guidelines. In 2023, a process will be developed for how to decide upon, prioritize and manage future investments, including the value protection of investments and remaining (other) reserves. Also, for reasons of going concern, the Executive Board will start looking for responsible ways to spend reserves in priority areas, as well as to strengthen the back office (e.g., IT).

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8.2.4 FINANCIAL INSTRUMENTS AND PERFORMANCE OF HTF FIXED FINANCIAL INVESTMENTS 2022

Hivos does not use complex financial instruments like swaps, hedges, or futures. Hivos has opted to invest only in certificates held with Triodos Bank and to provide loans to HTF as part of our mission and strategy. Hivos maintains a strict separation between funds invested with HTF and those held for our regular projects. For the latter, Hivos prefers to maintain substantial amounts in bank accounts, which provides positive liquidity to mitigate risks and safeguard continuity.

There was a slight increase in the valuation of the Triodos Bank certificates (€2.6 million) compared to 2021. Trading in these certificates was suspended in 2020. After almost three years, trading resumed on July 5, 2023. Hivos will closely monitor the developments in the multi-trading platform before deciding whether to retain or sell its certificates.

At the end of 2022, the value of Hivos' subordinated loan to HTF in the balance sheet was €31.8 million, and HTF pays 2.6% interest on the total loan amount. In 2022, Hivos realized interest income of €0.8 million from the HTF arrangement, which remains a significant source of unrestricted funding for the future.

8.2.5 GOING CONCERN

The key indicators of Hivos' financial position at the end of 2022 have remained stable.

Solvency and liquidity ratios	(x mln €)	2022	2021
Total funds & reserves		65,1	66,4
Total value of assets		116,0	126,9
Solvency ratio		56%	52%
Cash at bank and in hand		51,90	63,02
Receivables		27,20	26,42
Total current assets		79,11	89,44
Total current liabilities		46,21	54,24
Current ratio		1,71	1,65

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The approved budget for 2023 anticipates an income of €75.2 million and expenses of €75.5 million leading to a small deficit of €0.3 million.

With most of the current projects in Bolivia ending, Hivos will close its Bolivia office over the course of 2023. Ongoing project activities in Bolivia will be managed from Hivos' Latam regional office in Costa Rica. In the 2022 result, €153k is provided to cover for these costs.

Covid-19 remained the most significant environmental factor impacting Hivos operations in early 2022. The omicron variant posed less of a threat and fewer restrictions helped our project implementation to pick up pace. The Hivos 2022 results are closely aligned with our revised mid-year forecast, reflecting limited impacts of Covid-19 in 2022. By the end of 2022, Covid-19 was no longer a material uncertainty and no longer constitutes a significant risk to Hivos operations in 2023.

The most significant geopolitical event affecting Hivos in 2022 is the Russian war in Ukraine, which led to potential repurposing of aid towards the refugee crisis in Europe. Three Hivos projects funded by SIDA initially experienced freezing of 2022 installments for SEK 14 million (€1.3 million), however as the situation unfolded the cuts did not materialize. Hivos was also able to successfully negotiate three follow-up phases for existing projects funded by SIDA. However, the final amounts awarded were slightly reduced due to the impact of the Russian war combined with a shift in priorities the new government of Sweden adopted.

In summary, the EB has concluded that neither Covid-19 nor the Russian war in Ukraine will affect Hivos' going concern status in 2023. This conclusion also takes into account the current business development pipeline and solvency projections for 2023. See section 8.5 on risk management.

8.3 COMMUNICATION WITH STAKEHOLDERS

Hivos continues to actively monitor and fulfill its contractual obligations to all public and private donors on an individual project basis. Information about projects is disseminated through international and local websites, social media platforms, and also through general and project events which increase public awareness of our activities and impact. In 2022, Hivos implemented content improvements on the websites which led to 25% increase in traffic and harnesses content from different projects to profile our impact areas.

The Annual Report is published on hivos.org and shared with key stakeholders. In 2022, Hivos spent €0.4 million (2021: €1.1 million) on publicity and communication, a significant portion of which is connected directly to our core program objectives.

Hivos continued consultations with our donors and partners. As a follow-up on the Keystone Survey and the partner dialogues of 2019, Hivos carried out a new partner survey in 2022. The previous consultations with partners have shaped Hivos' strategic direction (the Strategic Compass) and encouraged the further decentralization of our program implementation (further elaborated in Chapter 5).

8.4 SOCIAL RESPONSIBILITY POLICIES

Hivos' values of integrity, diversity, equality, environmental stewardship and social responsibility in the value chain (i.e. how Hivos interacts with partners, donors, corporate partnerships, and suppliers) is guided by our social responsibility and integrity policies.

Hivos contributes to global efforts to reduce carbon emissions by supporting global projects such as Voices for Just Climate action (VCA), and by reducing the carbon footprint of our own operations. While Hivos has committed to reducing 40% of its emissions associated with international flights (against the 2019 baseline in line with the Strategic Compass) the EB has concerns about the contradiction between the commitments and the reality of project implementation as international travel has resumed. In 2022, the Global Office reverted to centrally measuring its carbon footprint, which will be replicated in all Hubs and projects to strengthen steering and compensation efforts.

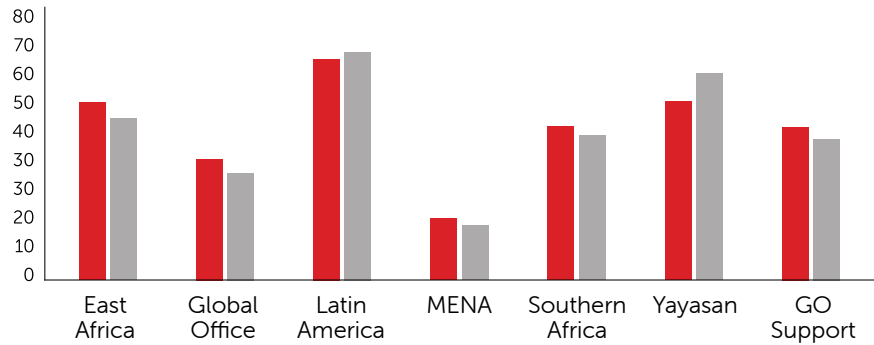
Hivos upholds a zero tolerance policy to safeguarding violations that applies to staff, partners, suppliers, and beneficiaries. An externally administered whistleblower facility (SeeHearSpeakup) and a confidential complaints e-mail provide a secure channel for reporting incidents of safeguarding violations, fraud, or impropriety. During 2022, all employees undertook a mandatory online training on safeguarding. The EB sets the tone at the top and assures all integrity issues are followed up and lessons learned are shared and implemented. In 2022, no complaints were received via the external whistleblower facility, but five cases were reported internally and closed during the year. In 2023, Hivos will revise the safeguarding policy, and the planned changes will include setting minimal standards for response on cases.

Hivos subscribes to the Partos Code of Conduct and Goede Doelen Nederland's Code on Good Governance for Dutch charities. Hivos has an internal code of conduct and integrity stipulations which regulate the conduct of its staff and interactions with stakeholders. Staff in different countries comply with relevant statutory codes and Hivos fully conforms to codes that are required by our funders.

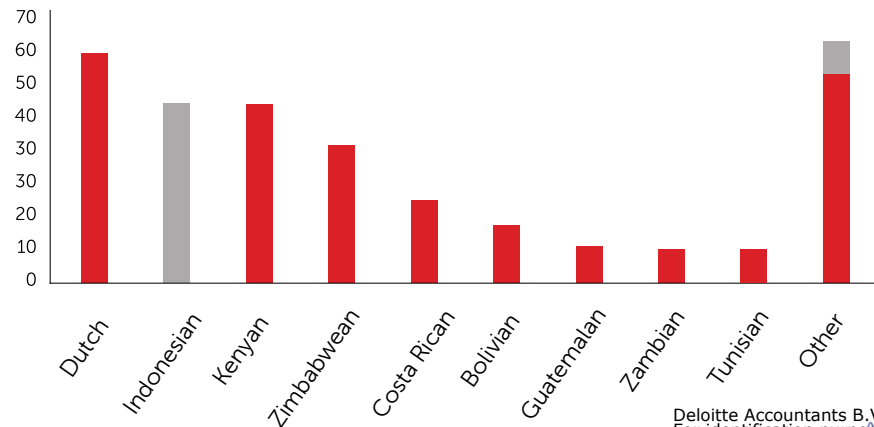
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Hivos upholds gender balance in the composition of our Supervisory Council, Executive Board, management team, and within our projects. Gender is a cross-cutting theme embedded in our projects, and Hivos recently started an internal Diversity, Equity & Inclusion project. At the end of 2022, the Executive Board consisted of a male and female, the Hivos management team had three men and six women (one vacancy), and there are five women and two men in the Supervisory Council. Hivos also upholds diversity in the composition and distribution of its staff across the globe and was recently ranked 11th out of 73 in the FairShare Monitor results. FairShare Monitor tracks gender equity in the international social impact sector.

STAFF DISTRIBUTION 2022 VS 2021 • 2022 • 2021

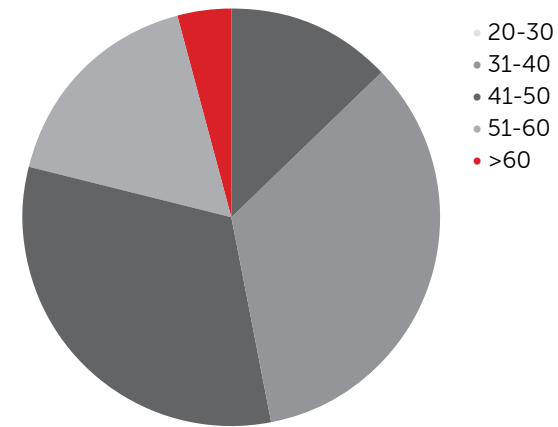


STAFF DISTRIBUTION BY NATIONALITY • Hivos • Yayasan

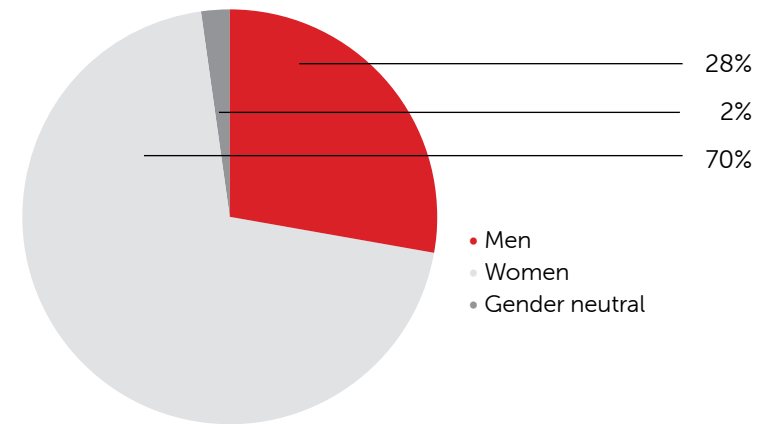


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HIVOS STAFF BY AGE



HIVOS STAFF BY GENDER



8.5 KEY RISKS AND UNCERTAINTIES

8.5.1 ENTERPRISE RISK MANAGEMENT

Hivos has implemented a qualitative and quantitative risk management process in which risks are mapped and valued according to likelihood and impact, enabling focus on our most important risks. A distinction is made between Operational, Strategic or External risk, providing a link to the Internal Control Framework (ICF) and Internal Audit priorities.

The outcome of the valuation is the basis for determining our Continuity Reserve (see paragraph 8.2.3.). Three main risks and uncertainties can impact Hivos' results and financial position:

1. Fluctuations in or lack of future funding for operations
2. Political and/or environmental factors that limit our ability to safely operate
3. Events that damage the organization's reputation

The funding risk is partly mitigated by diversifying our donor base, looking for and adding new donors as an ongoing priority.

The order intake process mitigates the risks of unintentionally engaging in loss-making projects. Most project staff are hired for the duration of their project, which partly mitigates the risk of unforeseen redundancy costs.

In all the regions we operate, some events caused disruptions to projects and operations in 2022, but none were severe enough to create a significant negative financial impact on the organization. Examples are unrest due to local elections, restrictions on activities due to shrinking civil space, hostile environments, crackdown on LGBTIQ+ communities, digital security breaches, economic instability, unforeseen substantial exchange rate fluctuations and extreme weather events. Hivos closely monitors the operating environment in countries of operation and takes decisive steps when needed. Hivos also maintains constant communication with donors to make them aware of events that impacts project delivery.

As an ongoing priority, integrity is managed and closely monitored in three areas: staff safety and security, fraud (response) and data security. Stakeholders and staff

working under high risk conditions are encouraged to employ strict protocols and receive support to prevent or mitigate incidents.

Hivos maintains a balance between taking and managing risks inherent to our strategic choice to work with frontrunners and grassroots organizations. While our risk appetite is generally low, there are exceptions when we accept some risks within projects in order to reach our objectives.

Primary responsibility for implementing risk management policies and procedures rests with project, program, administrative, and financial staff. The EB and management team ensure the proper functioning of risk management measures. The Audit Committee and Supervisory Council provide oversight on risks and risk mitigation measures.

HIVOS RISK PROFILE CAN BE SUMMARIZED AS FOLLOWS:

Category	Risk appetite	Key mitigation measures
Environmental, organizational, strategic risks	Moderate	Strategic and annual business plan processes, quarterly results and progress monitoring, including risk reviews and bi-weekly MT meetings.
Project, grants management & compliance risks	Low	Policies, standard operating procedures including SoD, mandate levels, 4 eye principles, ICF, staff training, and external project audits.
Financial management & reporting risks (including corruption & fraud)	Zero	Policies, standard operating procedures including SoD, mandate levels, 4 eye principles, system (ERP) enforced workflow approvals, ICF, staff training, fraud response system, internal & external audits, and whistleblower facility.
Human resources & operational risks (including safeguarding, safety & security)	Zero	Policies, standard operating procedures including SoD, mandate levels, 4 eye principles, HR system enforced workflow approvals, ICF, staff training, safeguarding, safety & security protocols, and whistleblower facility.

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In 2022, the review and redesign of the Hivos Internal Control Framework (ICF) was completed. Roll out started in the second half with a pilot in South Africa Region and Global Office. After adjusting the ICF based on results of these pilots, the roll out will be finalized in 2023. Annual self-assessments will check the effectiveness of the ICF and identify areas for improvement providing an active feedback mechanism for continuous improvements.

8.5.2 FRAUD AND FINANCIAL IRREGULARITIES

Hivos applies a zero tolerance approach to fraud with the aim of preventing incidences (internal and external) and minimizing losses from detected and reported cases. Hivos relies on 4 key pillars to prevent and detect fraud.

Hivos handles all cases in accordance with its fraud and irregularities response procedure. The Hivos Executive Board is immediately notified of all cases and provide direct oversight on remedial actions. In 2022, Hivos continued to build on existing measures and learnings to prevent the occurrence of fraud and irregularity cases and to minimize losses. These included:

1. The introduction and rollout of the internal control framework, to be completed in the first half of 2023.

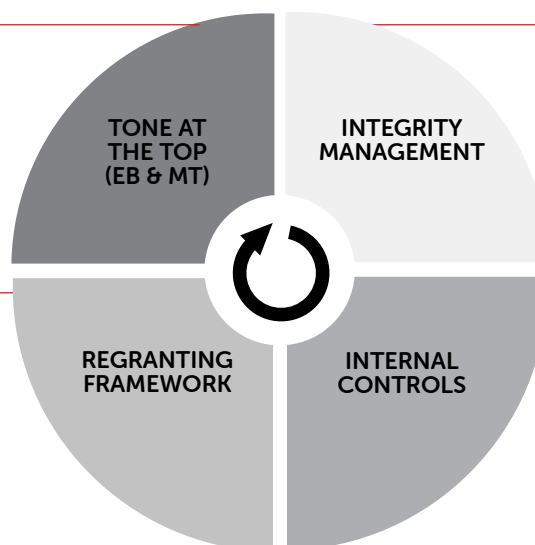
2. Quarterly updates of the fraud and irregularities register discussed between the Executive Board and Regional Directors to agree follow up actions on open cases.
3. Regular updates to respective funders on cases, including lessons learned and remedial actions.

During 2022, Hivos received 13 new reports comprising 3 fraud reports, 6 irregularities and 4 suspected cases (2021: 9 reports) of which 4 were closed and 9 remain open. At the end of 2022, there are 17 open cases comprising 4 fraud, 8 irregularities, and 5 suspected cases valued at €0.1 million (2021: €0.1 million). Like previous years, any potential claims to donors resulting from fraud and irregularities are provided for in the year that the potential claim is identified and will likely lead to a loss (outflow of cash). In 2022, Hivos did not experience any case of internal fraud.

However, in the first half of 2023, Hivos received a whistleblower report of fraud that alleged involvement of Hivos staff in a specific isolated case. After an internal investigation and an external forensic audit, the Executive Board reviewed Hivos' internal partner selection and due diligence processes. It decided to tighten up procedures for registering and communicating potential conflicts of interest among staff and to repeat earlier awareness-raising campaigns on integrity for staff and partners. This will take place during 2023.

- Zero tolerance towards fraud
- Assessment of risks
- Fraud & irregularities procedure
- Regular monitoring of fraud & irregularity incidences
- External Whistleblower facility
- Direct oversight on resolution of cases
- Internal Control framework

- Partner intake procedures
- Partner contract conditions (antifraud,integrity,whistleblower)
- Regular expenditure verifications
- External audits and certifications



- Integral part of recruitment & performance review procedures
- Reference checks & Police clearances
- Hivos code of conduct - regular Staff declarations
- Conflict of interest policy
- Disciplinary and criminal action

- Segregation of incompatible functions
- Access controls
- Authorisation mandates & approvals
- Independent checks & audits

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8.6 EXPECTED COURSE OF AFFAIRS: LOOKING INTO THE FUTURE

The 2023 budget includes a total income of €75.2 million, with income for operations accounting for €17.7 million or 24 percent of the total income. The budgeted deficit for 2023 of €0.3 million is close to break even, but not yet at the medium-term ambition for ringfencing unrestricted income (strengthening free reserves) to use later for investments and innovations. Going forward, the EB maintains its focus on structural financial improvements to realize this.

The Strategic Compass, introduced in 2021, enters its third year in 2023 and provides the direction and focus to end structural losses, build our portfolio in line with our impact areas and boost local ownership (other strategic changes like ending carbon credits and making Yayasan independent further elaborated in Chapter 6). Following from Hivos' reorganization in 2021, five regional Hubs, new service/functional departments, and a shift in program implementation from The Hague to Hivos' Hubs were introduced. Covid-19 hampered the implementation in 2021, but 2022 turned out to be an important year for embedding these changes, and the EB will use 2023 to further consolidate on the progress made.

In its review of the Strategic Compass in October 2022, the Global MT identified four key priorities that will be pursued in 2023. These are: (1) Diversity, equity & inclusion; (2) Better program management; (3) Visibility & influence, and (4) Income growth. These priorities are pivotal for our annual plans of 2023 and 2024 (the remainder of the strategic period).

2023 is the final transition year for the Yayasan Humanis dan Inovasi Sosial, the independent local entity that took over Hivos operations in Southeast Asia following one of the geographical choices made in the Strategic Compass. In 2023, Hivos and Yayasan will agree on the modalities for future cooperation (beyond the transition period) and implement the steps for disentanglement at the end of the transition period. The handover of our carbon credit portfolio was successfully done in 2022, however Hivos is available to render any additional support if needed.

In 2022, Hivos strengthened the use of the different modules of our current ERP system (finance, projects, time registration and customer relations). Hivos also implemented a new HR system, BambooHR, which has improved HR management globally, finally giving visibility into all of our staff in one system. It has created efficiency gains in recruitment processes, performance management and leave registration. In 2023, Hivos will continue to look for opportunities to improve using existing or new tools.

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09

Annual Accounts



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9.1. CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2022

amounts x EUR 1,000

After appropriation of the result

		31-12-2022	31-12-2021
ASSETS			
	Notes		
Intangible fixed assets			
Software for business operations		1,027	1,231
Intangible fixed assets	1	1,027	1,231
Tangible fixed assets			
Buildings for business operations		245	410
Furniture and fixtures for business operations		344	419
Cars for business operations		23	6
Buildings for objective		357	384
Tangible fixed assets	2	969	1,219
Financial fixed assets			
Certificates Triodos Bank		2,629	2,585
Other participations		467	571
Loans		31,842	31,842
Financial fixed assets	3	34,938	34,998
Claims, prepayments and accrued income			
Claims for grants	4	7,948	5,626
Prepayments and accrued income	5	19,255	20,790
Claims, prepayments and accrued income		27,203	26,416
Cash at bank and in hand	6	51,903	63,021
Total		116,040	126,885

amounts x EUR 1,000

After appropriation of the result

		31-12-2022	31-12-2021
RESERVES AND FUNDS			
Reserves	Notes		
Continuity reserves		16,000	0
Designated reserve, HTF loans		31,842	31,842
Legal reserve for participating interests		467	571
Other reserves		15,098	31,404
	7	63,407	63,817
Funds			
Appropriated fund, Climate fund CO2 compensation		0	831
Appropriated fund, Private Funds		1,726	1,763
	8	1,726	2,594
Reserves and funds		65,133	66,411
LIABILITIES			
Provisions			
Provision for irrecoverable donor claims		478	333
Provision for sabbatical leave		49	78
Provision for long term illness		0	62
Provision for jubilee		2	3
Provision for cost to go / future losses on project implementation		0	13
Provision for termination office in Bolivia		153	0
Provision for withholding tax		412	412
Provisions	9	1,094	901
Long term liabilities			
Long term project liabilities		3,601	5,251
Long term liabilities		0	81
Long term liabilities	10	3,601	5,332
Current liabilities			
Project grants received in advance		28,467	36,428
Current project liabilities		14,783	13,930
Current liabilities for staff		1,010	1,035
Other current Liabilities		1,952	2,848
Current liabilities	11	46,212	54,241
Total provisions and liabilities		50,907	60,474
Total		116,040	126,885

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9.2. CONSOLIDATED STATEMENT OF INCOME AND EXPENSE FOR THE YEAR ENDED 31 DECEMBER 2022

amounts x EUR 1,000

	Notes	Actual 2022	Budget 2022	Actual 2021
INCOME				
Income from private individuals				
Donations and gifts		1,828	1,680	1,575
Legacies		43	0	7
Climate fund CO2 compensation		212	0	1,032
Income from private individuals	12	2,083	1,680	2,614
Income from companies	13	2,623	480	451
Income from lottery organizations	14	4,836	4,402	4,215
Income from government subsidies	15	55,630	39,283	36,872
Income from other non-profit organizations	16	9,427	14,103	13,237
Subtotal income generated	B	74,599	59,948	57,389
Other income				
Income from investments		894	826	948
Exchange gain/loss of operations		743	0	101
Other income		565	73	45
Other income		2,202	899	1,094
Total income	D	76,802	60,847	58,483

	Notes	Actual 2022	Budget 2022	Actual 2021
EXPENDITURES				
Spent on objectives/programs				
Climate Justice		17,321	9,677	9,110
Civic Rights in a Digital Age		6,369	7,399	6,966
Gender Equality, Diversity & Inclusion		38,820	28,459	26,794
Other		8,656	11,384	10,718
Total expenditure on objectives	C	71,166	56,919	53,588
Spent on generating income	A	1,440	1,731	1,131
Management and accounting costs	E	5,428	3,307	5,693
Exceptional items and provisions		-50	-417	150
Total expenditures	F	77,985	61,540	60,562
Operating result before financial income and expenses		-1,183	-693	-2,079
Balance of financial income and expenses		94	0	180
Final operating result		-1,277	-693	-2,259
Costs of generating income as a % of total income generated (= A / B)		2%	3%	2%
Costs spent on objective as a % of total income (= C / D)		93%	94%	92%
Costs spent on objective as a % of total costs (= C / F)		91%	92%	88%
Man. and accounting costs as a % of total expenditures (= E / F)		7%	5%	9%
Result before appropriation		-1,277	-693	-2,259
Added to/withdrawn from:				
Reserves				
Continuity reserves		16,000	0	0
Designated reserve, HTF loans		0	0	412
Legal reserve for participating interests		-104	0	-141
Other reserves		-16,306	-693	-2,447
Subtotal appropriations reserves		-410	-693	-2,175
Funds				
Appropriated fund, Private Funds		-37	0	0
Appropriated fund, Climate fund CO2 compensation		-831	0	-84
Total addition/withdrawal		-1,277	-693	-2,259

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9.3. CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

amounts x EUR 1,000

	Ref.	2022	2021
USING THE INDIRECT METHOD			
Cash flow from operating activities			
Movements in reserves and funds	1)	-1,277	-4,667
Amortization and depreciation	2)	493	743
Movements in claims for grants	3)	-2,322	6,045
Movements in other claims	3)	1,535	-836
Movements in provisions	3)	192	592
Movements in long term project liabilities	3)	-1,731	-1,909
Movements in current liabilities	3)	-8,030	3,096
Cash flow from operating activities		-11,140	3,064
Cash flow from investing activities			
Additions to tangible fixed assets	2)	94	-190
Additions to intangible fixed assets	2)	-132	-136
Withdrawals from financial fixed assets	2)	60	409
Cash flow from investing activities		22	83
Cash flow from financing activities			
Income from long term liabilities		0	0
Repaid on long term liabilities		0	0
Cash flow from financing activities		0	0
Movements in cash at bank and in hand		-11,118	3,148
Recapitulation			
Cash at bank and in hand at end of financial year	3)	51,903	63,021
Cash at bank and in hand at start of financial year	3)	63,021	59,874
Movements in cash at bank and in hand		-11,118	3,148

¹⁾ See Chapter 9.6: Consolidated statement of income and expense for 2022

²⁾ See Chapter 9.5: Consolidated balance sheet as at 31 December 2022

³⁾ See Chapter 9.5: Consolidated balance sheet as at 31 December 2022

Because of the Covid-19 pandemic the project implementation slowed down in 2020 and in 2021, resulting in an increase of the cash balance of Hivos. The cash balance grew in 2020 from 54.9 million at the start of the year to 59.9 million at year end. In 2021 the increase was 3.2 million. As the pandemic ended at the start of 2022, Hivos resumed the project implementation at a regular level, leading to a more regular cash balance.

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9.4. ACCOUNTING PRINCIPLES

These are the consolidated annual accounts of Hivos Foundation, with its registered office on Grote Marktstraat 47a, 2511 BH, The Hague and filed with the Trade Register at the Chamber of Commerce under number 41198677, and its group companies. The annual accounts have been prepared in accordance with the Guidelines for Reporting by Fundraising Organizations (RJ650) and with due observance of the Financial Regulations for subsidiaries of the Dutch Ministry of Foreign Affairs/Development Cooperation. The annual accounts have been compiled after appropriation of the results. All amounts in the explanatory notes are denominated in euros, except where stated otherwise. The accounting principles applied to the valuation of assets and liabilities, and the determination of results in these financial statements are based on the assumption of continuity of the organization.

1 GENERAL NOTES

1.1 Group Structure

These annual accounts combine the balance sheets and

statements of income and expense of the Hivos offices in the separate countries with the annual accounts of the Hivos head office. The Executive Board (EB) of Hivos has full control over all those offices and management is organized centrally. There is organizational connectedness and economic unity between the entities that form part of the Hivos Foundation group when it comes to programming but also operationally. As all the offices use one system, transactions between the separate offices are eliminated. Hivos Foundation with a registered office in The Hague is the head of a group of legal entities. Hivos Foundation East Africa with a registered office in Nairobi (Kenya) is part of the consolidation. Hivos Foundation in The Hague has regional offices in Southern Africa (Harare, Zimbabwe), Latin America (San Jose, Costa Rica), Southeast Asia (Jakarta, Indonesia) and Middle East and North Africa (Beirut, Lebanon). All local offices that are part of these regional offices are also consolidated.

A summary of the information required under articles 2:379 and 2:414 of the Netherlands Civil Code is given below:

CONSOLIDATED COMPANIES:

Name	Registered office	Share in issued shared capital
Hivos Foundation Limited	Uganda	n/a
Hivos Foundation Limited	Kenya	100%
Hivos Limited (dormant)	Malawi	100%
Hivos India Advisory Services Private Limited (dormant)	n/a	n/a
Yayasan	n/a	n/a
Hivos MENA	Beirut	n/a
Non-consolidated companies:		
Name	Registered office	Share in issued shared capital
African Clean Energy Switch-Biogas Limited	Uganda	n/a
Impact Investments B.V.	The Hague	60%
Food & Lifestyle Fund B.V.	The Hague	65.96%

1.2 Consolidation principles

Financial information relating to group companies and other legal entities controlled by Hivos or where central management is conducted, has been consolidated in the financial statements of Hivos. The consolidated financial statements have been prepared in accordance with the accounting principles of Hivos.

Financial information relating to the group companies and the other legal entities and companies included in the consolidation is fully included in the consolidated financial statements, eliminating the intercompany relationships and transactions.

1.3 Hivos Foundation Only

The annual accounts for the Hivos Foundation Only include those entities that are part of the Hivos Foundation proper as established in the Netherlands. The entities included in the Hivos Foundation Only annual accounts are the following: Global office (The Hague, the Netherlands), Southern Africa regional office (Harare, Zimbabwe), Latin America regional office (San José, Costa Rica) and Southeast Asia regional office (Jakarta, Indonesia) including all local offices that are extensions of these regional offices.

1.4 Notes to the cash flow statement

The cash flow statement has been prepared using the indirect method. The financial resources in the cash flow statement comprise cash at bank and in hand. Cash flows denominated in foreign currencies have been translated at an average exchange rate. Interest income and expense is included in the cash flow from operating activities. Transactions that do not involve any incoming or outgoing cash flows are not presented in the cash flow statement.

Correction of errors	31-12-2021	Correction of errors	Adjusted 31-12-2021
Debtors grants	21,454	-3,885	17,569
Received from government subsidies	22,742	506	23,248
Received from other non-profit organizations	12,197	-1,434	10,763
Total Prepayments and accrued income	34,939	-928	34,011
Exceptional items and provisions	-400	550	150
Other reserves	34,361	-2,957	31,404

1.5 Estimates

To apply the accounting principles and rules for compiling the annual accounts, the Executive Board of Hivos is required to form opinions about various matters and to make estimates that might be essential for the amounts presented in the annual accounts.

Estimates have been made regarding provisions and monitoring and the collectability of claims. Hivos is not exposed to any risks to its results in this respect.

1.6 Material Errors

1.6.1 Definition

A material error is such an inaccuracy in a financial statement - determined after the adoption of those annual accounts - that the annual accounts in the provision of the article 2:362 paragraph 1 of the Dutch Civil Code falls short.

1.6.2 Error recovery

In line with RJ 150.204, the material error has been corrected retrospectively and the comparative figures for 2021 have been adjusted. The adjusted figures are included in paragraph 1.6.4.

1.6.3 Year of error

The material error in 2020 and 2021 was due to an incorrect valuation of the donor receivables and claims for grants. The total error of 2,957,136 relates to the year 2020 for an amount of 2,408,229. 548,907 relates to the 2021 reporting year.

1.6.4 Correction of errors

1.7 Discontinuance of operations

In 2022 the Executive Board of Hivos decided to close its local office in Bolivia. The activities in this region will continue under management of the Hivos hub in Costa Rica. This decision does not impact the long-term strategy of Hivos. For the termination of the local office Bolivia a provision was taken into account in 2022.

2 VALUATION PRINCIPLES

2.1 General

The consolidated annual accounts have been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code and the firm pronouncements set out in par. 650 of the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board (RJ650). As a rule, assets and liabilities are presented at acquisition or manufacturing price or at current value. If no specific valuation principle is given, valuation is based on the historical cost convention. The balance sheet, statement of income and expense and cash flow statement include references to the explanatory notes.

2.2 Going Concern

2.2.1 Going concern assessment (Covid & Continuity)

These annual accounts have been prepared under the assumption of going concern. Based on 2022 and forward looking scenario analysis, the board has no reason to doubt the continuity of the organization.

In the first quarter of 2022, the Corona virus was under control worldwide and all restrictions were lifted in most countries. Hivos brought its activities back to a normal level.

A further risk emerged in 2022 that as a result of the war on Ukraine some donors may reduce or defer funding on projects that are already under way where short term humanitarian and/or military aid is seen as a higher priority. Hivos has reviewed those running projects affected in this way to date and has concluded that by replanning and cancellation of activities no material costs are required to be provided against.

2.2.2 No material uncertainty

While Hivos recognizes that the Covid-19 crisis and the war on Ukraine bring increased levels of uncertainty, our financial position gives the Executive Board confidence in the organization's ability to continue meeting its goals. We can conclude that at this point in time, there is no material uncertainty that will cast significant doubt upon Hivos Foundation's ability to continue as a going concern.

2.3 Comparison with the previous year

There were no changes in accounting principles in 2022.

2.4 Foreign currencies

2.4.1 Functional currency

Items included in the financial statements of regional offices are measured using the currency of the primary economic environment in which the respective office operates (the functional currency). The consolidated financial statements are presented in euros, being the functional and presentation currency of Hivos.

2.4.2 Foreign currencies

Assets denominated in foreign currencies have been translated at the exchange rates prevailing as at the balance sheet date. Translation differences are taken to the statement of income and expense.

2.4.3 Group companies/regional offices

Assets and liabilities of consolidated subsidiaries with a functional currency different from the presentation currency are translated at the rate of exchange prevailing at the balance sheet date; income and expenses are translated at average exchange rates during the financial year.

2.5 Intangible fixed assets

Intangible fixed assets are presented at acquisition price less amortization. The amounts presented take into account the effect of impairment. Intangible fixed assets are amortized in 5 years on a straight line basis.

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2.6 Tangible fixed assets

Land and buildings are presented at acquisition price plus additional costs or manufacturing cost, less straight-line depreciation calculated over the estimated remaining useful life. The amounts presented take into account the effect of any impairment that is expected as at the balance sheet date. No provision for major repairs has been formed for the costs of major repairs to the buildings. Other fixed assets are presented at acquisition or manufacturing price including any directly attributable costs, less straight-line depreciation calculated over the estimated remaining useful life and less impairments. The fixed assets are depreciated as follows:

Land	not depreciated
Buildings	10-50 years
Renovations	15 years
Furniture & fixtures	10 years
Computers & ICT	4-5 years
Vehicles	5 years

2.7 Financial Fixed Assets

2.7.1 Certificates/participations

Certificates are presented at the fair value. Participations in partner organizations, are presented at fair value, taking into account possible impairments as well as any commissions payable (carried interest) that are directly linked to the value of the participations, in terms of existing management agreements at the reporting date.

2.7.2 Participations in Group companies

Participations in group companies in which significant influence is exercised on the business and financial policy, are valued under the net equity value, but not lower than nil. This net asset value is based on the same accounting principles as applied by Hivos. If the net asset value is negative, the participating interest is valued at nil.

2.8 Claims for grants and other claims

Claims for grants refer to claims on donors arising from liabilities into which the Foundation has entered based on agreements to

that effect as part of its program; these amounts include the related program management fee. Upon initial recognition, other receivables are presented at the fair value of the consideration and then valued at amortized cost, expressed in euros. Allowances for bad debts are deducted from the claim's book value.

2.9 Cash at bank and in hand

The cash is valued at face value. If cash is not freely disposable, then this has been taken into account upon valuation.

2.10 Provisions

Provisions are formed for liabilities and risks connected to the business operations. They do not pertain to specific assets. Provisions are presented at the best estimate of the amounts needed to settle the liabilities as at the balance sheet date. Provisions are presented at the face value of the projected expenditure required to settle the liabilities, unless stated otherwise. A prerequisite for a provision is that a reliable estimate can be made. If it is not possible to make a reliable estimate and the impact could be material, this contingent liability is described in the notes of the financial statements.

2.11 Reserves and funds

A reserve is presented if there is a legal requirement (e.g. revaluation reserve and legal reserve for participating interests) and if the Executive Board has decided to form a reserve for a specific purpose. A fund is created if (individual) donors have given contributions that must be used for the realization of a specific goal, which is more limited than the objective of the foundation.

2.12 Long-term liabilities and other liabilities

Upon initial recognition, long-term liabilities are presented at fair value and then valued at amortized cost and are denominated in euros. Liabilities denominated in foreign currencies have been translated at the last available exchange rates as at the balance sheet date. Any translation differences are taken to the statement of income and expense. Project liabilities represent all liabilities that the Foundation has in connection with financing agreements entered into with partner organizations.

3 PRINCIPLES FOR DETERMINATION OF THE RESULTS

3.1 General

Income and expense are allocated to the period to which they pertain in the statement of income and expense. This allocation is based on consistent practices. The balance sheet is compiled with due consideration of the amounts that pertain to a particular period but were received or paid during another period. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements; income is only included when realized on balance sheet date. In the statement of income and expenditure we included the comparison with the budget 2022 and the actuals from the previous year 2021. In the notes to the statement of income and expenditure we included the comparison with the previous year 2021 only.

3.2 Legacies

Legacies are presented in the year during which their value can reliably be determined.

3.3 Grant income

Grant income, including the program management fee, is recognized in the year in which the entitlement becomes definite. Changes to the value of grants are added to or deducted from the grant income during the year in which the grant awarded changes. As Hivos follows the Dutch Accounting Standard 650, income from lottery organizations is recognized in the year for which it was pledged. All other income is based on the new commitments signed during a particular year and on actual costs incurred for operations and direct program costs. Income to cover indirect costs relating to regranting on contracts that are based on actual direct costs plus an indirect percentage rate is recognized on a linear basis over the life of the regranting contract.

3.4 Project liabilities

Project liabilities are presented in the year during which the liability becomes definite. Estimates of costs required to complete running

projects up to their end date are compared with the committed project funds on an annual basis. As soon as an inevitable funding gap (excluding overhead costs) is identified, it is accrued in the year it is identified.

3.5 Costs

All costs, with the exception of extraordinary items, are allocated to the various cost categories, based on business criteria and with due observance of the relevant Guidelines of the Dutch Association of Fundraising Organizations, VFI: spent on objectives / generating income / management and accounting costs. Wages, salaries and social security charges are presented in the statement of income and expense in accordance with the terms of employment, insofar as they are payable to employees.

3.6 Pensions

Hivos presents all its pension schemes as defined contribution schemes. The premiums payable for the reporting year are presented as an expense. Hivos has various pension plans. The Dutch plans are financed through contributions to pension providers, i.e., insurance companies and industry pension funds. The foreign pension can be compared to how the Dutch pension system has been designed and functions. The pension obligations of both the Dutch and the foreign plans are valued according to the 'valuation to pension fund approach'. This approach accounts for the contribution payable to the pension provider as an expense in the profit and loss account. As at year-end 2022 (and 2021) no pension receivables and no obligations existed for the group in addition to the payment of the annual contribution to the pension provider.

3.7 Amortization of intangible fixed assets and depreciation of tangible fixed assets

Intangible fixed assets and tangible fixed assets are amortized and depreciated from the moment that they are taken into use, over the expected remaining useful life of the asset. Land is not depreciated. If the estimated remaining useful life changes, the future amortization or depreciation is adjusted accordingly.

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4 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

4.1 Participations

Where significant influence is exercised, associated companies are valued under the net asset value method, but not lower than a nil value. This net asset value is based on the same accounting principles as applied by Hivos.

Associated companies with a negative net equity value are valued at nil. This likewise takes into account other long-term interests that should effectively be considered as part of the net investment in the associated company. If Hivos fully or partly guarantees the liabilities of the associated company concerned, or has the effective obligation respectively, to enable the associated company to pay its (share of the) liabilities, a provision is formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from the associated company are taken into account.

Where no significant influence is exercised associated companies are valued at cost and if applicable less impairments in value.

Upon initial recognition the receivables on and loans to associated companies and other receivables are valued at fair value and then valued at amortized cost, after deduction of any provisions. These provisions are determined by individual assessment of the receivables.

4.2 Certificates

Certificates stated under the financial fixed assets that are not part of a trade portfolio either and that are held until maturity, are valued at amortized cost. If the market value is lower than the amortized cost an impairment is accounted for. The loss resulting from the impairment is deducted from the amortized cost. Reversal of an impairment is capped at the amortized cost price that would have been determined had it not concerned an impairment.

4.3 Currency risk

All program activities within Hivos are recorded in euros, US dollars, British pounds and Swedish Krona (SEK). To minimize the currency risk, all partner contracts are financed in the same currency as the corresponding donor contract if the donor's currency is the euro, dollar, pound or SEK. If a donor grants Hivos funds in any currency other than the euro, dollar, pound or SEK, the value is translated into one of those four currencies and the incoming funds are exchanged as soon as they are received. For the regional offices, a monthly exchange rate is applied that is based on information provided by the local governments (national banks).

4.4 Credit risk

Hivos does not have any significant concentrations of credit risk. To minimize the financial risk for Hivos an appropriated fund within the liabilities has been created.

4.5 Derivatives

For the principles of primary financial instruments, reference is made to the recognition per balance sheet item of the 'Principles for the valuation of assets and liabilities'. Hivos has no derivatives.

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9.5. NOTES TO THE CONSOLIDATED BALANCE SHEET AS 31 DECEMBER 2022

amounts x EUR 1,000

ASSETS

1. Intangible fixed assets

The accumulated acquisition prices of and amortization on the intangible fixed assets as at 31 December are as follows:

	Software 2021	Software 2022
INTANGIBLE ASSETS		
Acquisition price at beginning of year	1,921	2,056
Mutations year	136	132
Acquisition price at year end	2,056	2,188
Accumulated amortization at beginning of year	500	825
Mutations year	325	336
Accumulated amortization after mutations	825	1,160
Book value at beginning of year	1,421	1,231
Additions year	136	132
Amortization year	325	336
Book value at end of year	1,231	1,027
Total intangible fixed assets	1,231	1,027

In order to achieve its objectives more efficiently, Hivos is constantly looking for ways to increase insight into the progress of project implementation. To this end, in 2022 Hivos proceeded to purchase a new monitoring & evaluation system. Because the software has not yet been put into use, it was not yet amortized in 2022. The total acquisition price of this M&E system amounted in 2022 to 128,932 EUR.

The other additions to the intangible fixed assets in 2022 relate to the development costs of the ERP system All Solutions

2. Tangible fixed assets

The accumulated acquisition prices of and depreciation on the tangible fixed assets as at 31 December are as follows:

	Buildings (10-50 yrs)	Furniture and fixtures for business operations (3-10 yrs)	Cars for business (5 yrs)	Total assets for business operations	Building in Harare (50 yrs) ²¹	Building in San Jose (10 - 50 yrs) ²²	Total buildings for objectives	Total all
TANGIBLE ASSETS FOR BUSINESS OPERATIONS								
Acquisition price, 01-01-2022	886	1,406	125	2,417	106	475	581	2,999
Mutations 2022	-119	12	13	-94	0	0	0	-94
Acquisition price after mutations, 31-12-2022	767	1,419	138	2,324	106	475	581	2,905
Accumulated depreciation, 01-01-2022	476	988	119	1,582	74	123	197	1,779
2022	47	87	-4	130	3	25	27	157
Accumulated depreciation mutations, 31-12-2022	522	1,075	115	1,712	77	148	224	1,936
Book value, 01-01-2022	410	419	6	835	32	352	384	1,219
Additions 2022	-119	12	13	(94)	0	0	0	-94
Depreciation 2022	47	87	-4	130	3	25	27	157
Total tangible fixed assets at 31-12-2022	245	344	23	612	29	328	357	969

²¹ The office premises in Harare, stand 2956, Salisbury Township, 2855 centiares in size, was purchased for €76,245 at the end of 1994.

²² The office premises in San Jose, District 09, Pavas Canton 01 (norte: Victor Rosabal, sur: Calle Publica, este: via Agricola Roberth SA, oeste: Hilda Herrera), 512 m² in size, was purchased for \$325,000 in 2015.

The fixed assets are depreciated as follows:

Land	not depreciated
Buildings	10-50 years
Renovations	15 years
Furniture & fixtures	10 years
Computers & ICT	4-5 years
Vehicles	5 years

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3. Financial fixed assets

Certificates Triodos Bank/Other participations	31-12-2021	Added	Withdrawn	31-12-2022
Certificates Triodos Bank ¹⁾	2,585	44	0	2,629
Hivos Food & Lifestyle Fund BV ²⁾	571	0	104	467
	3,156	44	104	3,096

¹⁾ Related to: Triodos Bank N.V., 43,817 depositary receipts of shares with a purchase value of € 2,999,932. Due to the suspension of trade until July 2023, the net asset value of these depositary receipts as at 31/12/2022 was valued at 60 euro per certificate, with a total value of €2,629,020 (2021: €2,585,203). In 2022 the value of the certificates increased with 1 EURO per certificate.

²⁾ Hivos owns 65,96% of the issued shares of Hivos Food and Lifestyle Fund BV and the corresponding equity value. In 2022 the equity value of Hivos Food and Lifestyle Fund BV decreased by 18,14%, resulting in a write down of 103,524 EURO. The decline in equity of Hivos Food & Lifestyle fund BV is caused by the write downs in value of participations held by Hivos Food & Lifestyle investments. The main write down being for a total amount of 61.808 euro in L'Atelier du Miel Holding SAL.

Loans	Interest %	Duration	31-12-2021	Added	Withdrawn	Revaluation	31-12-2022
Hivos Triodos Fund Subordinated Loan	2.6%		31,842	0	0	0	31,842
			31,842	0	0	0	31,842

In May 2019 Hivos Triodos Fund (HTF) sold shares in the Centenary Rural Development Bank Group in Uganda. The net proceeds for Hivos were converted into a loan which was consolidated with other loans in December 2020 into one subordinated loan to HTF, forming the balance shown in note 3 Financial Fixed Assets under Hivos Triodos Fund Subordinated loan. On this transaction a potential 412 thousand EURO withholding tax was estimated and provided for.

In a private ruling dated 3 December 2021, The Uganda Revenue Authorities (URA), informed HTF that capital gain tax of 30% (for Hivos 6,8 million) would be applicable on the gain arising from this sale. A private ruling is not a (final) tax assessment, and is not binding on the tax payer to whom it is issued and furthermore HTF considers there is no legal basis for such an assessment. Two local professional advisors have confirmed this position and estimate the chances of making a successful appeal against such an assessment to be greater than 60%. Consequently Hivos has decided, in alignment with the HTF position, not to make any provision in the 2021 financial statement in respect of this. This positions has not changed in 2022.

4. Claims for grants

All outstanding claims at year-end concern claims on donors and are as follows:

	31-12-2021	31-12-2022
Receivable from companies	0	1,448
Receivable from lotteries	765	1,672
Receivable from government subsidies	1,719	2,632
Receivable from other non-profit organizations	3,142	2,195
	5,626	7,948

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5. Prepayments and accrued income

Prepayments and accrued income as at 31 December can be broken down as follows:
All items have a remaining term of less than one year.

	31-12-2021	31-12-2022
Debtors not including grants	2,104	107
Debtors grants	17,569	18,331
Prepayments (employees/travelling)	100	191
Receivable (and prepaid)	1,017	626
	20,790	19,255

The fair value of the receivables approximates the book value, due to their short-term character.

6. Cash at bank and in hand

Cash at bank and in hand is at the Foundation's disposal.
Cash at bank and in hand can be broken down as follows:

	31-12-2021	31-12-2022
In hand	6	5
Bank	63,015	51,898
	63,021	51,903

The cash at bank and in hand are at free disposal except for an amount of 80.000 for bank guarantee.

Assets and claims not included on the face of the balance sheet:

Hivos is the main founder of Stichting Hivos-Triodos Fonds. There is a contingent asset for Hivos regarding the equity of Stichting Hivos-Triodos Fonds if the partnership with Hivos ends. At this moment there is no intention to stop this partnership and the existing contract will (at least) not stop before 2025. If the partnership ends and the equity is at that moment lower or equal than the equity at yearend 2015 (approximately €13 million), Hivos is entitled to get 100% of the equity of Stichting Hivos-Triodos Fonds. If the equity will be higher than the equity at yearend 2015, Hivos and Triodos Bank N.V. are both entitled to get 50% of the equity above the equity value at yearend 2015. The equity of Stichting Hivos-Triodos Fonds is at yearend 2022 €18,010,379 (yearend 2021: €16,908,007).

7. Reserves

In 2022 a material error in the financial statements of 2020 and 2021 was discovered. The material error was due to an incorrect valuation of the donor receivables and claims for grants.
The net cumulative impact of the material error was 2,957k. The total amount of this error was processed as an adjustment to the ending balance of the other reserves in 2021.

Year of Error	2020	2021	Total Material error	
Amount	2,407	550	2,957	

Reserves	31-12-2021	Correction of errors	Adjusted 31-12-2021	Added
Continuity reserves	0	16,000	0	16,000
Designated reserve, HTF loans	31,842	0	0	31,842
Reserves for Food & Lifestyle Fund BV	571	0	104	467
Other reserves	31,404	0	16,306	15,098
Balance as at 31 December	63,817	16,000	16,410	63,407

As Hivos is mainly dependent on project funding, it needs a capacity to deal with cash flow distress. Therefore Hivos holds a minimum position of the continuity reserve. The continuity reserves are meant to cover short term risks and to ensure that Hivos has a buffer to respond to its obligations in the long term.

8. Funds

Appropriated funds	Income Category	31-12-2021	Added	Withdrawn	31-12-2022
Appropriated fund, Climate fund CO2 compensation		831	0	831	0
Private Funds	Private individuals	1,763	0	37	1,726
Balance as at 31 December		2,594	0	868	1,726

Restricted purpose of program funds:

In 2022 Hivos finalized the in 2021 initiated phase out and hand-over of the carbon credit program portfolio to local (former Hivos) entities. In line with the decision of the Executive Board in 2021, Hivos has started the allocation of funds collected from private donors in line with the purpose of these funds. Examples of such activities are the contributions to the Bessy Ferrera Fund to support LGBTIQ+ activists in emergency situations.

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LIABILITIES

9. Provisions

Hivos has the following provisions for future costs:

		31-12-2021	added	withdrawn	31-12-2022	period
Provision for irrecoverable donor claims	1)	333	145	0	478	>1 yr
Sabbatical leave	2)	78	0	30	49	>5 yrs
Jubilee		3	0	1	2	1 yr
Long term illness	3)	62	0	62	0	1 -2 yr
Cost to go	4)	13	0	13	0	>1 yr
Provision for termination LO Bolivia	5)	-	153	0	153	1 yr
Withholding tax	6)	412	0	0	412	>1 yr
Total		901	298	106	1,094	

¹⁾ Because of the nature of the foreseen cases, the provision for legal claims has been renamed in 2022 to provision for irrecoverable donor claims. The character of content remained unchanged. The balance of this provision increased in 2022 mainly due to different small cases.

²⁾ After five years of permanent contract, staff at Global Office are entitled to sabbatical leave. Hivos contributes if it is used for educational purposes. The provision covers the costs of leave including social security and where applicable replacement of the staff member on leave. Employees are encouraged to use their right to sabbatical.

³⁾ In 2022 there were no longer cases of long term illness within Hivos.

⁴⁾ Due to the decision of the Executive Board in 2019, to no longer approve projects with a budgeted loss and a better monitoring during project implementation during the project implementation the cost-to-go provision balance end of year 2021 was fully released.

⁵⁾ In 2022 Hivos decided to shut down its Local Office in Bolivia. The termination costs are estimated at 153k. The termination of the LO in Bolivia will take place in 2023. The activities in Bolivia will continue under management of the Hivos HUB in Costa Rica.

⁶⁾ This provision was formed due to a potential withholding tax liability arising from the sale of Centenary Rural Development Bank Group Limited in 2019.

10. Long term liabilities

	31-12-2021	31-12-2022
Long term project liabilities	5,251	3,601
Received from private individuals	81	0
Total	5,332	3,601

Long term project liabilities is regrating to partners which will be executed > 1 year.

The remainder of the long term liability as a result of loans received from private individuals (Algemene Lening Fonds), which originated more than 12 years ago, was released in 2022.

11. Current liabilities

Hivos' current liabilities include amounts received in advance for programs:

Project grants received in advance

	31-12-2021		31-12-2022	
	Total	Remaining term > 1 year	Total	Remaining term > 1 year
Received from companies	180	66	171	54
Received from lotteries	2,087	0	0	0
Received from government subsidies	23,248	9,442	26,551	8,649
Received from other non-profit organizations	10,763	4,374	1,745	986
Received from other sources	150	48	0	0
Total	36,428	13,929	28,467	9,689

Current project grants received/committed in advance comprises of grants project liabilities payable within 1 year plus other liabilities.

The donor grants received in advance are based on registered donor claims not on actual bank receipts. On the balance sheet date, the outstanding donor receivables balance was 15,095k, compared to 17,569k in 2021.

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Accruals and deferred income as at 31 December can be broken down as follows:

Project liabilities	31-12-2021	31-12-2022
Current project liabilities comprises project liabilities payable within 1 year.	13,930	14,783

Current liabilities for staff	31-12-2021	31-12-2022
Reservation holiday allowance	207	196
Reservation holiday leave	406	333
Other staff liabilities	422	482
Total	1,035	1,010

Other current liabilities	31-12-2021	31-12-2022
Creditors	1,521	975
Open amounts related to salaries	11	36
Outstanding costs	1,102	518
Payable taxes	144	169
Pension Liabilities	69	255
Other	1	0
Total	2,848	1,952

Other staff liabilities reduced significantly over the year mainly due to the paying out to staff of amounts related to the move to Yayasan. The remaining balance relates to the reserved dismissal fees for staff in Hivos Costa Rica.

Pension charges:

Stichting Hivos has a pension scheme with PFZW pension fund to which the provisions of the Dutch Pension Act ('Pensioenwet') is applicable. Stichting Hivos pays premiums based on (legal) requirements, a contractual or voluntary basis to pension funds and insurance companies. Premiums are recognized as employee cost when they are due. Prepaid contributions are recognized as deferred assets if these lead to a refund or reduction of future payments. Contributions that are due but have not yet been paid are presented as liabilities. For existing obligations (other than premiums to be paid) to the pension fund or employees a provision is recognized.

Commitments and contingencies not included on the balance sheet:

The following long-term rental agreements have been entered into:

- Since July 2019, the office in The Hague is rented for approximately €236,000 a year (5 years contract plus option for another 5 years).
- The rent contracts for the offices in the hubs are approximately € 270,000 per year (mainly 1 year contracts). The total commitment as of 31-12-2022 is € 489,886.
- For printing and other equipment the yearly fee is approximately € 19,600 a year.
- Commitment to consortium partners at end of 2022 is € 493,328.

Related parties

Transactions with related parties were made at arm's length and consequently need no further explanation in the notes of the annual accounts.

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9.6. NOTES TO THE CONSOLIDATED STATEMENT OF INCOME AND EXPENSE FOR THE YEAR ENDED 31 DECEMBER 2022

amounts x EUR 1,000

	Realization 2022	Realization 2021
12. Income from private individuals	2,083	2,614
13. Income from companies ¹⁾		
Antea Belgium nv	173	
NRECA International Limited	0	11
Palladium International Pty Limited	2,453	388
Other income from companies	-3	51
Income from companies total	2,623	451
14. Income from lottery organizations		
Structural NPL contribution	1,350	1,350
Project contribution including foreign postcode lotteries (NPL, UK postcode planet trust and Swedish postcode Lottery)	3,486	2,865
	4,836	4,215
15. Income from government subsidies ²⁾		
Delegation of the EU to Bolivia	389	1,076
Delegation of the European Union to Indonesia	959	795
Delegation of the European Union ZW	604	
Foreign, Commonwealth & Development Office (FCDO)	0	723
Global Affairs Canada	890	0
Ministry of Foreign Affairs Denmark	478	528
Ministry of Foreign Affairs The Netherlands	30,748	17,776
Swedish International Development Agency	3,917	6,377
Swiss Agency for Development and Cooperation (SDC) (Cosude)	1,294	1,277
The Global Fund	13,365	5,686
United Nations Development Programs	1,140	0
US Department of State	819	994
USAID Indonesia US Embassy	1,091	682
Other government subsidies	1,230	2,236
Income from government subsidies total	56,924	38,149

	Realization 2022	Realization 2021
16. Income from other non-profit organizations ³⁾		
Asian Development Bank	491	1,281
King Baudouin Foundation United States	1,111	1,826
Oxfam Novib	1,670	1,488
Rockefeller	387	992
Rutgers Kenniscentrum Seksualiteit	0	465
WWF Netherlands	4,042	3,434
Other non-profit organizations	432	2,474
Income from other non-profit organizations total	8,134	11,960
Total income generated	74,599	57,388

All incomes are incidental.

Income from private individuals consists of Fundraising Income (1.828 K), legacies (43 K), Carbon credits (212 K) Following the expiration of the 2016 pledge for the annual contribution of 1,350k, the NPL reaffirmed the pledge for the next five years in 2022.

¹⁾ Income from companies, only amounts bigger than EUR 100k are shown or if they were shown in previous year

²⁾ Income from government subsidies, only amounts bigger than EUR 500k are shown or if they were shown in previous year

³⁾ Income from other non-profit organizations (funded by government grants), only amounts bigger than EUR 200k are shown or if they were shown in previous year

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9.7. NOTES TO THE CONSOLIDATED ALLOCATION OF EXPENSE FOR THE YEAR ENDED 31 DECEMBER 2022

In line with the Strategic Compass, Hivos works on three impact areas

amounts x EUR 1,000

Appropriation Expense	Objective				Total objective	Total Fundraising costs	Total mngt. & account.	Total costs 2022	Budget 2022	Total 2021
	Climate Justice	Civic Rights in a Digital Age	Gender Equality, Diversity & Inclusion	Other						
Grants and contributions	7,540	1,109	22,494	37,736		37,736	37,736	26,598	28,218	
Publ. and communication	213	20	209	444	1,440	0	1,885	2,356	2,429	
Employee costs (incl. temporary hired consultants)	5,387	3,327	7,750	17,459	0	3,974	21,434	16,275	15,106	
Costs of housing	109	15	389	513	0	817	1,330	425	815	
Office and general expenses	4,073	1,898	7,979	15,014	0	41	15,055	17,748	13,194	
Amortization, depreciation and interest	0	0	0	0	0	595	595	216	650	
<i>Operating costs</i>	<i>9,781</i>	<i>5,260</i>	<i>16,327</i>	<i>33,430</i>	<i>1,440</i>	<i>5,428</i>	<i>40,299</i>	<i>37,020</i>	<i>60,412</i>	
Exceptional profits/losses items*								0	-400	
Correction of errors									550	
Totals	17,321	6,369	38,820	71,166	1,440	5,428	77,985	63,618	60,562	

*** Exceptional items and provisions of net € 249 contain the following items:**

Final release of closed project balances	-73
Revaluation of interest in Hivos Food & Lifestyle Fund BV	104
Release long term liability (ALF)	-81
Total exceptional items and provisions	-50

Hivos employee costs:

	2022	2021
The breakdown of the employee costs are:		
Salaries	12,470	11,497
Social security	1,016	1,090
Pension	848	871
Temporary non-project employees	1,044	953
Other employee costs	1,067	695
Total	16,444	15,106

Total contracted employees:

	2022	2021
The number of employees (Yayasan excluded) in FTE was:		
Hivos Global Office	65	71
Hivos Regional Offices	203	224
Total	267	295

Independent auditor costs:

	2022	2021
The breakdown of the independent auditor costs are:		
Annual accounts	330	386
Project audits	73	45
Total	403	431

9.8. REMUNERATION OF THE EXECUTIVE BOARD (GOEDE DOELEN NEDERLAND)

The Supervisory Council determines the remuneration policy, the amounts of the remuneration and other elements of remuneration for each of the Executive Board (EB) members. When determining the remuneration policy, applicable to the EB, and the amounts of the remuneration, Hivos follows the "Regeling Beloning Directeuren van Goededoelenorganisaties" (www.goededoelenederland.nl). This scheme provides a maximum standard for annual income based on weighed criteria.

The so-called BSD score for Stichting Hivos has been established at 580 points, with a maximum annual remuneration of € 173.960 for category J directors. Taking into account Hivos' governance model in 2022, the respective scores are 505 points (category J) for Mr. E. Huizing, 505 points (category J) for Mr M. Farkas and 505 points (category J) for Ms. A. Jellema.

Mr. E Huizing has been functioning as the Executive Director up till 31st of January 2022, when he left the organization. Mr M. Farkas has been functioning as COO for the full year 2022, combining this with the role of acting CEO for the period 1st of February 2022 till 30th of September 2022. His first term as EB member of four years ended per 31st of December 2022 and has been renewed for a second term of four years. Ms A. Jellema started her tenure as CEO of Hivos from the 1st of October 2022 and has been appointed for a first term of five years.

The relevant actual annual incomes of the Executive Board for 2022 were € 30,547 (1.11 FTE/1 month) for Executive Director Mr. E. Huizing including settlement of holiday and leave allowance, € 131,850 (1.11 FTE/12 months) for the Chief Operations Officer Mr. M. Farkas, and € 34,733 (1.11 FTE/3 months) for the new Chief Executive Officer Ms. A. Jellema. These remunerations remained within the applicable maximums.

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9.9. REMUNERATION OF THE EXECUTIVE BOARD (WNT) AND SUPERVISORY COUNCIL

The total remunerations, taxable allowances and pension charges (employer's contribution) was for Mr. E. Huizing € 32,290, for Mr. M. Farkas € 149,604 and for Ms A. Jellema € 39,200. All remained within the applicable WNT maximum of € 199,000. The allowances and pension charges were also in reasonable proportion to the annual income. The relatively high amount for Mr. E. Huizing for 2022 is related to the final settlement and payment of accrued leave and holiday allowance of 2021. The decrease in total remuneration for Mr. M. Farkas during 2022 is caused by the fact that in 2021 the EB members received a one-time off gratification of one-month salary, that was not applicable in 2022.

Next to his position as Executive Director of Hivos, Mr. E Huizing was also in 2022 Chair of the Board of Tropenbos International. Mr. M. Farkas has been Treasurer and Board Member of Arsenen zonder Grenzen (Doctors without Borders) as well as Council Member/Chair of the Audit Committee Doctors Without Borders Operational Center Amsterdam (MSF OCA) till June 2022. From the 1st of January 2022 he is also Member of the Supervisory Board Hivos Triodos Fund, Member of the Board of Trustees Yayasan Hivos Jakarta and non-executive Director of Hivos Impact Investment B.V.. All these positions are voluntary without remuneration. Ms A. Jellema has no additional Board positions in other organizations next to her CEO position of Hivos.

The amounts and composition of the remuneration for Hivos is shown in the table below.

1. Remuneration of senior executives and former senior executives with employment contracts

Name Title	E. Huizing Executive Director	M. Farkas Chief Operations Officer	A. Jellema Chief Executive Officer
Employment			
Type of contract (duration)	end 31-01-2022	4 years (start in 2019) and renewed for a second term of 4 years	5 years (start in 2022)
hours	40	40	40
part-time %	9.44%	111.11%	28.01%
period	1/1 - 31/01	1/1 - 31/12	1/10 - 31/12
Remuneration (EUR)			
Annual Income			
gross wages/salary	10,292	122,186	34,733
holiday allowance	843	9,663	0
accrued holiday allowance previous years	19,413	0	0
one-off gratification	0	0	0
variable annual income	0	0	0
Total	30,547	131,850	34,733
Taxable allowances/additions	240	0	0
Pension charges(employer's contribution)	1,503	17,755	4,467
Other future remuneration	0	0	0
End-of-year payments	0	0	0
Total remuneration for 2022	32,290	149,604	39,200
Total remuneration for 2021	161,593	158,658	n/a

Report pursuant to the Dutch Remuneration of Senior Executives in the Public and Semi-Public Sector (Standardization) Act (Wet normering bezoldiging topfunctionarissen publieke en semipublieke sector, 'WNT')

Notes on the preparation of the WNT report

The report pursuant to the WNT (Standards for Remuneration act) presented in this section is based on the applicable legislative framework and the Audit Protocol, as issued by the Dutch Ministry of the Interior and Domestic Relations.

The applicable remuneration maximum according to WNT in 2022 for Hivos is € 199,000.

1. Remuneration of senior executives and former senior executives with employment contracts 2022

Amounts x € 1	E. Huizing	M. Farkas	A. Jellema
Title	Executive Director	Chief Operations Officer	Chief Executive Officer
Date start and end in 2022	01/01 - 31/1	01/01 - 31/12	01/10 - 31/12
Part time %	1 fte	1 fte	1 fte
Employee	Yes	Yes	Yes
Remuneration			
Remuneration and taxable reimbursements	30,547	131,850	34,733
Taxable allowances/additions	240	0	0
Provision for future remuneration	1,503	17,755	4,467
Subtotal	32,290	149,604	39,199
Applicable WNT maximum	16,901	199,000	50,159
Total remuneration	32,290	149,604	39,199
The amount of the overrun and the reason why the overrun is allowed or not	15,388	n/a	n/a
Explanation of the claim for undue payment	n/a	n/a	n/a

The overrun is caused by the payment of the outstanding leave balance (€9,603) and the holiday pay (€5,784) accrued in 2021. Since there is still enough space left in 2021, the amount of € 15,388 based on Article 3 Paragraph 2 WNT Implementation Regulations are allocated to 2021 without this leading to an undue payment in 2021 and 2022.

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Comparative data 2021

Comparative data 2021	E. Huizing	M. Farkas	A. Jellema
Title	Executive Director	Chief Operations Officer	n/a
Date start and end in 2021	01/01 - 31/12	01/01 - 31/12	n/a
Part time %	111.11% for WNT: 1 fte	111.11% for WNT: 1 fte	n/a
Employee	Yes	Yes	n/a
Remuneration			
Remuneration and taxable reimbursements	141,638	139,830	n/a
Taxable allowances/additions	2,880	1,777	n/a
Provision for future remuneration	17,075	17,051	n/a
Subtotal	161,593	158,658	-
Applicable WNT maximum	191,000	191,000	n/a
Total remuneration 2021	161,593	158,658	-

2. Remuneration of Supervisory Council members 2022 - no employment contracts

Amounts x € 1	D Monissen	Ms E Lwanga King	Ms M Kimmenade	B Ter Haar	F Kruijt	D Veldman	S Carvalho
Title	Chair	Member	Member	Member	Member	Member	Member
Date start and end in 2022	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12	01/02 - 31/12	01/02 - 31/12
Remuneration							
Total remuneration	3,000	0	3,000	0	0	1,250	
Applicable WNT maximum	29,850	19,900	19,900	19,900	19,900	18,242	18,242
Undue payment not yet received in return	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Justification for excess remuneration	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Explanation claim for undue payment	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Comparative data 2021

Amounts x € 1	D Monissen	Ms A van Gorsel	Dr J van de Ven	Ms E Lwanga King	Ms M Kimmenade	B Ter Haar	F Kruijt
Title	Chair	Member	Member	Member	Member	Member	Member
Date start and end in 2021	01/01 - 31/12	01/01 - 30/06	01/01 - 30/06	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12	01/09 - 31/12
Remuneration							
Total remuneration	3,000	1,500	750	2,250	3,000	0	0
Applicable WNT maximum	28,650	9,550	9,550	19,100	19,100	19,100	6,367
Undue payment not yet received in return	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Justification for excess remuneration	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Explanation claim for undue payment	n/a	n/a	n/a	n/a	n/a	n/a	n/a

3. Severance pay of senior executives and former senior executives with employment contracts

Not applicable

4. Other reporting obligations WNT

In 2022 there were no other employees that had a remuneration above the applicable WNT maximum. There also were no employees for which a listing based on WNT should have been done.

In 2022 no severance payments were made to other employees that based on the WNT should be included in the list above.

All remuneration remained far below the applicable maximum; some SC members have chosen not to claim their allowances.

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9.10. FOUNDATION ONLY BALANCE SHEET AS AT 31 DECEMBER 2022

amounts x EUR 1,000

After appropriation of the result

		31-12-2022	31-12-2021
ASSETS			
	Notes		
Intangible fixed assets			
Software for business operations		1,016	1,231
Intangible fixed assets	1	1,016	1,231
Tangible fixed assets			
Buildings for business operations		245	410
Furniture and fixtures for business operations		292	373
Cars for business operations		6	13
Buildings for objective		357	384
Tangible fixed assets	2	900	1,180
Financial fixed assets			
Certificates Triodos Bank		2,629	2,585
Other participations		467	571
Loans		31,842	31,842
Financial fixed assets	3	34,938	34,998
Claims, prepayments and accrued income			
Claims for grants	4	7,948	5,626
Prepayments and accrued income	5	19,741	22,435
Claims, prepayments and accrued income		27,689	28,061
Cash at bank and in hand			
	6	50,860	61,583
Total		115,403	127,053

¹¹ Itemized in Chapter 7: Notes to the consolidated balance sheet as at 31 December 2022

After appropriation of the result

		31-12-2022	31-12-2021
RESERVES AND FUNDS			
	Notes		
Reserves			
Continuity reserves		16,000	0
Designated reserve, HTF loans		31,842	31,842
Legal reserve for participating interests		467	571
Other reserves		15,484	31,789
	7	63,793	64,202
Funds			
Appropriated fund, Climate fund CO2 compensation		0	831
Appropriated fund, Private Funds		1,726	1,763
	8	1,726	2,594
Reserves and funds		65,519	66,796
LIABILITIES			
Provisions			
Provision for irrecoverable donor claims		478	333
Provision for sabbatical leave		49	78
Provision for long term illness		-	62
Provision for jubilee		2	3
Provision for cost to go / future losses on project implementation		-	13
Provision for termination LO Bolivia		153	-
Other provisions		412	412
Provisions	9	1,094	901
Long term liabilities			
Long term project liabilities		3,601	5,252
Long term liabilities		0	81
Long term liabilities	10	3,601	5,332
Current liabilities			
Project grants received in advance		28,467	36,429
Current project liabilities		14,783	13,930
Current liabilities for staff		971	997
Other current liabilities		968	2,668
Current liabilities	11	45,189	54,024
Total provisions and liabilities		49,884	60,257
Total		115,403	127,053

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9.11. FOUNDATION ONLY STATEMENT OF INCOME AND EXPENSE FOR THE YEAR ENDED 31 DECEMBER 2022

amounts x EUR 1,000

		Actual 2022	Budget 2022	Actual 2021
INCOME				
Income from private individuals				
Donations and gifts		1,828	1,680	1,570
Legacies		43	0	7
Climate fund CO2 compensation		212	0	1,032
Income from private individuals	12	2,083	1,680	2,609
Income from companies	13	-3	152	175
Income from lottery organizations	14	4,836	5,009	4,215
Income from government subsidies	15	35,290	22,592	26,026
Income from other non-profit organizations	16	3,858	7,972	9,184
Subtotal income generated	B	46,063	37,405	42,209
Other income				
Income from investments		894	826	948
Exchange gain/loss of operations		542	0	165
Other income		569	73	82
Other income		2,005	899	1,195
Total income	D	46,068	38,304	43,404

		Actual 2022	Budget 2022	Actual 2021
EXPENDITURES				
Spent on objectives/programs				
Climate Justice		9,189	5,844	6,588
Civic Rights in a Digital Age		4,304	4,468	5,037
Gender Equality, Diversity & Inclusion		21,069	17,187	19,376
Other		8,069	6,875	7,408
Total expenditure on objectives	C	42,630	34,375	38,409
Spent on generating income	A	1,440	1,706	1,093
Management and accounting costs	E	5,224	3,333	5,860
Exceptional items and provisions		-50	-417	119
Total expenditures	F	49,244	38,997	45,481
Operating result before financial income and expenses		-1,176	-693	-2,077
Balance of financial income and expenses		101	0	182
Final operating result		-1,277	-693	-2,259
Costs of generating income as a % of total income generated (= A / B)		3%	5%	3%
Costs spent on objective as a % of total income (= C / D)		89%	90%	88%
Costs spent on objective as a % of total costs (= C / F)		86%	88%	85%
Man. and accounting costs as a % of total expenditures (= E / F)		11%	9%	13%
Result before appropriation		-1,277	-693	-2,259
Added to/withdrawn from:				
Reserves				
Continuity reserves		16,000	0	0
Designated reserve, HTF loans		0	0	0
Legal reserve for participating interests		-104	0	-141
Other reserves		-16,306	138	-2,035
Subtotal appropriations reserves		-410	138	-2,175
Funds				
Appropriated fund, Private Funds		-37	0	0
Appropriated fund, Climate fund CO2 compensation		-831	-831	-84
Total addition/withdrawal		-1,277	-693	-2,259

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9.12. NOTES TO THE FOUNDATION ONLY BALANCE SHEET AS AT 31 DECEMBER 2022

amounts x EUR 1,000

ASSETS

1. Intangible fixed assets

The accumulated acquisition prices of and amortization on the intangible fixed assets as at 31 December are as follows:

Software		31-12-2021	31-12-2022
Acquisition price at beginning of year		1,921	2,057
Mutations year		136	119
Acquisition price at year end		2,057	2,176

		31-12-2021	31-12-2022
Accumulated amortization at beginning of year		500	825
Mutations year		325	335
Accumulated amortization after mutations		825	1,160

		31-12-2021	31-12-2022
Book value at beginning of year		1,421	1,231
Additions year		136	119
Amortization year		325	335
Book value at end of year		1,231	1,016

Total intangible fixed assets		1,231	1,016
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Hivos East Africa purchased and implemented automation software in 2022 for an amount of 12,134 EURO. This purchase is reflected in the balance sheet of Hivos East Africa, and hence not included in the Hivos Foundation Only figures.

2. Tangible fixed assets

The accumulated acquisition prices of and depreciation on the tangible fixed assets as at 31 December are as follows:

	Buildings (10-50 yrs) ²⁾	Furniture and fittings (3-10 yrs)	Cars (5 yrs)	Total assets for business operations	Building in Harare (50 yrs) ²⁾	Building in San Jose (10 - 50 yrs) ²⁾	Total buildings for objectives	Total all
TANGIBLE ASSETS FOR BUSINESS OPERATIONS								
Acquisition price, 01-01-2022	757	1,186	117	2,060	106	475	581	2,642
Mutations 2022	-125	1	0	-124	0	0	0	-124
Acquisition price after mutations, 31-12-2022	632	1 187	117	1 936	106	475	581	2 518
Accumulated depreciation, 01-01-2022	347	813	104	1 264	75	123	197	1 461
Mutations 2022	40	83	6	129	3	25	27	156
Accumulated depreciation mutations, 31-12-2022	387	896	110	1 393	77	147	225	1 617
Book value, 01-01-2022	410	373	13	796	32	352	384	1 180
Additions 2022	-125	1	0	-124	0	0	0	-124
Depreciation 2022	40	83	6	129	3	25	27	156
Total tangible fixed assets at 31-12-2022	245	292	7	544	29	328	357	900

¹⁾ The office premises in Harare, stand 2956, Salisbury Township, 2855 centiares in size, was purchased for €76,245 at the end of 1994.

²⁾ The office premises in San Jose, District 09, Pavas Canton 01 (norte: Victor Rosabal, sur: Calle Publica, este: cia Agricola Roberth SA, oeste: Hilda Herrera), 512 m2 in size, was purchased for \$325,000 in 2015.

3. Financial fixed assets

See notes to the consolidated balance sheet

4. Claims for grants

See notes to the consolidated balance sheet

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5. Prepayments and accrued income

Prepayments and accrued income as at 31 December can be broken down as follows:
All items have a remaining term of less than one year.

	31-12-2021	31-12-2022
Debtors not including grants	2,880	107
Debtors grants	17,568	18,208
Prepayments (employees/travelling)	70	28
Receivable (and prepaid)	1,917	1,399
	22,435	19,741

The fair value of the receivables approximates the book value, due to their short-term character.
Due to the Power of Voices projects, the donor accounts receivables increased with 1,330 from 21,454 in 2021 to 22,783 in 2022.

6. Cash at bank and in hand

Cash at bank and in hand is at the Foundation's disposal.
Cash at bank and in hand can be broken down as follows:

	31-12-2021	31-12-2022
In hand	1	0
Bank	61,582	50,860
	61,583	50,860

Assets and claims not included on the face of the balance sheet:

See notes to the consolidated balance sheet

7. Reserves

Reserves	31-12-2021	31-12-2022
Foundation Only	67,159	63,793
HUB EA (included in consolidated, not in foundation only)	-79	-79
Yayasan (included in consolidated, not in foundation only)	0	0
HUB MENA (included in consolidated, not in foundation only)	-307	-307
Consolidated	66,774	63,407
Total all reserves	66,774	63,407

8. Funds

Appropriated funds

See notes to the consolidated balance sheet

LIABILITIES

9. Provisions

See notes to the consolidated balance sheet

10. Long term liabilities

See notes to the consolidated balance sheet

11. Current liabilities

Project liabilities

See notes to the consolidated balance sheet

Other Current Liabilities	31-12-2021	31-12-2022
Creditors - Hivos	1,424	932
Open amounts related to salaries	11	36
Outstanding costs	1,064	0
Payable taxes	114	0
Other	55	0
Total	2,668	968

Pension charges:

Stichting Hivos has a pension scheme with PFZW pension fund to which the provisions of the Dutch Pension Act ('Pensioenwet') is applicable. Stichting Hivos pays premiums based on (legal) requirements, a contractual or voluntary basis to pension funds and insurance companies. Premiums are recognized as employee cost when they are due. Prepaid contributions are recognized as deferred assets if these lead to a refund or reduction of future payments. Contributions that are due but have not yet been paid are presented as liabilities. For existing obligations (other than premiums to be paid) to the pension fund or employees a provision is recognized.

Commitments and contingencies not included on the balance sheet:

The following long-term rental agreements have been entered into:

- Since July 2019, the office in The Hague is rented for approximately €236,000 a year (5 years contract plus option for another 5 years).
- The rent contracts for the offices in the hubs are approximately € 270,000 per year (mainly 1 year contracts). The total commitment as of 31-12-2022 is € 489,886.
- For printing and other equipment the yearly fee is approximately € 19,600 a year.
- Commitment to consortium partners at end of 2022 is € 493,328.

Related parties

Transactions with related parties were made at arm's length and consequently need no further explanation in the notes of the annual accounts.

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9.13. NOTES TO THE FOUNDATION ONLY STATEMENT OF INCOME AND EXPENSE FOR THE YEAR ENDED 31 DECEMBER 2022

amounts x EUR 1,000

	Realization 2022	Realization 2021
12. Income from private individuals	2,083	2,609
13. Income from companies ¹⁾		
Antea Belgium nv	0	0
Palladium International Pty Limited	0	112
Other income from companies	-3	63
Income from companies Total	-3	175
14. Income from lottery organizations		
Structural NPL contribution	1,350	1,350
Project contribution including foreign postcode lotteries (NPL, UK postcode planet trust and Swedish postcode Lottery)	3,486	2,865
	4,836	4,215
15. Income from government subsidies ²⁾		
Delegation of the EU to Bolivia	389	1,076
Delegation of the European Union to Indonesia	959	795
Delegation of the European Union ZW	604	0
Foreign, Commonwealth & Development Office (FCDO)	0	723
Global Affairs Canada	730	0
Ministry of Foreign Affairs Denmark	478	528
Ministry of Foreign Affairs The Netherlands	12,156	9,521
Rijksdienst voor Ondernemend Nederland	0	152
Swedish International Development Agency	3,601	6,377
Swiss Agency for Development and Cooperation (SDC) (Cosude)	1,296	1,277
The Global Fund	13,365	5,686
United Nations Development Programs	1,140	0
US Department of State	572	943
USAID Indonesia US Embassy	0	194
Other government subsidies	0	32
Income from government subsidies Total	35,290	27,303

	Realization 2022	Realization 2021
16. Income from other non-profit organizations ³⁾		
Arcus Foundation	295	0
Asian Development Bank	491	1,281
King Baudouin Foundation United States	1,111	1,826
Oxfam Novib	133	219
Rockefeller	387	992
Rutgers Kenniscentrum Seksualiteit	0	465
WWF Netherlands	1,426	1,326
Other non-profit organizations	14	1,798
Income from other non-profit organizations Total	3,858	7,907
Total income generated	46,063	42,209

All incomes are incidental.

Income from private individuals consists of fundraising Income (1.828 K), legacies (43 K), Carbon credits (212 K)

Following the expiration of the 2016 pledge for the annual contribution of 1,350k, the NPL reaffirmed the pledge for the next five years in 2022.

¹⁾ Income from companies, only amounts bigger than EUR 100k are shown or if they were shown in previous year

²⁾ Income from government subsidies, only amounts bigger than EUR 500k are shown or if they were shown in previous year

³⁾ Income from other non-profit organizations (funded by government grants), only amounts bigger than EUR 200k are shown or if they were shown in previous year

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