university of groningen

2020 Annual report

University of Groningen



This is an English translation of the original Dutch version of the annual report, including the financial statements. In case of any discrepancies or possible differences in interpretation between this translated version and the original Dutch annual report, the latter prevails. The Dutch version is online (you may have to use the language switch).

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Supervisory Board Report

The University of Groningen Supervisory Board is responsible for the supervision of the governance and management of the UG performed by the Board of the University. In this report, the Supervisory Board will account for the supervisory duties it carried out in 2020. The Board is composed in such a way that its members can operate independently of and critically towards each other and the Board of the University.

Two changes were made to the composition of the Supervisory Board in 2020. On 1 January 2021, the Minister of Education, Culture and Science appointed Prof. Wim van Saarloos. Van Saarloos took over from Heleen van Balen, who had been a member of the Supervisory Board since 1 December 2016. In addition, Tjibbe Joustra retired after having fulfilled the position of Chair for two terms (2012-2020), upon which I was honoured to be appointed as the new Chair of the Supervisory Board on 1 September 2020. Also, on behalf of the other members of the Supervisory Board, I would like to thank our retired colleagues for their valuable input and great commitment to the academic community of the University of Groningen.

These are strange times we are living in. The coronavirus pandemic has hit the world hard and is having serious consequences for public health, the healthcare system and the social and economic environment. The crisis has had major effects on the UG's core activities: teaching, research and valorization. The adaptive capacity of the University community was severely tested in 2020. Throughout the year, the Supervisory Board had regular discussions with the Board of the University about the coronavirus measures taken by the UG as well as about the wellbeing of staff and students. The Supervisory Board greatly admires the determined and flexible way in which activities were converted into online working and studying. Everyone has worked extremely hard to cope with and manage the new situation and keep the UG's vital processes up and running.

The UG's entire academic community, including academic, support and administrative staff, as well as students, has contributed to getting the coronavirus under control, while simultaneously attempting to keep the teaching, examinations, research and PhD programmes on track. The primary aim is, and will continue to be, to prevent study delay in students. Although this is not the place to discuss all the measures that have been taken, one of the most important has been to offer high-quality online teaching and digital assessment, the development of which was accelerated by the coronavirus pandemic. The Supervisory Board is pleased to see that the UG has responded to current issues and has demonstrated societal engagement and responsibility without jeopardizing its own primary processes.

The pandemic has not alleviated the problem of high work pressure. Measures were taken in 2020 to reduce work pressure, partly in response to the coronavirus pandemic. The total costs of these measures combined with those planned for 2021 will amount to €12.6 million. This also includes the Teaching Action Plans I and II. The aim is to improve online teaching and to provide more support to lecturers in the transition to online teaching and blended learning. In the short term, the workload for lecturers will be relieved by providing more direct support. Although the Supervisory Board supports the Board of the University's approach to the coronavirus pandemic, it is concerned about the financial consequences that this will have in the coming years, for example on research.

The Supervisory Board discussed integrity with the Board of the University several times in 2020. This is an important theme, and one

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of the core values of our University. It deserves to receive continuing attention, both in terms of how individual cases are dealt with and in policy development. The Supervisory Board is closely following the development and implementation of the policy. One follow-up step that has been announced is a focus on communication, paying attention to concrete solutions and awareness-building. The Board is convinced that it pays to invest in integrity, because working and studying in a socially safe environment will ultimately improve the quality of everyone's work. It is important in this context that ongoing debate about topics related to integrity is stimulated throughout the organization.

The Yantai branch-campus dossier was concluded in early 2020 with a final report by the UG Yantai evaluation committee. This committee evaluated the decision-making process involved in the plan to establish a branch campus in Yantai (China) and thoroughly analysed the conceptual stage of the plan and its elaboration. All aspects, including the roles of the parties involved (Board of the University, University Council, faculties, Supervisory Board), were discussed. The Supervisory Board is glad that the Yantai discussion is now over and that the University can start looking ahead.

The Supervisory Board has had discussions with several different parties about the 2021-2026 Strategic Plan. It was concluded that the faculties, service unit directors and the University Council are in agreement about the main points of the plan. The Supervisory Board is of the opinion that it was a good decision to use the interdisciplinary Schools and the University of the North as key points. The attention paid to diversity and inclusion is also justified, as these values are important factors in academic success. There is a great sense of connection to the University, precisely because everyone counts within the UG. The Supervisory Board is pleased to see that the Board of the University sets great store by continuous interaction between staff, students and consultative participation bodies. As a result of this, the new Strategic Plan and the UG policy are widely supported, and staff members and students feel connected with the University.

In light of the Strategic Plan, the Supervisory Board is concerned about the effects of the recommendations issued by the Van Rijn Committee in 2019 about the funding of higher education. This applies in particular to the shift of resources from humanities, social sciences and medical degree programmes to science and engineering programmes. The shortages that are thus created may affect the quality of teaching in these degree programmes. In addition, the recommendations do nothing to solve problems such as the high workload experienced by academic staff and underfunding per student.

The UG has grown strongly in the current academic year. This is mainly thanks to measures taken during the coronavirus pandemic, such as the issuing of diplomas to all pre-university pupils by many schools, the suspension of binding (negative) study advice and of the Bachelor's-before-Master's Rule, as well as the much lower numbers of students who took a gap year. Some of these additional students will progress in the coming years. The Supervisory Board will closely follow the future developments in intake figures, but it is happy to see that the high intake is not currently resulting in any problems in accommodation and that measures are being taken to limit the workload for lecturers.

In terms of business operations and facilities, in 2020, the Supervisory Board devoted a great deal of attention to the University's long-term accommodation plan. In particular, the construction of the Feringa Building to replace the current building at Nijenborgh 4, due to its scale, has major implications for the future financial position of the institution. The governance of and risk management for this project require a great deal of attention. The Board is pleased to note that the construction process of the Feringa Building is on track, despite the coronavirus pandemic. In addition, the introduction of a new business operations system for the HR and Finance departments was high on the agenda in 2020. Based on the midterm management letter from the external accountant, the Board has noted that the quality of business processes is stable, despite the problems experienced during the introduction of the new system. In response to these implementation issues, the Board of the University has decided to extend the project phase by six months. The Supervisory Board is critically following the process.

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The University of Groningen has a proven track record, and the new Strategic Plan once again demonstrates how ambitious the UG is. It is pursuing an extensive investment programme in the field of real estate and is renewing its business operations systems. It has committed and enthusiastic academic staff and a lively student community, as well as consultative participation bodies that have a critical eye and play a vital role. The Board is very happy about the constructive dialogue that it has with the University Council. The Supervisory Board therefore concludes that the UG is in an excellent position to look to the future with confidence. This is thanks to the joint efforts of its administrators, staff and students. Everyone has their own role to play in this process.

We are confident that the University will continue to develop and improve in the years to come. This is also proven by the way in which the UG is dealing with the consequences of the coronavirus pandemic. The Board would like to express its gratitude for the efforts made by everyone, including both staff and students, in these difficult times. Even though the various vaccines seem to provide light at the end of the tunnel, we are not there yet. However, we are confident that we will soon be able to move forward, towards a healthy academic community in which students, academics, lecturers and all other staff members feel safe and can work, study, do research and move around as freely as possible.

J.W. Remkes
Chair of the Supervisory Board



Photo: P.Schrijen, Province of Limburg

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The year 2020 will forever be known as the coronavirus year. Many people were infected with COVID-19 or have seen loved ones fall seriously ill or even die. In addition, many were hit hard economically or saw their plans for the future thwarted. We have all been faced with restrictions on the freedom of movement, limiting our social contacts and entertainment options to a bare minimum. In this context, I would like to emphasize how sorry I was to see students' study time, which should be so much more than just a period of knowledge acquisition and self-development, losing most of its lustre. I can only hope that better days will soon be coming in the course of 2021.

However, the pandemic has also initiated or revealed positive developments. I would particularly like to draw attention to how resilient, resourceful and adaptable our institution turned out to be. Within a few days after the introduction of the first, intelligent lockdown in March 2020, most staff members and students were able to continue most of their work or studies in a virtual environment at home or elsewhere. Where necessary, for example for research purposes, some people continued to be able to enter UG buildings, with due observance of strict precautionary measures. Assessments were administered digitally. In the course of the year, increasingly more academic activities were able to be resumed. PhD ceremonies were held online, as were conferences and other meetings, including the opening of the Academic Year.

I would like to express my gratitude to several people here – firstly to the staff members of the CIT, Academic Affairs and other service units and departments that managed to implement, expand and maintain the necessary technological infrastructure so quickly and expertly. In addition, I feel great appreciation for the lecturers and researchers who were committed to ensuring that the academic processes would run successfully in circumstances that were far from ideal. The same certainly also applies to the support and administrative staff. The Board of the University greatly appreciates everyone's flexibility and understanding, and realizes that these changes (which are undoubtedly temporary) have led to a higher workload for many people. Alleviation of work pressure is an item that was already high on the agenda before the pandemic, and measures to address this will certainly be put in place by the University.

Students were also required to adjust to the situation. I already referred to student life, which, in times of lockdowns and curfews, can only be a pale shadow of what it used to be. Even following a degree programme was not the same as it was back in 2019, with no in-person lectures, no personal contact with fellow students and lecturers, and no visits to the inspiring and stimulating environment of the UG buildings. All this did not affect the academic quality of the teaching – all UG degrees maintained their value – but it had great consequences for its social quality. Fortunately, the vast majority of students recognized that the restrictions were necessary and cooperated very well. The problem of increased student work pressure was partly solved by measures such as a relaxation of the Study Advice System.

One unexpected result of the pandemic is a significant increase in student numbers in the 2020-2021 academic year and possibly next year as well. The Board of the University is paying particular attention to the capacity issues that this may lead to, such as additional workloads for teaching staff, facilities and services, also after the coronavirus pandemic ends.

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And now that we are on the topic of the future: the pandemic has strengthened and accelerated a wide range of current and future developments. The great opportunities offered by virtual modes of instruction were already becoming clear, but the coronavirus pandemic has worked as a powerful catalyst in this field. Students, lecturers, researchers, other staff members, as well as alumni and interested third parties can benefit from a host of possibilities, such as online learning, teaching and contact with people in other locations, possibly in real-time. The UG has joined ENLIGHT, a network of nine like-minded European universities that are jointly following this trend.

In addition, the concept of 'blended learning' (combinations of in-person and online learning) has been introduced on a large scale, resulting in more freedom and saving time and money. Many of us have also, sometimes of necessity, been introduced to what could be termed 'blended working', with all the advantages and disadvantages that this entailed (such as having to combine work with taking care of children and helping them with their distance learning). However, this principle will inevitably be pursued and continue to expand in the future. In that sense, we have followed Winston Churchill's advice to 'never let a good crisis go to waste.'

The year 2020 was also used to largely realize the new UG Strategic Plan for 2021-2026. The process was completed in 2021 with input from all departments of the UG as well as relevant stakeholders outside the University. The Strategic Plan demonstrates an ambitious vision for the University in the coming five years and sets out the contours of policy. One important component is the development of the University of the North, a collaboration network of teaching institutions, businesses and other institutions in the Northern Netherlands and Northwest Germany. Being one of the three largest universities in the Netherlands, and also prominent on a global scale, the UG will play the role that it deserves in this network. Another key point of the 2021-2026 Strategic Plan is the introduction of interdisciplinary Schools. The UG aims to optimally utilize its wide variety of academic fields and the possibilities of establishing links and collaborations to contribute to today's major societal issues.

One research highlight of 2020 was the awarding of both the Spinoza Prize and the Stevin Prize, the most significant academic distinctions in the Netherlands, to two UG professors. The Spinoza Prize was awarded to the philosopher Pauline Kleingeld and the Stevin Prize to the environmental psychologist Linda Steg. Each of these top academics received a sum of €2.5 million for their academic contributions, which they can spend on academic research and activities related to knowledge utilization.

In conclusion, I would like to emphasize that although 2020 was an exceptional and difficult year, it was certainly not lost time. On the contrary, important achievements were made and the University managed to continue to perform on par. The crisis will not affect the UG's continuity either, as its financial position is still stable. In short, our University is optimistic about the future, certainly once we are able to call the coronavirus pandemic a thing of the past.

Prof. Jouke de Vries
President of the Board of the
University of Groningen



university of groningen

I. Management Report



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1. Profile and position



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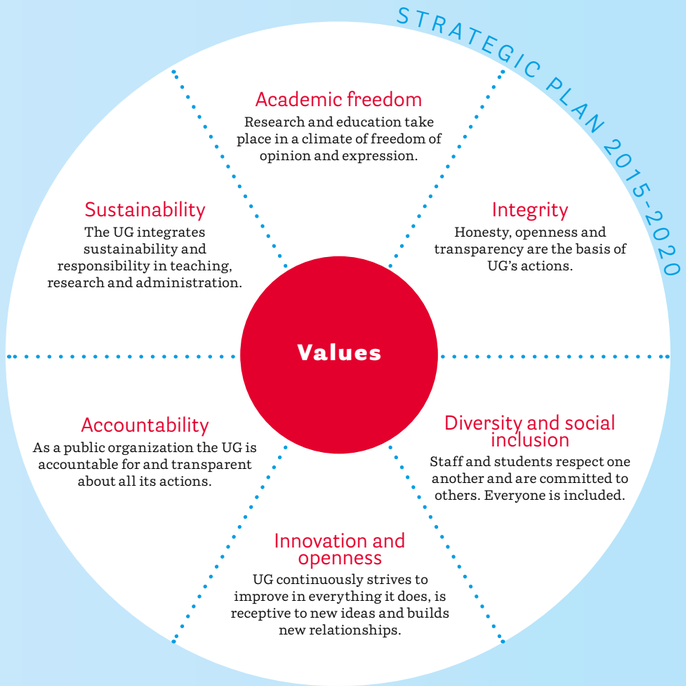
1. Profile and position

1.1 Mission and vision

The University of Groningen is an ambitious international research university with strong, thriving roots in the north of the Netherlands. The University creates and shares knowledge through outstanding research and education. With an academic tradition dating back to 1614 and a rich heritage, the University is a unique academic community with a strong sense of belonging and a culture of innovative education and research.

Research and education are driven by curiosity and tie in with the needs of the global community. Research at the University is based on powerful core disciplines. The University community in Groningen is convinced that exceptional education and research can only take place in a diverse academic community, consisting of many different nationalities and talents. The international character of the University is reflected in the way lecturers teach a diverse group of students.

The University's research, social impact and education are closely interwoven and take place in an environment that celebrates and promotes academic freedom. This encourages students to become active, independent, critical and responsible citizens of the world, helping to solve the scientific and societal problems of the future.



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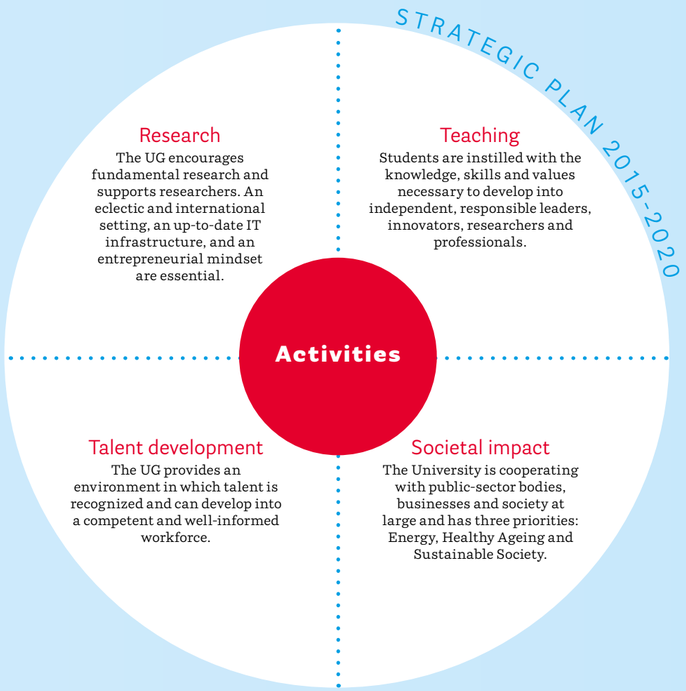

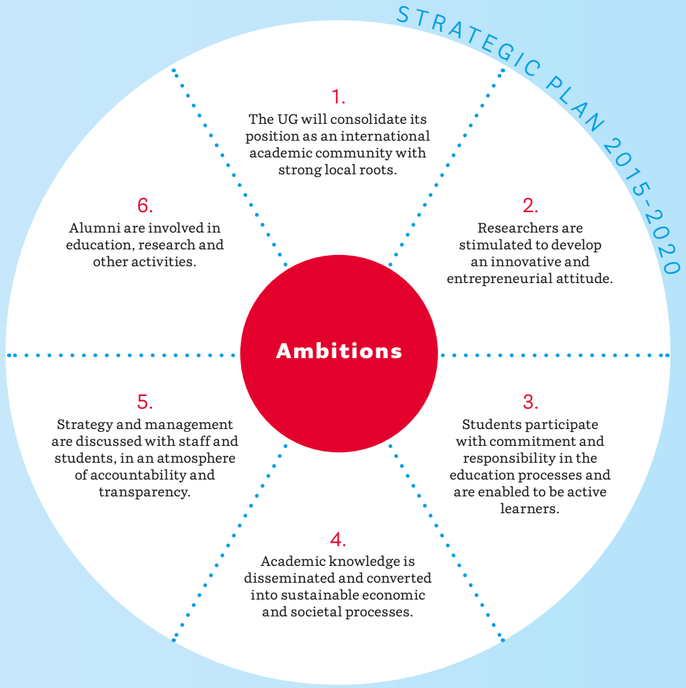

Development of the 2021-2026 Strategic Plan

Since autumn 2019, managers, staff, students and external associates have been meeting to consult on and discuss the content of a new Strategic Plan, which should dovetail with the previous Strategic Plan for the period 2015-2020. Several strategy meetings were held, and a special Board Day was organized in February 2020. Even though the original schedule was delayed due to the coronavirus pandemic, the ideas were further developed in the course of 2020. The new Strategic Plan will run from 2021 to 2026. The plan was approved by the University Board and University Council in February 2021.

'Making connections' in teaching and research is a recurring theme in the new Strategic Plan. The theme is also reflected in the responsibility that we feel and the connections that we make with the world around us, through our focus on societal themes, globalization and sustainable business operations. In addition, it can also be seen in the way that we connect with the region and in our interdisciplinary approach to issues and problems.

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The University aims to contribute to societal themes, in particular in the field of interdisciplinarity. Interdisciplinary Schools will be set up for the UG's four areas of expertise, all of which tie in closely with current societal challenges:

- Energy transition and climate adaptation
- Healthy ageing for a healthy society
- Digital society and technology
- Governance, politics and sustainable processes for a sustainable society

Academics from a range of core disciplines will collaborate with each other as well as with other knowledge institutes, the business sector and societal organizations to tackle each of these themes.

Other important points from the new Strategic Plan include the University of the North and a modern approach to recognizing and rewarding staff members' performance and results.

The University of the North is an open network of collaborating knowledge institutes in higher education across the Northern Netherlands and Northwest Germany. The UG is the initiator and coordinator of this network. The network is aimed at increasing prosperity within the region. The Regional Innovation Strategy of the Northern Netherlands (RIS3) functions as the underlying principle for the activities organized by the University of the North. Mutual collaboration should result in solutions to socially relevant issues in the region and a more attractive region in which to live, work and study.

In line with the national Recognition and Rewards programme, the UG aims to place less one-sided emphasis on publications and show more appreciation of other domains in which academics are active, such as teaching and impact. This broader approach better reflects the current core tasks of knowledge and educational institutions and what society demands of them.

1.2 Alliances and collaboration

At a regional level, the UG is participating in various forms of collaboration with other institutes of higher education, secondary education, government institutions and the business world.

The Groningen Agreement

The Groningen Agreement is a structural collaboration aimed at strengthening and promoting Groningen as a knowledge hub, fostering the growth of the innovative business sector and contributing to solving societal issues in the city and region. In addition to the UG, partners include the Municipality of Groningen, the Province of Groningen, the UMCG, Hanze University of Applied Sciences (Hanze UAS), the Noorderpoort College and the Alfa College.

Campus Groningen

The Municipality and Province of Groningen work with the UG and Hanze UAS at Campus Groningen. In collaboration with knowledge-intensive companies and spin-offs, they focus on Healthy Ageing, Sustainable Society and Energy. Campus Groningen is therefore known as the innovation motor of the Northern Netherlands. It has two adjacent locations: the Healthy Ageing Campus and the Zernike Campus.

The Zernike Campus focuses mainly on energy, chemistry, life sciences and big data. An ecosystem has emerged for intensive public-private collaboration with knowledge institutes, such as the Innolab Chemie Groningen, the Zernike NanoLab Groningen, the Energy Transition Centre EnTrance, the Energy Academy Europe, Start-up City and the Zernike Advanced Processing facility.

The Healthy Ageing Campus is located on and around the premises of the University Medical Center Groningen (UMCG), to the east of Groningen city centre. This campus focuses on food & (e-)health, biomedical technology and pharma. In addition to research facilities, incubator buildings and commercial laboratories, the Healthy Ageing Campus also has an R&D Hotel.

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Noorderlink

Noorderlink is a partnership between the largest employers in Groningen and Drenthe. They mainly collaborate in the areas of personnel and organization. The institutions exchange job advertisements and focus on applying the advantages of networking and collaboration in P&O projects, with the aim of promoting the Northern job market.

EPI-kenniscentrum

EPI-kenniscentrum was a practical knowledge centre in the field of earthquake-proof construction. The UG collaborated in this knowledge centre with the Alfa College, Hanze UAS and various other partners from the region. EPI-kenniscentrum was active for more than five years until it was dissolved on 31 December 2020. The training programmes and activities have been transferred to the participating parties.

UMCG

The University Medical Center Groningen (UMCG) is an affiliation established on 13 January 2005 between the former Academic Hospital Groningen (AZG) and the Faculty of Medical Sciences of the University of Groningen. It was established according to the principle that the University would be responsible for teaching and research policy, while the academic hospital would be responsible for patient care, providing employment and specialist medical training. These tasks are inextricably linked. Within the framework of the UMCG, an integrated policy is followed for teaching, research, patient care and specialist training. During the establishment of the UMCG, the AZG and the UG agreed on a financial arrangement. This arrangement was updated and approved in 2019.

The AZG/UG plan document for 2021 was approved by the Joint Policy Body on 2 December 2020. This document sets out the coordination required between the teaching and research activities and the related patient care and training tasks. It takes into account the staffing and logistical implications of the 2020-2021 teaching programme for the hospital section of the UMCG, which – subject to conditions – provides the facilities required for clinical instruction, thus enabling the programme to be organized in such a way as to comply with the learning outcomes set out in the Training of Physicians Decree pursuant to the Health Service Occupations Act.

On 1 September 2020, the UMCG Teaching and Research section (O&O) took over the operation of the AGOR cyclotron from KVI-CART and the personnel involved transferred from KVI-CART to the Faculty of Medical Sciences. The Medical Physics research group at KVI-CART became part of the Radiotherapy Department of the UMCG. A plan was drawn up, including an exploration of funding opportunities, to investigate how AGOR could be made profitable. The four months that KVI-CART has now been part of the UMCG operations do not constitute a representative situation, as there has been a lockdown and essential maintenance has been performed. The plans for implementing the research strategy were worked out in 2020 for the set of incentives for talent and development policy.

The pandemic is seriously affecting the Faculty's teaching. The majority of teaching activities that normally take place in person had to be offered online in 2020. The efforts made demonstrate a high level of commitment and quality of staff and students in the broadest sense of the word. In addition to the fact that lecturers and support staff had to work from home (digitally), some other staff members were not available for work because they had clinical responsibilities at the hospital. This period formed a good opportunity to further develop digital teaching and blended learning.

The teaching that usually took place in the clinical workplace – for example clerkships in the medical specialisms, teaching in the dentistry clinic and in the laboratory – came to an almost complete standstill in mid-March. Temporary adjustments, such as moving the academic placement and reducing the numbers of clinical clerkships within the Medicine degree programme, were made in an attempt to limit study delay.

In addition, academic research was also scaled down in 2020 in response to the national lockdown. After the closure of the laboratories in March, laboratory research picked up again from mid-May. Work has been performed in two daily shifts since then, with due observance of the tightened hygiene measures and the

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1.5-metre distance regulation. This has caused financial damage, mainly as a consequence of continuing wage costs that are only partly compensated by the Ministry of Education, Culture and Science (OCW: Onderwijs, Cultuur en Wetenschap).

The effects of the pandemic on the acquisition of new research funding do not appear to be very serious. Various new research projects started in 2020, including in the field of COVID-19 research. In addition, the Netherlands Organisation for Health Research and Development (ZonMw) and Zorginstituut Nederland (the Dutch National Health Care Institute) awarded a €30 million grant to the UMCG in 2020 for research on a pioneering new cancer treatment (CAR-T cells) that will be conducted with RadboudUMC, ErasmusMC and Amsterdam UMC.

1.3 Campus Fryslân

Despite all the challenges, Campus Fryslân achieved good results in 2020. The University College Fryslân (BSc in Global Responsibility & Leadership) admitted 77 more first-year students and was awarded the 'Top Degree Programme' predicate, making it one of the top three university colleges in the Netherlands. The Master's degree programme in Sustainable Entrepreneurship welcomed 35 students. A notable development was the growth of the propaedeutic phase of the Bachelor's degree programme at the Campus Fryslân location from 28 to 48 students. In total, 264 students are currently studying at De Beurs.

In 2020, the Master's degree programme in Voice Technology was accredited after having followed a smooth accreditation process. Agreement has been reached with the Faculty of Spatial Sciences to transfer the degree programme in Cultural Geography to Campus Fryslân. The track in Tourism, Geography & Planning was updated, and a specialization in Climate Adaptation Governance was developed as part of the degree programme in Cultural Geography, in collaboration with the Global Center on Adaptation.

In 2020, the Graduate School grew to 42 PhD students, including 32 regular and 10 external students. One PhD programme was concluded.

Researchers acquired over €1.1 million in research funding, including €0.4 million for research on successful regional governance. Campus Fryslân research represents the equivalent of over €2.3 million in total.

Campus Fryslân organizes a lot of public events, which, however, mainly took place online in 2020. Several alternative events were introduced, such as a podcast series about academic research conducted by Campus Fryslân and a science quiz in collaboration with Tresoar and NHL Stenden.

1.4 Alumni relations and fundraising

The department of Alumni Relations & Fundraising (A&F) coordinates and facilitates the UG's alumni policy and relationship development, organizes University-wide activities and services for former students and provides support to faculties for faculty-level activities. In addition, A&F supports the Ubbo Emmius Fund (UEF) in raising funds. Collaboration with the Groningen University Fund (GUF) is under development.

Alumni relations

The coronavirus pandemic had an enormous impact on A&F's activities. Most meetings on location had to be cancelled. Instead, a 'virtual living room' was quickly designed to enable alumni to meet up with each other and with us. A total of 17 meetings for alumni, varying from lectures to career activities, were held in 2020, mostly online, sometimes on location and in several cases in a hybrid form.

In addition to disadvantages, such as a less personal feel, the conversion to online meetings also had some advantages: activities that were previously regional in nature could now be followed by alumni from all over the world. For example, a lecture by Christiaan Triebert, who is a visual investigations journalist at The New York Times and UG Alumnus of the Year 2018, was attended online by over 600 people, and the Ben Feringa Lecture, organized in collaboration with Stanford University, the Dutch consulate in San Francisco and the Association of Research Universities in the Netherlands (VSNU: Vereniging van Universiteiten), had no fewer than 1,600 followers.

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This year saw the introduction of themed meetings, in which UG researchers were brought into contact with alumni and professionals from the field to improve the links between research and practice. Themes included hydrogen and the development of a coronavirus-related ventilator. These types of themed meetings will be organized more often in the future. Alumni also appear to be increasingly willing to help students, for example with career advice.

In addition to the usual communication channels, such as the alumni magazine Broerstraat 5 (4 x per year, 95,000 copies) and the digital Worldwide Newsletter (4 x per year, 9,000 subscriptions), an online newsletter was introduced in 2020. Once again, 15 recently graduated students were appointed as International Alumni Ambassadors to help promote the identity of our University and assist students and prospective students from abroad. Lung specialist Sander de Hosson was elected Alumnus of the Year.

Partly thanks to the increase in both attention and FTE available for alumni within the faculties, closer collaboration could be sought with the faculties and UG-wide alumni policy could be developed. In addition, investments were made in better utilization of the CRM system.

Fundraising
The UG raises additional funds for research and teaching through the Ubbo Emmius Fund. The impact of a large gift from an anonymous alumnus, the foundations for which were laid several years ago, is becoming increasingly clear. In 2020, the Fund received a sum of €35 million as part of this gift. This is probably the largest gift ever made to a Dutch university by an alumnus. At the donor's request, €30 million will be allocated to the CogniGron research centre, which is working on developing the computer of the future. The remaining amount will be used for academic research at our University.

This large gift turned the UEF into more of a fund-managing than fundraising organization. However, the extraordinary character of the gift also makes it a sort of catalyst for new University fundraising. A new strategy and structure have therefore been developed for the UEF. This has resulted in different governance, a smaller, more decisive management team, and the appointment in 2021 of more fundraisers to increase fundraising capacity. On 1 March 2021, the UEF was recognized as a charity by the Netherlands Fundraising Regulator CBF (CBF Erkend Goed Doel), which means it satisfies the highest possible quality requirements in the Netherlands.

The other fundraising activities, for example for grants for talented students from developing countries and for a coronavirus study related to the large-scale Northern research project Lifelines, yielded over €0.2 million. A crowdfunding project was initiated in May 2020 for this Lifelines study. The proceeds will be transferred to Lifelines in 2021. The UEF had over 2000 donors in 2020.

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2. Research



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2. Research

Working and learning together, as well as further strengthening these aspects, are key issues in the new 2021-2026 Strategic Plan. This plan was completed in early 2021. In terms of research, it focuses on three major themes:

- increasing the focus on and the visibility of top-class interdisciplinary research for and with societal partners.
- recognizing and rewarding research in all forms, including team spirit and contributions to interdisciplinary collaborations, societal impact and Open Science.
- creating a research environment that both optimally supports researchers and facilitates Open Science.

The content and substance of interdisciplinary research will be fleshed out in collaboration with the faculties, whereby the focus will be on the four major societal themes related to the EU's Grand Challenges. This research will be supported by strong disciplinary pillars in the faculties. Maintaining this strength is a continuous point of attention for the UG.

Coronavirus pandemic
The first and second waves of the coronavirus pandemic have put unprecedented constraints on researchers and on the implementation of research. Not only has this caused delays in ongoing research and in the start of new projects, but it has also led to a great deal of uncertainty, mainly among young researchers and Tenure Track staff without permanent contracts. The consequences of this will remain visible in the academic world to a greater or lesser extent for years to come.

However, the coronavirus pandemic has also demonstrated the vital importance of disciplinary and interdisciplinary collaboration in order to find solutions to major societal challenges. This is one of the UG's strengths. Innovative application of both fundamental and interest-driven academic research is needed in order to jointly resolve societal issues. This is why the UG is among the top European research universities.

2.1 Fundamental research

Investing in and supporting talent
To reinforce its research, the University devotes particular attention to talent policy, from the Research Master's stage to professorship. This is done at University as well as faculty level. Key aspects of this policy include the Tenure Track programme, the Rosalind Franklin programme, the PhD Scholarship Programme in the Graduate Schools, the Young Academy Groningen and the Dean of Talent Development. The University will continue to focus on these aspects in the new Strategic Plan.

PhD Scholarship Programme
In early 2020, the Ministry of Education, Culture and Science granted the UG 650 additional PhD places in the context of the PhD Scholarship Programme Experiment, in addition to the 850 places assigned at the start of the experiment on 1 September 2016. This brought the total number of PhD places at the UG within the experiment to 1500. The UG earmarked some of the new places for research within the framework of strategic themes, interdisciplinary research, internationalization and collaborations with societal partners.

A total of 934 PhD students had started the programme by 31

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December 2020. The programme has now been running for over four years and some of the PhD students have already completed or terminated their contracts (about 6% of these prematurely). In 2020, 96 PhD scholarship students started their PhD projects and the contracts of 136 students ended. At the end of 2020, 704 PhD scholarship students had a contract. In 2020, 57 PhD scholarship students obtained their PhD.

By 2020 year end, approximately 69% of the PhD scholarship students had received a full scholarship. The other 31% were international PhD scholarship students who had a scholarship from their home country and received a 'top-up' grant within the PhD programme, which gave them a net income that was at the same level as that of PhD students with a full scholarship. Since 1 January 2019, the University of Groningen has been permitted to exclude these 'top-up' grants from the number of students taking part in the experiment. Since that date, only PhD students with a full scholarship have started the experiment, so that the percentage of students with full scholarships has been gradually increasing.

The scholarship payment method chosen by the University of Groningen guarantees all PhD scholarship students, including those with a 'top-up' grant, proper integration into the Dutch social system. Key aspects of the PhD Scholarship Programme are that PhD scholarship students can choose their own supervisor, write their own research proposal and are offered a customized teaching programme (the Career Perspectives Series), which prepares them for a career after their PhD, within or outside the world of academia.

Young Academy Groningen

The Young Academy Groningen (YAG) was established in 2016. The YAG is a select group of young, talented and more widely oriented academics at the University of Groningen. The objective is to train and develop young academic talent for management tasks and to develop and strengthen the University's public activities ('outreach'). In 2020, the YAG had 42 members. In 2021, the first members will be departing as their five-year terms end.

The Board of the University and the faculties recognize the clear added value of the YAG when it comes to expressing the opinions of the group of young academics at the University. Several faculties have also established their own YAG branches. Moreover, the YAG plays an important role in strengthening collaboration between the different disciplines within the University. The YAG is therefore actively involved in implementing the strategy of the University and other current issues.

2.2 Societal themes

The UG considers it one of its duties to contribute to solving major societal issues. Collaboration among disciplines is vital given the complexity of these challenges. In this way, we can obtain both fundamental and innovative insights. This is why the UG will increase its focus on interfaculty collaborations in the coming years, in the form of 'Schools'. To this end it will utilize the diversity of its disciplines and build on existing initiatives in the fields of Healthy Ageing, Energy & Adaptation and Sustainable Society. In addition, in 2019, the UG started a fourth initiative in the field of the digitization of society.

The Schools form flexible networks where interested researchers can design research and teaching related to the theme of the School in question together with and for the benefit of society. The involvement of societal partners and the bottom-up approach are what characterize the Schools.

This has since been implemented for the Healthy Ageing theme via the Aletta Jacobs School of Public Health, in which the UMCG and the Hanze University of Applied Sciences Groningen are also involved. In 2020, the Aletta Jacobs School proved that it was a successful concept by playing a prominent role in both the coronavirus debate and actually dealing with the pandemic. A similar structure has been set up for Sustainable Society, with a variety of initiatives in the fields of earthquakes, sustainable landscapes and the coronavirus. This will be elaborated further.

Optimum ways to design the other two themes are currently being looked into. The situation with regard to the Energy & Adaptation

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theme is somewhat different because the New Energy Coalition and the Global Center on Adaptation, in which the UG also participates, are also active in the field of the envisioned School.

2.3 Research environment

Proper facilities for researchers and an open setting to work in are key preconditions for carrying out high-quality research with impact. As the University attaches great importance to sharing knowledge and ensuring such knowledge is gained in an ethical way, it is committed to Open Science, Research Data Management and Academic Integrity. In this light, we actively support our researchers by providing the infrastructure required for this, such as PURE (the University's research information system), the Research Workspace, Research Intelligence Services, the Research Data Office, Open Science support and the Groningen Digital Competence Center. Faculties also provide support, for example through faculty funding officers, ethics boards and the drafting of additional guidelines.

Open Access

The Open Access Services project was successfully completed in December 2020. This has resulted in support services with significantly better support and information channels to inform UG researchers about Open Access (OA) and Open Science. The use of Read & Publish deals has increased over the past three years, which indicates that the activities conducted to promote awareness of them have been successful. The percentage of OA-accessible UG publications increased from 37% in 2016 to 64% in 2019. The agreement made with Elsevier in 2020 is expected to result in an increase to 70-75% OA publications. By the spring of 2021, the Taverne scheme is expected to apply by default to all short UG publications. This means that all publications in closed journals will be made OA accessible six months after the date of publication.

FAIR data

The University's research data management policy focuses on making research data 'FAIR' (Findable, Accessible, Interoperable and Reusable), for example via the PURE project. In 2019, this policy was evaluated by means of 'friendly' audits at the faculties and institutes, after which it was revised in 2020 based on the results and new external developments. In addition, 2020 also saw the start of the Groningen Digital Competence Center initiative. The Research Data Office and the Data Federation Hub will become part of this centre. This bundling of expertise will improve the support provided to researchers.

PURE

The research information system, PURE, is the main source of output figures for quality assurance reports and for the UG's contribution to the VSNU's national Key Figures for University Research report.

In 2020, improvements were made and new options tested, such as the automatic import of press/media items (started October 2020) and pilots for supporting the funding application process and finding funding opportunities. In addition, preparations were made for the new Pure portal, which went live in February 2021. Automatic import options for data sets were made available in March 2021.

The ORCID was also fully completed in 2020. Researchers can now create an ORCID ID via Pure or enter their existing ORCID ID in Pure to make their research results easier to find. The percentage of researchers with an ORCID ID in Pure increased from approximately 11% in 2019 to 50% in 2020.

Research Intelligence Support

Research Intelligence (previously Impact) Services (RISe) helps researchers and research groups to increase the visibility and impact of their research. The main tools used to this end are Scival, InCites and Altmetric Explorer.

In 2020, RISe undertook several activities in collaboration with various stakeholders to further professionalize UG-wide Research Intelligence support. For example, policy was formulated for responsible use of 'metrics' in the assessment of research, in line with the recommendations from the San Francisco Declaration on Research Assessment (DORA), the new national Strategy Evaluation Protocol (SEP) and the Recognition and Rewards programme launched by the VSNU, the Royal Netherlands Academy of Arts and Sciences

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(KNAW: Koninklijke Nederlandse Akademie van Wetenschappen) and the Dutch Research Council (NWO: Nederlandse Organisatie voor Wetenschappelijk Onderzoek). The draft version of the UG Principles for Responsible Research Assessment will be presented to the Committee of Deans and the Board of the University in spring 2021.

In addition, RI workshops were held for researchers, PhD students and postdocs, impact benchmarks were conducted for purposes of SEP self-evaluations, sector plans, grant applications and award nominations, and an online conference of the Research Intelligence Network Netherlands was co-organized.

2.4 Quality assurance

Protocols

The national protocol for the design of quality assurance in research was updated in 2020 and renamed the '2021-2027 Strategy (previously Standard) Evaluation Protocol' (SEP). Its implementation at the UG is set out in the Groningen Research Assessment Protocol 2021-2027 (GRAP), which has also been updated. The most important changes include the discontinuation of midterm reviews and of assessments in the form of marks, the addition of PhD students and early/mid-career researchers to the committees of external experts (Peer Review Committee) and the introduction of more freedom to justify the quality, societal impact and viability of the research in qualitative and quantitative terms. As previously, all 27 SEP institutes are assessed once every six years to assure the level of UG research externally.

Evaluations in 2020

The reports of the interim internal evaluations conducted in 2019 at the SEP institutes within the Faculties of Arts (ICOG, CLCG and GIA), Law (GCLG) and the Kapteyn Institute of the Faculty of Science and Engineering (FSE) were received in 2020. The reports were approved by the Board of the University upon a positive recommendation by the University Committee for Academic Practice (UCW). The intended measures were discussed in administrative meetings between the respective faculties and the Board of the University. This also applies to what was probably the last interim internal evaluation conducted in the year under review, that of the Heymans Institute (Psychology) of the Faculty of Behavioural and Social Sciences (FBSS). As the previous SEP had already stopped requiring midterm reviews (MTR), in anticipation of its discontinuation in the new GRAP it has been decided to cancel the MTRs of the seven SEP institutes within FSE that were planned for 2020.

In 2020, the PRC reports were published with the national SEP assessment of research in the field of Sociology, including that of FBSS, and in the field of Spatial Sciences, including that of the Urban and Regional Studies Institute (URSI) within the Faculty of Spatial Sciences (FRW: Faculteit Ruimtelijke Wetenschappen). The quality of Sociology at Groningen was assessed as 'excellent' (score 1) and its societal impact and viability as 'very good' (score 2). The department and the Faculty have closely followed the recommendations made by the PRC. FBSS's official response to the Sociology report was positively received by the UCW and approved by the Board of the University. Points for additional attention include a new publication culture, diversity, teaching load of younger staff, and PhD success rates and career prospects. FRW's official response is expected in the spring of 2021.

2.5 Results

PhD students

The allocated number of places (850) for PhD scholarship students had already been filled at the beginning of 2019, and the filling of the 650 extra positions could only be started in the course of 2020. The intake of PhD students was therefore somewhat lower in 2019 and 2020 than in the two previous years. The percentage of international PhD scholarship students in the 2019 intake (which was around 55% in 2017 and 2018) fell to 51% and then increased again to 54% in 2020.

In 2020, a total of 591 PhDs were awarded (2019: 546), of which 30 were 'Cum Laude' (2019: 22). Nationally, our share of PhDs awarded rose to around 12%. The expected increase in PhDs awarded to approximately 600 per year in response to the PhD Scholarship Programme was thus nearly achieved.

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The UG has a special scheme for universities of applied sciences (UASs) in the North of the Netherlands to facilitate PhD programmes for their lecturers. Agreements are currently in place with Hanze University of Applied Sciences, NHL Stenden, Saxion, Van Hall Larenstein and Windesheim. By the end of 2020, 48 lecturers from universities of applied sciences received financial support from this scheme. In 2020, 18 programmes were begun and 18 were ended. In that year, nine lecturers obtained their PhD: five at Hanze UAS and four at NHL Stenden. Since the start of the scheme in 2007, 165 lecturers have received support, 52 of whom have obtained their PhD.

At the end of 2020, the percentages of the various types of PhD students at the University of Groningen were as follows:

- PhD candidates with employee status: 42%
- staff members studying for a PhD: 4%
- PhD scholarship students: 32%
- externally funded PhD students (e.g. by research institutes and universities of sciences): 10%
- external PhD students (no time or money provided for the PhD): 12%

Individual researchers

In 2020, UG academics continued to receive major grants and prestigious prizes, and were elected as members of key academic communities.

Under the NWO's Innovational Research Incentives Scheme, in 2020, the University of Groningen was awarded 14 Veni grants (9% of all grants awarded), five Vidi grants (6%) and five Vici grants (15%). The UG and UMCG were awarded five prestigious grants by the European Research Council: one Starting Grant (2% of the total awarded to the Netherlands), one Consolidator Grant (3%), three Advanced Grants (21%) and one Proof of Concept Grant (25%).

UG researchers were awarded both a Spinoza Prize and a Stevin Prize. In addition, several academics were invited to join the Royal Holland Society of Sciences and Humanities (3), the Royal Netherlands Academy of Arts and Sciences (1) and The Young Academy (1).

EU projects within Horizon 2020

In 2020, researchers at the UG and the UMCG launched 52 new Horizon 2020 (H2020) projects. In total, in 2020, the UG was involved in one project within the Seventh Framework Programme and in 273 H2020 projects. Of these H2020 projects, 188 were Pillar-1 projects, (including ERC and Marie Skłodowska Curie Actions). Of the projects, 201 were conducted with other partners in a consortium, 22 of which were coordinated by the UG or the UMCG.

Reputation

The UG is proud to be among the best universities in the world, as demonstrated by Top 100 rankings in the most influential international ranking lists, including the authoritative ARWU Shanghai Ranking (rank 69 in 2020) and the Times Higher Education World University Rankings (rank 80 in 2020). In 2020, the UG ranked 128th on the QS ranking list. Below is an overview of the positions that the UG holds in various international ranking lists. The overview is not complete and is limited to a number of international ranking lists that receive much global attention. Quality, however, comprises many dimensions (teaching, research, societal impact, etc.), is strongly dependent on the geographical and disciplinary context and is not by definition equal across all of the parts of the University (faculties, institutes, degree programmes and tracks).

The Academic Ranking of World Universities (ARWU Shanghai Ranking) is a global Top 500 published annually by ShanghaiRanking Consultancy. The ranking is based 67% on Web of Science (frequently cited researchers [22%], publications in Nature and Science [22%] and citations [22%]) and 33% on awards (Nobel Prizes and Field Medals). In August 2020, the UG ranked 69th on this ranking list.

The British publication, Times Higher Education, publishes annual ranking lists of universities worldwide. In addition to teaching and research performance, the ranking also incorporates the international reputation of institutions. The ranking is based 38.5% on Scopus (citations [30%], productivity [6%] and international collaboration [2.5%]), 33% on reputation and 28.5% on self-reported data (numbers of staff, students and PhDs [17.5%] and income [11%]). In 2020, the UG ranked 80th on this ranking list.

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Another ranking list of institutions of higher education is the QS World University Rankings. This ranking is based 50% on reputation, 20% on Scopus (citations) and 30% on self-reported data (numbers of staff and students [20%] and internationalization [10%]). In the 2020 edition, the UG was in 128th position on this list of over 900 universities worldwide. The UG holds 15 top-100 positions in the Subject rankings. However, the QS Subject rankings have limited value as they are based 50-80% on reputation scores given by non-validated respondents.

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3. Teaching



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3. Teaching

The Strategic Plan for 2015-2020 is a guide for the teaching-related themes in this chapter. Progress is discussed annually in the Administrative Meetings between the Board of the University and the Faculty Boards on the basis of various aspects, including performance indicators. The five themes are:

1. Active learning
2. Social inclusion
3. Research-driven education
4. Internationalization
5. Preparation for the labour market

This chapter also contains a section on the quality assurance system and its results in 2020 (3.6), as well as the use of the funds awarded to the University under the Higher Education Student Loan Act (3.7). The impact of COVID-19 on teaching is discussed in the individual sections and is also the topic of a separate section (3.10).

3.1 Active learning

The Strategic Plan emphasizes the usefulness of innovation and encourages staff and students to use innovative modes of instruction and techniques for active learning. In 2020, measures within the framework of COVID-19 have given an extra boost to many initiatives in this field.

E-learning

In late 2019, the faculties submitted teaching improvement projects as part of the Quality Agreements starting in the 2019-2020 academic year. Some projects follow on from innovations made with funds from the student loan system. COVID-19 has accelerated some of these projects and delayed others. Many tools for distance learning and UG-wide plans from the Quality Agreements in the fields of digital assessment, the digital learning environment and support of lecturers when using digital facilities became valuable when the coronavirus pandemic broke out and all the UG's teaching had to be converted to online modes of instruction – with a few exceptions, such as laboratory practicals.

The electronic learning environment Nestor and the virtual classroom option Blackboard Collaborate were available to all lecturers and students of the UG in no time. Immediately after the start of the pandemic in March 2020, the use of Collaborate increased to over 2500 users per day, and by April more than 12,000 people per day were using the application.

The switch to online teaching required a great deal of effort on the part of lecturers, students and support staff. Lecturers received short-term assistance in the form of extra UG-wide support, training and a new website with instructions and webinars about online teaching. Surveys have shown that students greatly appreciate the efforts made by lecturers, but also that they miss the academic community and the interaction during lectures. Teaching Action Plan I started in July 2020 and aims to improve online teaching. The UG will spend €5.5 million on implementing this plan over a period of two years. The money has been used to expand UG-wide support and invest in software and equipment to improve online teaching. The resources for the Action Plan are partly funded by the Quality Agreements but mainly by the UG's multi-annual IT plans. In 2021, support will be further expanded with Teaching Action Plan II, which will focus on assigning approximately 150 additional teaching assistants, who will assist lecturers with their online teaching within the faculties.

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E-learning is developed in line with existing national and international networks such as the national Versnellingsplan voor onderwijsinnovatie met ICT (Acceleration Plan for Educational Innovation with IT). The UG is participating in the teams for Zone 4 ('Digital learning tools') and Zone 5 ('Safe and reliable use of study data'). Activities are also aligned with the Teaching Action Plans and the European consortium ENLIGHT. Further development of blended learning (combinations of in-person and online learning) is part of the new Strategic Plan and will be expanded and strengthened in the coming years.

Lecturer professionalization

The UG contributes to the permanent professionalization of its lecturers through the 'Start to Teach' training programme for PhD students, the University Teaching Qualification (UTQ), Senior Teaching Qualification (STQ) and Educational Leadership (EL) programmes. The quality of lecturer professionalization is an important factor in teaching quality and is therefore also monitored by the University's Lecturer Professionalization committee.

In 2020, seven UG Educational Leaders completed the third Educational Leadership programme. Eleven senior lecturers received the certificate for the STQ. In addition, over 170 UTQ certificates were awarded – once again the number increased compared to previous years, this year by over 20%. The percentage of academic staff with a UTQ certificate is now 82%.

A new UTQ design was introduced in 2020. This design aims to provide a continuous boost to lecturers' development and to offer more space for personal goals. The UTQ format is now modular and less prescriptive. Initial experiences have been positive. Lecturers appreciate the room for interaction with peers during the online workshops and the new knowledge and skills that they have acquired.

The UG-wide STQ programme has also been focusing less on drawing up a dossier and more on reflection and sharing the innovative work of projects. In the future, the programme will be concluded with a mini symposium.

Finally, the Educational Leadership programme has also been updated in close collaboration with the University of Twente, after extensive consultation with important stakeholders. The fourth edition, which will start in 2021, will include several improvements, such as a joint case study set by the Boards of the two universities and more intensive feedback for participants.

In March 2020, all lecturers had to switch to online and hybrid teaching. They received support in making this switch in the form of a new range of professionalization activities. A series of webinars was immediately introduced to prepare and support lecturers in their online teaching and assessment activities. In addition, the experiences and good examples of lecturers were published in the form of podcasts and video clips. Within the framework of the Teaching Action Plan, new modules specifically focusing on online teaching were developed for the UTQ and STQ programmes in 2020. These modules will be implemented in 2021.

The Teaching Academy Groningen will play a more central role in educational development and innovation in the new strategic plan period. Lecturers from a range of disciplines can gather in a 'Community of Practice' to jointly develop their teaching skills. The Teaching Academy Groningen is a place made by and for lecturers, enabling knowledge exchange and innovation as well as research into what works in higher education.

Testing, feedback and study progress

The current assessment policy was approved in 2014. At the request of the Board of the University, in 2019, an internal committee evaluated the implementation of the assessment policy. The policy for the coming years will be updated in 2021 and linked to the UG's new Strategic Plan. The update will be based on the evaluation, new academic insights and the experiences gained with assessment during the coronavirus pandemic.

In addition to teaching, nearly all UG examinations also had to take place online as a consequence of the coronavirus measures. The UG responded to the situation by drawing up central frameworks and guidelines for assessment, with a solution strategy to convert

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examinations into alternative online modes of assessment where possible. This has demanded a lot from lecturers in terms of the organization of their examinations, and from the Boards of Examiners that were responsible for the quality of assessment and the realization of learning outcomes. Some examinations were held on campus, in the Examination Hall that was expanded in 2019, with due observance of the national safety measures.

The UG-wide support team for digital assessment was expanded to help lecturers convert their examinations to online modes. This expansion could rapidly be achieved as UG projects in the field of digital assessment were already ongoing (e.g. facilities in the Examination Hall, modules in the learning environment, remote assessment and a support organization). In addition, webinars were organized for lecturers and information about didactic considerations and tooling on the website was expanded. The number of participants in digital assessments increased from approximately 30,000 in January 2020 to 75,000 (taking 700 digital assessments) in the examination period in June-July. Webinars were organized for Boards of Examiners to provide information about the frameworks for online assessment and to explore the questions and problems people had.

3.2 Social inclusion

International Classrooms

In continuation of the work carried out by the International Classroom (IC) project (2013-2019), the EQUIPPING team has focused on two parallel processes: (1) working with faculties to consolidate the work carried out during the educational strategy period 2015-2020 and (2) preparing for a trajectory in the Teaching Academy Groningen (TAG) during the next educational strategy period 2021-2026.

The IC inventory (2019) showed that the successful integration of IC principles for good practices across the university is dependent on lecturers having the requisite knowledge, skills, values and attitudes. EQUiiP (www.equip.eu) provides for this need, both through its Continuing Professional Development (CPD) resources and through its international competence profile.

Firstly, the EQUIPPING team has worked with its network of IC coordinators at all faculties to investigate the use of the EQUiiP materials as a resource both in the CPD of lecturers and in the Internationalisation of the Curriculum (IoC). By June 2020, the EQUIPPING team had received formal expressions of interest in using EQUiiP from nine faculty boards, and the team has continued to liaise with the coordinators at these faculties during the Covid period. The team has also produced a 2-hour online workshop, which it has subsequently used in its work at several faculties.

Secondly, in July 2020, the CvB formally agreed with recommendations of the EQUIPPING team for the integration of the EQUiiP materials in the CPD trajectory of UG lecturers through the Diversity/Inclusion community of expertise of the TAG. In December 2020, the team took the first step towards this integration with its online event Diversity as a Resource for Teaching in International Classrooms, including a panel of experienced lecturers and an introduction by former Rector Professor Sterken, attended by more than 60 participants from across UG.

Within the Department of Education & Strategy a team was established around Internationalization, Diversity and Inclusion in Teaching and Learning. Given the high relevance of these concepts as expressed in the new UG strategic plan 2021-2026, this team will aim to make internationalization, diversity and inclusiveness more explicit and concrete and contribute to meaningful policy and educational development and effective implementation with different stakeholders.

Match between student and degree programme

The Pre-University Academy stimulates and supports the exchange of knowledge and skills between Dutch primary and secondary education and academics at the University of Groningen. This is achieved by forging links between primary and secondary education and university, primarily focusing on the Northern Netherlands, but the Academy also reaches students and teachers all over the world through its online activities. Through various activities, they expand their knowledge and academic and other skills and become acquainted with academic language and culture, thus learning to

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assess the value of academic knowledge and techniques. In this way, the Pre-University Academy contributes to the creation of support for academia, the promotion of study success and the development of aspirations, particularly in first-generation students.

Through these educational activities, academic staff share knowledge and skills with a section of society and become aware of the questions, needs, knowledge and skills of this section. In turn, this will benefit academic research and teaching. The Academy develops these links between primary and secondary education and the University in collaboration with teachers and academics. This results in activities (in schools, at the University and online) in which current academic research at the University of Groningen is translated into the language and context of teachers and pupils (primary and secondary education). The activities are both activating and productive.

Last year, more than 37,200 pupils and teachers participated in the various activities in schools, at the University and online. COVID-19 has seriously affected the work of the Pre-University Academy. All on-site activities suddenly had to be cancelled in the spring. However, the Academy quickly succeeded in converting its activities into online meetings and digital lesson packages. Examples include an additional round of web classes, webinars for teachers and digi-lessons for pupils. Thanks to our strong network and the high demand for digital alignment resources in primary and secondary education, we have reached many more pupils and teachers than in previous years.

Pre-University Academy staff help academics to set up academic education projects for teachers and pupils at primary and secondary schools and to organize and implement these activities. To this end, the Academy manages and supports an extensive network of teachers in the Northern Netherlands. In the past year, the Academy supported more than 75 academics with their knowledge-sharing projects for primary and secondary schools.

In 2021, the alignment resources from OCW will be extended and reinforced to improve the alignment between primary and secondary education and the UG and thereby increase study success. The Pre-University Academy is responsible for evaluating the current alignment project as well as for planning the follow-up.

Language and culture policy

In 2020, efforts were made to broaden and deepen language and culture policy. The faculties and service units recognize the importance of the policy and are building on the foundations that were laid in previous years with in-depth English and Intercultural Competence (IC) courses.

Students are also being given better opportunities to develop in the field of English and IC, through both intra- and extra-curricular activities, for example through courses specially designed for the boards of study associations. International students also have the opportunity to take free Dutch courses, and international staff are encouraged to acquire at least some knowledge of Dutch.

Many of the original plans were completed in 2019; other plans are in the final stages. The highly appreciated 'best practice' meetings and masterclasses in the field of language and culture policy had to be cancelled in 2020 as a consequence of the coronavirus pandemic. The Language and Culture Policy (LCP) project will be concluded in 2021 with a final evaluation, and the findings will be included in the UG language and culture policy.

In recent years, the Ministry of Education, Culture and Science has been working on a Language and Accessibility Act (WTT: Wet Taal en Toegankelijkheid). It is not yet clear how the WTT will affect the UG's current language and culture policy. The treatment of the WTT is currently on hold as it was declared controversial by the Senate in early 2021. Further information is not expected until after the installation of a new Cabinet. This means that the WTT and all underlying regulations will be delayed. As soon as the treatment of the Act is resumed, the UG WTT implementation plan will be aligned as much as possible with the current language and culture policy.

Differentiation/excellence

The University of Groningen attaches great importance to giving students the opportunity to explore and exploit their interests and

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talents, and strives for sufficient differentiation in the range of degree programmes and courses available to students. Bachelor's students can choose from a wide range of both monodisciplinary and broad interdisciplinary degree programmes. The Master's phase offers a choice between regular Master's programmes, selective Master's programmes, including all Research Master's, and teacher-training Master's programmes.

The University also has a Minors system, which has been adjusted a number of times following the results of evaluations. Since 2019, the Education and Students Strategy department has been responsible for the Minors Policy and the coordination of University Minors (i.e. Minors that can be followed by students from all faculties). In addition, a Minors evaluation system has been developed and procedures and criteria have been established for new University Minors.

The Minors played an important role in 2020, as they offered an alternative to students who were unable to go on an exchange due to the coronavirus pandemic. As a result, the number of students following University Minors has doubled. The development and evaluation of three interdisciplinary Minors in 2019 and 2020 marked the beginning of the implementation of the Strategic Plan, in which interdisciplinary Minors offered by the Schools are an important theme.

Students who are up for an extra challenge can follow a programme worth 15 ECTS per year at the Honours College alongside their main degree programme, at Bachelor's level (45 ECTS in total) and at Master's level (15 ECTS). Both programmes are interdisciplinary in nature, and students from all faculties can apply. Selection mainly focuses on students' motivation to be challenged in an interdisciplinary programme, as well as on diversity in the student population. In addition, students must achieve sufficiently high results in their regular programme to be able to successfully follow an extra programme.

The Bachelor's Honours programme annually welcomes about 325 students. The regular Master's Honours programme focuses on the theme of leadership and accepts approximately 150 students per year, and the Master's Honours programme in 'High Tech Systems and Materials' involves intensive collaboration with the regional business community.

Studying with a functional impairment

In 2017, an evaluation of the current policy for students with functional impairments commenced, taking into account signals from students, study advisors, student counsellors, lecturers and other parties involved. The evaluation resulted in a new policy plan in 2018, which included the following key points: improvement of information provision, structural expansion of central support via the Student Service Centre (student counsellors and student psychologists), standardization of procedures and training of study advisors and lecturers.

In 2020, a project leader was appointed using funds from the Quality Agreements to accelerate the implementation of the policy plan. The project leader is supported by a communications officer. The Advisory Committee for Students with a Functional Impairment, a sub-committee of the University Committee for Education, monitors and advises on policy for this target group.

3.3 Research-driven education

In 2020, the intertwinement of teaching and research in all phases remained the basis for all academic teaching at the University. All degree programmes, including Summer and Winter Schools, are based on research. At the University of Groningen, a high percentage of researchers with a PhD teach course units and incorporate recent research in their teaching.

In the Bachelor's and Master's degree programmes, a great deal of attention is paid to teaching and practising research skills. Students gradually develop these skills until they have mastered them at a high level and can perform them independently, which is reflected in the writing of an academic Master's thesis. Needless to say, the switch to online teaching that had to be made as a consequence of the coronavirus pandemic also affected this type of teaching. Practicals,

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research traineeships and other in-house activities were either cancelled or continued 'remotely' or in some other form. This will have affected the learning experience.

In the new Strategic Plan period 2021-2026, ample attention will be paid to 'blending' in-person teaching, where teaching and research are strongly intertwined, with online learning activities to create an optimum learning environment. In addition, more emphasis will be placed on interdisciplinarity in teaching and research. This will enable students and staff members to learn to understand each other's language and to work together on solving major academic and societal challenges, such as the coronavirus pandemic. This interdisciplinarity in teaching and research is organized in four Schools, which build on the existing core themes of Energy, Healthy Ageing and Sustainable Society, plus the new theme of Digitization.

3.4 Internationalization

The University of Groningen is strongly connected to the city of Groningen, our region, Europe and the wider world. Our internationalisation efforts focus on improving the impact and quality of our research and education, and on strengthening our position as a leading global university.

Intensive collaboration with our international partners and strategic alliances brings our research and education to a higher level, by sharing and gaining knowledge, attracting talent and funding worldwide, and by increasing intellectual and cultural diversity within our own institution. Strategic projects such as the International Classroom and training of teaching staff (EQUIIP), Language & Culture Policy and Summer/Winter Schools focus on the development and diversity of educational offer and competences.

Networks and strategic partnerships

In addition to our existing European networks (U4, Coimbra Group and the Guild) UG has joined a newly established network ENGLIGHT, which was successful in securing funding as part of the European Universities call. The goal of this newly established European University network is to contribute to the fundamental transformation of European higher education and research. Over the next three years it will focus on five themes to pilot new learning formats: climate change, health and well-being, inequality, digital revolution, energy and circularity. One of the main areas of involvement for the UG will be the development of a global engagement module. ENLIGHT has been formed by the University of Tartu, the University of Bordeaux, National University Ireland Galway, Comenius University Bratislava, the University of the Basque Country, and the 4 partners of the U4 network.

In cross-border regional collaboration UG has taken next steps in its strategic collaboration with two German members of the University of the North: a Memorandum of Understanding with Hamburg University in 2019 and a Road Map 2020-2030 with the University of Oldenburg. The latter was signed during the celebration of 40 years of collaboration between UG and Oldenburg. Key elements in the Roadmap are medical education and research, intensified research cooperation in energy transition, coastal zone management and the humanities. Projects have started for knowledge transfer and teacher education.

Participation in Erasmus + projects gives an important impulse to educational innovation, capacity building and mobility. In 2020 the University of Groningen was involved in 26 Erasmus + KA2 and KA3 projects (Capacity building, Strategic partnerships, Policy reform etc.), and 2 Jean Monnet projects. In 2020, UG applied for 27 projects in all E+ actions. 16 have been funded, out of which 11 are E+ KA2/KA3 projects (UG is the coordinator of 3).

Outside Europe, UG aims to bring more focus in the relations with its key partners. At the end of 2020 UG has adopted the "Strategic Partnerships Framework" with the intention to develop deep, sustainable, and impactful partnerships with our key global partners. The framework has been initially approved for three years (2021-2023) and will support more focused engagement with 9 partners outside of the EU (Nanyang Technological University, Gadjah Mada University, Osaka University, Macquarie University, Stellenbosch University, University of São Paulo, University of Antioquia, UNAM, and University of Chile).

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Students and staff mobility

Double Degree and Joint programmes are an important part of UG's internationalisation strategy. In 2019/2020 academic year there were 36 DD programmes across 8 Faculties. UG also offers 7 Erasmus Mundus Joint Master programmes, with 3 EMJDM re-accredited in 2020.

Most study programs at the University of Groningen allow for international credit mobility. This usually takes the form of an exchange or internship. The Erasmus + program provides outgoing mobility grants, mainly to destinations within the EU / EEA countries, with some limited options outside of Europe. The Marco Polo Fund of the University of Groningen itself is complementary to Erasmus +, and provides an opportunity for students to do a study period in the countries not covered by E+ scholarships. Both programmes also allow for staff mobility. There is a steady growth in numbers of students taking advantage of one of the funding schemes to go abroad, but the onset of the global pandemic in early 2020 seriously disrupted all international mobility in the second semester of 2019/2020.

Summer and Winter Schools

In 2020, ten Winter Schools were organized by UG academics from eight faculties, attracting 361 participants from 65 different countries. Most of the 53 Summer Schools that were planned had to be cancelled as a consequence of the coronavirus pandemic. Most organizers were unable to convert their programmes to online editions swiftly enough, although in three cases this did turn out to be possible. These online Summer Schools attracted a total of 210 participants from 53 different countries.

In 2021, a wide range of online and hybrid Summer and Winter Schools will be offered, enabling UG academics once again to collaborate intensively with international partners and present research and teaching programmes to an international audience.

Impact of the Covid-19 pandemic

At the beginning of the pandemic (which in the Netherlands was accompanied by a lockdown from March 13, 2020), there were 376 students abroad for exchange, internship or fieldwork. Of these students, 208 were funded by a Marco Polo grant and 168 by an Erasmus+ grant. Of Erasmus+ students, 68 completed their studies abroad as planned, while others returned home or did not leave at all. Erasmus+ students were able to appeal for force majeure related to the corona pandemic: 80 students with Erasmus+ scholarships did so, of whom 75 managed to complete their studies online. The students with a Marco Polo scholarship from the RUG were reimbursed for their travel expenses, as well as their accommodation expenses for the actual duration of their stay. 123 students had to return to a safe destination, cut short their stay or did not leave at all and 85 students remained abroad to complete their stay. When possible, expenses were claimed at AIG.

Some students used the emergency service offered by the Ministry of Foreign Affairs and the local Embassies. UG has created an emergency fund for students who faced exceptional and immediate costs because of the COVID crisis, handled by the student counsellors at AMD. Despite the hectic and unpleasant circumstances, all students ended up sound and safe, either in the Netherlands or an address abroad. The help of partner universities and embassies was indispensable.

3.5 Preparation for the labour market

A good connection between university and society is high on the University of Groningen's agenda. In the spirit of our ambition to optimally prepare our students for their future, the University stimulates development opportunities for students to prepare them for their career and employability. Rapid developments in today's society and labour market are increasing the importance of working on employability at an institutional level. Steps have been taken to improve the employability of UG students, both within and outside the education context.

Career Services is the central University service point for career support. Services are currently provided online in response to the pandemic. Career Services aims to help students make well-informed

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choices, for example by sharing vacancies and placements, checking CVs, helping students to write motivation letters, offering (free) workshops and training courses, and giving personal advice. The broad Career Services network (consisting of faculties, study and alumni associations, employers, and the University's own student pool) plays a significant role in this respect. Signals from a variety of internal sources and surveys, as well as the National Alumni Survey (NAE: Nationale Alumni Enquête), the National Student Survey (NSE: Nationale Studenten Enquête) and the Higher Education Guide are used to evaluate student satisfaction levels regarding labour market preparation and to identify opportunities for improvement.

3.6 Quality assurance

External quality assurance

Despite the coronavirus pandemic, 25 degree programmes were able to submit their accreditation applications in good time in 2020 as the visitation had already taken place before the lockdown started. The visitations of five Research Master's programmes and six teacher-training programmes were postponed. These degree programmes have been granted a one-year extension by NVAO in response to the lockdown. Several of the postponed visitations took place online in autumn; the remaining degree programmes will be reviewed online in 2021. All accreditation applications that were submitted in 2020 have been approved.

Internal quality assurance

The form and procedure of the Education Monitor were evaluated in 2020.
The evaluation showed that format-based reporting was not suitable for all faculties, for example due to differences in organizational structures and implementation methods. Faculties would like to have more freedom in drawing up their reports. This ties in with the quality culture that the UG advocates, which provides autonomy to faculties based on trust. In addition, the evaluation also indicated a desire for work pressure reduction, also in response to the increase in work pressure as a consequence of the coronavirus pandemic. The format was used as a guideline this year, making it easier for faculties to generate the monitor from their own quality assurance system, providing the same information with a smaller time investment.

The evaluation also showed that there is insufficient time during Administrative Meetings for extensive discussions based on the Education Monitor. It was decided to have the SER department conduct these discussions with parties such as the Faculty Board Member for Education and the Director of Education, report the most important action points to the Board of the University and, in the Administrative Meetings, only schedule discussions concerned with signs of risks. In 2020, the system of Administrative Meetings was reviewed based on an evaluation of the past six years. A new system will be decided upon in 2021.

Surveys

Surveys are important tools for the University to gain insight into students' and lecturers' experiences. The faculties, degree programmes and Programme Committees are mainly responsible for processing signals arising from such surveys, which may then be used as grounds for improvement plans and changes.

The National Student Survey (NSE) was cancelled in 2020 due to the coronavirus pandemic. In 2019, the University of Groningen participated in the Global Education Profiler (GEP) for the first time; this is a survey among students and staff about expectations and experiences in the field of internationalization. For this reason, the UG did not participate in the International Student Barometer (ISB) in 2019. Based on the low response figures in the ISB and GEP and the limited usability of the results, the decision has been made no longer to participate in the ISB and GEP. The updated NSE questionnaire includes questions about internationalization that aim to collect feedback on this topic.

As an extra quality assurance instrument, in the summer of 2020, a University-wide internal survey was held among students and lecturers about their experiences with (online) teaching and wellbeing during the coronavirus pandemic. The results of this survey have been shared with the faculties and service units and served as input for the Teaching Action Plan. In addition, University-wide follow-up

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surveys have been conducted after every block in the 2020-2021 academic year within the framework of the evaluation and monitoring of the Teaching Action Plan. In order to continue to monitor student wellbeing, in 2021, the UG will also participate in the national Monitor Mentale gezondheid en Middelengebruik studenten hoger onderwijs (Monitor on mental health and substance abuse among students in higher education) conducted in collaboration with the RIVM, GGD GHOR Nederland and the Trimbos Institute.

3.7 Quality Agreements and funds from the student loan system

In late 2018, following an intensive process involving both faculties and consultative participation bodies, the Board of the University approved the UG Quality Agreements. These are primarily faculty plans, for which the Faculty Councils have to give their approval. This decentralized approach ties in with the UG's governance system, which assumes shared values and a large mandate for the faculties. Ten percent of the available resources has been earmarked for five supra-faculty plans. In 2019, the UG Quality Agreements received a positive assessment from the NVAO panel. The Minister followed the NVAO's positive assessment and approved the UG Quality Agreements.

The UG annually reports on the progress of the Quality Agreements in its Management Report. Below we will first discuss the monitoring process and how the consultative participation bodies are involved in this process. We will assess the progress in general terms, after which we will briefly discuss the UG's vision on the themes within the Quality Agreements and describe the progress of the underlying activities.

Monitoring process and involvement of consultative participation bodies

Local dialogue

Once the Quality Agreements had been approved in 2018, in 2019 all faculties drew up project plans and appointed project leaders to pursue activities within the framework of the Quality Agreements. The project plans discuss the resources to be used, the activities intended and the planning. In addition, they formulate the envisioned income in as much detail as possible. As such, the project plans provide a good basis for Faculty Boards to monitor the progress and discuss it with their faculty community. The project plans have been discussed with and officially approved by the Faculty Council.

Each faculty has its own coordinator, who monitors the progress on behalf of the Faculty Board. At least once a year, a formal written progress report is drawn up, which is then shared and discussed with the Faculty Council. Most of these discussions for 2020 took place at the end of the year, and in some cases in early 2021. The faculty reports, containing the written opinions of the Faculty Councils about the progress in implementation of the Quality Agreements, have been sent to the Board of the University. All reports were positive, which can be regarded as an important sign that the implementation of the plans is going well!

Central dialogue

The progress of the Quality Agreements is a recurring topic in the Administrative Meetings between the faculty boards and the Board of the University. If a faculty report or a faculty council's opinion requires it, the relevant faculty board must answer questions about the progress orally during the meeting. The 2020 meeting round focused mainly on the question of whether the plans should be adjusted in response to the coronavirus pandemic. However, many faculties felt that the pandemic increased the relevance of their plans. The Faculties of Science & Engineering and Economics & Business adjusted their plans in collaboration with their consultative participation bodies to create more room for online and blended teaching. The UCG also re-allocated part of its resources with the approval of its consultative participation body.

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In addition, project plans were drawn up and project leaders appointed for the five supra-faculty activities. The specific resources, activities, planning and envisioned income of these activities have been discussed with and officially approved by the University Council. In the course of 2020, as the coronavirus pandemic resulted in a complete switch to online teaching, the Board of the University re-entered discussions with the University Council about the Teaching Action Plan, which the Board intended to use to make the necessary investments in the quality of online teaching. Part of the resources that were originally earmarked for the Quality Agreements have been re-allocated to enable the implementation of the Teaching Action Plan. In addition, as it turned out to be impossible to create extra teaching space through the intended Start-UP City concept, it was decided together with the consultative participation bodies to use the resources to conduct pilots with new active learning concepts.
The Board of the University drew up written progress reports on the supra-faculty projects, and shared and discussed these with the University Council in the same meeting during which the progress of the faculty plans was also discussed. The University Council received all faculty progress reports and the opinions expressed by the faculty councils to this end. This meeting took place in March 2021.

The University Council subsequently drew up an independent reflection report, which has been included in this Management Report. The University Council is also positive about the implementation of the Quality Agreements, which is yet another important sign of their progress.

Support from consultative participation bodies

A coordination group, comprising two Deans (or Vice Deans) and two members of the University Council, has been set up to support the implementation of the Quality Agreements. This coordination group meets three or four times a year to discuss current developments and determine whether everything is still running in accordance with the agreements. This way, the University Council is also kept informed throughout the year.

The coordination group is supported by an administrative working group. This working group maintains contact with the faculty coordinators and organizes annual support meetings for the faculty councils. A support meeting was also held in September 2020, when the new faculty councils had just been appointed. The content of the Quality Agreements and the process were explained, paying specific attention to the role of the consultative participation bodies and the questions that the new and existing council members had.

Themes of the UG Quality Agreements

It is clear from the above that the progress of the Quality Agreements was properly monitored in 2020 and that implementation can count on wide support from the consultative participation bodies. Below we will discuss the activities for each theme in more detail.

The UG Quality Agreements focus mainly on the theme of Teaching Intensity, and the vast majority of resources are allocated to this theme (see figure below). In consultation with the academic community, a decision was taken not to include the theme of Educational Differentiation, one of the six national themes, in the Quality Agreements. The University of Groningen attaches great importance to giving students the opportunity to explore and use their interests and talents. Consequently, steps have already been taken to offer differentiation opportunities to the students.

Figure 2. Resources by UG Quality Agreement theme
We will first discuss the UG vision of each theme and the measures taken by the UG to improve the teaching within the context of the Quality Agreements, and subsequently focus on the progress of each project.

More intensive teaching and small-group learning experiences (Teaching Intensity)

A close academic community in which students actively participate and that helps to create the desired interaction between students and lecturers is an important part of the UG's vision of teaching. Activating, intensive teaching concepts (such as active learning, project-based learning, flipped classrooms and formative assessment) have been increasingly implemented and integrated in recent years in order to stimulate active participation in the teaching and learning process. The size of the University and the strong growth of certain

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degree programmes are sometimes in contrast with the teaching vision that is based on much interaction and a social learning process. The UG is taking the following measures to create a learning environment that enables the desired interaction between students and lecturers at even more locations within the University:

> More time for preparing and providing teaching
> More intensive interaction between students and lecturers
> More small-scale and interactive modes of instruction in degree programmes
> More personal contact moments and feedback.

All these measures require sufficient numbers of teaching staff. The UG is therefore structurally investing €7.3 million in funds from the student loan system to hire 94 FTE worth of additional teaching staff. For 2020, this amounts to over 80% of the student loan system funds received. This part of the resources has been available since 2018, and the staffing level employed since then will remain available on a structural basis.

In addition, the faculties have used €0.4 million of the increase in student loan system funds to improve the teaching intensity in specific areas, for example by offering extra supervision for specific work groups or extra thesis supervision.

Faculty	Project	Progress
All	Improve student-staff ratio	Staff appointed
Philosophy	Target group teaching and teaching intensification	On schedule
FSE	Improve student-staff ratio	On schedule
FSE	More teaching assistants	Planned from 2021
Law	Improve student-staff ratio	On schedule
Law	Community development	On schedule
FMW	Dedicated teachers, better teaching	On schedule
GGW	Spiritual Care placement supervision	Planned from 2021
Theology & Religious Studies	Thesis supervision	On schedule
BSS	Activating teaching and academic skills	Planned from 2021
Arts	Extra staff	Planned from 2021
UCG	Enhancing Undergraduate Programme	New activity
FEB	Reduction of group size	Project adjusted
FEB	Curriculum innovation	Project adjusted

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FMW: Faculty of Medical Sciences

In consultation with the Faculty Council, the UCG has abandoned its original plan concerning the Teacher/Scholar Program and is now using part of the resources for Enhancing Undergraduate Research (The remainder is used within the theme of Student Supervision). The Faculty of Economics and Business has also adjusted its original plans within the theme of Teaching Intensity. In response to the necessary conversion to online teaching due to the coronavirus pandemic, the resources that were originally earmarked for reducing group sizes in on-site teaching have been used to reduce online group sizes and improve online assessment. The two plans that the Faculty had within this theme have eventually been merged together.

More and better student supervision

Learning is a process that takes place within the context of the academic community. The diversity in disciplinary, social and cultural backgrounds that the UG has is conducive to this learning process. By acquainting themselves with diverse perspectives, staff and students get to develop and make the most of their talents. To this end, the UG is working on an inclusive teaching environment with strong connections between lecturers and students, in which all students and staff members feel at home and are able to participate. Extra efforts sometimes have to be made to make this possible for all target groups. A combination of early identification of problems and good supervision will enable all students to develop and achieve the learning outcomes. The UG is therefore taking the following measures:

> Expand existing personal supervision
> Make more facilities available for personal supervision.

In concrete terms, this means that the UG has spent €0.4 million on expanding the central staff of the SSC in order to reduce the waiting times for the student psychologists to a maximum of 2-3 weeks. As mentioned above, early identification of problems is also important, which is why the use of the Early Warning System has been expanded in a number of places. In addition, a dyslexia and dyscalculia centre will be established to enable students to obtain up-to-date test results to present to their Board of Examiners at a reduced price.
This will make it easier for this group of students to progress in their studies. In addition to two supra-faculty activities, several faculties also specifically aim to improve student supervision. A total of €0.4 million is invested in the following projects. In consultation with the Faculty Council, the UCG has abandoned its original plan concerning the Teacher/Scholar Program and is now using part of the resources for a Guidance Officer (The remainder is used within the theme of Teaching Intensity).

Faculty	Project	Progress
FSE	Early Warning System	On schedule
Law	Improve tutorial teaching	On schedule
Law	Improve lecture teaching	On schedule
Medical Sciences	'Healthy' studying	On schedule
Theology & Religious Studies	Mental Health	On schedule
BSS	Writing Shop	Delayed
Arts	Student supervision and support	On schedule
UCG	Guidance Officer	New activity
FEB	Intensification of thesis supervision	On schedule
UG	Centre for dyslexia and dyscalculia	Delayed
UG	Student counselling and support for students with functional impairments	Realized

Two projects within this theme have been delayed. The intended coordinator of the centre for dyslexia and dyscalculia left the UG in 2020. In addition, it was not possible to test students for dyslexia or dyscalculia due to the coronavirus pandemic. A new coordinator has in the meantime been appointed, and testing will start as soon as the measures allow for this. The Writing Shop of the Faculty of Behavioural and Social Sciences (BSS) is also delayed. This is because extra time and attention has had to be paid to the conversion to online teaching due to the coronavirus pandemic.

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Study success

The UG regards study success as more than just studying successfully in terms of figures relating to drop-out, progress and graduation. The UG believes it is important that students acquire the knowledge and skills that they need to make a contribution to society or to the development of their own subject field after they complete their degree programme. The UG therefore aims to stimulate students to find meaning and learn to see relevant connections between what they are learning in their degree programme and their current or future life. For this reason, the UG focuses on:

> More room for developing skills
> Better preparation for successful performance in the labour market
> More diversity in modes of assessment.

The above-mentioned measures are applied in specific areas by the faculties. In total, the UG spent €0.8 million on improving study success in 2020. All activities that were planned to start in 2020 are progressing on schedule.

Faculty	Project	Progress
Law	Law and practice	On schedule
Law	Exam differentiation	Planned from 2021
Law	Legal English	On schedule
Spatial Sciences	Intensifying supervision and enhancing students' digital skills and employability	On schedule
Medical Sciences	'Efficient' studying	On schedule
Theology & Religious Studies	Career prospects	Planned from 2021
CF	Transdisciplinarity in the curriculum	On schedule
CF	Education in Sustainable Development	On schedule
BSS	Faculty office for external relations	On schedule
UCG	Study advisor and career and internship advisor/supervisor	On schedule

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Appropriate and effective teaching facilities

An appropriate learning environment is necessary in order to be able to achieve and facilitate the content-specific learning outcomes. Over the past years, much work has been done on relocating, renovating and newly building a variety of teaching facilities, paying attention to facilitating active learning. Nevertheless, there is still room for further improving the teaching facilities to create the desired learning environment. Increasing the quality, quantity and use of learning facilities will improve the quality of learning. The UG aims to offer:

> An appropriate digital learning environment
> Appropriate on-site teaching facilities
> More support of lecturers in using new and existing facilities.

Extra teaching space, designed in accordance with the current vision on teaching, was scheduled to be created via the Start-UP City concept in 2020, but further exploration showed that this was not possible. However, the relocation of the Faculty of Law temporarily freed up space within the existing UG accommodation. A total of €0.5 million was spent on making this space suitable for active modes of instruction. Lecturers of all faculties could use this space in 2020, and the lessons learned in this project are shared throughout the University.

In addition, a total of €0.4 million was spent in 2020 on supra-faculty additional support in the use of the digital learning environment. These spendings have eventually been assigned to the Teaching Action Plan, which aimed to enable the conversion to fully online teaching in response to the coronavirus pandemic. Within the framework of the Quality Agreements, the faculties have invested €0.6 million in equipment and the support of equipment to improve online teaching.

Faculty	Project	Progress
FSE	E-learning	On schedule
FSE	Lecture recording	On schedule
Medical Sciences	'Effective' studying	On schedule
BSS	E-learning environment	On schedule
BSS	Teaching rooms	On schedule
UG	Teaching support	Project adjusted
UG	Temporary additional teaching rooms	Project adjusted

In collaboration with the Faculty Council, the Faculty of Science & Engineering expanded its original plans within the theme of Teaching Facilities to create more room for blended learning concepts. To this end, project resources from the theme of Teaching Intensity have been re-allocated to the projects within the theme of Teaching Facilities.

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Further professional development of teaching staff (Lecturer Quality)

Lecturers are at the core of high-quality degree programmes and play an important role in getting students involved in the learning process. Educational improvement is inextricably linked to professional development of teaching staff. In recent years, the UG has invested in the University Teaching Qualification (UTQ) and worked on a continuous pathway to facilitate lecturers at the various stages of their teaching careers. In addition, several initiatives aimed at the appreciation of teaching have been launched. To accommodate the diversity in disciplines, plans and needs, the UG will focus on:

> More time for and forms of professional development.

Several faculties appointed trainers and gave lecturers time to follow training courses in 2020. For the entire UG this involved a total amount of €0.5 million.

All activities except one have proceeded according to schedule. The Faculty of Arts was unfortunately unable to focus on the dissemination of the previously conducted SVM project as extra time and attention had to be paid to the conversion to online teaching due to the coronavirus pandemic. This will be addressed in 2021.

Faculty	Project	Progress
FSE	Improve intercultural competences	On schedule
FSE	Professionalize teaching assistants	On schedule
Medical Sciences	'Healthy, effective and efficient' teaching	On schedule
Theology & Religious Studies	Digital tools	On schedule
Arts	Teacher training	On schedule
Arts	Dissemination of SVM projects	Delayed
Arts	Extra time for professional development	On schedule
FEB	Collegial learning for lecturers	On schedule

Financial overview

The funds from the student loan system at the UG will increase from €9.0 million in 2020 to €22.4 million in 2024. In view of this increase, both the Board of the University and the Faculty Boards decided to finance some of their investments in activities from their own reserves in 2020 so that they could be immediately implemented at full speed. The budgeted amount of €11.3 million is therefore higher than the €9.0 million in student loan system funds that the UG received in 2020.

Below is a summary of budgeted resources per theme and their realization in 2020. The overview shows that depletion of funds largely took place in accordance with the budget in order to implement the above-mentioned activities. Any resources that have not been used up will be reserved to be spent on the relevant activity in 2021.

Theme	Student loan system funds	Own resources	Budget (€ million)	Realized (€ million)
1. More intensive teaching and small-group learning experiences	7.7	0	7.7	8.0
2. More and better student supervision	0.2	0.6	0.8	0.7
3. Study success	0.5	0.3	0.8	0.4
4. Appropriate and effective teaching facilities	0.3	1.2	1.5	1.2
5. Further professional development of teaching staff	0.3	0.2	0.5	0.4
Total	9.0	2.3	11.3	10.7

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Conclusion

The Board of the University is happy with the progress made in the implementation of the Quality Agreements. All opinions expressed by the faculty councils and the University Council about the progress has been positive, inspiring a lot of confidence. The 2020 project reports show that the majority of activities have been implemented according to schedule. Where necessary, plans have been adjusted based on the horizontal dialogue that forms the foundation of the UG Quality Agreements in order to be able to respond to the changing context of teaching, again with the approval of the consultative participation bodies. The Board of the University regards this, too, as a sign that the Quality Agreements can count on a lot of commitment and support from the academic community, and that they will indeed help to improve teaching.

Faculty	K€	Explanatory note
Faculty of Arts	1,528	80%
Faculty of Theology and Religious Studies	191	10%
Faculty of Philosophy	191	10%
Subtotal	1,910	100%
Faculty of Arts	49	For improving subject-specific methodology
Faculty of Arts	16	For coordinating a national research school
Total	1,975	

3.8 Reflection on central consultative participation bodies

Review: 2019 Quality Agreements

Starting in 2019, the University Council was closely involved in the overall process of establishing the Quality Agreements. The Board of the University facilitated this effectively, and the Quality Agreements Working Group of the Office managed the process successfully. The Quality Agreements were regularly discussed in University Council meetings, and the Working Group also organized additional meetings to keep the Council and the local councils involved in the process.

In addition, two members of the University Council joined the Quality Agreements Coordination Group, together with two Deans. The Coordination Group regularly met with the Working Group to discuss the progress and give feedback on the process. The University Council was thus well represented in the Coordination Group to discuss the progress of the process, and there was enough room to provide timely feedback from the University Council. The Coordination Group also attended the round-table discussions that were held with various stakeholders in preparation of the Quality Agreements, and provided explanations and advice about the process to faculty councils where necessary. Attention was also paid to the Quality Agreements throughout the entire process in the quarterly Council discussions with representatives from the central and local consultative participation bodies.

Early in the process, the University Council decided on a decentralized approach to the Quality Agreements: at least 90% of the funds to be spent were allocated to the faculties and the remaining max. 10% could be spent University-wide. As a result, from that moment on, the University Council could only give its approval for: 1) the process, 2) the 10% of funds allocated University-wide, and 3) the definitive University Quality Agreements plan containing the faculty sub-plans approved by the faculty councils. The effective involvement of the University Council and the smooth collaboration between the Coordination Group and the Working Group resulted in the University Council's unanimous approval of the plans for the Quality Agreements in December 2019.

Reflection on 2020 Quality Agreements

The Quality Agreements process continued with the same organizational structure in 2020. The Working Group and the Coordination Group meet twice a year to monitor progress, or more often if necessary. The Working Group provides the Coordination Group and the University Council with all the information they need

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in a proper, timely and transparent way. The information provided and the letters in which the local councils express their opinions about the progress show that the Quality Agreements are progressing well at the faculty level, apart from a few minor delays, some of which are caused by the coronavirus pandemic. Three faculties have proposed adjustments to their plans. After approval by the relevant faculty councils, the University Council unanimously approved the process surrounding these adjustments. In its meeting of March 2021, the University Council also approved the report drawn up by the Board of the University about the 2020 Quality Agreements. Several proposed adjustments to the subplans at University level (the max. 10%) will be submitted to the University Council for approval later. In its meeting of March 2021, the University Council also expressed its happiness with the information provision and the process surrounding the Quality Agreements and the monitoring of progress.

3.9 Sustainable humanities

In 2020, the University of Groningen received almost €2 million for Sustainable Humanities. These funds were received from the Ministry of Education, Culture and Science via the Sustainable Humanities Programme Office (formerly the governing body). Until 2015, these funds were earmarked for specific purposes, but these have since been abandoned. The same applies to the monitoring system and annual reporting on the use of these funds. All funding for Sustainable Humanities, with the exception of those funds which are allocated for specific purposes, contribute towards the policies of the faculties concerned; funding for Sustainable Humanities is an essential part of their income and guarantees the continuity of the humanities.

At the Faculty of Arts and the Faculty of Theology and Religious Studies, their respective policies focus primarily on reducing the workload and safeguarding research time. At the Faculty of Philosophy, emphasis is on promotion policy – in which the Faculty's research profile and educational needs are explicit assessment criteria – and on the consolidation of the Philosophy Knowledge Center.

The Philosophy Knowledge Center has three main objectives:

1. To showcase the Faculty's applied and societally relevant research.
2. To constitute a knowledge base for people interested in philosophical topics.
3. To be a portal for organizations and companies to get in touch with students and staff for research assignments and placements.

3.10 Impact of the coronavirus pandemic

In early March 2020, the University started preparing for a possible lockdown and a switch to online teaching. Before the lockdown started, a working group made the necessary preparations to facilitate the conversion to online teaching. The IT infrastructure was expanded, instructions were drawn up and a website was built, which was ready on the evening during which the lockdown was announced. In addition, webinars were developed and offered on a daily basis to support the conversion to online teaching. When the lockdown was extended, it was decided to start providing assessments online as much as possible as well. Some examinations were postponed, while others were swiftly and successfully converted. Based on experiments and research, the UG chose not to use online surveillance tools (proctoring) and instead focus strongly on new modes of assessment that focus on understanding. The switch to fully online teaching and assessment was successful.

In September 2020, hybrid teaching started, with most of the teaching offered online and a small part on campus. Many seminars were taught in a hybrid form, with some of the students physically present and others participating online. However, this quickly turned out to be very demanding for lecturers, and timetabling this type of teaching was also rather complex. Assessments have been offered online as much as possible and in person where necessary, with due observance of the 1.5 metre distance regulation. The Examination Hall was made coronavirus-proof, greatly reducing its capacity.

The Board of the University approved the Actieplan Online Onderwijs (Online Teaching Action Plan) in July 2020 to support lecturers in their hybrid teaching from September. Resources were made available to

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improve the video and software infrastructure for hybrid teaching and assessment and offer lecturers additional help in designing their online teaching and examinations. One embedded expert for each faculty was appointed to this end in September. A second Teaching Action Plan provided faculties with resources to hire student assistants to provide teaching support.

The UG has made great efforts to adjust to the constantly changing coronavirus situation and measures, and has been able to continue to provide teaching. Still, the coronavirus crisis has had a serious impact on teaching. Online teaching and the closure of teaching facilities has greatly affected the wellbeing of students and lecturers. Surveys were conducted among both groups in June and November, the results of which will be published in the course of 2021.

Lessons learned

UG's communication plan towards students, staff and partner institutions was a crucial element in successfully navigating the crisis. Information packages were provided on our website, via bulk and targeted emails, and regular updates sent to our partner institutions. UG's Crisis Management Team, Legal Department and all international officers at the University did their utmost to ensure timely and transparent communication. Due to the high level of uncertainty and the number of actors and interests involved, it was initially not always easy to take decisions timely. Lessons learned from the first few months, prompted the development for example of a clear policy and early communication for international mobility in the 2nd semester of 2020/2021.

The crisis also demonstrated the urgent need to have a central system of readily available data on mobility. The Mobility Online system was purchased in 2019 and is still in development. Once finished it will save a lot of time and stress in contacting students during pandemics like COVID or social unrest (like in Hong Kong).

The full halt on all physical mobility options in combination with the limited possibility to teach on campus, were incentives to shift towards online mobility and virtual exchange. UG's Faculties took different approaches and the UG community learned a lot on what is desirable moving forward (eg. high levels of work pressure among academic staff, different time zones, limited offer of online courses available at partner institutions, etc).

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4. Societal impact



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4. Societal impact

In addition to education and research, the third core task of the University is to have a societal impact (confirmed in the Academic Education Sector Agreement (OCW-VSNU) in 2018). To this end, the University works together with the public sector, businesses and society at large to share knowledge and to generate new investments in research. As we consider it essential to support the region that houses us and to help it develop, this collaboration also has a regional focus. This also has a distinct international significance: the University cooperates in the border region with Germany as part of the University of the North: University of Groningen North West Germany (UGNWG).

The resolution of key social issues plays an ever greater role in academic top research. For this reason, the University has formulated three research priorities: Energy, Healthy Ageing and Sustainable Society. In doing so, the University makes an active and substantial contribution to the resolution of transitions in society and of societal issues – in particular those in the North of the Netherlands. In terms of impact on society, in the years to come the University – in accordance with its Strategic Plan for 2015-2020 – will specifically focus on:

1. Entrepreneurship
2. Infrastructure
3. Societal themes
4. Interaction and cooperation

4.1 Entrepreneurship

Take-off is a funding instrument that stimulates business activities and entrepreneurship in the Dutch knowledge institutes. It is offered by NWO. Academic entrepreneurs can apply for a Take-off grant to take the first steps towards marketing their innovative research results. Take-off grants are available for Phase 1 (feasibility study, €40,000) and Phase 2 (proof-of-concept programme, risk-bearing loan of €250,000). In 2020, three Take-off feasibility study grants were awarded to UG researchers. One entrepreneur was awarded proof-of-concept funding based on research conducted at the UG.

The University of Groningen Holding Company (RHM: RUG Houdstermaatschappij BV) aims to give shape and substance to the UG's impact. The RHM invests in start-up companies based on UG knowledge by providing loans and/or participating. Most of these start-ups are located at the Zernike Campus, the Healthy Ageing Campus or elsewhere in the city of Groningen. At year-end 2020, the RHM was participating in 35 spin-out companies, as well as in the Innolabs, which make laboratories available to start-ups and product development projects focusing on chemistry and agrifood. Construction of the Innovation Center Chemistry & Engineering started in 2020. This centre will house several companies as well as the new Engineering Innolab and the Chemistry Innolab.

The RHM is an independent entity and is therefore a 'self-revolving fund'. All revenues generated by providing loans to and/or participating in start-ups are used to invest in new start-ups. The exit moment of businesses that have developed well is decided on the basis of business-economic considerations, bearing the UG's valorization objective in mind as a guiding principle.

In 2020, two successful exits significantly contributed to the RHM's positive result of approximately €1.8 million (2019: €1.6 million). The RHM invested in five new companies: Ancora Health BV, SG Papertronics bv, SlimStampen BV, QDI Systems BV and the Innovation

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Center Chemistry & Engineering. The RHM's equity is positive and increased in 2020. The funds received will be used to invest in new UG spin-offs in 2021.

Within the framework of the valorization objective and the development of the University of the North, 2021 will see the establishment of a new early investment fund for high-tech start-ups. This fund will enable the RHM to offer support to starting academic entrepreneurs in the early stages of their business.

4.2 Infrastructure

The UG has an active support infrastructure to realize societal impact. In 2020, the Board of the University commissioned further professionalization of impact support at the UG. Academics are increasingly collaborating with societal partners, and the UG is introducing interdisciplinary Schools and collaborating with universities of applied sciences in the University of the North. This requires integrated management of impact support and a clear positioning of colleagues within and outside the UG.

The central infrastructure currently consists of Northern Knowledge, a Dean of Industry Relations and a Dean of Entrepreneurship. In addition, the University's financial and legal departments provide support in the establishment of partnerships. At faculty level, there is an intricate network of support tailored to the needs of academics.

Northern Knowledge

Northern Knowledge was established by the UG, Hanze UAS and the UMCG. Northern Knowledge supports academics at the UG in their collaborations with external partners. It also plays an active role in knowledge development in the region, where possible, tying in with the themes from the Regional Innovation Strategy RIS3.

Progress was made and success achieved on many fronts in 2020, for example:

- Realization of 3D print cluster, with partners including those in Westerbork.
- IT Hub Hoogeveen: programme under development with partners in the region, including universities of applied sciences and institutions providing senior secondary vocational education.
- Masterplan Campus Emmen: administrative collaboration with government and knowledge institutes. This concerns a broad-based campus under development, focusing in particular on Smart and Circular themes, including the start of a hybrid research group (UG and NHL Stenden) in the field of sustainable polymers.
- In Northwest Germany: Innolab Papenburg received a grant from the Amt für regionale landesentwicklung and is collaborating with wirtschafstregion Papenbrug Dörpen.
- Implementation of research on mobility in the border region within the framework of the Wunderlinie, attractiveness of shopping areas in border cities, attractiveness of the business climate in ten border cities.
- Establishment of a Hub in the Northern Netherlands within the framework of the National Artificial Intelligence Coalition (NL-AIC). The UG, in collaboration with the knowledge institutes and NOM, received a starting grant for this (see also under Industry Relations).
- The UG actively participates in the Smart Industry hub.

Dean of Industry Relations

De Dean of Industry Relations actively establishes links between UG researchers and external parties (businesses, non-profit organizations, government institutions and citizens). Co-creation of knowledge and building ecosystems are important components of this. In 2020, Industry Relations focused on the main themes of digital society and circular economy, and the accompanying subthemes. Examples of activities pursued in 2020 are listed below:

- Under the 'digital society' theme, Industry Relations launched an AI blog to showcase the research conducted by the various faculties. In addition, the Dean of Industry Relations was the point of contact for the NLAIC during the first phase, until a project leader was appointed to establish the AI hub in the Northern Netherlands.

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- Industry Relations also contributed to the application for a starting grant with the Netherlands AI Coalition for a Northern Netherlands AI hub.
- Together with Graduate Studies, Industry Relations organized the Meet & Greet Young Researchers - Digital Society, a large-scale online event that aimed to connect young researchers to non-academic partners and vice versa. The event was a success: about 200 participants attended the lectures, workshops and speed-dating sessions.
- Green industry is a subtheme of circular economy. Within this framework, the interdisciplinary UG Green Industry Innovation Agenda was launched in 2020. A total of 99 researchers from seven different faculties present their research and ambitions in this agenda. In addition, it discusses research analyses, ongoing collaborations and activities in the field of entrepreneurship. The launch of the agenda may be a stepping stone towards future joint projects with relevant stakeholders, such as businesses, government institutions and our partners in the University of the North. Chemport Europe, the UG, NHL Stenden and Hanze University of Applied Sciences Groningen organized the first Meet & Greet for researchers and representatives from the business world in the autumn.
- Industry Relations highlighted the various aspects of UG research on hydrogen by launching a video blog in which several researchers briefly presented their expertise in this research field.

Dean of Entrepreneurship

The Dean of Entrepreneurship stimulates entrepreneurship. The University of Groningen Centre of Entrepreneurship offers teaching in the field of entrepreneurship in almost all faculties. In 2020, 900 students participated in UGCE teaching and activities. In the period 2015-2020, 168 start-ups participated in the VentureLab start-up programme, 60% of which completed it successfully. There were nine successful start-ups in 2020.

4.3 Societal themes

In addition to teaching and research, the third core task of the University is to have societal impact. Societal transitions in the field of the climate, energy, digital society, health and a sustainable society require the University to play a more prominent role. In 2020, the UG continued to collaborate with the government, the business world and society, not only for purposes of sharing knowledge and generating new investments in research, but also to generate knowledge and create solutions in collaboration with partners and to stimulate business activities.

In the field of societal impact of teaching and research, the UG's 2015-2020 Strategic Plan focused on three themes. All these themes involved interdisciplinary collaboration, which increased in 2020. They are:

- Energy
- Healthy Ageing
- Sustainable Society

Energy

The UG aims to help enable more people to use energy and resources sustainably in the coming years. For this reason, energy and sustainability research is conducted in a balanced way, with experimental parts as well as model studies and studies into societal interaction. In this context, the UG has made the first steps towards combining various research groups that study energy and related sustainability topics within the faculties into one School on energy in the future. This will substantially improve the visibility and critical mass required for energy research.

Healthy Ageing

The activities pursued by the Aletta Jacobs School of Public Health (AJSPH) in 2020 mainly focused on the coronavirus crisis. A publication about the insights gained in the first wave of the pandemic appeared. In addition, the AJSPH is coordinating research on the rapid-testing centre for students and staff.

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Despite the coronavirus pandemic, the AJSPH also succeeded in developing new activities in the field of research. In collaboration with the University of Oldenburg, the Cross-Border Institute issued its first open research call. In addition, several match-making meetings were organized in the field of health-related research grants. The Aletta Health Grant was established for young researchers, to stimulate small-scale and short-term activities in the field of public health at the UMCG, the UG and Hanze University of Applied Sciences Groningen.

In the field of teaching, the AJSPH aims to stimulate and, where possible, link the development of interdisciplinary teaching modules on the topic of health at all levels of higher education and in collaboration with nearly all the universities of applied sciences in the Northern Netherlands. The UG, UMCG, Hanze UAS and NHL Stenden have developed a joint teaching strategy to this end. In addition, the first edition of the Innovating Public Health programme for PhD students and postdocs was held. In collaboration with Berenschot, work started on the development of a training programme for managers from the North of the Netherlands about the future of the Northern health landscape.

The development of international collaboration in the field of Health continued in 2020. The AJSPH coordinates the ENLIGHT health activities on behalf of the UG.

Sustainable Society

Sustainable Society focuses explicitly on major societal challenges in which transdisciplinary collaboration can generate clear added value. The theme addresses the common ground between (a) economic prosperity, (b) social inclusion, cohesion and justice and (c) sustainable living environment, which are all achieved through (d) good governance. The UG thus explicitly contributes to creating a better future for future generations.

In anticipation of the new UG Strategic Plan, last year's focus was mainly on further shaping the various research groups. This process is progressing well, and groups are being assigned more concrete activities. In addition, the position of the groups is strengthened as their internal network grows now that direct connections are sought with colleagues in a wide range of disciplines.

The links to external parties are also taking shape, and their societal embedding and visibility are improving. The main focus has been on the groups that concentrate on Sustainable Landscapes, Democracy & Governance and Disaster Resilience. In addition, the promising Illicit Trade group was recently added. The groups have developed a series of webinars that are attracting increasing numbers of participants, they are working on symposia, developing Summer and Winter Schools, and drawing up joint project proposals. Finally, the regular activities (such as small grants and PhD grants) have continued as usual.

4.4 Interaction and collaboration

The UG has an extensive network for collaborating with regional, national and international parties, including businesses within and outside the Netherlands, the Provinces, the Northern Netherlands Assembly (SNN), the Groningen Agreement, the Northern Netherlands Development Agency (NOM), the New Energy Coalition, the Northern Netherlands Healthy Ageing Network, various Ministries and the European Commission.

The organization is also involved in partnerships between knowledge institutes, market parties and the public sector, such as the Comprehensive Cancer Center (CCC), BioBrug, LifeLines, the Groningen Engineering/Digital Business Centres, Innolabs and the SPRINT programme. The University uses this network to optimally function in an ecostructure of collaboration on research, teaching and valorization.

Regional

The UG works with regional partners on the implementation of the Northern Innovation Agenda (NIA), based on the Regional Innovation Strategy (RIS): a joint policy for the Northern Netherlands for utilizing education and research. In the context of developing a regional ecostructure for innovation, the UG is a partner in the development of the campus, in collaboration with all parties in the quadruple helix.

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The University of the North, a partnership between the UG, the UMCG and the universities of applied sciences in the Northern Netherlands, is becoming an increasingly prominent player in this regional strategy and these networks, in which the knowledge sector will be able to reinforce and showcase its contributions to the regional themes. The 'region' in this context stretches into Germany, where the UG previously took the initiative of the University of Groningen North West Germany (UGNWG).

National

The UG participates in Top Sector activities in which academics and businesses jointly set up and fund projects. The government's Top Sector policy focuses on fostering collaboration between researchers, businesses and the public sector within nine sectors. The UG is especially successful in the following Top Sectors: High Tech Systems and Materials, Logistics, Life Sciences & Health, Chemical Industry, Agrifood, and the Creative Industry. The national government started the first round of the Groeifonds (growth fund) in 2020. The UG and UMCG are closely involved in three proposals: Artificial Intelligence, Hydrogen/Green chemistry, and Health RI (Research Infrastructure). The national assessment committee will issue its recommendation in spring 2021, after which the Cabinet will make a decision.

Development aid

Capacity development in higher education is at the heart of NICHE projects. The Energy project in Mozambique, which focuses on transition and sustainable energy, was extended. An important milestone in 2020 was the development and start of an entire Master's curriculum in the field of sustainable energy, the MSc training in 'Renewable Energy Systems Management'. Hanze University of Applied Sciences Groningen and Stellenbosch University in South Africa were important partners in this project.

In addition, a new project was initiated in the field of food security, in which higher education institutes in Mozambique will establish and guide local partnerships to strengthen the value chain of various crops. The UG, as coordinator of a consortium, acquired a grant for this project from the Orange Knowledge Programme of the Dutch government in late 2019.

Around twenty PhD students who started as part of the NICHE projects or with individual scholarships are still in the process of completing their doctoral research. Erasmus+ ICM scholarships and the University's own funds were used to finance research training visits of PhD students and Early Career Researchers from Africa. In collaboration with European consortia, the University of Groningen is engaged in four Erasmus+ capacity building projects: TIGRIS with Iraqi partners, EVENT with Vietnam, ACE with a number of Latin American partners and BRECEL with Laos. Several UG Summer Schools that were planned in collaboration with partners in developing countries had to be cancelled due to the coronavirus pandemic.

4.5 Results

The UG and the UMCG have a joint IP policy, which was updated and re-approved by the Boards in November 2019. Societal impact is realized through valorization in various different ways. Although patent applications continue to be cornerstones of the IP policy, the protection of intellectual property such as software and know-how is becoming increasingly important. A fine example of how knowledge can be brought to the market and society is SlimStampen, an algorithm-based adaptive learning method for factual knowledge, such as vocabulary, topography and definitions. The IP was licensed to Noordhoff and SlimStampen BV was founded in late 2020. The UG actively supports students and staff members who want to become entrepreneurs, and closely collaborates with the valorization partners in the Northern innovation ecosystem to this end.

In 2020, 18 patent applications were submitted, which is slightly over the long-term average of 17.7. In addition, 14 licence agreements were signed with companies, which is also above the long-term average of 12. Licence agreements were signed both with existing companies and start-ups that resulted from the Northern innovation ecosystem.

In 2020, four new start-ups emerged from the UG/UMCG, against a long-term average of 9.6. Although at first sight, this may seem to be an effect of the coronavirus pandemic, this cannot possibly be the case as the process of start-ups has a longer run-up.

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All UG/UMCG licence agreements tie in with the 'Ten principles for Socially Responsible Licensing', as formulated by the Netherlands Federation of University Medical Centres in consultation with the knowledge transfer organizations of university medical centres, knowledge institutes and other stakeholders.

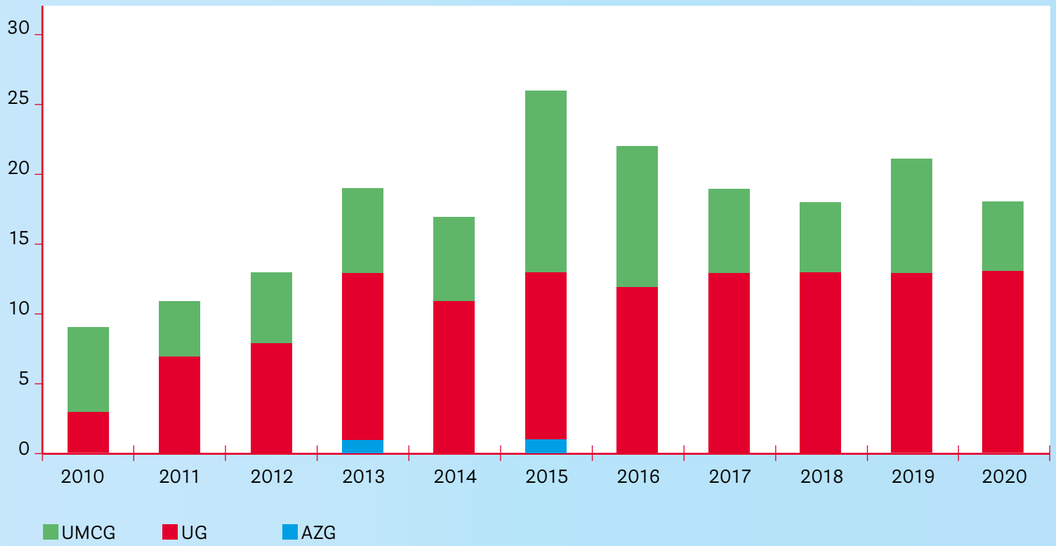
4.6 Contract research and contract teaching

Income from work commissioned by third parties was € 11.0 million lower in 2020 than in 2019. The total income came to € 136.3 million, approximately 19.0% of total RUG income. The decrease is caused in part by lower project income at UMCG/O&O. This decrease is due to the transfer of € 4.2 million in income for contract education to the first flow of funds. There was also a decrease of € 2.3 million in project-based income from the EU, NWO and other non-profit organizations. This is offset by an increase of € 2.6 million in income from businesses, national governments and other income. Adjusted for the transfer of contract education to the first flow of funds, R&D saw a slight increase in total revenue compared to 2019.

FSE also saw a decrease of € 5.9 million in its work for third parties in 2020 compared to the realization for 2019. An amount of € 3.6 million was reclassified from a first- to a third-flow grant based on the conditions. As with UMCG and the other faculties of the university, the other decrease is caused at the EU, NWO and other non-profit organizations. In contrast, companies and national governments show an increase of € 2.0 million.

In the profit and loss account, the income from work commissioned by third parties is divided into revenue and changes in work in progress. The restrictive measures and lockdowns as a result of the corona crisis therefore also have an effect on the changes in work in progress. For example, as a result of the corona crisis, material costs on the projects in 2020 were lower. Whereas the actual income of the entire UG shows a decrease of € 3.4 million, the mutation OHW decreases by € 7.6 million compared to 2019 (together € 11.0 million).

Patent applications filed by UG/UMCG in 2019



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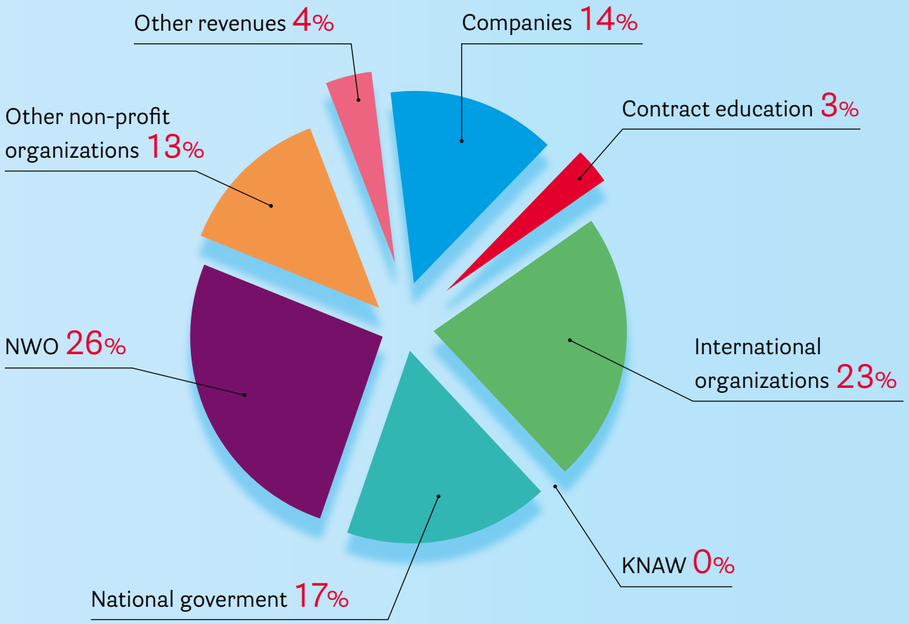
In addition to the income from contract education, the UG has for many years had a partnership with Freia/AOG, where part of the contract education is also accommodated. This partnership has been formalized administratively and managerially through the AOG Foundation.

Project-based revenue according to funding sources (percentages)



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5. Talent development



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5. Talent development

5.1 Strategic HR policy

In addition to research, teaching and societal impact, talent development is one of the University's strategic objectives. The aim is to attract and retain the most talented students and staff and to help them with their further development. This ties in with the strategic HR agenda 'Every talent counts' (approved by the Board of the University in 2017) and with the University's ambitions:

- attractive terms of employment for talented members of staff.
- a stimulating, inclusive academic community in which students, PhD students and staff develop their talents in collaboration with others and with the support of management and the organization.

Coronavirus pandemic

The year 2020 was an extraordinary year, in which the coronavirus greatly affected the University community. This has resulted in many new developments:

- From mid-March, the circumstances forced staff members to start working from home.
- The digital infrastructure was already largely in place, enabling most staff members to make the switch to online teaching and working from home relatively quickly.
- Needless to say, many research projects were delayed because laboratories and libraries were unavailable and it was difficult to gather research data.
- Faculty Boards have promised their staff members in career paths that setbacks due to the coronavirus pandemic would be taken into account.
- In the context of the Collective Labour Agreement, 0.45% of the wage budget was used to enable extensions of contracts for PhD students and temporary academic staff.
- In addition to this, the Board of the University also made resources available to extend grants for PhD scholarship students.
- In 2020, the tablet/laptop scheme was expanded with more facilities to enable staff members to work from home.
- In addition, preparations were made in 2020 for a scheme to reimburse the purchase of a desk chair and for a temporary internet allowance for people who worked from home. These schemes will be implemented in 2021.

Attracting talent

The University wants to strengthen its existing international reputation as a 'great place to work' by regarding current staff and former employees as ambassadors and talent scouts to attract new talent. The pandemic has seriously affected the recruitment of new talented staff. The number of recruitment and selection procedures decreased for the first time in five years, as many vacancies were put on hold or postponed in the early phase of the pandemic, and candidates withdrew from procedures in response to the uncertain situation. International candidates in particular were unable to travel to Groningen. As a result, a total of 16% fewer vacancies were advertised in 2020 than in 2019 (academic staff -20%; support and administrative staff -10%): 641 vacancies. The number of applicants decreased by 17%. A catch-up effort is expected in 2021.

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Dual career support

Newly recruited, mainly international academic staff usually also have talented life partners who have life, career and work ambitions of their own. Dual Career Support (DCS) helps these partners build a social network, look for a job or work experience placement, find volunteer work, practise their Dutch proficiency or choose a degree programme.

In 2020, 37 partners registered for DCS, as opposed to 68 in 2019. This decrease is probably partly due to the pandemic, as a consequence of which the number of academic job openings decreased by 20% on average, and by 35% within the Faculty of Science and Engineering, which is the largest user of DCS.

Talent development

All staff members are encouraged to get the best out of themselves and are stimulated to continuously develop further. In 2019, the University of Groningen joined the national Recognition and Rewards programme launched by the Dutch universities, UMCs, NWO, the KNAW and ZonMw as outlined in the position paper 'Room for everyone's talent'. This programme focuses on making academic career paths more diverse, assessing academic quality based more on content and less on metrics, focusing more on contributions to and by teams, stimulating leadership within the institution in the broadest sense, and promoting open science. The dialogue about this theme will be held in the post-coronavirus period.

Investment in the Talent Development (TD) programme in the past seven years has focused on an extensive support and training programme for academic staff. At any stage in their career, researchers are entitled to support in the context of the TD programme in the acquisition of individual career grants. Many researchers made use of this support in 2020, with the necessary adaptations in the form of online training courses and meetings.

Academic positions by nationality

Academic position	Dutch	Non-Dutch	Dutch	Non-Dutch
Professor	266	85	75.8%	24.2%
Associate professor	180	107	62.7%	37.3%
Assistant professor	313	283	52.5%	47.5%
PhD student	330	423	43.8%	56.2%
Lecturer	414	118	77.8%	22.2%
Researcher	161	231	41.1%	58.9%
Other	1	3	25.0%	75.0%
Chair Capacity Group	7		100.0%	0.0%
Total	1672	1250	57.2%	42.8%

Sustainable employability (support staff)

Throughout their working lives, sustainably employable employees have opportunities and the right conditions to do their work properly and thus remain employable. In 2019, Appendix L in the Collective Labour Agreement for Dutch Universities (CAO-NU), entitled Mobility and long-term employment, was translated into a policy plan and action plan for the UG, and subsequently addressed by the faculties and service units in 2020. In late 2020, a start was made on drawing up an inventory of the plans, which will partly determine the agenda 2021.

Stimulating work environment

Talent can thrive in a stimulating work environment. The social context in which someone collaborates with managers, colleagues and students is decisive. The Results & Development (R&D) interviews are key to the University of Groningen's policy; they facilitate discussions between managers and staff members about work, work developments and career prospects. The Staff Survey, which was carried out for the first time in 2018, was conducted again in 2019; in 2020, new analyses and action plans were drawn up. The R&D interviews and the Staff Survey were used to monitor whether the

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University was indeed 'a great place to work'. In addition, a satisfaction survey was conducted to investigate staff members' experiences with working from home in response to the coronavirus pandemic. Based on the results, adjustments have been made to the range of online training courses offered (mental resilience, leadership) and in the expense allowances for home-office facilities.

Measures to counteract work pressure

Work pressure is a recurring theme both in the Effectory employee surveys and the coronavirus staff survey. Staff members, managers, boards and management bodies have been asked to pay additional attention to this theme, particularly in light of having to adapt to working from home. As in previous years, €5 million was available for implementing measures to reduce work pressure. The work pressure action plans that were in place within the various faculties and services units have been merged into one UG-wide action plan.

A 'Lessen the Work' committee was appointed in autumn 2020 to evaluate all the action plans that aim to reduce work pressure. The committee aims to contribute to the development of structural measures. It comprises board members, members of consultative participation bodies (Local Consultative Committee and University Council) and policy officials from HR and AMD. The Teaching Action Plans I & II (total amount: €7.7 million) were drawn up to support staff members in providing online teaching.

Leadership

Several leadership tracks were offered at all levels of management and administrative staff at the University in 2020. The coronavirus pandemic initially resulted in a decrease in participant numbers and postponement of several programmes, but these were quickly replaced by online alternatives. Questions about how to deal with leadership in terms of the coronavirus could be asked online via the coronavirus pages on My University. Particular attention was paid this year to workshops and activities on integrity and social safety (see also 5.5). In addition, personal development assessments were offered to all new University board members and directors.

Diversity and inclusion

A University-wide advisory committee (the 'D&I Starting Twelve'), chaired by the Chief Diversity & Inclusion Officer, developed a joint vision and action plan. Sixteen Aletta Jacobs Chairs were filled. This stimulation programme enables talented female academics to be promoted from the position of Associate Professor to that of Full Professor. The Rector Magnificus welcomed 18 new fellows within the framework of the Rosalind Franklin Fellowship programme for female academics. An RFF community and a mentor programme are currently being developed. The results of an evaluation will be presented in 2021.

Overview of M/F ratio per academic position
Reference date 31-12-2020

Academic position	Male	Female	Male	Female
Professor	265	86	75.5%	24.5%
Associate professor	182	105	63.4%	36.6%
Assistant professor	322	274	54.0%	46.0%
PhD student	393	360	52.2%	47.8%
Lecturer	269	263	50.6%	49.4%
Researcher	240	152	61.2%	38.8%
Other	2	2	50.0%	50.0%
Chair Capacity Group	7		100.0%	0.0
Total	1680	1242	57.5%	42.5

The target figure of 25% female professors was achieved by the end of 2020 thanks to the Aletta Jacobs Chairs. The new target figure for 2026 is 33% female professors. This percentage is challenging yet feasible given the current percentage of female Associate Professors.

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Organizational change

Although gradual developments can be observed at a variety of locations within the UG, three formal organizational changes are currently taking place: CIT, KVI-CART and the establishment of the Central Facilities Organization (CFO).

- The CIT completed a development programme to organize its work in a more customer-oriented way.
- KVI-CART was terminated as an independent institute on 1 September 2020.
- The research groups were merged with various sections of the Faculty of Science and Engineering and with sections of the UMCG.
- The AGOR facility will remain in use. Engineers were employed by the UMCG in 2020.
- The University Services Department started a reorganization project in 2020 to optimize its local facilities processes, for example by setting up a front office and back office. This process of establishing a centralized organizational system and increasing the level of professionalism will be continued in 2021 with a new structure.

In 2020, the Office of the University started a process to review its aims, organizational design and work processes with a view to the new 2021-2026 UG Strategic Plan, bearing in mind the wishes of the various stakeholders, including the Board of the University.

Best Practices 2020

The UG has been using the AFAS ERP system since 1 January 2020. The transition to the new system caused some initial problems. In addition to technological adaptations to the system, AFAS required a different way of working. A roadmap was established in 2020, containing a timeline for resolving problems and optimizing the system.

5.2 Staffing

At the end of 2020, the staffing level at the University was 4,501 FTE.1 This figure does not include the 1,756 FTE at the medical faculty, which falls under the UMCG. This means that staffing at the University (excluding UMCG O&O) has increased by approximately 123 FTE since the end of 2019 (4,378 FTE). This increase is in line with the trend in previous years. Of these FTE, 1.757, i.e. 39%, concerned temporary contracts.

Temporary and permanent employment contracts

2020		Male Appointments	Male FTE	Female Appointments	Female FTE	Other Appointments	Other FTE
Permanent	academic staff	799	675,4	468	384,4	0	0,0
	non academic staff	838	733,6	1247	950,0	1	0,8
Total permanent		1637	1409,0	1715	1334,3	1	0,8
Temporary	academic staff	881	777,6	774	657,3	0	0,0
	non academic staff	152	114,9	300	207,1	0	0,0
Total temporary		1033	892,5	1074	864,4	0	0,0
Total		2670	2301,5	2789	2198,7	1	0,8

Personnel expenses in 2020 amounted to €528.9 million (including UMCG O&O). These expenses include €24.9 million for work performed by non-employed personnel (including staff hired on secondment) in 2020.

1 Reference date: 31 December 2020.

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5.3 Health and vitality

In response to the pandemic, the year 2020 was all about hybrid working. Guidelines for working on-site and working from home in healthy ways were drawn up based on government measures. Additional regulations and provisions were made to facilitate working from home healthily, partly on the basis of an additional staff survey about working from home and mental health.

The sick leave percentage at the UG was 3.3% in 2020 (compared to 4.0% in 2019) and the reporting frequency was 0.3 (0.72 in 2019). After a brief decline in the demand for support from occupational physicians, the staff welfare team and the occupational health and safety nurse, there was an extra increase in this demand after the summer. Temporary additional staff was appointed to help meet this demand, and the open consultation hours were supplemented by brief online consultation hours. Online consultation hours were also held in response to the limited building opening times during the lockdowns. Staff members who wished to talk about their situation with a healthcare professional were invited to use the 'You can book me' functionality.

The activities organized in the framework of the Balans prevention programme were mainly converted to online activities and activities related to dealing with the work situation. In 2020, the number of participants in the Balans programme increased to 616, over 450 people used Pausit and several events were organized, such as Health Week and Work Stress Week. In September, the Balans programme was expanded with the E-health programme Mirro, an online tool that offers support in a variety of fields, for example anxiety, stress and grief. Six hundred staff members used this programme in 2020. In addition, in late 2020, a section was created in My University that provides information about ergonomics and computer work. In response to the coronavirus measures, the number of health checks declined sharply from 617 in 2019 to 125 in 2020, and from 114 follow-up checks in 2019 to 32 in 2020.

Participation Act

In 2020, the policy plan was adjusted in collaboration with a taskforce. This plan will be implemented in less of a project-based way and the faculties and service units will be responsible for their own targets. Recruitment came to an almost complete stop as a consequence of the coronavirus pandemic, as a result of which fewer jobs than planned were realized. In addition, the new work situation caused dropout and several people had to terminate their special afspraakbaan jobs. The UG realized 93 jobs in 2020, which was 63% of the target for 2020 (147 afspraakbanen).

5.4 Legal interests

Complaints, appeals and objections

The University has adopted the rules and procedures prescribed by law for the handling of appeals, objections and complaints – not just official complaints and appeals under the General Administrative Law Act (AWB: Algemene wet bestuursrecht) but also other types of complaint. In the event of legal changes, the rules prevailing at the University are amended. Students who wish to make a complaint or who consider their rights to have been violated can discuss the matter informally with their study advisor or a student counsellor.

A formal procedure is instigated when an official complaint, objection or appeal is submitted to the online Central Portal for the Legal Protection of Student Rights (CLRS: Centraal Loket Rechtsbescherming Studenten). This may concern a wide variety of matters, ranging from unfair treatment by a University staff member to a lecturer's failure to mark a thesis in good time.

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In 2020, 379 appeals were lodged with the Board of Appeal for Examinations (418 in 2019 and 360 in 2018):

	2020
Number of appeals	379
of which:	
Declared founded	8
Declared unfounded	33
Settled	105
Withdrawn	114
Declared inadmissible	7
Closed	110
Still in progress	2

In 2020, the Disputes Committee received 223 objections. (154 in 2019 and 142 in 2018):

	2020
Number of objections	223
of which:	
Declared founded	6
Declared unfounded	22
Settled (withdrawn and closed)	42
Not settled, withdrawn	39
Withdrawn	6
Declared inadmissible	70
Declared manifestly inadmissible	3
Closed	35

Complaints relating to the suspected violation of academic integrity can be submitted to the Academic Integrity Committee (CWI: Commissie Wetenschappelijke Integriteit), either through the Board of the University or other channels. The CWI will then investigate the complaint and, on the basis of its investigation, advise the Board of the University as to the validity of the complaint and any measures that should be taken accordingly. The parties can then ask the National Board for Research Integrity (LOWI: Landelijk Orgaan Wetenschappelijke Integriteit) for further advice.

No new complaints relating to the suspected violation of academic integrity were submitted to the CWI in 2020. The LOWI issued two recommendations in 2020, both confirming the CWI's conclusion that no violation of academic integrity had taken place.

Office of the Confidential Advisor

University staff and students can consult the Confidential Advisor if they encounter harassment (sexual or otherwise), aggression, violence, discrimination or other inappropriate behaviour (including stalking), or if they experience unfair treatment. Staff can also contact the Confidential Advisor if they are faced with conflicts at work. The Confidential Advisor is an independent counsellor who has access to all the necessary information.

Fewer reports were made during the coronavirus year 2020 than in 2019 (132 compared to 171). This is no surprise, given that staff members and students were less likely to run into each other in lectures and on the workfloor. Even though the total number of reports was lower in 2020, more reports from students were received than in 2019. The number of reports from international staff and students was the same as in 2019, which means that their relative number was higher as well.

Just like every year, more than half of all reports were related to personnel problems. However, in 2020, relatively more reports concerned undesirable behaviour (SIAGD) (48), more than half of which were submitted by international staff and students. Many of these reports related to undesirable verbal statements, for example on social media.

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This could have something to do with the situation in which students and internationals in particular have found themselves – more isolated as a consequence of online teaching, less social interaction and no relatives nearby. In addition, social movements such as #blacklivesmatter and #MeToo could also play a role. The UG should be even more alert and provide appropriate support in this field.

Severance pay policy

The UG's policy on severance payments is based on the agreements laid down in the Collective Labour Agreement for Dutch Universities and the associated regulations, including the BWNU (Universities' Upper Non-Employment Scheme). It also takes into account the Early Retirement Scheme and the Salary Standardization Act. The outcome of the agreements is tailor-made.

5.5 Integrity

The integrity policy was formulated in 2020. One important element in the development of this policy was its comprehensiveness. In addition to academic integrity and operational integrity, administrative integrity and social integrity are also important. Additional resources have been made available to make the implementation and enforcement of the integrity policy a structural matter. The integrity policy has been discussed with the Supervisory Board, the Committee of Deans, the Management Council, the University Council and the Local Consultative Committee. The feedback from these discussions has been included in the definitive integrity policy where possible.

As a consequence of the coronavirus pandemic, most of the Integrity and Active Bystander workshops had to be cancelled, both because staff members were focused on working from home and because this type of workshop is more effective in a live setting.

As for the operational domain, the main focus in 2020 was on two cases. The first case was an external investigation in response to signs of suspected malpractice. The report was published in 2019, and the decision-making, legal settlement and evaluation took place in 2020.

A second external investigation was also completed in 2020, which had been initiated as a result of media coverage of a possible violation of integrity by a University of Groningen staff member. The report showed that the rules on additional activities had been insufficiently complied with. This has resulted in decision-making, accelerated development of a digital tool for reporting additional activities, and a digital information brochure. Furthermore, the topic of sector regulations on additional activities has been placed on the VSNU agenda for further coordination and tightening. The processing of the above-mentioned cases has been discussed with the Supervisory Board, the Dutch Inspectorate of Education and the UG accountant.

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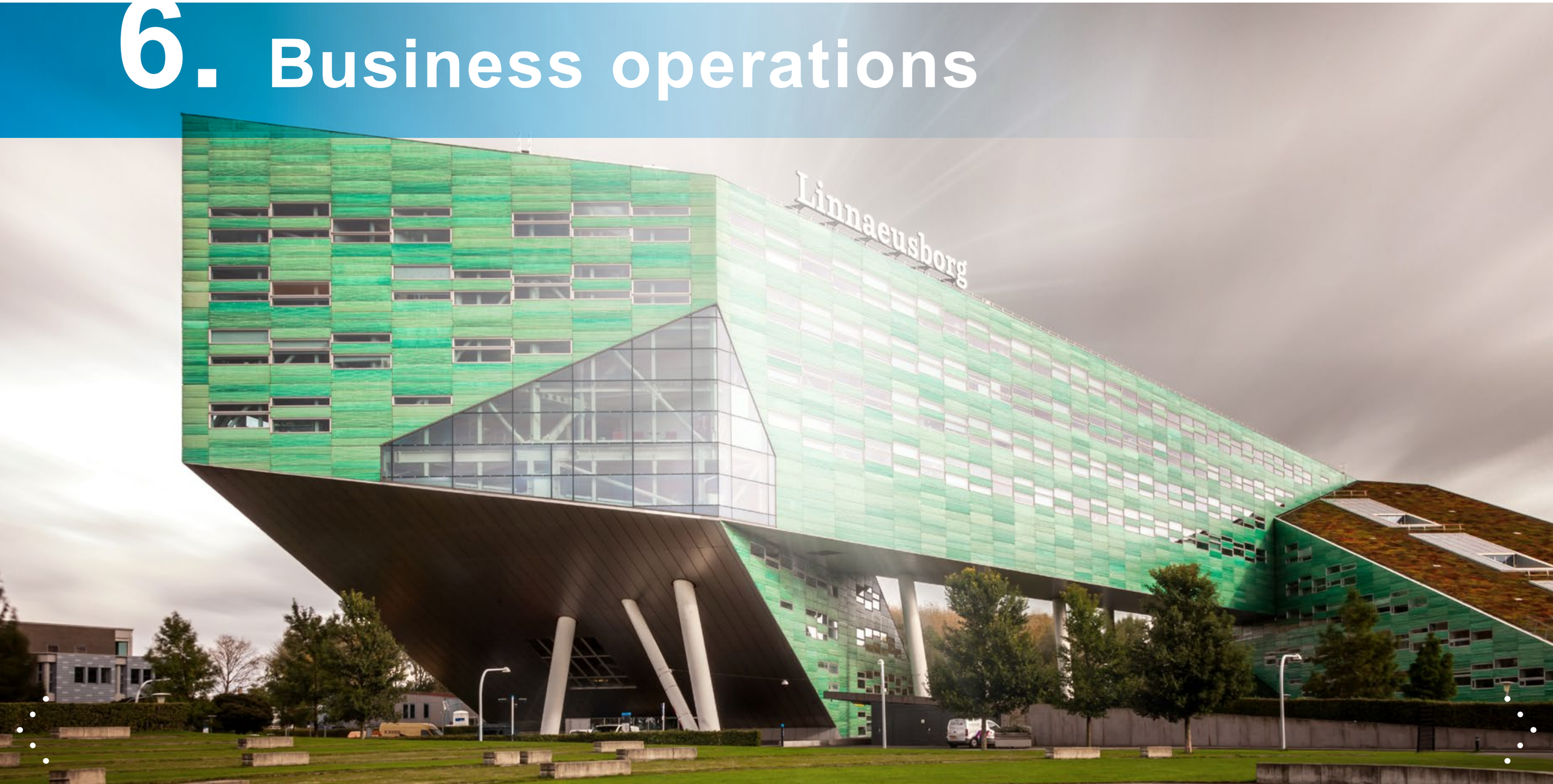
6. Business operations



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6. Business operations

6.1 Sport and culture

Sports facilities

Students and staff alike use the sports facilities owned and managed by the University of Groningen and Hanze UAS, including the main location (University Sports Centre [ACLO]), the Willem Alexander Sports Centre on the Zernike Campus and the ACLO Station at the central station. The ACLO Foundation, run by students, has an important policymaking role when it comes to organizing student sports for the University and Hanze UAS.

Sports facilities at the University and Hanze UAS in 2020 in figures:

- 18,000 (- 1,000) students participating in sports, approximately 10,000 of whom are members of a sports association
- 50 student sports clubs
- 1,300 (- 50) staff members participating in sports
- 100 different sports before the coronavirus pandemic
- 600 hours of supervised sport per week before the coronavirus pandemic

The available options to continue to offer sports activities to students and staff members have been used as far as possible within the applicable frameworks of measures taken in response to the coronavirus pandemic. Even – or perhaps especially – in these unusual times, it is clear that sport makes an important contribution to the physical and mental wellbeing of students and staff members. A student survey explicitly showed how much students appreciate the fact that the Sports Centre is partially accessible.

The number of staff members participating in sport initially increased to over 1,500, and then decreased to 1,300 as a consequence of the pandemic. Interest in organized sport strongly increased in September, resulting in increasing numbers of members for most student sport clubs. On the other hand, a further decrease in numbers of cardholders could be seen in the autumn of 2020 as a consequence of the pandemic.

Decision-making about the future indoor sports accommodation at the Zernike Campus and the governance principles between the UG and Hanze UAS were elaborated further. The definitive decision-making will take place in 2021, after which the building project will start. The implementation of the long-term policy plan (2019-2024) has started, and will be completed in summer 2021. This will resolve several bottlenecks in order to bridge the period up until the renovation of the indoor sports accommodation.

Centre for Public Engagement

The Centre for Public Engagement (CPE) consists of central departments that engage with society on behalf of the University. Studium Generale organizes lectures and other programmes for students, staff and stakeholders in society. The Pre-University Academy offers students, lecturers and academic staff the opportunity to exchange ideas about science. Usva is the University's cultural centre for students. The University Museum organizes exhibitions for the public which focus on subjects relating to science, the history of science and the academic community. All four departments successfully used a variety of online options in the past year.

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6.2 Sustainability

Sustainability is one of the core values of the University of Groningen. This means that the UG, as a socially responsible institution, has set itself the goal of integrating sustainable development in all its aspects, and that sustainability is also part of the University's business operations.

Over the past five years, the 2015-2020 Roadmap, which sets out ambitions in the fields of Planet, Performance and People, has been the driving force behind the UG's sustainability policy. Even though the UG is one of the front-runners in the field of sustainability, not all objectives (and legal obligations) from the 2015-2020 Roadmap have been achieved. However, more has been achieved than was expected as a result of the pandemic – although it remains to be seen whether these results are permanent.

A new Sustainability Roadmap for the period 2021-2026 has been drawn up in collaboration with several partners at the UG. This roadmap is based on new legislation in the field of sustainability, the Netherlands Climate Agreement, the Sustainable Development Goals drawn up by the United Nations in 2015 and the policy pursued in recent years. The new 2021-2026 Roadmap, including new, refined ambitions, will be approved by the Board of the University in 2021. In addition, a new tendering procedure for green, regionally produced energy for the UG will also be initiated in 2021.

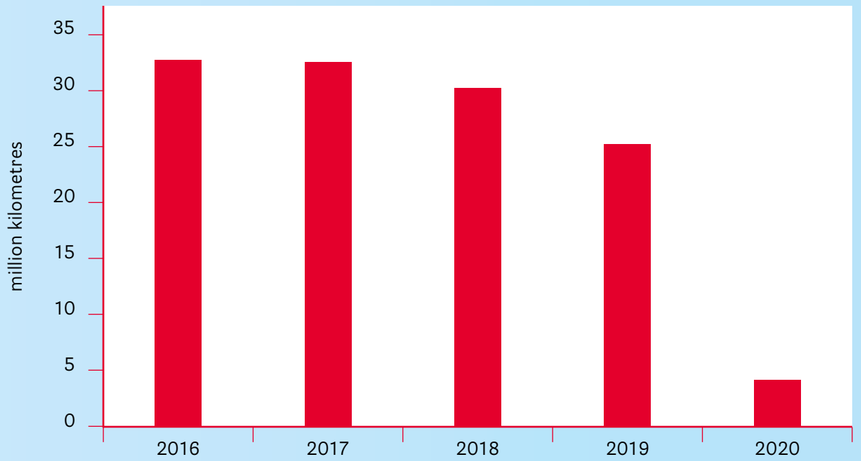
Due to the coronavirus measures, staff and student access to the UG was limited for the majority of 2020. This seriously affected the UG's teaching, research and operation and thus also its sustainability. For example, both staff members and students travelled and commuted significantly less, and the amounts of waste produced and food consumed in the food outlets decreased significantly, resulting in a substantial drop in CO_2 emissions.

Transport

Business trips

Most UG staff business flights in 2020 were taken in the first two months, before the lockdown. Due to a shortage of relevant data, it is not possible to create an overview of the effects of the policy for business-related travel that the UG introduced in 2019. This policy aims to reduce the number of flights to destinations that can be reached by train within six hours and/or that are within 500 km from Groningen. The graph below provides an overview of the numbers of kilometres travelled by air per year by UG staff members. The total number of air kilometres appears to have decreased in 2018 and 2019. As a consequence of the pandemic, a total of merely 892 flights were taken in 2020, which was 16.5% of the 2019 total.

Total number of air kilometres (in millions)



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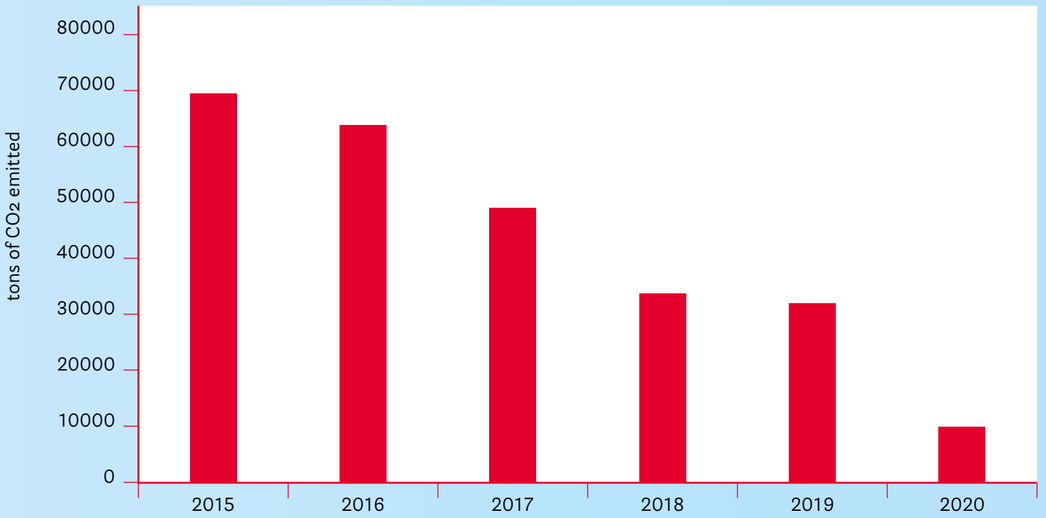
Accessibility

The mobility plan for staff commuting was completed in 2020. The plan aims to stimulate the use of bicycles and public transport, demotivate car use and promote hybrid working. The pandemic has accelerated the introduction of online work, meetings and lectures. In 2020-2021, the UG introduced several provisions, including laptop, monitor and desk chair schemes, to help improve home workstations.

Another objective is reducing CO_2 emissions. In December 2019, the Groningen-Drenthe region and the city of Groningen started using electric buses. Since April 2020, nearly all buses in the city of Groningen run on electricity, and the remainder of the buses in the city and those in the region use biodiesel (HVO). This saves over 90% in CO_2 emissions in staff and student commuting. No activities were organized to stimulate bicycle use last year, as the coronavirus policy aimed to promote working from home as much as possible.

In collaboration with other educational institutions, the UG committed itself to specific coronavirus measures in the field of mobility. One example of this was the successful Gronings Rooster, within which lectures were given variable starting times in order to relieve the pressure on public transport and thus make travelling safer. Staff members were asked to travel during non-peak hours as much as possible. The distribution of commuting times will continue to be important in the coming period, as bus lines are running less frequently as a result of cutbacks. The AMD is also involved in a variety of partnerships within the framework of mobility, such as Groningen Bereikbaar and the Zernike Campus Management. In the coming years, the main focus will be on stimulating bicycle use and reducing the use of cars on the Zernike Campus for a safe and zero-emission future.

CO_2 Footprint 2015-2020



Planet

CO_2 footprint in 2020

The limited accessibility of UG buildings for students and staff members as a consequence of the coronavirus measures has resulted in a 68% decrease in CO_2 emissions in 2020 compared to 2019. A decrease can be seen in all factors measured at the UG:

- a 70% decrease in the number of commuting movements made by students and staff members thanks to the UG's limited accessibility as well as the 'green revolution' in local and regional public transport
- an over 90% decrease in CO_2 emissions in 2020 compared to 2019
- an 83% decrease in the number of business trips made in 2020 compared to 2019
- a 2% decrease in gas consumption compared to 2019

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- electricity consumption is not listed here because, since 2018, the UG has been using green wind and solar energy only (which do not affect CO_2 emissions)
- an over 40% decrease in CO_2 emissions thanks to a decrease in water consumption
- an approximately 44% decrease in the total amount of waste compared to 2019

The amount of CO_2 emissions resulting from food consumed at the UG was not included in the calculations for this year as no data were available.

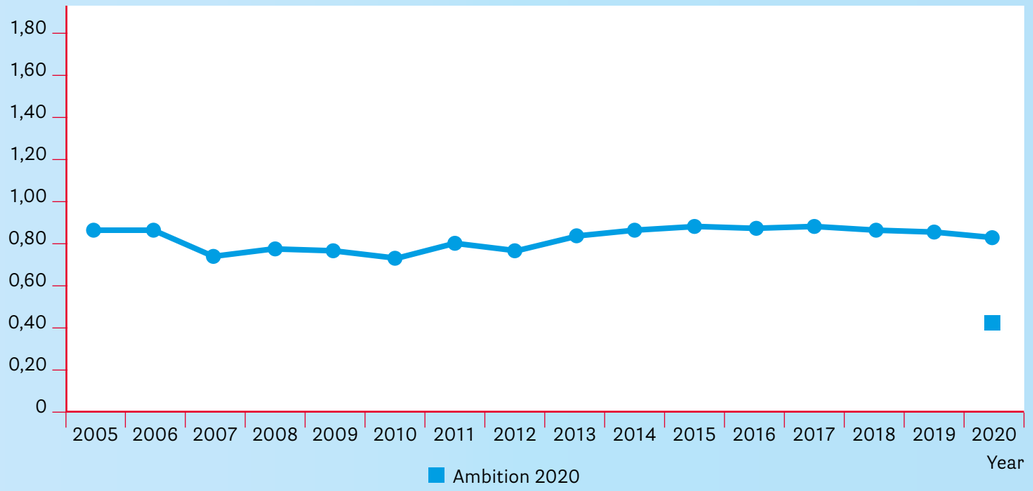
Energy

Electricity consumption decreased by 10% compared to 2019. The consumption of gas changed little, despite the fact that the buildings had an occupancy rate of only 30%. This warrants the conclusion that, contrary to expectations, the buildings were heated to a similar extent during the lockdowns. Now that hybrid working is becoming the new standard, more efficient heating of rooms and buildings will be looked into. The graph below provides an overview of the trend in energy consumption in GJ/m2 GFA (gross floor area) over the past years. The percentage of energy produced by the UG increased from 19.1% in 2019 to 19.4% in 2020. However, no conclusions can be drawn from this as 2020 was not a standard year.

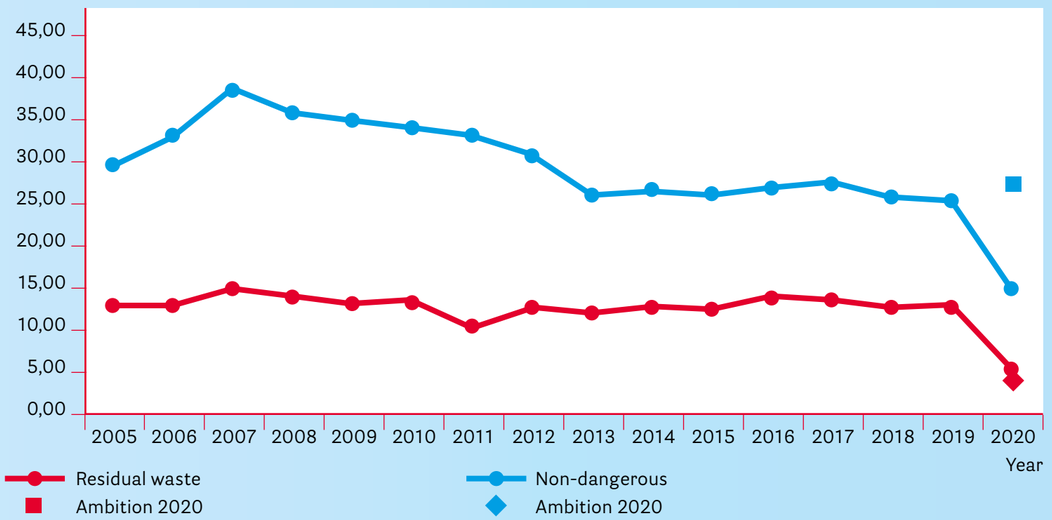
Waste

The UG waste policy was updated in 2019. Residual waste is now further separated into the following streams: coffee cups, paper, 'PMD' (Plastic packaging, Metal packaging, Drinks cartons), biodegradable waste and a small fraction of residual waste. In line with this policy, new waste sorting bins were purchased in 2020. The current waste bins will be replaced by the new ones during the first two quarters of 2021. The amount of non-hazardous waste decreased by approximately 40% compared to previous years. The graph below provides an overview of the figures for waste in kg per staff member/ student.

Purchased energy GJ/m^2 Gross Floor Area



Waste in kg/employee+student



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The collection of both non-hazardous and hazardous waste will once again be subcontracted via a tendering procedure in 2021. The Schedule of Requirements will include the requirement that waste must be processed in a sustainable way and that the aim is to achieve fossil-free waste collection by 2023. All logistics in the Groningen city centre and at all UG locations must be emission-free from 2025. This is in line with the mobility policy of the Municipality of Groningen, which requires 100% emission-free logistics in the city centre from 2025.

Water

Water consumption decreased by 42% in 2020 compared to 2019. This, too, was a consequence of the limited accessibility of the buildings. In 2020, water was mainly used for business processes/ installations, such as cooling and rinsing in the context of legionella prevention.

Environment

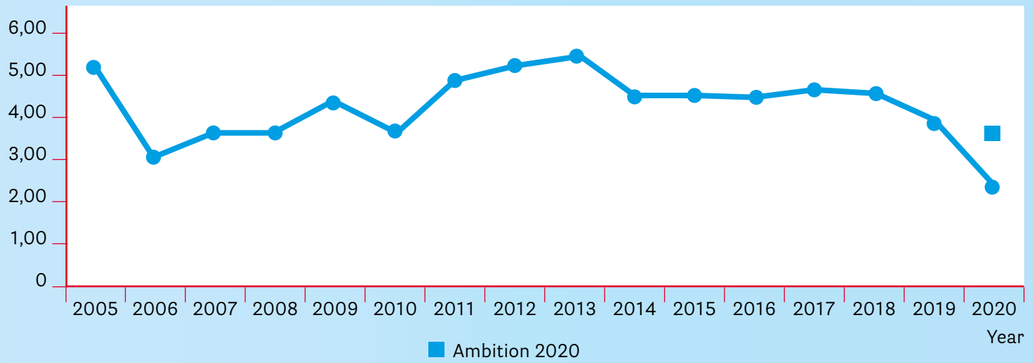
In 2020, the AMD applied for a revision permit for Zernikelaan 25 and Medical Sciences (Antonius Deusinglaan 1). In the coming period, discussions will be held with the faculties involved and the University Services Department about how the UG can comply with the applicable legislation. Energy teams will be set up to satisfy the regulations set out in the energy section of the permit. A revision permit for the Faculty of Science and Engineering and the soil depot will be applied for in 2021.

Performance

Purchasing projects

In 2020, the Green Office was involved in several tendering procedures, such as those for waste collection and coffee. The tendering procedure for waste collection was delayed due to the coronavirus pandemic. Partly on the recommendation of the Green Office, the Board of the University opted for an organically produced fair trade coffee brand that is roasted in Groningen (i.e. locally) and distributed fossil-free. The coffee dregs are used to produce sustainable coffee cups. Within the framework of the 'one litre for one litre' initiative of the Made Blue foundation, the coffee supplier will donate the price of one litre of clean drinking water to developing countries for every litre of coffee, tea or other beverage sold.

Water use in m^3/employee+student



Ranking lists

Green Office

This year, the Green Office, in collaboration with FEB career services and ESI, organized the 'Become a Sustainability Expert' learning community, in which students developed a course on sustainability. Although the learning community mainly took place online, the interdisciplinary group developed two courses.

Various online events were organized in 2020, such as lectures and workshops. The second edition of the Sustainability Week took place in October. To stimulate bottom-up initiatives, the Green Office introduced an 'ambassador programme', in which staff and student volunteers (ambassadors) get together in groups (embassies) to organize activities to make their faculty more sustainable. In December 2020, the ambassador programme had 125 active volunteers and 11 embassies. To increase staff participation, a new programme was launched under the name GO Committees.

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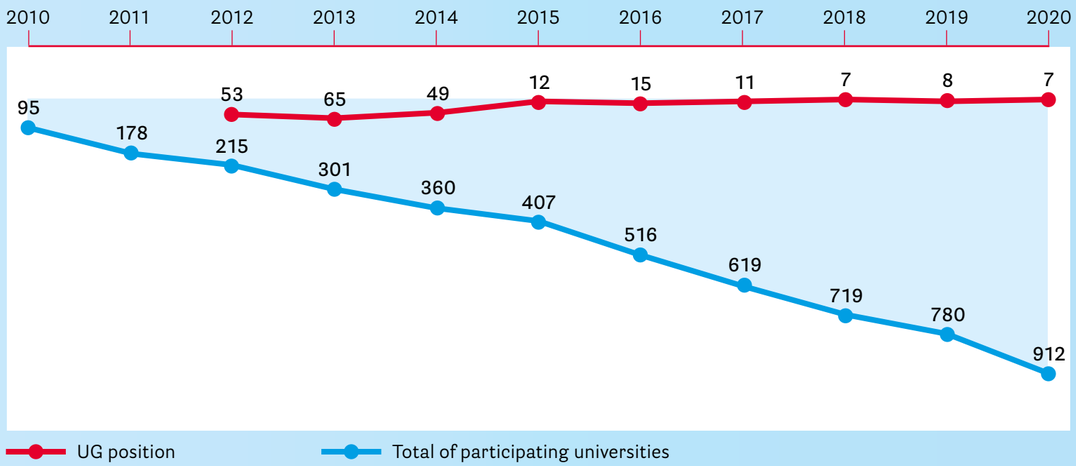
In 2020, a new group called GO Greener Lab was established, in which PhD students and a technician solve environmental problems in the lab with support from the Green Office. In the 2019-2020 academic year, 25 study associations participated in the grant programme (127% more than in the previous academic year), and 19 were involved in the label programme (a 171% increase).

The Green Office acts as a client or consultant for student projects and studies in the field of sustainability. Nine student projects were conducted in 2020, including four Honours College projects (27 students), three theses, one group assignment and one PhD project (not completed as a consequence of the pandemic).

UI Green Metric World Universities Ranking

In 2020, the UG climbed one place in the international Green Metric Ranking and is now in 7th place. In the graph below, the green line shows the UG's performance over the years, while the red line shows the number of participating universities worldwide.

UG position in UI Green Metric WUR



6.3 Integrated safety

An initial COVID-19 meeting was held with several representatives of the UG crisis team in January 2020. By February, the entire UG crisis team was fully operational and the first meeting about the possible consequences for the organization was held. In March, the UG crisis team decided to close all buildings and convert to online teaching, in accordance with national policy and the guidelines set up by the safety region.

The establishment of task forces for teaching, research and operations started in September 2020. These task forces focused on a variety of operational issues at the UG. Even though the crisis is not yet over, the UG crisis team has already been evaluated by the COT Institute for Safety, Security and Crisis Management. The results were positive, with a few points for attention in the field of reporting, which were addressed after the evaluation. In addition, an evaluation has also been jointly carried out by the UMCG, FSE and the UG. This revealed that collaboration among the various parties should be structured better.

The number of reports of in-house emergency incidents was reduced by half as a result of the closure of the buildings. Examples of incidents include small cuts, needlestick incidents, accidents and near-accidents, and fire alarms. In 2019, 320 reports were made, compared to 129 in 2020. In 2020, students of Saxion University of Applied Sciences drew up a UG-wide policy plan for in-house emergency services.

Integrated safety has played an increasingly important role at universities and universities of applied sciences in recent years. Integrated safety includes the following policy components and risk profiles: working conditions, the environment and environmental safety, social safety, integrity, information security, privacy, knowledge security, internationalization, building safety and crisis management. A national 'Integrated Safety in Higher Education' (IV-HO: Integrale Veiligheid voor Hoger Onderwijs) platform was established to enable universities and universities of applied sciences to work together towards a safe and open learning and working environment. The VSNU has now also addressed this topic.

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The UG considers it important to join this national development. The various policy components of integrated safety are currently fragmented throughout the UG. In order to gain insight into the status of integrated safety at the UG, an Integrated Safety trainee was appointed at the AMD in 2020.

IV-HO has developed several instruments over the past years to provide insight into the integrated safety profile of the various universities and universities of applied sciences. One of these instruments is the 'instellingsfoto' (institutional photograph); a survey that aims to explore how the integrated safety policy is organized – How much awareness is there and which steering information is available about the risk profiles? The instellingsfoto survey has been conducted throughout the UG to gain an overview. The UG will use the results of the survey to examine what is going well and what can be improved, and to determine the appropriate level of ambition. The results of the instellingsfoto are expected to be made available in mid-2021.

Work also began on the national Risico- en Dreigingsbeeld Hoger Onderwijs (risk and threat assessment for higher education) in 2020. The results of this assessment are also expected to be presented in mid-2021. The risk and threat assessment will be repeated every other year. The results will provide an overview of risk and threat information on themed subtopics that are relevant for universities and universities of applied sciences. Based on the above-mentioned information, the UG will provide structure in the current fragmented situation and further shape the theme of integrated safety.

6.4 Procurement

The coronavirus has clearly left its marks. Some European tendering procedures have been terminated. Several tenders had to be withdrawn and resubmitted as the starting points had changed substantially. Examples include hybrid working, which had consequences for the tendering procedures for waste collection and cleaning, as well as the tender for hot beverages and the learning management system that had to be completely redesigned and resubmitted. Despite these delays, many procedures were completed in good time.

In addition, several agreements with suppliers and users had to be changed – in some cases repeatedly, when a lockdown was tightened or relaxed. Examples of the latter include agreements in the field of cleaning and the full or partial closure or opening of buildings. The consequences for the UG's business operations were limited thanks to great efforts made by many people involved.

Procurement policy

The current procurement policy was evaluated in 2020, and a new policy was designed and implemented as of 1 January 2021 on the basis of this evaluation. The new policy enables clients to have a clear role, which is supported by purchasing and contract management. In accordance with the new policy, more attention will be paid to the preliminary stages of tendering processes and how each tender relates to the UG's strategy.

Tendering procedures

In 2020, 77 tendering procedures were registered. Eight European tenders and 12 multiple private tenders were completed. The remaining tenders are either still in progress or recommendations have been issued to the faculties and service units. Five mini-competitions for furniture were also completed in 2020.

Socially responsible procurement

The UG as a socially responsible institution has set itself the goal of promoting sustainable development in all aspects of the University. This also applies to socially responsible procurement. The procurement policy pays explicit attention to sustainability, stimulating social return and SMEs/regional businesses according to the principle of 'apply or explain'.

Sustainability

The UG aims to comply with the national government's PIANOo guidelines, where possible supplemented by the objectives from the UG Roadmap. Concrete examples of this are the tendering procedure for hot beverages, which resulted in a deal with a supplier that

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supplies coffee made from 100% fair trade beans, and the transport of packages from a central hub using electric vehicles.

Social return

Several major tendering procedures in 2020 paid attention to SROI (Social Return On Investment). For example, the tendering procedure for personnel hired through temp agencies included a separate lot for Participation Act jobs, the tendering procedure for cleaning work included a separate lot for which only social enterprises could apply, and UG staff members with Participation Act jobs were appointed as waste separation coaches in accordance with the tendering procedure for waste collection.

SMEs/Regional businesses

Of the UG's contracted suppliers, 66% were from the three northern Dutch provinces, and 34% of the total purchasing volume was spent with SME suppliers from the three northern provinces.

6.5 Accommodation

Despite the coronavirus pandemic, the UG's real estate activities and results in 2020 can be concluded to have been successful. Suitable buildings were delivered, and preparations for and construction of current and new projects are progressing well. The new strategic real estate plan has taken shape and is now ready for further fine-tuning in collaboration with the faculties and the Board of the University.

The UG is preparing for a new real estate era, in which the spatial dimensions of teaching, research and office work are further developed. More opportunities are becoming available for digital teaching, interdisciplinary partnerships in teaching and research are becoming increasingly important, and working from home is becoming more popular as a result of the pandemic. In addition to functional changes, some of the buildings are outdated for their programmatic purposes. A good vision on maintenance, operation and Total Cost of Ownership (TCO) will be developed to prevent real estate demanding increasing proportions of the budget. In addition, the UG wants to become more sustainable, both by making investments targeted at reducing energy consumption and by using buildings in a smarter and more efficient way to lower both the exploitation costs and the ecological footprints of the buildings.

In addition to regular projects, much attention has been paid to and energy invested in adjusting interior spaces to the coronavirus measures, scenario plans, ventilation plans, examination room plans and the adapted rent policy. In addition, a request for additional temporary student workstations and meeting spaces for study associations was responded to in the Oude Boteringestraat 18 building.

Construction projects

The accommodation and building activities are primarily concentrated in three areas – campuses – in Groningen. In addition, the old 'Herdershut' research station on the island of Schiermonnikoog was demolished in 2020. It will be replaced by a new building for the Faculty of Science and Engineering, which will be delivered in mid-2021.

1. City Centre Campus

The UG is continually evolving. Flexible use of space, enabling future changes to the organization without major renovations thus plays an important role in all projects. One example is the realization of good office accommodation for staff of the Office the University, where the renovation plans for the Muurstraat and the Administrative Building are nearly ready.

Great progress was made in 2020 on the accommodation design for the Faculty of Law in the building on Oude Boteringestraat 18. This building will be transformed into an open and transparent environment with plenty of natural light. Once this Faculty has relocated, there will be room to renovate the Harmonie Complex to create University teaching provisions and suitable accommodation for the Faculty of Arts.

Additional teaching facilities were made available to the Faculty of Behavioural and Social Sciences in mid-2020 after the renovation work on the 'Old Extension' of the Heymans Building was completed. A new restaurant was built on the ground floor, and plenty of study

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workplaces and several teaching rooms were made available on the various floors. In addition, the connection to the Hortus Garden was improved.

2. Healthy Ageing Campus

The area around the Antonius Deusinglaan, the north entrance of the Healthy Ageing Campus, will be transformed over the coming years into an attractive urban campus. In collaboration with the UMCG, a landscape architect will draw up a transformation plan based on the themes of green, movement and health. The plan will be implemented in phases during future construction projects. The first UG project will involve the realization of a new Teaching Institute that will mainly be used by UMCG O&O and the Faculty of Science and Engineering. The building design and spatial dimensions of the direct environment were created in 2020. In future, building projects will also be organized on this campus for the USVA/sports facilities and the University College Groningen.

3. Zernike Campus

The Upgrade Zernikelaan project (a collaboration between the UG, the Municipality of Groningen and Hanze University of Applied Sciences) on the Zernike Campus made more progress than was initially planned. The work could be accelerated because much fewer people visited the campus as a consequence of the coronavirus pandemic. The Zernikelaan upgrade will be completed in mid-2021, with a beautiful, lively and safe Zernikelaan as the final result.

The new Feringa Building, which will replace Nijenborgh 4 for the Faculty of Science and Engineering, is now prominently visible to anyone entering the campus. This project shows that the UG pursues its ambitions to contribute to important international research areas, such as chemical engineering, nanotechnology, material research and astronomy. The building project, comprising a GFA of 64,000 m², will be delivered in two phases. The first building phase is progressing smoothly thus far, despite the current coronavirus measures. However, the date for putting Phase 1 into use has been pushed back by approximately six months, to mid-2022. A related project that has started in the meantime concerns the design of the campus area between the Feringa Building and the Zernikelaan.







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The Aletta Jacobs Hall has been doubled in size and was brought back into use in mid-2020. The UG's largest examination and lecture facility was expanded towards the pond, with two new lecture halls, an examination hall with 590 digital exam stations, an examination facility for students with functional impairments, an extra foyer and study facilities. In addition, the entire building was made more sustainable, the indoor climate was improved and the bicycle shed was enlarged.

Construction of a new High Performance Computing (HPC) data centre on the Grouwelerie started in mid-2020. With this project, the UG is creating an exceptionally strong infrastructure for research, teaching and support processes. The data centre is expected to open its doors at the start of 2022.

The spatial dimensions of and the future vision for buildings around Zernike-West, the Sports Centre and the University Services Department are currently under development. Furthermore, additional chemical laboratory facilities are being created on the eighth and ninth floors of the Linnaeusborg.

6.6 University Library

The University Library (UB; Universiteitsbibliotheek) celebrated its 405th anniversary in late February 2020 with an open day, lectures, guided tours, theatre performances and musical performances.

The UB City Centre, a popular location that welcomes thousands of students every day, was transformed into a vibrant festival site for an entire week and once again proved itself the University's 'place to be'.

An annual Open Research Award (ORA) was introduced in collaboration with the Open Science Community. This award aims to honour the many ways in which academics make their research better accessible, more transparent or reproducible. The ORA was presented on 22 October, after a special ballot in which three case studies were selected. The online event, which also included activities such as a panel discussion about awarding grants via ballots, attracted a lot of attention.

The Research Output 2020 project made great progress in the development of new functionalities and in making the Pure research information system for researchers and research support staff even more user-friendly. All this will result in a new research portal for the University in 2021. The Special Collections department placed itself in the spotlight in 2020 by introducing the Gauronica weblog, which publishes regular articles about materials from its collections.

Finally, in collaboration with the CIT and the UMCG, the UB made preparations for the establishment of the Groningen Digital Competence Centre (GDCC) in 2020, which was awarded a starting grant by NWO in late 2020. The GDCC will become the first point of contact for researchers in the field of FAIR (Findable, Accessible, Interoperable and Reusable) research data management.

Pandemic

During the 'intelligent lockdown' that started in mid-March, and throughout the coronavirus pandemic, UB staff continued to work hard behind the scenes to provide all the services that UG staff and students needed. Borrowing and returning books continued to be possible, and the Special Collections research room remained accessible.

The building design was made coronavirus-proof and offered workstations for 450 students per day that could be easily booked online in the period between the two lockdowns, from June until November. Several dozen staff members continued, and still continue, to work on site at the UB City Centre despite the pandemic – in observance of all coronavirus measures of course.

The teaching and research support services were also kept up, mainly online and remotely. Traditional UB workshops were converted to dozens of webinars for PhD students, lecturers and researchers, for example in the field of open access publishing, data management, author identification and open educational resources.

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6.7 Center for Information Technology

The Center for Information Technology (CIT) offers high-quality, innovative and reliable services to the University (and partners such as the UMCG and ASTRON) in the field of IT and data for teaching and research. The lockdown in March 2020 demanded a lot from the University IT services. Facilities for online teaching, digital research and working from home with online meetings had to be arranged overnight. The CIT staff worked hard to enable a quick and smooth transition to a 'digital university' and to offer staff members and students a stable online IT environment at home. During the second lockdown in the autumn, the CIT once again helped the UG to stay open virtually.

In addition, an organizational change was completed in 2020. The new team-based setup has made the CIT a more flexible organization that focuses more on service provision to the University. This drastic organizational change, which was achieved without any formal reorganization and in collaboration with the staff, marks the start of a new CIT that is ready for the future – a future that will be even more digital after COVID-19.

Teaching and research

The CIT's mission is to provide and maintain an innovative and reliable IT infrastructure for teaching and research. This consists of the campus network, two CIT data centres, the High Performance Cluster, the digital assessment environment, University workstations, the website and intranet, all campus software and the helpdesk. The CIT also has specialists on hand to support teaching, research (including spatial data and visualization) and business operations. Finally, the CIT also provides teaching using the available expertise: lecturer professionalization, courses on various applications (from Excel to advanced programming in Python) and it has also been playing a role in Bachelor's course units on data science, including the successful University Minor 'Data Wise: data science in society', an initiative of the CIT.

Innovations

Priorities in terms of innovative developments include digital testing, High Performance Computing (HPC), Virtual Research Environment (VRE), Artificial Intelligence (AI), Data Science and Research Data Management (RDM). Digital testing concerns both the training and support of lecturers with various forms of digital testing and providing the infrastructure for setting and sitting digital exams and processing large numbers of tests. Digital and online teaching and assessment is becoming increasingly important at the UG as a consequence of the coronavirus pandemic. Within the framework of the Teaching Action Plan I, the UG will invest a total of €5.5 million in 2021 and 2022 to support lecturers in providing online teaching and blended learning.

In the field of research support, the CIT and the University Library jointly submitted an NWO grant proposal in 2020 for the establishment of the Groningen Digital Competence Centre (GDCC). The GDCC will become the first point of contact for researchers and research support staff in the field of FAIR research data management. The existing successful Research Data Office (RDO) and Data Federation Hub (DFH) initiatives will be included in the GDCC.

The CIT also implements regular innovative updates to the IT infrastructure, such as the network, server virtualization, data storage and backup facilities. As such, the UG continues to have an up-to-date IT/data infrastructure at its disposal.

Future

The pandemic has accelerated the increase in digitization of teaching and research, as well as the new practice of remote working. Big data (construction of a High Performance Computing data centre), sensitive data (medical data, business information with the use of virtualization technologies) and digital testing (the expansion of the Aletta Jacobs Hall that was realized in 2020, testing with real-life applications) continue to be high on the agenda. Security of the University network and the University's IT systems is becoming an increasingly high priority as nearly all its important processes and services are fully dependent on IT.

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The cyberattack on Maastricht University in late 2019 once again proved how important IT security is. In 2020, the Board of the University therefore approved the Information Security Master Plan, containing a great number of measures to increase the security of the University network in the coming years. This includes both processes that take place in the background and measures that directly impact end users, such as password changes and Multi Factor Authentication (MFA). The CIT intends to achieve these ambitions by investing in the knowledge and expertise of staff, and by continuing to evolve into a more customer-oriented and professional organization.

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7. Corporate governance



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7.1 Regulations

The rules, guidelines and agreements for a transparent management and reporting philosophy are set out in the University's Administrative Regulations and elsewhere. These are detailed regulations, complementing the statutory regulations, on aspects such as the official position of the Supervisory Board, the Board of the University and the Faculty Boards as regards administrative matters.

An updated Code of Good Governance for Universities entered into force via the VSNU umbrella organization on 1 January 2020. This Code provides a legal basis to the University's societal mandate and by approving it, managers and regulators endorse its principles. The nine principles underlying the Code are discussed in more detail below. The new Code of Good Governance for Universities requires some minor adjustments within the UG, the implementation of which is underway.

The VSNU annually monitors the implementation of the Code by the universities on the basis of the annual reports and information on the website. The UG is expected to report on its compliance with the nine principles and on how the Code has been implemented in its annual report.

The most important changes to the updated Code of Good Governance are as follows:

- The scope of the Code has been expanded. The previous Code only reminded the members of the Board of the University and the Supervisory Board of their responsibilities. The new Code is also aimed at Deans and Faculty Boards, which bear administrative responsibility within the University both legally and in actual practice.
- The new Code pays explicit attention to the importance of an open culture and a safe environment, both of which are very important to universities. Managers and regulators are responsible for contributing to these aspects.
- Consultative participation bodies have gained more powers in recent years, and are therefore being given more attention in the new Code as well. Properly functioning consultative participation bodies and a good relationship between them and the Board of the University are important factors in good university governance.
- Universities are increasingly collaborating with other organizations. A good governance structure of partnerships will become even more important in the coming years and form a great challenge for many universities. The new Code therefore devotes an entire principle to this aspect.

The new Code of Good Governance defines nine principles of good governance for managers and regulators. The UG will implement the Code and make some minor adjustments, which are discussed below. The Code of Good Governance for Universities works according to the principle of 'apply or explain'.

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Principle 1: The societal mandate of the University is to provide academic teaching, conduct academic research and develop and share academic knowledge in close collaboration with society. Each university implements this mandate in its own way, in line with its character and identity, and accounts for this.

The new 2021-2026 UG Strategic Plan clearly sets out the mission, vision and core values of the UG as well as its societal mandate. The societal mandate of the Board of the University and the Supervisory Board are incorporated in the annual report.

The core values define the University's culture and determine decision-making within the UG and collaboration between staff, students and stakeholders. The core values are academic freedom, integrity, inclusiveness, sustainability and an open culture, both in the field of teaching and the field of research.

Policy aimed at satisfying national and international standards and quality requirements for teaching and research and at complying with the duties of care as set out in the Dutch Code of Conduct for Academic Integrity is being developed and will remain under continuous development in accordance with the UG's PDCA cycle.

Principle 2: The University adheres to values that tie in with its societal mandate. The University aims to promote an open culture in which any topic can be discussed and in which managers, staff members and students feel free to raise issues with each other. This culture is communicated within and outside the organization.

One of the UG's core values in accordance with the new Strategic Plan is an open culture, both in the field of teaching and the field of research. Research results are made available to the academic community and to society. The UG has a transparent management culture and consultation structure. The guiding principles here are connectivity, ambition, trust, responsibility and inclusiveness.

UG managers aim to spend resources efficiently and lawfully, and their own conduct also reflects this aim. All claims for reimbursement made at the UG are uniformly assessed on the basis of its declaration regulations. Claims for reimbursement made by the Board of the University are thoroughly checked in accordance with the Declaration Regulations for Executive Board Members at Dutch Universities.

Principle 3: The University promotes the creation of a safe environment where students and staff members can develop personally and professionally.

The UG has appointed a Chief Diversity and Inclusion Officer. In addition, there is a Confidential Advisor, who annually accounts for their activities in a separate, public annual report. In addition, the UG annual report discusses the regulations as formulated by the General Administrative Law Act and the complaints procedure, as well as their processing.

Principle 4: The Board of the University is responsible for the management of the University. The Board is composed in such a way that its members are able to fulfil their duties properly.

Agreements are made with the Supervisory Board about the development of professional management qualities and position-specific competences of the members of the Board of the University.

Principle 5: The Supervisory Board is responsible for internally monitoring the Board of the University. The Supervisory Board is composed in such a way that its members are able to fulfil their duties properly and independently.

The Supervisory Board monitors the quality and performance of the individual members and the Board of the University as a whole, although not yet on a structural basis.

Discussions with the Board of the University about its internal collaboration and collaboration with the Supervisory Board are held regularly but not yet structurally. Meeting reports should be recorded better.

This also applies to the reports of evaluation meetings that the Supervisory Board holds with the members of the Board of the

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University about the quality and performance of the individual members and the Board of the University as a whole.

Principle 6: The consultation structure between the management and consultative participation bodies enables the latter to influence the University's course.

Structured meetings with the central and local consultative participation bodies are held several times per year. The agreements made with the consultative participation bodies about the rights of consent, prior consultation and information as well as procedures are updated regularly in response to new developments. Consultative participation bodies and managers identify with the agreements made.

Principle 7: Managers and regulators ensure that any form of conflicting personal interest or the appearance thereof is avoided.

The UG complies with the Regulations Concerning Additional Activities and the Rules of Procedure. The Regulations Concerning Additional Activities clearly set out the frameworks for personal interests and possible conflicts between such personal interests and those of the UG. Faculty-level implementation and rules for reporting additional activities on websites must be streamlined.

Principle 8: The University has an adequate, accurate governance structure for collaborations and connections, including those with university medical centres.

Existing financial and administrative involvement in legal entities and partnerships is examined annually.

Several agreements are in place with the AZG (UMCG), including a joint regulation. The financial regulation was completely revised in 2019 and will be evaluated in 2021.

Principle 9: The University has professional internal risk management and control systems in place.

The risk management and control system is in order. External risk inventories are regularly performed. The UG annually draws up an audit plan, which is presented to the Supervisory Board.

The way the Code is applied is explained under the various themes in the annual report.

The Supervisory Board and the Board of the University fulfil the statutory roles assigned to them in the planning and control cycle. The effects of policy implementation are reflected in the budget, the annual financial statements and the annual report. The faculties and service units are responsible for their results and can operate autonomously within the frameworks and guidelines set out by the Board of the University.

One part of the Student Loan Act (Wet Studievoorschot) relates to the right of consent of consultative participation bodies with regard to the institutional budget. The institution, in collaboration with the University Council, has laid down the planning and content of the right of consent in the University Council Regulations. The right of consent applies to the allocation of general income, which is the component that the Board of the University controls. It does not apply to indirect government funding or income from contract research, due to the nature of these allocations. General consent applies at University level, not at faculty level. For allocations in the fields of teaching, research and business operations, the limit value is set at allocations greater than or equal to €0.5 million; for real estate investments, this value is set at €5 million. The right of consent also relates to changes to the internal allocation model.

In the Sector Agreement of 9 April 2018, agreements were made between the Ministry of Education, Culture and Science and the VSNU regarding quality agreements in higher education, the way in which universities profile themselves and the shared priorities for the coming governmental term of office. This includes agreements on transparency and accountability. For example, it was agreed that the institutions will give consultative participation bodies the right of consent regarding the institution's plans for the use of funds from the student loan system.

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Management and control

The University follows a transparent central planning and control cycle, in which the University budget is monitored periodically throughout the reporting year by means of updates and defined periods. For Finance and Real Estate, corporate-level quarterly reports are released which, in addition to overviews of actual spending levels compared to the budget, also include an analysis of developments, risks and possible measures. This enables the Board of the University to make timely adjustments when necessary. Administrative Meetings are held in the autumn by the Board of the University and the individual Faculty Boards to discuss accountability for the current year and make budget agreements for the next year.

The University's liquidity position is continuously monitored by means of a detailed liquidity plan that is updated every week. The implementation of the substantial new building programme as of 2019 means that the University will have to borrow capital in order to finance the investments. The University's long-term budget takes account of the fact that the institution will need to attract external funding in 2022 and that interest charges will be included in its operating costs from 2022 onwards.

For the University, stable funding from the Ministry and stable growth in student numbers are essential. A structural reduction in government funding, for example as a result of the Van Rijn Committee's recommendations, adopted by the Minister of Education, Culture and Science, to redistribute government funds in favour of science and engineering programmes, will have far-reaching consequences for the University of Groningen. For 2020 and 2021, the Ministry of Education, Culture and Science has compensated for the financial impact of this reallocation at institutional level. However, it should be noted that although the net effect per institution will be zero in 2020 and 2021, this does not mean that there will be no changes at faculty level.

The University maintains reserves to ensure its continuity and to mitigate risks, for example in the field of funding and changes in student numbers. In 2020, the Dutch Inspectorate of Education investigated excessive capital accumulation in Dutch education. The Inspectorate emphasized that universities and schools need a long-term vision and a related financial policy in order to provide effective management and to be able to justify their actions. The Inspectorate currently uses a signalling value, which indicates the amount of public equity capital that a board should not exceed. This value provides an indication – and not a strict standard – of what amount of capital can be considered reasonable. It was found that the UG does not have any excessive equity capital.

In the 2020 financial statements, the costs of phasing out the preparation teams were charged to the University's private special-purpose reserves for the last time. Strictly speaking, these costs would not have to be charged to the private special-purpose reserves, since they are no longer classified as preparation costs for the establishment of a branch campus. Nevertheless, in 2018, the Board of the University decided to use these reserves to cover these costs in 2018, 2019 and 2020. In 2020, these costs amounted to a total of €175,000.

Privacy management

The development of the privacy management organization has been underway for over four years. Increasing attention has been paid to personal data protection and, following on from this, to the rights and liberties of students, research subjects and staff members. The UG has experienced enormous growth, which is visible to the people concerned. In terms of hard figures, the UG is aiming for a maturity level of 3.0 on a scale of 5.0 (in accordance with the CIP model). Despite the coronavirus pandemic, a growth from 1.7 to 2.1 was achieved last year, which is very satisfying.

Specific units are also making progress. The Office, which lagged behind in the previous two years, has now started a major catch-up effort. This is important because many essential processes using personal data take place at the Office (in departments such as HR, AMD and the Central Student Administration). Each of the faculties and service units has appointed one or more privacy and security coordinators. Together, they are responsible for sharing knowledge and applying privacy principles in their processes, and for providing advice and information to colleagues.

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Privacy and security assurance will be a point for attention in the coming two years, particularly in the research domain. There is a lot of development, for example by the new Groningen Digital Competence Center. This concerns both technological applications and organizational measures. The design of the privacy management organization should focus specifically on researchers and research. Personal data should be used carefully, not only to improve the integrity and quality of data but also because research funding and collaboration partners expect a high level of personal data protection in top-level research – as do the research subjects.

Major progress has yet to be made across the board. Risk management must be embedded, for example by applying the Privacy by Design principle in (new) processes. In addition, carrying out a DPIA (risk analysis) should become a standard component of regular business processes. Notwithstanding the coronavirus crisis and the transition to a hybrid university, the more careful handling of personal data is still being worked on, partly on the basis of the Privacy & Security Roadmap. In this way, the UG will maintain and increase the trust of all its stakeholders.

7.2 Transparency document

The University of Groningen complies with the government policy document on transparent funding of higher education ('Helderheid in de bekostiging van het hoger onderwijs'), the purpose of which is to provide funded universities and universities of applied sciences with clear information on the interpretation and application of current rules for the calculation of funding parameters. A new edition of this document is expected to appear in 2021.

Theme 1
Outsourcing of degree programmes
The University of Groningen does not outsource any teaching in degree programmes registered with the Central Register of Higher Education Programmes (CROHO) to private organizations.

Theme 2
Investment of public funding in private sector activities
The University does not spend any government funding on private sector activities, other than those relating to the transfer of knowledge to society. Care is taken that the preconditions set out in the Notitie Helderheid for investing public funds in private sector activities are satisfied, for example that unfair competition must be prevented.

The UG has contributed a total of €5.8 million to its affiliated partners. This concerns the University of Groningen Holding Company, ANS BV and the University of Groningen North West Germany GmbH. There were no additional capital injections in 2020. In the financial statements, the increase with respect to this initial injection of equity has been accounted for in the private special-purpose fund. The results of Stichting Academische Opleidingen Groningen are also included in this fund. The balance of this fund at the end of 2020 amounted to €7.5 million. The change in 2019 was €0.8 million, which was the balance of the result of the affiliated parties of €1.3 million, minus a gift received which amounted to €0.5 million. No returns were attributed to this initial contribution in 2020.

Theme 3
Granting of exemptions
Exemptions from course units are granted to individual students by the Boards of Examiners. Clearly, the reason for granting an exemption must be that the candidate has already acquired the relevant knowledge and experience, either at the University or elsewhere. As far as possible, the Boards of Examiners set out their exemptions policy in advance. It is of course not possible to obtain exemption from an entire degree programme. The Model Teaching and Examination Regulations contain a provision to this effect, whereby the maximum amount of exemption is set at 50%.

Theme 4
Funding of international students
In the context of internationalization, the University participates in exchange programmes with various universities in Europe. The University complies fully with the principles of funding regulations in

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the teaching it provides to Dutch as well as international students. Exchanges are based on an agreement and the institutions that participate in and facilitate student exchanges do not charge each other any costs. Dutch students continue to count towards the funding, but international students do not. In 2020, the UG had 1039 exchange agreements with foreign institutions, which included both Erasmus+ contracts and bilateral agreements with exchange partners from outside the EU.

In 2020, the University awarded funding from the Graduation Fund to 22 non-EU students as a result of special circumstances within the meaning of Article 7.51 of the Higher Education and Research Act (WHW). Six non-EEA students were awarded funding through Committee Grants, 11 for participation in consultative bodies, and five non-EEA students received funding on the grounds of extraordinary circumstances. In total, €35,289.99 was disbursed to 22 non-EU students from the Graduation Fund.

Graduation Fund

A complete overview of the number of students who have received financial support from the Graduation Fund as referred to in Article 7.51 of the WHW and the amounts paid out are shown in the table below. For committee grants, grants for participation in consultative bodies and grants for special achievements, the duration of the payment is equal to the academic year; for grants awarded due to situations of force majeure, illness, a functional impairment, family circumstances, informal care or infeasible degree programmes, this is specifically determined for each grant allocation. Four students who were providing informal care were awarded financial support in 2020.

Situation	Number of students applying	Number of students awarded	Total of grants awarded	Average value of award	Average duration of award
Force majeure	499	226	€ 279,980	€ 1,239	Dependent on situation
Committee grants	740	538	€ 1,025,511	€ 1,906	12 months
Other	82	48	€ 87,290	€ 1,819	12 months
Grand total	1,321	812	€ 1,392,781		

Theme 5

Tuition fees not paid by the student

The students' own payment of tuition fees is seen as proof of their intention of following the degree programme. In a number of cases, students do not pay their own tuition fees. There may be various reasons for this, for instance because the student is in a dire financial position. Legislation allows the possibility that, in some cases, the tuition fees are paid by the educational institute via a special fund or emergency fund. The UG Emergency Fund offers financial support to students who run into financial problems as a result of extraordinary, unforeseen expenses against which they could not or did not need to take out insurance. Support from the Emergency Fund can be in the form of a gift or loan. The Emergency Fund can also cover the costs of a 'study buddy', a senior student who assists a first or second-year student from the same degree programme who has an autism spectrum disorder (ASD) or attention deficit disorder (ADD/ADHD). The student in question pays their study buddy €10 per contact hour, and can then claim the costs of up to 50 contact hours back from the Emergency Fund, minus an own contribution of a maximum of €100.

In 2020, the UG paid out a total of €3,095.69 to seven students from its Emergency Fund. The maximum allowance in the form of a gift or a loan is €1,375 per student per year.

Several UG students were faced with financial problems as a consequence of the outbreak of the coronavirus in 2020 and the government measures that were taken in response. A Corona

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Emergency Fund, entirely funded from private sources, was set up to help these students. The Corona Emergency Fund is a fund set up by the Groningen University Fund (GUF) and has nothing to do with the UG Emergency Fund. In addition to the GUF's own contribution of €20,000 from donations made to the GUF, the Ubbo Emmius Foundation contributed the same amount. The UG awarded the GUF a one-off €10,000 grant from its private funds.

Theme 6
Students following degree programme modules
The University does not offer modules in the form of pre-structured learning routes with separate certificates as part of a CROHO-accredited degree programme.

Theme 7
Students following a degree programme other than the one for which they are registered
The policy of the University of Groningen is to ensure that students are able to find the degree programme that is right for them as soon as possible. Apart from the possibility of following course units offered by another degree programme as electives, it is not possible for students to sit examinations that are part of degree programmes for which they are not registered.

Theme 8
Funding of tailor-made programmes
At the request of the Saudi Ministry of Higher Education, since the spring of 2007, the University of Groningen and the UMCG have offered students from Saudi Arabia a special training programme for local medical care. The programme starts with a preparatory year, in which 23 students participated in the second semester of the 2019-2020 academic year. This programme is not registered with the CROHO. Students who successfully complete the preparatory year may begin the regular CROHO-accredited programme to qualify as physicians. In September 2020, 136 students were registered for the regular Medicine degree programme.

As this concerns non-EU students, their training is not eligible for funding by the Dutch government. In order to finance these programmes, the Saudi participants pay the annual tuition fee that is established by the University, which is €32,000 per year.

These students also pay €32,000 per year for the preparatory year. The students in question receive King Abdullah Scholarships from the Saudi government.

The University does not organize any other tailor-made programmes where a third party – an external organization or company – pays a contribution for tailoring an existing programme.

7.3 Treasury

As of 1 July 2016, the investments, loans and derivatives scheme for educational and research institutes (Regeling beleggen, lenen en derivaten OCW 2016) applies to all educational institutions. The new scheme covers aspects such as the required minimum rating for investments (single A), the way governance of the distribution of powers (tasks, decision-making and supervision) is laid down, and elements with regard to the structure of administrative organization and internal control. In 2018, the Ministry of Education, Culture and Science published two amendments to the Regulations. Article 6.3 of the regulations was amended on 5 April 2018. As a result, price fluctuations on the principal sum of a bonds investment are permitted subject to the approval of the internal regulator. This amendment entered into force on 1 July 2018. The second amendment, which was published by the Ministry of Education, Culture and Science on 5 December 2018, enabled educational institutions to borrow not only from financial institutions, but also from organizations, funds, insurers and governments, provided that borrowing is risk-free.

As a result of the above-mentioned two amendments to the Regulations, the Board approved an updated version of the University's Treasury Rules in 2019, which incorporated all the amendments to the Regulations. The updated Rules were also approved by the Supervisory Board. The Ministry of Education, Culture and Science made no further changes to the Regulations in 2020 and the Treasury Rules remained unchanged.

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The Treasury Rules set out the treasury management processes and the financing policy. They are based on the University's strategic investments in teaching and research as well as the future investments in newly built property, so as to facilitate the process of managing, controlling and monitoring current and future funding streams. The aim is to minimize the interest charges on funds raised and to optimize the return on credit held within the given limits of the risk policy as specified in the Treasury Rules. The UG has thus far not been faced with interest charges on credit held.

The UG sets out its policy and principles in the Treasury Rules in the form of standard guidelines for investment policy, financing policy, participation in legal entities, and loans to legal entities affiliated with the University of Groningen. Such loans are allowed in the context of the funded duty of knowledge valorization that universities are tasked with.

At the end of 2019, the UG owned a total of €275.5 million in liquid assets, including €39.5 million in savings accounts and €236 million in current accounts. In addition, the UG also accounted for €21.5 million in long-term deposits under financial fixed assets.

At the end of 2020, the UG owned a total of € 248.9 million in liquid assets, consisting of € 1 million jointly held in two savings accounts and € 247.9 million in current account. The current account also includes the release of the other savings accounts in 2020. In addition, the RUG also accounted for € 16.5 million on long-term deposits under Financial fixed assets.

Liquidity development

In 2020, the UG's liquidity position decreased substantially compared to 2019, partly as a result of substantial investments in newly built property. In addition, 2020 was an unusual year, in which the long lockdown had significant financial impact on other expenses and external income.

However, the liquidity position was still amply sufficient at year-end 2020. The relatively high credits can be explained, among other factors, by the fact that the University has saved up to make substantial future investments in new buildings, which are now in the decision-making phase or a tender phase (which is either yet to commence or has already been completed). Spending several hundreds of millions of euros over the coming years will put a significant strain on liquidity and will force the UG to borrow from financiers.

The investments in the new Feringa Building are currently progressing according to schedule. The payments agreed to in the contract are transferred in accordance with realization and the payment schedule. The contractual obligations with regard to installation work are also progressing according to schedule.

Duration (years)	Interest	Beginning (d/m/y)	Ending (d/m/y)	Amount (mln EUR)
5	0.70	19/02/2016	19/02/2021	5
7	0.15	25/10/2017	25/10/2024	3
7	0.11	06/02/2017	06/02/2024	3
8	0.37	31/01/2017	31/01/2025	3
9 + 2 days	0.30	17/01/2017	19/01/2026	5
6	0.28	30/01/2018	30/01/2024	2.5
Total				21.5

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7.4 Top incomes and remuneration

The VSNU negotiates with employee organizations on the conditions of employment for Dutch university staff. Conditions of employment relate to matters such as salary, holidays/leave, pensions, vitality and social security. The working conditions agreed with employee organizations are set out in the Collective Labour Agreement for Dutch Universities. Members of the Board of the University and the Supervisory Board (as well as non-senior officials) are also subject to assessment under the Executives' Pay (Standards) Act (WNT: Wet Normering Topinkomens).

A maximum salary threshold of €201,000 applied to senior officials in the year under review. The WNT statutory transitional regime no longer applied to senior officials at the UG in 2020. During the year under review, the University had no senior officials whose salary exceeded the maximum amount of €201,000. Remuneration took place in accordance with the current maximum salary threshold.

For senior officials with supervisory duties (i.e. members of the Supervisory Board), a maximum salary threshold of 10% of the maximum WNT reference salary for 2020 of €201,000 applies for members of the Supervisory Board (15% for the Chair). During the year under review, the University had no senior officials with supervisory duties whose salary exceeded this sum.

In 2020, the University had four non-senior officials whose remuneration exceeded the WNT threshold (€201,000). One case involved the exceeding of the maximum due to royalties. The other three cases involved exceedances for non-senior officials due to a higher gross salary in connection with the previous decision to cap the maximum pensionable salary and as a result of the Terms of Employment Options Model.

The table listing salaries for 2020 and the table comparing the salaries of the members of the Board of the University and the Supervisory Board in 2019 and 2020 can be found in the 2020 financial statements appended to the 2020 Annual Report. The four cases of non-senior officials who exceeded the WNT threshold have been published anonymously in accordance with the WNT regulations.

Reimbursement of costs for Board members

On 1 January 2018, the VSNU introduced new Declaration Regulations for Executive Board members at Dutch universities. This was approved nationally by the Chairs of the Supervisory Boards of universities in the Netherlands in a joint meeting in November 2017.

Reports on the 2020 financial year are based on the new Declaration Regulations for Executive Board members. The declarations in the table are in accordance with the requirements set out in the VSNU regulations. The 'domestic travel expenses' section includes an up-to-date calculation of the actual use of the available UG company car in 2020. The UG company car has not been used much for work-related trips since mid-March 2020 due to the coronavirus pandemic.

Expenses for Members of the Board (in EUR)

	De Vries	Wijmenga	Biemans	Total
Representation	3,015	3,221	3,036	9,272
Domestic travel	10,289	1,230	1,360	12,879
Railpass 1st class	-	1,936	-	1,936
Foreign travel	729	829	3,026	4,583
Other	4,085	12,712	685	17,482
Total	18,118	19,928	8,107	46,152

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8. Continuity section



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8. Continuity section

The purpose of the continuity section is to provide additional information on the expected consequences of the intended policy of the governing body of the institution concerned for the financial position of the institution. It provides the Board of the University with an additional instrument for business operations that can serve as the basis for a discussion within the University about the expected effects of external developments combined with chosen policy in the coming years.

The global coronavirus pandemic has also affected developments at the University of Groningen. The entire UG switched to online teaching and assessment in 2020, and access to its buildings was limited for a long time. Contrary to initial expectations, the numbers of Dutch and international students increased in the 2020-2021 academic year. A further increase in international students in particular is expected for the coming 2021-2022 academic year.

The coronavirus measures, in combination with the focus on the switch to online teaching and assessment or, for UMCG O&O, the focus on care, has caused delays in certain areas of research. Appointments are currently extended where necessary to successfully complete research projects. Furthermore, the crisis may also affect the financial position of companies, organizations and partners of the University, which may in turn have an impact on indirect government funding and contract research. This could have negative consequences for the future order portfolio for externally funded research projects. The University is in close contact with the VSNU, which analyses the consequences at a national level and liaises with the relevant ministries and key funding bodies.

The COVID-19 pandemic has been taken into account when preparing the multi-year budget. The effects of this pandemic on the long-term budget are difficult to isolate – let alone calculate exactly – because they affect almost every aspect of the UG. The multi-year budget shows that the UG is budgeting for negative results and is drawing on its reserves. Previously accumulated reserves are deliberately used and depreciation costs are increasing because of investments in new housing such as the Feringa Building. Due to corona, delayed research costs are also to be expected during the planning period; also, an outbreak of the corona pandemic cannot be ruled out. The size of the reserves makes drawing on reserves possible, but on the other hand the increase in depreciation charges forces the UG to make a sustainable and future-proof real estate policy.

8.1 Explanatory notes on student numbers and staffing

Developments related to the coronavirus pandemic unexpectedly resulted in an increase in the number of Dutch students in the 2020-2021 academic year. This was in contrast to the expected decrease due to demographic developments. The number of international students at the UG also increased. For 2021, the UG is expecting a further increase in the number of international students as a side-effect of Brexit. The UG is not aiming to grow much further and assumes stable student numbers in the long-term perspective.

In the UG's opinion, the current mix of Dutch and international students is important for both teaching and research in order to address modern-day issues and challenges from a wide range of perspectives and approaches. The internationalization of higher

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education is also reflected in the reference framework of the Ministry of Education, Culture and Science for 2019, which, partly due to the considerable rise in the number of international students, shows an expected overall annual growth in student numbers of approximately 2% for the university education sector in the long term. As mentioned, the UG assumes that the total number of registered students will be maintained.

In order to guarantee and improve the quality of education, the University is committed to increasing the number of academic staff. The Board previously made extra resources available to the faculties for this purpose, and this intensification is also a priority in the Quality Agreements for 2019-2024 (see also 3.8). The UG is also aiming to further increase external research funding, in response to the increase of available resources from indirect government funding and funding from contract research. An increase in the number of staff is needed to facilitate this growth.

Development of student numbers

Students / Year	Realisation	Prognosis				
	2020	2021	2022	2023	2024	2025
International	8,708	8,882	9,060	9,241	9,426	9,614
Dutch	28,492	28,892	28,492	28,092	27,692	27,292
Total	37,200	37,774	37,552	37,333	37,118	36,906

Development of staff (FTE)

Staff / Year	Realisation	Prognosis				
	2020	2021	2022	2023	2024	2025
Management	732	732	732	732	732	732
Research & Education	3,079	3,110	3,141	3,172	3,204	3,236
Supporting	2,666	2,670	2,631	2,594	2,573	2,573
Total	6,477	6,512	6,503	6,497	6,509	6,541

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8.2 Explanatory notes on operating and balance-sheet figures

Balance sheet for income and expenditure (in K€)

	Realization 2019	Realization 2020	Longterm prognosis 2021	2022	2023	2024	2025
INCOME							
Government funding	419,200	443,324	456,229	467,780	474,616	482,031	486,031
Other funding	-	-	-	-	-	-	-
Tuition fees	73,213	79,441	83,267	84,000	85,500	87,000	88,000
Third-party assignments	147,294	136,277	135,437	136,017	138,565	140,577	143,388
Other income	58,215	57,118	72,880	69,154	64,763	62,234	62,830
	697,922	716,160	747,813	756,951	763,444	771,842	780,249
EXPENDITURE							
Staff	489,038	525,276	521,832	520,270	523,573	524,785	528,479
Housing	35,634	37,126	44,081	45,931	54,496	65,325	66,607
Debits	41,581	40,711	56,525	59,756	61,330	61,372	61.986
Other	135,015	120,170	136,025	136,705	137,389	138,076	138,766
	701,269	723,282	758,463	762,663	776,788	789,558	795,838
Balance of income and expenditure	-3,346	-7,123	-10,651	-5,712	-13,344	-17,716	-15,589
Balance of financial operations	2,128	1,382	0	-833	-2,495	-3,775	-4,775
RESULT	-1,219	-5,741	-10,651	-6,545	-15,839	-21,491	-20,364

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Balance sheet (in k€)

	Realisation 2019	Realisation 2020	Long-term prognosis 2021	2022	2023	2024	2025
ASSETS							
Fixed assets							
Intangible	-	5,863	4,603	3,317	2,030	744	27
Tangible	476,555	541,052	691,900	851,524	917,143	935,826	964,731
Financial	32,386	28,523	10,886	10,886	10,886	10,886	12,023
Current assets							
Supplies	666	657	666	666	666	666	666
Receivables	112,663	109,997	108,829	108,829	108,829	108,829	108,829
Liquid assets	278,421	248,885	123,289	58,577	53,826	55,488	57,586
	900,690	934,976	940,173	1,033,799	1,093,380	1,112,439	1,143,862
LIABILITIES							
Capital & reserves							
General reserve	566,280	552,742	560,121	568,654	556,459	536,405	516,758
Allocated reserve (public)	31,022	33,547	16,674	2,382	-	-	-
Allocated reserve (private)	-1,374	-1,050	-374	126	151	-	-
Allocated fund (public)	1,002	686	1,002	1,002	1,002	1,002	1,002
Allocated fund (private)	6,635	7,466	6,635	6,635	6,635	6,635	6,635
Other legal reserve	-	5,863	4,603	3,317	2,030	744	27
Provisions							
provisions	52,534	49,749	56,500	56,500	56,500	56,500	56,500
Debts							
long-term	-		-	100,000	175,000	215,000	265,000
short-term	244,592	285,973	295,012	295,183	295,603	296,153	297,940
	900,690	934,976	940,173	1,033,799	1,093,380	1,112,439	1,143,862

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Liquidity prognosis (in € x 1.000)

	2021	2022	2023	2024	2025
Opening balance sheet	248.885	123.289	58.577	53.826	55.488
balance sheet of income and expenditure	-10.593	-5.712	-13.344	-17.716	-15.589
interest charges and income	-	-833	-2.495	-3.775	-4.775
other movements		170	420	550	650
depreciation of property	26.013	26.357	33.486	43.164	44.458
other depreciation	18.068	19.564	20.999	22.151	22.151
Cash flow from operating activities	33.488	39.546	39.066	44.374	46.895
investments in real estate	-160.584	-184.258	-98.817	-62.712	-74.797
other investments	-20.000	-20.000	-20.000	-20.000	-20.000
Investments total	-180.584	-204.258	-118.817	-82.712	-94.797
sale of deposit	21.500	-	-	-	-
withdrawal from long-term loans	-	55.000	75.000	40.000	50.000
movement in treasury banking faciltiy	-	45.000	-	-	-
Financing activities total	21.500	100.000	75.000	40.000	50.000
Liquidity balance as at 31 December	123.289	58.577	53.826	55.488	57.586

Government funding is divided among the universities based on the scope of three funding variables: the number of student registrations, the number of degrees and, for research, the number of PhDs awarded. The UG expects that these funding variables will remain stable. A change to the funding variables does not always result in a change in government funding. In fact, a national distribution model is used, rather than a funding model. Only a change in the market share will lead to a change in the amount of government funding a university receives. In addition to the funding variables, each university receives a number of specific contributions and has a fixed formula for funding.

In the previous years, the University of Groningen has seen a number of general increases in government funding, such as salary and price adjustments and student volume resources. These increases have been included in the long-term projection and, as a result, the additional funds will become available for faculties to invest in

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additional academic staff. A significant change in government funding is the expected additional resources for the implementation of the Quality Agreements for 2019-2024, which have already been included in the long-term projection.

In addition to more government funding, the total revenue of the University will also increase as tuition fee revenue increases in line with the growth in the number of international students, and as a result of additional external revenues acquired (see section 8.1 – Explanatory notes on student numbers and staffing). Despite the expected growth in externally acquired revenue in absolute terms, the relative share of contract revenue remains stable. More details on this are provided later in the explanatory notes to the key figures.

Staffing costs are increasing as a result of the University intensifying its policy on teaching and research. For research, this means strengthening the profile of interdisciplinary and other research programmes and encouraging the research institutes to become more entrepreneurial. In terms of teaching, the University is investing in reinforcing the connections between lecturers and students and supporting students to play an active role in their learning process. Additional academic staff will be appointed in order to realize these aims. Expenditure on staffing will also rise in order to accommodate the expected growth of externally acquired funding.

Depreciation costs will increase significantly as a result of investments in IT infrastructure and new buildings. The UG's existing IT facilities are of a high standard. This is essential if we are to achieve our ambitions to excel in research, teaching and valorization. The coming years will see ongoing investment in order to implement new IT developments and to assure the high quality of IT services, obviously with the provision of support for staff and students in acquiring the relevant skills.

In the years to come, the University will also invest in sustainable and future-proof accommodation in order to ensure an optimum work and study environment. A long-term accommodation plan (LTHP: Lange Termijn Huisvestingsplan) was drawn up for this purpose in 2014, along with the related investment and liquidity plans. This document is updated every year. The financial implications of the LTHP are incorporated in the long-term projection. The main project is the realization of the Feringa Building. The Feringa Building will replace the Nijenborgh 4 facility that is over 50 years old and no longer meets current standards. With the new Feringa Building, the Faculty of Science and Engineering (FSE) will once again be able to provide its staff and students with sustainable, high-tech facilities.

The accommodation costs, such as the costs of energy and cleaning, will increase as a result of investments in personnel and new buildings.

As a result of the investments in the quality of teaching and research and the rising depreciation costs due to the construction of the new Feringa Building in particular, in the long term the UG faces a negative operating result that will increase to approximately €20 million in 2025. It is expected that the results will be positive again from 2028.

Balance sheet

The long-term projection for fixed assets is based on the above-mentioned LTHP. The policy of the University is that, in principle, investment in tangible fixed assets is financed from internal resources, and that short-term capital borrowing is acceptable for this purpose. In the long term, the investment in tangible assets is therefore expected to lead to a reduction in liquid assets.

Operating results are added to or deducted from the general reserve in the multi-year perspective. The appropriated reserve for public was formed on account of participation in the experiment for PhD students. The conditions stipulate that, should the experiment be terminated prematurely, the participants will receive employment from the university for the remaining period of their PhD trajectory.

The balance of the appropriated private reserve is negative. Dividend payments from parties associated with the UG will clear this negative balance in the coming years. The intention to clear the private earmarked reserve within three years has been delayed by the corona crisis. Finally, the statutory reserves are held on the basis of statutory provisions. In 2020, a statutory reserve was created

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(pursuant to Section 2:365(2) of the Dutch Civil Code) equal to the amount capitalized under intangible fixed assets for the purchase costs (licenses) of the university administrative system, including the (external) training and implementation costs. The amortization period is five years.

Special-purpose funds and provisions are expected to remain at more or less the same level overall. The provisions consist mainly of personnel provisions (€22 million) for anniversaries, unemployment and long-term sick leave, environmental provisions (€13 million) and provisions for the dismantling of the cyclotron (€10 million). From 2022, the level of liquid assets will no longer be sufficient to finance investments in the LTHP and the University will make use of external financing capacity. This is reflected in the long-term debts in the above balance sheet.

The total investment for the LTHP to 2028 is approximately €650 million. Most of this investment will take place between 2019 and 2022 (see table on page 89). Investment estimates are based on the expected price level for the year in question. Since the University will borrow from 2022 onwards, interest charges are also included from 2022 onwards.

Five key figures form the basis for assessing the financial position of the institution. In this regard, it is important that developments in the target values are considered over an extended period and are compared to the average figures for Dutch universities.

1. Solvency

The University's solvency (equity/total equity) is currently relatively high. This is due to the fact that it is preferable to finance investments in accommodation using the University's own resources. Capital borrowing will be necessary from 2022 for the implementation of the long-term accommodation plan. This will result in a fall in the solvency ratio from 0.64 in 2020 to 0.46 in 2025. The minimum ratio of 0.49 is based on the current average for the academic education sector. As it stands, the UG will get just below this in 2025.

2. Liquidity

The University's liquidity ratio (current assets/short-term capital borrowing) is also relatively high. The University will fund a substantial proportion of the activities in the above-mentioned accommodation plan from its own resources. The lower liquidity limit is €30 million (approximately equivalent to one month's salary payments). As a result of the investments in accommodation, the liquidity ratio will fall to the lower limit of 0.5 in the period to 2024 and is then expected to increase again. This will not be a problem, given the funding options available to the University.

3. Profitability

Profitability is defined here as: return on ordinary activities/total revenue from ordinary activities * 100%. A small positive operating return (between 0% and 3%) is necessary to ensure the continuity of the organization. An incidentally high operating return requires explanation, and a structurally high operating surplus is undesirable from a societal point of view. The UG's profitability will be below the norm in the coming plan period as a result of the required investments in teaching, research and accommodation. Positive returns are expected again from 2028.

4. Resilience

The UG's resilience ratio (equity/total revenues * 100%) is currently relatively high at 84%. This key figure indicates that there is scope for investing in new developments. The resilience ratio will therefore decrease in the coming years. The ratio was set at 15% for the faculties and service units, based on their risk profile. The minimum ratio for the University as a whole is 50% (the sector average).

5. Contract income

External revenue was lower in 2020 as a result of the drop in project revenue. This in turn was due to the coronavirus pandemic, which caused certain projects to be paused or delayed. The long-term budget is based on an estimated growth of 4% per year in contract revenue. On that basis, the target for contract revenue has been set at 30% at least of the University's total revenue. The share of contract revenue (total income arising from work for third parties/total income * 100%) in 2020 was 19% and will decrease a little in the long-term

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projection. This is below the target that the UG has set for itself. This topic is therefore regularly discussed in meetings between the Board of the University and the Supervisory Board.

6. Accommodation costs

This ratio ((total accommodation costs + total depreciations)/total costs * 100%) includes accommodation costs as well as depreciation costs. The depreciation costs relate to investments in buildings, fitting-out and equipment. The University's accommodation costs are currently relatively low. In 2020, the ratio was 10.8%. As a result of the qualitative improvements that will be realized with the implementation of the long-term accommodation plan, accommodation costs are expected to increase to over 14% (the sector average), and then decrease slightly in subsequent years.

8.3 Internal risk management and control system

The UG is investing significantly in the quality of teaching and research and in creating the appropriate conditions. The latter means investing in staff, accommodation and business operations systems, among other things. This is unavoidable in a competitive environment, but it also entails risks. In 2019, the start-up process for risk management was completed at institutional level, whereby the 10 biggest risks within the institution (see Section 8.4) as well as priorities in risk management were identified.

Risk management and control system

The main building blocks of the UG's internal risk management and control system are the governance structure, the UG Strategic Plan and the annual planning and control cycle in combination with the financial Strategic Key Figures as established by the Supervisory Board (see Section 8.2).

FINANCIAL	Universities	UG							
	2018	2019	2020	2021	2022	2023	2024	2025	Target
solvability	0,49	0,67	0,64	0,62	0,56	0,52	0,50	0,46	>0,50
liquidity	1,03	1,60	1,26	0,79	0,57	0.55	0,56	0,56	>0,50
profitability	0,9%	-0,5%	-1,0%	-1,4%	-0,8%	-1,7%	-2,3%	-2,0%	0%<>3%
resilience	51,6%	86,5%	83,7%	78,1%	76,5%	73,9%	70,5%	67,2%	>50%
contract revenues	26,4%	21,1%	19,0%	18,1%	18,0%	18,1%	18,2%	18,4%	>30%
housing costs	13,3%	11,0%	10,8%	13,3%	13,9%	14,9%	16,0%	16,2%	<14%

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The UG's governance structure is described in detail in the Administrative Regulations. The University relies on a governance model of decentralized comprehensive management. The Faculty Boards are mandated with duties and powers relating to teaching, research and operations. The University's strategic course is laid down in its Strategic Plan for 2015-2020. In 2020, the UG nearly completed its new Strategic Plan, which was approved in early 2021.

In order to assure that the strategic goals are achieved in cohesion, a central fact sheet has been prepared in consultation with the Faculty Boards, supplemented with faculty-specific Quality Indicators (QIs). The QIs that have been formulated are derived as directly as possible from the University's strategic course, and their development is discussed at least once a year by the Board of the University with the Faculty Boards.

The University links its strategy and activities in research, teaching and valorization to the deployment of resources by means of a planning and control cycle. The Board determines the financial planning and control cycle on an annual basis. This is part of the University's PDCA cycle. The planning and control cycle specifies how, and according to which principles, frameworks and formats, the budget will be drawn up and adopted in a long-term projection.

The cycle also specifies how and in what format the faculties and service units will provide quarterly information to the Board of the University on results and changes to the outlook. This information includes notable developments that may have occurred, the risks they foresee, and any related measures or activities that have been planned or implemented. These reports are discussed twice a year (or more often if necessary) by the Board of the University, the Faculty Boards and the management of the service units, in the context of fulfilling agreements and realizing ambitions with regard to research, teaching and societal impact.

Risk management within the financial department is the responsibility of the Governance Officer and the Internal Audit department, among other parties. A broad-based start-up process for risk management in 2019 resulted in a UG-wide risk inventory and risk classification, which in turn yielded a Top 10 of the biggest risks within the UG. A risk profile was drawn up for the institution, including management decisions regarding 'risk appetite'. Risk management, risk policy and risk awareness should be standard components of the comprehensive decision-making process to ensure the continuity of the organization, even in the event of a future crisis. Following on from the start-up process for risk management, it was decided to implement a follow-up phase of risk management and roll this out across all local units in 2021. In order to make the risk management process design PDCA-proof, the formulation of indicators forms part of this process.

Since 2020, the UG has been participating at a national level in updating the Dreigingsbeeld Hoger Onderwijs (threat assessment for higher education) under the supervision of the VSNU. An updated national threat assessment for higher education is being drawn up in collaboration with an external agency that has been hired for this purpose. To this end, an 'Integrated Safety in Higher Education' (IV-HO: Integrale Veiligheid voor Hoger Onderwijs) platform has been established, focusing on nine themes that each institute of higher education should include in its periodic reports on risk management, safety and knowledge security. The platform describes an integrated approach to safety and knowledge security. The advantage of a process-based approach with themes is that inventories can be kept practical and manageable ('PDCA-proof'). The AMD, part of the Office of the University, is the current coordinator of the Integrated Safety platform and is responsible for the updated threat assessment. A safety profile is examined for each institution, providing insight into the extent to which awareness and steering information is available. Broadening within each institution, as well as integrating the safety and knowledge security themes in the risk management process, is being looked into. See also https://integraalveilig-ho.nl/

The theme of cybersecurity (CIT) and privacy (ABJZ) is already being reported on to the Board of the University once every quarter. The rapid digitization of teaching and business operations has attracted extra attention to this theme, as well as the theme of knowledge security. The aim is to connect the three above-mentioned projects with each other.

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Organizational structure

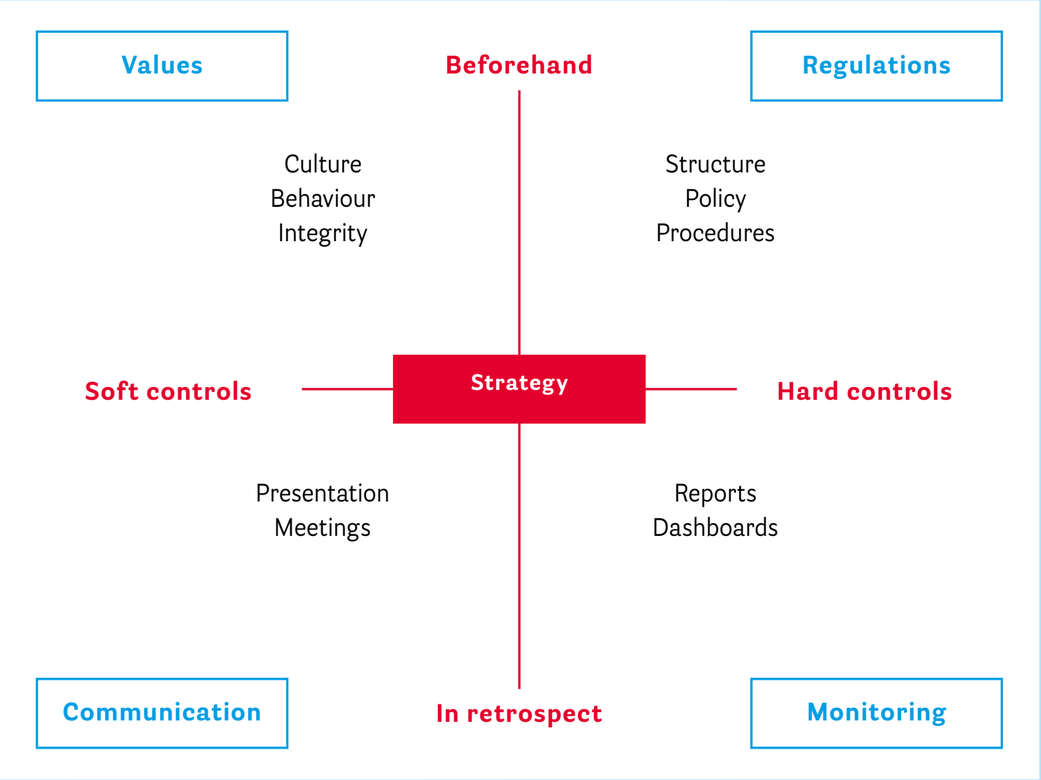
In managing the risks, the University of Groningen relies on a chain of four organizational links. Operational line management is the first link. The second link is formed by centralized as well as decentralized controllers setting up and monitoring internal controls. The third link relates to the independent internal audit department, which assesses the role of the first and second links. The fourth and final link is formed by the external accountant. In addition to governance and the planning and control cycle, the University has rules and procedures in place aimed at identifying and mitigating the risks, and at achieving its strategic goals – naturally with due observance of the applicable laws and regulations.

Structured spend analyses for the purpose of legitimate procurement are an example of such a procedure. The University has an Audit Charter as well as Treasury Rules that comply with the investments, loans and derivatives scheme for educational and research institutes (Regeling beleggen, lenen en derivaten OCW 2016).

Integrity programme

Risk management goes beyond complying with regulations and implementing 'hard' controls. The behaviour of people is crucial for effective risk management. Therefore, the UG wants to foster a culture ('soft controls') in which integrity underlies all actions, mistakes are admitted and discussed, and employees hold one another accountable. To this end, in 2016, the UG started an integrity programme targeted at all academic and support staff, board members and managers (see Chapter 5).

The internal risk management and control framework described above is shown in the diagram below, which distinguishes between hard and soft controls, and between ex-ante and ex-post controls.



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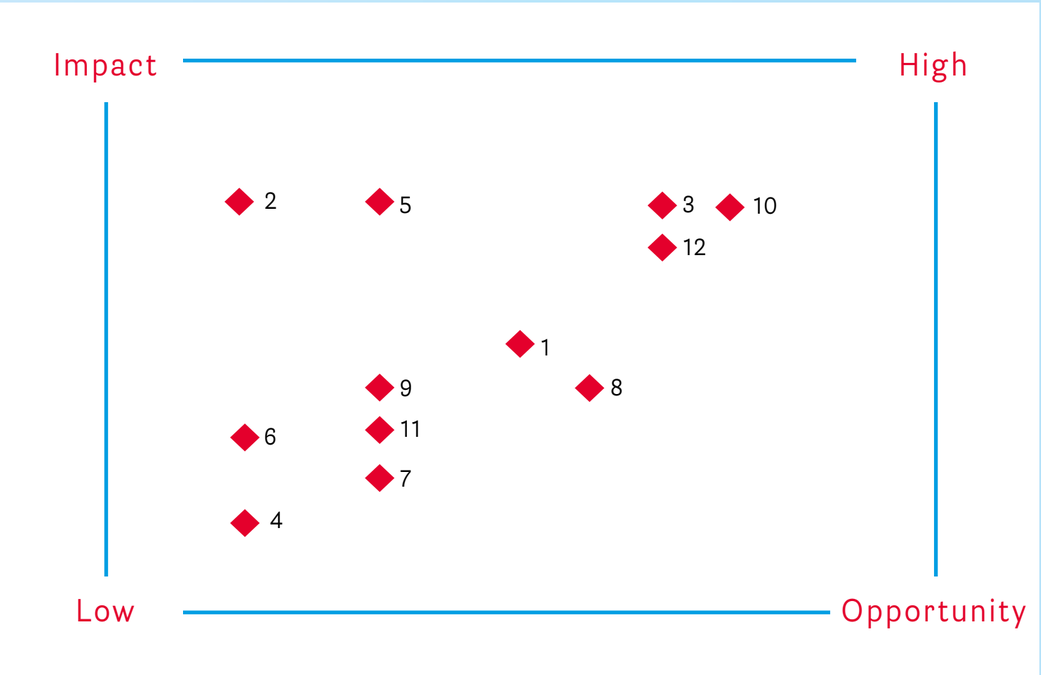
8.4 Risks and uncertainties

The following is an overview of the most important current and structural themes that the UG Board devotes attention to due to possible risks, including the measures taken to limit these risks. The risks are quantified as much as possible.

The degree to which control measures are taken is based on a risk assessment analysing the likelihood a risk will occur and the impact any consequences will have. The outcome of this risk assessment is represented visually in the diagram below.



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Themes	Label	Uncertainty and risks	Measures
1. Labour market and labour conditions	Current	Sufficient and high-quality personnel are essential for the continued success of the University and for the achievement of its strategic objectives. The recent increase in student numbers makes this theme extra important. However, there is a lot of competition on the labour market, and other universities are seeing the same additional increase in demand for high-quality personnel. The inability to attract or retain talented academic staff entails major risks for the UG's market position in both teaching and research. This theme also touches on the risk of excessive work pressure, which could lead to long-term absenteeism.	The UG invests in a number of programmes to attract and retain talented academic staff (WP). These include, for example, the Dual Career Support project for partners of talented WP, the Rosalind Franklin programme and Aletta Jacobs chairs for female WP and the Young Academy Groningen for young WP. With regard to the workload, the UG will be investing heavily in additional WP in the coming years, from its own reserves and through the use of funds from the student loan system.
2. Integrity	Current	Integrity is essential for confidence in the University and its scientific endeavours. Violations of academic integrity entail a risk of financial damage and of long-term reputational damage.	The University has an integrity programme, aimed at both the support staff and academic staff. The programme devotes attention to cultural aspects as well as to procedures and the way the organization is set up. It contains interactive elements, such as workshops and training sessions.
3. Information Security	Current	Almost all vital processes and services at the University rely on information systems. It is therefore essential that these systems are secure. The threat of espionage and cybercrime has increased substantially in recent years. The recent ransomware attacks on Maastricht University and NWO increase the risk of an attack at other universities, including the University of Groningen.	The UG has drawn up an Information Security Master Plan, consisting of aspects such as UG-wide implementation of multifactor authentication, intensive monitoring and threat intelligence, resilience testing by ethical hackers and programmes to raise awareness. The measures included in this plan are being implemented at an accelerated pace in response to the recent increase in the threat level.
4. Privacy	Current	In May 2018, the new Data Protection Act (now General Data Protection Regulation [GDPR]) came into force, which places a heavy administrative burden on the administrative processes within the University. Failure to comply with the new legislation can result in financial penalties and damage the UG's image as an employer and public party.	As early as 2016, the UG appointed a central Data Protection Officer to monitor the activities across the units. Each unit has a privacy and security coordinator, who is responsible for raising awareness and creating a register for the processing of personal data. Active internal audits were carried out in 2020, for example by Fox IT.
5. Building safety	Current	The earthquakes caused by gas extraction in the province of Groningen have several risk aspects. The first aspect is the safety of staff and students in the University's buildings. The second aspect is the financial implications of alterations that might have to be made to existing buildings, and of the additional investments required for new buildings as a result of stricter construction standards. If earthquakes become a structural problem in the city as well as the region of Groningen, the continuity of operations is at risk, and the image of the University could suffer as well.	The University has appointed a project manager to coordinate the various matters relating to the risk of earthquakes. These efforts are geared towards limiting the risk to an acceptable level. The first projects have been completed successfully, with NAM reimbursing a proportion of the costs. The government has adopted a new gas production plan which contains measures to reduce the seismic threat in the long term.

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6. Reputational damage	Structural	The way in which stakeholders view and value an organization is defined as its (corporate) reputation. Our reputation is the overall impression that all stakeholders, including staff members, students, researchers, press, politics and surroundings, have of the UG. As such, this reputation says something about the level of connection between the UG and its surroundings. Organizations influence their reputation through their behaviour, products and communication. All members of an organization promote its reputation. This is why public organizations such as the UG are particularly vulnerable to reputational damage, mainly on the grounds of substantive issues and behaviours, such as those described above under other themes, but also on the grounds of communicative misconceptions.	The Communication Office monitors the UG's reputation. As mentioned above, reputations develop over time as a result of consistent policy and action, and are reinforced through effective communication, such as the targeted media strategy that the UG has implemented since 2017. However, this reputation cannot be merely cosmetic in nature, but must be authentic.
7. Student numbers	Current	The University of Groningen is – and will remain – an attractive university for students because it offers a range of high-standard, feasible degree programmes and excellent facilities. In order to continue offering these programmes and facilities, it is important to maintain the number of registered students. The UG has experienced a sudden sharp increase in student numbers as a result of both the coronavirus pandemic and Brexit. This may result in an insufficient availability of lecturer capacity and teaching facilities. On the other hand, the number of Dutch first-year students will decrease in the long term as a consequence of demographic developments. It has also been noted that the universities in the Randstad conurbation are attracting students in the Master's phase, mainly because of the career prospects in that region.	In order to manage the short-term intake numbers, the UG decided to convert from fully online teaching to a concept of blended learning starting in the 2021-2022 academic year. This system will require students to be physically present in Groningen for certain components of their degree programme. At the same time, the UG wishes to be an international, global university, which also welcomes international students and staff members. The UG remains true to its northern roots. The Board aims to promote regional collaboration within the Northern Netherlands and also seeks collaboration with Northwest Germany. Finally, the UG has chosen to invest in the additional profiling of Master's programmes.
8. Research funding	Current	It is uncertain whether the coronavirus pandemic will affect the financial position of companies, organizations and partners of the University, which may in turn have an impact on indirect government funding and contract research. This could have negative consequences for the future order portfolio for externally funded research projects. Uncertainties with regard to research funding also include incidental (i.e. ad hoc) cutbacks by the government, but also a shift in the allocation of research funding in favour of the Top Sectors, the development in EU research funding, and the number of organizations that can apply for this. These factors have an impact on higher education and academic research. The University's reduced ability to attract contract-research activities also poses a risk. The impact of all these factors could mean that the projected annual growth of 4% per year (approx. €7 million) in external revenues (teaching/research for third parties) will not be realized.	The developments in external revenue and the contract portfolio are monitored and reported to the Board every quarter, or as often as necessary. The financial risk in the short term is limited, as lower research revenue is proportionally offset by lower research expenses. The long-term risks are greater because this could affect the position of the University, nationally as well as internationally. The Board and Supervisory Board are therefore paying particular attention to the relatively declining share of external revenue in relation to the total revenue of the University. The underlying causes and possible control measures are regularly discussed.
9. Renewal of business operations systems	Current	At the University, there has always been a clear separation between Facility Services, HR and Finance. This is reflected in the way business operations systems are structured within the University. Today's issues, however, require a cross-domain approach. The UG therefore aims to improve collaboration between the domains, supported by the implementation of a cross-domain business operations system in 2020.	Intensive administrative involvement by the Board of the University during the transition period and when making decisions regarding the cross-domain approach. Monitoring and decision-making by the Board of the University.

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10. Government policy and funding	Structural	Government policy on higher education is changeable. These changes outpace the lead time for the measures required to realize the new ambitions, such as new performance agreements. This may frustrate the UG's own plans. As regards government funding, the UG has identified risks in possible cutbacks to control government funding after all the coronavirus measures taken, the possible cancellation of resources for Sustainable Humanities (€1.9 million) and the dropping rates in the parameter compartment (approx. €13 million). There is also a risk that current and future resources will be specifically earmarked so they can no longer be freely allocated.	Against the background of continuously shifting government policy, the University – and with it the faculties – has laid down its own ambitions in the Strategic Plan for 2015-2020. The new Strategic Plan was nearly completed in 2020. In close consultation with consultative participation bodies, a new balance will be sought between the pluralism desired and the required positioning of the University as a whole. Information regarding issues whose developments in legislation are relevant to the University is regularly exchanged with the government. If developments are identified promptly, timely measures can be taken. Insidious cutbacks, the increasing cost of meeting statutory obligations and the fact that wage and price developments are only partly compensated (or not at all) are being offset by more efficient and effective organization of the activities that support the primary process in particular. The University is sufficiently resilient to temporarily accommodate any financial setbacks.
11. Institutional accreditation	Structural	For universities, accreditation is a prerequisite for obtaining public funding and being able to provide a government-recognized diploma and associated degree. Obtaining accreditation is therefore essential for the continued existence of the University in its current capacity.	At the University, quality assurance is organized both centrally and decentrally in close collaboration with all stakeholders. The PDCA cycle is administratively embedded in the semi-annual Administrative Meetings between the Board of the University and Faculty Boards, ensuring that monitoring and quality assurance is a structural activity.
12. Long-term Accommodation Plan (LTHP)	Structural	The University has drawn up an ambitious long-term accommodation plan. The total estimated investment for the period to 2027 is €600 million. This entails risks for the size of the investments, the University's liquidity position and future operating costs.	The investment plan is a guiding framework that is updated annually, whereby the link with the liquidity position and future operating costs is established. Implementation of each aspect of the plan is subject to individual scrutiny by the Board of the University. Projects are monitored in terms of their cost, lead time, scope and quality. The Board of the University will be informed every three months (or more often if necessary) about the progress.

Current major developments

The global pandemic has major consequences for the organization, including financial ones. The development of online teaching and assessment was accelerated, and the crisis may affect the intake, progress and outflow of students in the medium and long terms. This development in student numbers and study duration will affect government funding and tuition fees. In September 2020, the intake of new students was 8% higher than the previous year and the registrations for the 2021-2022 academic year indicate a further increase. One reason for this is that students are not taking a gap year, in response to the coronavirus pandemic. The ongoing pandemic also affects academic research and may lead to further delays in research, as a result of which appointments may have to be extended.

In addition to institutes such as NWO, which provide indirect government funding, the UG also depends on funding from companies, the EU and the government for its research. It is as yet unclear whether these funds will continue to be available to a sufficient extent in the longer term, and whether any financial scope will be offered to compensate for the delays and additional costs incurred in research projects. The VSNU has discussed this problem with the Ministry of Education, Culture and Science (OCW) and asked for financial compensation for institutions. In early 2021, OCW/NWO allocated

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funds to researchers who incurred delays in their research as a consequence of the coronavirus measures. A total of €20 million has been made available to the universities, UMCs and several research institutes. The universities will also receive the UMCs' share. The UG will receive a one-off total amount of €1.6 million in 2021.

In mid-February 2021, it was announced that OCW will offer financial support to students and universities through a National education programme (NPO: Nationaal Programma Onderwijs). This programme aims to improve student welfare and study progress by giving students a 50% discount on their tuition fees for the next academic year. In addition, it will help to compensate for research delay and for the rapid growth in student numbers. Increasing student numbers are normally financed with a two-year delay. This programme will release additional funds as early as 2021, so that additional lecturers and support staff can be hired. The crisis will not affect the UG's continuity either, as its financial position is still stable.

The new Strategic Plan was nearly completed in 2020, and was approved in early 2021. The Strategic Plan was drawn up with input from all departments of the UG as well as relevant stakeholders outside the University. It is an ambitious plan for the coming years, with key points such as interdisciplinary Schools and the University of the North.

The real estate investment projects may have a major financial impact on the University. The University has an ambitious long-term accommodation plan, which will be revised in 2021. One of the UG's most important investment projects is the construction of the Feringa Building. The frameworks for the new strategic real estate plan (SVP: strategisch vastgoedplan) were approved by the Board of the University in 2020. The investment plan will be thoroughly revised within these frameworks. The frameworks are tailored to the UG 2021-2026 Strategic Plan. As a result, sustainability is an integral part of the SVP and the new investment plan.

In order to keep the total accommodation costs under control, the principle of total cost of ownership will be applied to an increasing number of construction and renovation projects, for example the Healthy Ageing Campus and the Feringa Building. Due to the impact of future real estate investments, developments in the construction market and the associated risks, management of the real estate process has been strengthened.

In 2020, an alumnus donated a total of €35 million to the UG via the Ubbo Emmius Fund as a grant. The final grant amount is currently unknown because this depends on the return on the equity from which it was made. According to the conditions attached to the grant, the funds must be used for academic research at the UG. The alumnus selected the Groningen Cognitive Systems and Materials Center (CogniGron) as the recipient of the first part of the grant. Under this project at the Faculty of Science and Engineering, researchers have been working on developing materials for the next generation of computers since 2018. The grant will enable the UG to substantially invest in fundamental and applied research.

8.5 Reporting by the supervisory body (B3)

In accordance with statutory requirements, the Supervisory Board serves as the supervisory body of the UG. The Board of the University requires approval from the Supervisory Board for several documents, such as its Strategic Plan, the Annual Report and the Annual Financial Statements. The Board of the University keeps the Supervisory Board informed of the most important developments and matters at the University. The members of the Supervisory Board are independent and are appointed by the Minister of Education, Culture and Science.

The Board met six times in 2020. Many current topics were discussed with the Board of the University, the most important of which were: the consequences and crisis management surrounding the coronavirus pandemic; the UG's application within the framework of the Nationaal Groeifonds (National Growth Fund) and the role of the University of the North; the implementation of the new business operations system; real estate investments, including the state of affairs concerning the UG's most important construction project, the Feringa Building; two integrity cases and the integrity policy; the decision-making report about Yantai; the Administrative

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Regulations; the distribution of responsibilities within the Board of the University; the 2021 classification with regard to the Executives' Pay (Standards) Act; and drawing up a profile and succession procedure for Supervisory Board members.

The Supervisory Board held an additional meeting in November 2020 to discuss the new 2021-2026 Strategic Plan and the consequences of the coronavirus pandemic for the UG's strategy. Part of the Board's preparatory work took place in both the Finance and Education audit committees.

The UG's Annual Financial Statement for 2019 and the Management Report for 2019 were approved by the Supervisory Board on 15 June 2020. Throughout 2020, the Supervisory Board regularly studied the analysis of financial quarterly results including prognoses for the remainder of the financial year in accordance with the UG's PDCA cycle. On 22 March 2021, the Board approved the Institutional Budget for 2021 (long-term projection) following a positive recommendation from the University Council.

For the other subjects discussed by the Supervisory Board in 2020, please see the Supervisory Board's report, which is included at the beginning of the 2020 Annual Report. The Supervisory Board is of the opinion that the principle of independence was respected in the performance of its duties during the year under review. In view of the topics discussed in 2020, the Supervisory Board has fulfilled its duty to monitor the efficient use of finances.

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Analysis of the annual results for 2020

The corona crisis has been hitting the lives of students, researchers and other staff hard and at times posing significant challenges. The Executive Board has taken a number of decisions to help the academic community where it can and is investing almost € 9 million in financial compensation schemes and further improvement of online education. But faculty boards have also taken measures to cushion the effects of the corona crisis on students and staff.

The consolidated result for 2020 amounted to € 5.7 million negative. The result related to turnover, the profitability, is -1%. This falls outside the norms formulated as a control number for the result at institutional level (between 0 and 3% of turnover). The UG is deliberately temporarily withdrawing from previously accumulated reserves mainly because of the investments in education, research and new premises such as the Feringa Building. The budgeted result for 2020 was a negative € 9.2 million. This means a positive deviation of € 3.5 million.

On balance, the positive effect of corona on the result is € 1.3 million. This is much lower than previously expected. The explanation is multiple. Faculties have allocated extra money for a number of measures to absorb the impact of the corona measures. For example, additional deployment of lecturers because of work required for online education and examination, deployment of student assistants to support lecturers in setting up and delivering online education, additional investment in AV resources to support online education and additional investment in, for example, laptops, peripherals, desk chairs and monitors to enable employees to set up a good workplace at home.

For the faculties, there was also a large amount of leave not taken in 2020 due to the workload caused by the transition to digital education because of corona. This accrual in the leave reservoir has been made financially in the financial statements and faculties are incurring additional costs as a result. This effect was obviously not included in the budget. On balance, there is still a positive result due to corona because of, for example, lower costs for energy, travel and accommodation, excursions, summer schools, conferences and fieldwork, and the delayed filling of vacancies.

Almost all faculties saw the result exceed the budget, with the exception of the faculties of Theology and Religious Studies and UCG. At UMCG, the result was also slightly higher, despite the (negative) impact of corona of € 4.5 million. This was mainly the result of a higher result on projects that had not been budgeted for. At FSE, the result was also higher despite a reclassification from a first to a third flow project. As a result, the interim result was not incorporated into the operations but was included in the balance sheet. The faculties of Law, Arts, GMW and FEB also saw their results come in higher than budgeted for 2020. As previously reported, it is generally the case that fewer costs were incurred due to the corona crisis. Some of these costs, for example postponed activities and extensions of contracts of temporary academic project staff, are expected to be shifted to later years.

Also, part of the funds not used in 2020 will be used in 2021 for continuation and expansion of corona measures for the benefit of students and employees. For example, this will involve the deployment of additional teaching staff, making up for lost research time, and further investments in (digital) equipment to facilitate hybrid education. Also, resources will be allocated to further support the

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teaching staff now that, after the peak load due to corona, a further peak load is imminent due to a higher expected student number for academic year 2021-2022. To this end, the Ruggesteun project was created in early 2021.

For the Office of the University, real estate activities and other administration and management activities (OBBA), the realization for 2020 was disappointing. The main explanation for the deteriorating result at the Office is an allocation to the personnel provisions and, in particular, to the reserve for leave days due to the transition to the WNRA as of January 1, 2020 and the corona crisis. Without this allocation, the Office would have remained well within the originally budgeted result. The OBBA result worsened on balance compared to the budget due to, among other things, higher vacancy costs for student housing and unbudgeted interest costs due to the interest accrual on the provisions. There were lower expenses in connection with the Participation Act and information expenses for student activities as a result of the corona crisis. The lower result in real estate activities was caused by higher costs for (temporary) teaching spaces and for maintenance for the Allersmaborg and the Academy Building.

In 2019, it was decided to discontinue KVI as an independent research institute and to house the Medical Physics and Accelerator Physics (AGOR) components at UMCG-O&O and the Nuclear Hadron Physics and Astroparticle Physics components at FSE. KVI-CART as a separate research institute has been discontinued as of September 1, 2020.

Viewed by income and expense category, the main reasons for the higher result are as follows.

Income

Government funding was € 18 million higher than budgeted and came to € 443.3 million (excluding the UMCG 'werkplaatsbijdrage'). The increase relates to the wage and price adjustment received in 2020 (€ 12 million), the sector plan funds received for FSE (€ 3.7 million), the SEO funds received structurally as of 2020 (€ 3.2 million), the funds received for the two-year educational master's (€ 0.5 million), a Comenius grant (€ 0.1 million), a subsidy for the Kick-Start program (€ 0.1 million), the educational module (€ 0.05 million) and other subsidies from OCW (€ 0.2 million). In addition, the cash restriction in 2020 was -0.4 million and the unspent funds for SCOOP were transferred to the balance sheet (-€ 1.5 million). The income transfer Academic Hospitals was higher than budgeted due to the wage and price adjustment (-€ 2.5 million).

For (extra-legal) tuition fees € 6.4 million more was received than budgeted. The estimate was € 73 million, while the actual receipts amounted to € 79.4 million. The higher amount is explained by the increase of the number of enrolled students in 2020, which also led to an increase in tuition fees, and also by a growth effect during the year.

In view of the expectations regarding interest rate developments in 2020, no revenues were budgeted. The realization in 2020 came to €0.2 million. The UG does not currently have any loans. The interest charges recognized in the financial statements concern the charges related to the obligatory – in accordance with reporting rules – addition of interest to the provisions. These expenses are not budgeted for and amounted to €0.6 million in 2020. The balance of financial income and expenses amounted to € 0.4 million negative.

Income from work commissioned by third parties was € 9.9 million lower than budgeted and came to € 136.3 million. This lower income is mainly due to the fact that the UG saw fewer projects financed by third parties being honored than budgeted and is mainly a consequence of the corona crisis. In addition, the crisis caused projects to temporarily halt or be delayed.

At the UMCG, the decrease was on balance the result of transferring contract education to the first-flow activities. After correction for this, UMCG still saw a slight increase in income from work commissioned by third parties.

Overall, project revenue decreased , with the exception of national governments, more than was anticipated in the budget. Compared to the realization for 2019, the turnover decreased at international organizations (-€ 4.4 million), NWO (-€ 2.8 million), KNAW (-€ 0.2 million) and other non-profit organizations (-€ 1.5 million). The turnover of companies (€ 1.6 million) and national governments

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(€ 1.1 million) increased compared to 2019. Faculty revenue on contract education was lower both compared to the budget and compared to the 2019 realization. This is caused by the aforementioned transfer of contract education from UMCG from third-party to first-party activities. Other income on behalf of third parties, which mainly concerns transactions of the UMCG with the top technological institutes, came in lower in 2020 compared to the realization 2019.

Other income came in € 6.9 million lower at € 57.1 million compared to the budget. Income from conferences, courses and symposia was higher, as were corporate services, royalties and rental income. On the other hand, other incidental income, consisting mainly of SEO funds, proceeds from summer schools, receipts from the Ubbo Emmius Fund and subsidy from the Province of Friesland, were lower. A comparison with the realization for 2019 shows the same picture.

Expenses

The average staffing level in 2020 came to 6,476.8 FTEs. This is 106.5 FTEs higher than anticipated in the 2020 budget. Wages and salaries, pension contributions and social security charges were higher (€ 20.7 million). The main reasons are the 3% collective wage increase as of June 1, 2020, which was not included in the 2020 budget, and the one-off gross payment in accordance with the collective wage agreement of € 750 per employee for full-time employment. These costs are partly compensated by the wage adjustment received (also not budgeted for). Another factor is that for some units a shift has taken place in the 2020 budget from other personnel costs to direct personnel costs. In the realization, the costs are booked on the correct cost category which causes a difference.

Compared to the realization for 2019, the average workforce increased by 158.6 FTEs to 6,476.8 FTEs. In line with this, wages, salaries, social charges and pension costs also increased by € 22.8 million to € 484.0 million. The increase is also the result of the aforementioned salary increase and one-off gross payment in accordance with the CAO-NU, the increased pension contributions and social security charges, and periodic increases and promotions.

Other personnel expenses were higher in comparison to both the 2020 budget and the 2019 realization. Compared to the 2020 budget, the net increase was € 5.9 million. The changed calculation method of the anniversary provision, which was agreed with the external auditor, resulted in a one-off, unbudgeted additional allocation. Furthermore, as of January 1, 2020, all personnel provisions are decentralized. The 2020 budget did not take sufficient account of the effect of this decentralization. The costs of hiring staff not employed by the UG and other personnel expenses were lower.

Compared to the realization for 2019, other personnel expenses increased by € 13.6 million. On balance, this is due to a lower addition to the personnel provisions, higher hiring of personnel not employed by the UG and higher other personnel expenses. The latter increase is mainly due to the sharp increase in the accrual for vacations (€ 7 million). As a result of the introduction of the WNRA on 1 January 2020, employees of universities, among others, will no longer fall under civil service law but under private law. As a result, the statutory vacation hours not taken in 2020 (152 hours in the case of a full appointment) will no longer lapse on 31 December 2020 but only on 1 July 2021. As a result, the addition to the reserve for vacation and vacation pay was high in 2020. This was exacerbated by the fact that due to the corona crisis and the workload resulting from the transition to online teaching, fewer vacation hours were taken during 2020.

The number of PhD students with appointments came in at 44.2 FTE higher at 1,159.6 FTE. There was also an increase compared to the 2019 realization, despite the continuation of the PhD education experiment in early 2020. The number of PhD students with an appointment increased by 35.5 FTE in 2020. The number of PhD students (including PhD students who came with their own scholarship) increased to 934 in 2020 (2019: 838). The number of academic staff again increased by 143.2 FTE in 2020 compared to 2019. Excluding the PhD students with appointments, the increase in the academic staff formation is 107.7 FTE compared to 2019. This is mainly due to the deployment of additional academic staff as a result of the high student intake in the current academic year and the support of online education. The support staffing increased only slightly in 2020 (+15.3 FTE).

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The other expenses were on balance € 12.2 million lower than budgeted. The purchase costs of inventory and equipment were higher (+€ 7.4 million), as were administration and management costs (+€ 4.7 million) and an allocation to other provisions (€ 1.1 million). Other material costs were substantially lower (-€ 25.4 million). This was mainly due to the corona crisis and the decrease in expenses occurred in travel and accommodation expenses, telecommunication and ICT expenses, consultancy and service expenses, and specific costs for education and research. The specific costs for education and research also include the costs for PhD students. These costs were also lower than budgeted in 2020.

Depreciation charges on (in)tangible fixed assets were also lower than budgeted (-€ 4.2 million) because the pace of realization of real estate projects was slower than expected. In addition, the costs of the Best Practice project team (the UG's new business management system) were delayed.

Housing costs were € 8.8 million lower than budgeted. Rental costs, energy and water costs and other accommodation expenses were lower. The lower costs are mainly a result of the corona crisis and the measures taken. On the other hand, cleaning costs were higher than budgeted due to the extra hygiene measures taken in the buildings as a result of the corona pandemic.

Financial impact of the coronavirus pandemic

The coronavirus pandemic affected the UG, and thus also its financial results for 2020. The UG has tried to calculate the financial impact on both the income and expenditure sides. Needless to say, the coronavirus pandemic was an unknown factor at the time the budget was drawn up, and it was not taken into account in the design of the financial administration and control measures. This means that the figures accounted for here should be regarded as indications. It must be emphasized that we are reporting estimates. This information was compiled on the basis of questions asked to the UG's faculties and support services, and budgets of support programmes used by the UG.

Although the financial damage has been limited thanks to skilful management and financial control, the danger has not yet passed (certainly not when it comes to research). At the time of preparing this annual report, we are still in lockdown and are experiencing the consequences of COVID-19.

The impact of the pandemic on the financial results for 2020 is not as great as was initially estimated. The net overall effect for 2020 is now estimated to be positive €1.3 million. Previous analyses of the impact of the pandemic showed a more serious effect. Initially, a significant dip was expected as a consequence of delays in research, extra costs of teaching and IT, and a lower intake of students. The fact that the financial impact has remained limited is mainly thanks to the mitigation of the negative effects of research delays, to significant windfalls, particularly from lower travel, accommodation and conference costs, and to the considerable reduction in leave days that were taken up.

The latter factor resulted in a higher allocation to the reserve fund for holiday leave. In addition, the expected drop in numbers of international students due to travel restrictions did not occur.
The UG took several measures to control the risks and the impact of the pandemic in the course of 2020:

> To guarantee the continuity of the teaching process, the entire UG switched to online teaching. This enabled students to continue their degree programme to the full extent, even when physical presence was not possible.

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- Fully in line with the OCW regulations for Dutch and EU Master's students, it was decided to establish similar regulations for non-EU/EEA Master's students who were in the final stage of their degree programme and had to re-register for the 2020-2021 academic year as a consequence of the coronavirus pandemic. If these students graduate before 1 August 2021, they will receive compensation to the amount of three months of statutory tuition fees. The expected costs will be about €0.5 million.
- The UG will invest €5.5 million in improving the diversity and quality of online teaching via the Teaching Action Plan I.
- PhD students (including scholarship PhD students) and researchers with temporary appointments may run into difficulties completing their projects within their appointment period as a result of research delays. The UG is investing €2.5 million in extending appointments and contracts to deal with the most poignant cases.
- The Board of the University has established development teams for several different disciplines (teaching, research, business operations). These teams have investigated the impact of the coronavirus pandemic and issued advice to the Board of the University concerning the new 2021-2026 UG Strategic Plan.
- A development team on hybrid working issues advice to the Board of the University on the long-term impact of the pandemic on working methods. Desk chairs will be made available if necessary to facilitate working from home. In addition, the Tablet/Laptop scheme has been expanded. This indicates how the Board fulfils its responsibility to provide its staff with proper, ergonomically correct workstations.

The UG made extra resources available for a number of measures to mitigate the impact of the coronavirus measures. Examples include extra deployment of lecturers to fulfil the necessary additional duties in the area of online teaching and assessment, deployment of student assistants to support lecturers in designing and providing online teaching, extra investments in AV equipment to support online teaching, and extra investments in equipment such as desk chairs and monitors to enable staff members to create a proper workplace at home. Many leave hours were not taken up within the faculties in 2020 as a consequence of the transition to online teaching in response to the coronavirus pandemic. The leave reservoirs accrued have been expressed in financial terms in the annual accounts. This effect was not included in the autumn prognosis. The overall result is still positive thanks to the coronavirus, as a result of factors such as lower expenses for travel and accommodation and a delay in filling vacancies. The expected delays in research at UMCG O&O did not turn out to be as bad as expected.

As for the service units, the Center for Information Technology (CIT) incurred more expenses than budgeted to enable the transition to online teaching and working from home, whereas the energy costs at the University Services Department – although still significant at €1.5 million – were less than expected.

The UG waived part of the rent owed by tenants in all reasonableness and fairness. Legislation and regulations, sister universities and recent case law were consulted when drawing up this policy. An attempt was made to distribute the damage fairly and to prevent leakage of public resources. The question of whether the tenants qualified for government support provisions, the actual circumstances and the interests of the UG tenants were taken into account.

Early in 2020 it became clear that the coronavirus measures would have positive financial effects in the short term, particularly because budgets for travel, accommodation and meeting costs were not used up. Both the Board of the University and the faculties have tried wherever possible to use these budgets for measures to mitigate the negative effects of the pandemic for students and staff members. The hidden costs of increasing leave balances due to the transition to online teaching have been made explicit in the annual accounts. The overall result is still positive. Faculties have explicitly stated that part of the unused resources will be used in 2021 to continue and expand coronavirus measures for the benefit of students and staff members. Examples particularly include hiring additional teaching staff, making up for lost research time and further investments in digital and other equipment to facilitate hybrid teaching. The Board of the University also wants to do more to support teaching and lecturers after the peak load that occurred due to the coronavirus pandemic, which has not yet completely ended and is expected to be followed by a

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new peak load as a result of another increase in student numbers in the new academic year. The Ruggesteun project was established to this end. This project is partly financed by funds from the Nationaal Programma Onderwijs (national education programme).

The delays in research are expected to continue to have effect in 2021, probably at a larger scale. On the other hand, additional resources have been made available via the Nationaal Programma Onderwijs to limit the damage. In addition, NWO also awarded resources for this in early 2021.

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Consolidated financial statements 2020

Amounts x € 1000

Consolidated balance sheet as at 31 December 2020

(after result approbation)

ASSETS

		31/12/2020	31/12/2019
FIX			
Fixed assets			
1.1.1.0	Intangible fixed assets	5,863.1	0,0
	Tangible fixed assets		
1.1.2.1	Buildings	350,067.2	341.709,0
1.1.2.2	Premises	6,598.1	6.598,1
1.1.2.3	Inventory and equipment	56,719.3	54.136,1
1.1.2.5	In progress and prepayments	127,667.0	74.111,4
		546,914.7	476.554,8
	Financial fixed assets		
1.1.3.2	Other equity	8.950.6	7.626,4
1.1.3.3	Receivables from group companies	0.0	0,0
1.1.3.7	Securities	16,500.0	21.500,0
1.1.3.8	Other receivables	3,072.3	3.259,5
		28,522.9	32.385,9
	Fixed assets - total	575,437.6	508.940,7
Current assets			
1.2.1	Inventories	656,9	665,8
1.2.2	Accounts receivables	109.996,5	112.662,8
1.2.4	Liquid assets	248.884,9	278.420,7
	Current assets - total	359.538,4	391.749,4
		934.976,0	900.690,1

LIABILITIES

		31/12/2020	31/12/2019
Shareholder's equity			
2.1.1.1	General reserve	552.741,5	568.524,3
2.1.1.2	Allocated reserves (public)	33.546,5	31.021,6
2.1.1.3	Allocated reserves (privat)	-1.049,7	-1.374,1
2.1.1.4	Special-purpose fund (public)	686,3	711,4
2.1.1.5	Special-purpose fund (privat)	7.465,8	6.635,3
2.1.1.7	Other reserves	5.863,1	0,0
	Total equity	599.253,5	605.518,5
Borrowed capital			
2.2	Provisions	49.749,2	50.579,4
2.4	Short-term debts	285.973,3	244.592,2
	Borrowed capital total	335.722,5	295.171,6
		934.976,0	900.690,1

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Consolidated statement of income and expenditure for 2020

		Accounts 2020		Budget 2020		Accounts 2019	
3	**Income**						
3.1	Government funding	443.324,0		430.883,9		419.199,5	
3.3	Tuition, course and exam fees	79.440,9		73.000,0		73.213,4	
3.4	Income from work commissioned by third parties	136.276,6		146.188,2		147.294,2	
3.5	Other income	57.118,2		64.021,3		58.215,0	
		716.159,7		714.093,4		697.922,1	
4	**Expediture**						
4.1	Staffing expenses	525.276,2		500.147,3		489.038,2	
4.2	Depreciation	37.125,6		41.321,0		35.634,4	
4.3	Accomodation expenses	40.710,6		49.550,5		41.581,2	
4.4	Other expenditure	120.169,8		132.322,4		135.014,7	
		723.282,2		723.341,2		701.268,5	
	Net income and expenditure		-7.122,5		-9.247,8		-3.346,4
6	**Financial income and expenditure**						
6.1	Interest income	186,9		0,0		154,5	
6.2		-604,9		0,0		-564,1	
	Net financial income and expenditure		-418,0		0,0		-409,6
8	**Income from participations**		1.799,9		0,0		2.537,3
	Result		-5.740,6		-9.247,8		-1.218,7

Consolidated overview of the total result for 2020

	2020	Budget 2020	2019
Consolidated net result after taxes	-5.740,6	-9.247,8	-1.218,7
Total of direct mutations in equity following change in accounting policy	-524,4	0,0	-517,6
	-6.265,0	-9.247,8	-1.736,3

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Consolidated cash flow statement for 2020

		2020			2019		
	Cash flow from operating activities						
	Net income and expenditure		-7.122,5			-3.346,4	
	Adjustments for:						
1.1.2	- Depreciation	37.125,6			35.634,4		
2.2	- Mutations in provisions	-830,2			-7.108,0		
			36.295,3			28.526,4	
	Changes in working capital:						
1.2.1	- Inventories	8,8			-137,1		
	- Work commissioned by third parties	0,0			0,0		
1.2.2	- Receivables	2.297,8			13.599,1		
1.2.2.2	- Receivables form OCW/EZ	368,6			369,5		
2.4	- Short-term debts	37.249,6			-1.319,3		
			39.924,8			12.512,3	
	Cash flow from operating activities		69.097,7			37.692,2	
6.1	Interest received	186,9			154,5		
6.2	Interest paid	-604,9			-564,1		
			-418,0			-409,6	
	Total cash flow from operating activities			68.679,7			37.282,6
	Cash flow from investment						
1.1.1	Investments in intangible fixed assets		-6.432,5				
1.1.2	Investments in tangible fixed assets *		-96.921,6			-65.272,5	
1.1.2	Disinvestments in tangible fixed assets		0,0			0,0	
1.1.3.1	(Dis)investments in particpations and group companies		-48,6			1.801,7	
1.1.3.8	Mutations of loans as part of financial fixed assets		187,3			475,8	
1.1.3.7	Other investments in financial fixed assets		5.000,0			0,0	
	Total cash flow from investment activities			-98.215,4			-62.994,9

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		2020		2019	
	Cash flow from financing activities				
2.3	New loans	0,0		0,0	
2.3	Repayment of long-term debts	0,0		0,0	
	Total cash flow from financing activities		0,0		0,0
	Mutation liquid assets		-29.535,8		-25.712,3
	The changes in cash funds are as follows:				
1.2.4	Balance as at 1 January		278.420,7		304.133,0
	Mutation financial year		-29.535,8		-25.712,3
1.2.4	Balance as at 31 December		248.884,9		278.420,7

* In 2020, the gross investments amounted to € 108 million. An amount of € 4.1 million has been deducted for investment credits.
In 2019, gross investments amounted to € 69,1 million. An amount of € 2.8 million has been deducted for investment credits.

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1. Notes to the consolidated balance sheet

English translation
These financial statements are an English translation of the original financial statements in Dutch, approbated on 14 June 2021. In case of any discrepancies between the English version and the original financial statements, the latter prevail. They are published online on the UG website.

General notes
The explanatory notes and accounting principles below apply to both the consolidated and non-consolidated financial statements.

Activities
The statutory responsibilities of the University of Groningen (UG) are to provide initial education, to conduct fundamental research and to enable knowledge valorization. On the basis of Article 1.8 of the Dutch Higher Education and Research Act (WHW, Wet op het Hoger Onderwijs en Wetenschappelijk Onderzoek), the UG is an independent administrative body under public law. Its office address (seat) is Broerstraat 5, 9712 CP Groningen, The Netherlands, and the UG is listed in the Commercial Register of the Chamber of Commerce, under file number 01179037.

Reporting period
These financial statements were drawn up on 9 March 2021 and are based on a reporting period of one calendar year.

Continuity
These financial statements were prepared on the assumption of continuity of operations.

Currency
The financial statements have been prepared in euros (EUR, €); the amounts in the financial statements are presented in thousands of euros, unless stated otherwise. The additions in these financial statements may relate to rounding differences up to 1 position after or before the decimal note which arises from the fact that numbers are often presented in thousands. Expenditure and income in foreign currencies are converted at the exchange rate on the transaction date.

Administrative cooperation with the UMCG
On 1 January 2007, the Faculty of Medical Sciences and the Academic Hospital Groningen merged to become the University Medical Center Groningen (UMCG). The administrative cooperation and coordination between the Board of Directors of the UMCG and the Board of the University of Groningen takes place in the Joint Policy Body on which the President of the Board of the University, the Dean of the Faculty and the Chairman of the Board of Directors of the UMCG have a seat. The Board of the University bears final responsibility for academic teaching and research. In accordance with RJ 660.603, the operating balance figures relating to the Education & Research sector are included in full in the statement of income and expenditure. The balance sheet includes the items Fixed assets, Equity, Provisions and Work in progress. Counterpart is the current account under the item Receivables or short-term debts.

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Consolidation

The consolidation includes the financial data of the institution, its group companies and other institutions on which it has a controlling interest (on the basis of the actual situation) or conducts the central management. Group companies are legal entities in which the institution has a controlling interest, directly or indirectly, by having the majority of the voting rights or by being able to control the financial and operating activities.

Intercompany transactions, intercompany profits and intercompany receivables, and debts between the legal entities included in the consolidation have been eliminated, to the extent that the results have not been realized by transactions with third parties outside of the UG. Unrealized losses on intercompany transactions are also eliminated unless there is an impairment. The accounting principles of legal entities included in the consolidation have been amended where necessary in order to comply with accounting principles applied for the University of Groningen.

The share of third parties in the group result is shown separately in the non-consolidated financial statements.

Since the statement of income and expenditure of the institution has been included in the consolidated financial statements, the non-consolidated financial statements are accompanied by a summary of the statement of income and expenditure in accordance with Section 402, Book 2, of the Netherlands Civil Code.

Group relationships

The UG is at the head of the group of companies/institutions listed below.
The following companies/institutions are included in the consolidation:

> Applied Nanosystems B.V. in Groningen (100 %)
> RUG Houdstermaatschappij B.V. in Groningen (100 %)
> Stichting Academische Opleidingen Groningen in Groningen (100 %)

A copy of the financial statements of the above companies/institutions may be obtained from the companies/institutions themselves.

A number of participations have not been consolidated, because they are individually and collectively of negligible significance.

Related parties

All legal entities over which dominant control, joint control or significant influence can be exercised, are designated as related parties. Legal entities that have a controlling interest are also considered to be related parties.

Significant transactions with related parties are explained to the extent that they have not been entered into under normal market conditions. In these cases, the nature and scope of the transactions are explained, as well as other information required to gain insight.

Explanatory notes on the cash flow statement

The cash flow statement has been prepared using the indirect method. The cash funds in the cash flow statement consist of the liquid assets, with the exception of deposits not available on demand (> 3 months). Receipts and expenditure of interest and received dividends are included in the cash flow from operating activities. These (dis)investments in tangible fixed assets and in financial fixed assets have

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been recognized as receipts and cash outflows from investment activities. For the part relating to the redemption, the payments of the long-term liabilities have been recognized as cash outflows from financing activities, and for the part relating to the interest as cash outflows from operating activities.

Estimates

The preparation of the financial statements requires the Board of the University to make judgements, estimates and assumptions that affect the application of accounting policies and the reported value of assets and liabilities, income and expenditure. The actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimate is revised and in future periods for which the revision has consequences.

Change of estimate

As of the 2020 financial year, the jubilee provision is calculated at individual level. Previously, this was based on the average actual expenses on a collective level, taking into account a time horizon of 10 years. The difference in outcome between these two calculation methods is EUR 977k (based on the balance as at 1-1-2020). This difference has been recognized as a release in the 2020 financial statements. The quantitative effect on future periods is recognised in the income statement of those future periods. It is expected that this high release was a one-off and that the provision will show a constant picture in future periods.

2. Accounting policies for the valuation of assets and liabilities

The consolidated financial statements have been prepared in accordance with the statutory provisions of Part 9 of Book 2 of the Netherlands Civil Code and the authoritative statements in the financial reporting guidelines issued by the Dutch Accounting Standards Board (in particular, RJ 660 Educational Institutions). The provisions and guidelines are applicable pursuant to the Annual Reporting Regulations for the Educational Sector.

Assets and liabilities are generally valued at the acquisition price or manufacturing price. If no specific valuation principle is specified, valuation takes place at nominal value.

An asset is recognized in the balance sheet when it is probable that future economic benefits will accrue to the University of Groningen and the value of the asset can be reliably determined.

A liability is recognized in the balance sheet when it is probable that the settlement thereof will be accompanied by an outflow of resources that entail economic benefits, the monetary equivalent of which can be reliably determined.

An asset or liability recognized in the balance sheet will remain on the balance sheet if a transaction (in respect of the asset or liability) does not lead to a significant change in the economic reality with respect to the asset or liability.

If a transaction results in the transfer to a third party of virtually all or all future economic benefits and virtually all or all risks relating to an asset or liability, the asset or liability will no longer be recognized in the balance sheet. Furthermore, assets and liabilities are no longer

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included in the balance sheet from the date on which the conditions of probability of the future economic benefits and/or reliability of the determination of the value are no longer met.

System changes

As of 1 January 2020, it is no longer permitted to measure a provision at its nominal value if the effect of the time value is material and the term exceeds one year. Therefore, the valuation of the provisions in the financial statements has been changed from valuation at nominal value to valuation at present value. The change in accounting policy is retrospectively processed as of 1 January 2020 and the comparative figures have been adjusted accordingly. This change in accounting policy means a decrease in the value of the provisions item with a corresponding increase in equity.

The change in accounting policy also leads to an increase in interest costs due to the accrual of interest on the provision. The effect of the change in accounting policy is EUR 484k negative on the 2019 result and EUR 432k negative on the 2020 result due to an increase in interest costs. The expected effect for the result in subsequent financial years will be similar to the effects in 2019 and 2020. The positive effect on equity as at 1 January 2019 is EUR 2,418k, as at 1 January 2020 EUR 1,930k and as at 31 December 2020 EUR 1,498k.

There has also been a change in accounting policy regarding the KNIR's TFR fund. Up to and including 2019, this was presented as an appropriated fund public under equity. As of 1 January 2020, this is presented as a provision. This change is the result of progressive insight. The change in accounting policy has been processed retrospectively as of 1 January 2020 and the comparative figures have been adjusted accordingly. This change in accounting policy means an increase in the value of the provisions item with a corresponding decrease in equity. The negative effect on equity as of 1 January 2020 is EUR 290k, reducing the balance from EUR 1,001.4k to EUR 711.4k.

Comparison with preceding year

The accounting policies have not changed compared with the preceding year, with the exception of the system changes explained above. The comparative figures have been adjusted in the 2020 financial statements. This adjustment has been made to maintain comparability between 2020 and 2021. The adjustment does not affect the results but only has an effect on the classification of the expenses (Housing costs € 2,075,000 negative and Other expenses € 2,075,000 positive).

Intangible fixed assets

Intangible fixed assets are valued at acquisition price less depreciation. Impairments are taken into account. This is the case if the book value of the asset (or of the cash flow generating unit to which the asset belongs) is higher than its realisable value. The costs of acquiring (licences) of university administrative systems, including (external) training and implementation costs, are capitalised at cost. The depreciation period is five years. Depreciation is calculated using the straight-line method, assuming a residual value of zero.

Tangible fixed assets

Buildings, premises, tangible fixed assets under construction and inventory & equipment are valued at the acquisition price or manufacturing price after deduction of straight-line depreciation over the estimated future useful life. Land is not depreciated. Account is taken of an impairment or residual value that is expected on the balance sheet date. If there is an impairment in any financial year, this will be explained in the context of the balance sheet item concerned. If there are indications of such an impairment, the recoverable value of the asset will be determined.

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If it is not possible to determine the realizable value of the individual asset, the realizable value of the cash-flow generating entity to which the asset belongs is determined. An impairment loss is recognized directly as an expenditure in the statement of income and expenditure through a simultaneous reduction of the book value of the asset concerned.

Depreciation has been calculated on the basis of the following principles:

Buildings	
> Shell	: depreciation in 60 years
> Front/interior finishing/installations	: depreciation in 30 years
> Electronics/technical installations	: depreciation in 15 years
> Specific investments	: depreciation on the basis of useful life
Premises	: nil
> Construction costs sports grounds	: depreciation in 10 years
> Other facilities on the premises	: depreciation in 30 years
Inventory	
> Inventory and equipment	: depreciation in 3 to 10 years

The first depreciation will take place in the month following the purchase of the property. In the case of new buildings or renovations, the first depreciation will take place after completion.

The buildings and premises are valued at acquisition price minus depreciation.
The inventory and equipment are valued at the acquisition price minus depreciation.
Depreciation is taken on the basis of the following method:

- inventory etc. with an acquisition value below € 5,000 per piece is fully recognized in the statement of income and expenditure
- inventory etc. with an acquisition value of more than € 5,000 per piece is depreciated over the expected useful life, with a maximum of 10 years.

Depreciation is taken in monthly instalments, which start in the month following the month of purchase.

The costs of repair and major maintenance are based on the component approach.

Operating lease

The UG may have lease contracts where all, or almost all, of the advantages and disadvantages associated with the property are not with the UG. These lease contracts are recognized as operating leases. Lease payments are recognized on a straight-line basis in the statement of income and expenditure over the term of the contract, taking into account payments received from the lessor.

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Financial fixed assets

Participations

The net asset value is calculated according to the accounting principles that apply to these financial statements. Participations in which significant influence can be exercised on the business and financial policy, are valued according to the equity method on the basis of the net asset value. If the valuation of a participation is negative according to the net asset value, it is valued at nil. A provision will be made if and insofar as the UG in this situation accepts liability wholly or in part for the debts of the participating interest, or expressly intends to enable the participating interest to settle its debts. Participations in which no significant influence is exercised are valued at purchase price. In cases of a permanent impairment loss, valuation takes place at the recoverable value.

Significant transactions with related parties are explained to the extent that they have not been entered into under normal market conditions. In such cases, the nature and scope of the transactions will be explained, as well as other information required to gain insight.

Other receivables (loans to third parties)

Other receivables included in financial fixed assets include loans granted to third parties and are initially valued at the fair value and then valued at the amortized cost price, minus the necessary provision for non-collectable debts.

Provisions for the risk of non-collectability are deducted from the book value of the other receivables.

Securities

The receivables belonging to financial fixed assets, whether in respect of loans or not, are initially recognized at amortized cost after the first valuation. If there are no premiums or discounts and transaction costs, the amortized cost price is equal to the redemption value of the receivables.
With regard to possible downward value adjustments, Section 387, Book 2, paragraph 4 of the Netherlands Civil Code applies. This write-off of receivables is charged to the profit and loss account. The write-off is reversed as soon as the downward value adjustment has ceased to be. Write-offs and write-backs are included separately in the profit and loss account or in the explanatory notes (Section 387, Book 2, paragraph 5 of the Netherlands Civil Code).

Inventories

The inventories are initially valued at the acquisition price or the manufacturing price; the subsequent valuation is at the lowest of the cost price or the realizable value. The realizable value is the estimated selling price minus directly attributable selling costs. Valuations will take into account any obsolescence of inventories.

Work in progress

Work in progress pertains to projects executed on behalf of third parties that were not completed on the balance-sheet date. The amount for projects in progress has been valued at the directly allocated costs for labour and materials, with a surcharge for indirect personnel costs.
Any declared instalments/advances received are deducted from the balance of work in progress. The profit share from projects financed by third parties has been determined in accordance with the principle of 'Percentage of Completion' (PoC method). Expected losses are recognized in the statement of income and expenditure as soon as they are known.

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Given the size of the number of projects in the UMCG, starting in 2017, a mathematical approach for the UMCG R&D has been adopted to determine the interim result on projects instead of determining this for each individual project. The mathematical effect of the PoC method is applied to projects in the category of industry, top-ranking institutes and the European Commission (H2020 and FP7), which is derived from realized results on completed projects within these categories.

Projects that are not projects in the pure definition but are a multi-year commitment to a specific performance (clinical trials), are not treated as a project with a valuation on the basis of percentage of completion. The assumption is that the work will be invoiced after completion of these projects. The interim result amounts annually to the balance of the revenues minus the costs. This approach does not include a work in progress position for the clinical trials.

Receivables

The receivables are stated initially at the fair value of the consideration. After initial recognition, receivables are valued at nominal value. The difference with the valuation at amortized cost price is explained in the explanatory notes.
Provisions for non-collectability are deducted from the book value of the receivable.

Liquid assets

The liquid assets consist of cash, bank balances and call deposits (<3 months). Liquid assets are valued at nominal value.

Impairment

On each balance sheet date, the institution assesses whether there are indications that a fixed asset may be subject to an impairment. If there are indications of such an impairment, the recoverable value of the asset will be determined. If it is not possible to determine the realizable value of the individual asset, the realizable value of the cash-flow generating entity to which the asset belongs is determined. An impairment exists if the book value of an asset is higher than the recoverable value; the recoverable value is the higher of an asset's net selling price and its value in use.

Equity

The equity consists of general reserves and allocated reserves and funds. This includes a breakdown into public and private resources. Allocated reserves are reserves with a more limited spending option, with the restriction imposed by the Board of the University. Allocated funds are reserves with a more limited spending option, with the restriction imposed by third parties.

Allocated reserves (public)
The public allocated reserve has been created because of the ongoing experiment of PhD teaching.

Allocated reserves (private)
The private reserves are shown under the private allocated reserve.

Allocated funds (public)
The funds under management are shown under the public allocated funds. These funds have been made available to the UG for the purpose of spending them within the framework of a specific objective.

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Allocated funds (private)
The cumulative growth of the equity of the group companies is shown under the private allocated funds. An overview of this has been included under Model E. The non-consolidated financial statements do not include the cumulative increase in the equity of the two foundations that qualify as a group company.

Other legal reserves
The statutory reserves are held pursuant to statutory provisions. A statutory reserve is maintained in the amount of the capitalised amount of development costs under the intangible fixed assets, pursuant to Section 2:365(2) of the Dutch Civil Code.

Provisions

Provisions are valued at the nominal value of the expenditure that is expected to be necessary to settle the liabilities as at the balance sheet date. A provision is recognized in the balance sheet when there is a legally enforceable or actual liability resulting from an event in the past, of which a reliable estimate can be made and where it is probable that an outflow of funds will be required to settle that liability.

Unemployment contributions
The university bears the risk of redundancy pay liabilities. The provision for unemployment benefits is formed at the individual level for the future liabilities on the balance sheet relating to former employees to whom the University has an obligation to provide redundancy pay. The provision is calculated on the basis of statements from third parties. The level of the provision is based on the actual expenditure of the past year. Indirectly, this takes into account the employability of those concerned. The provision also takes into account the duration of the UG's risk over the benefit payments. The mutation in the
provision is recorded under the item Other staffing expenses. The discount rate used is 0.1%.

Restructuring provision
The Restructuring provision was created at the individual level to cover the costs that are directly associated with restructuring. The UG makes a provision if a formalized restructuring plan exists at the balance sheet date and the restructuring will be carried out. The mutation in the provision is recorded under the item Other staffing expenses. The discount rate used is 0.1%.

TFR/KNIR
Under Italian law, the KNIR must include a reservation for a termination payment, the so-called TFR (Trattamento di Fine Rapporto to be translated as Termination Payment under Italian law). During the employment, the TFR is in fact a debt from the employer to the employee which is not yet due but which does exist. This provision is formed at individual level. The movement in the provision is recognised in other personnel expenses. The discount rate used is 0.2% on average.

Own risk under the WGA scheme
The Own risk WGA provision was created for the obligations resulting from the fact that the University is the own-risk bearer under the Return to Work Scheme for the Partially Disabled (WGA), which falls under the Work and Income (Capacity for Work) Act (WIA). The provision has been created at the individual level for employees who receive a WGA benefit at the end of the financial year. The amount of the provision is determined on the basis of the WIA monthly wage in conformity with UWV's decision, taking into account the percentage of the replacement and the decreased benefit at the end of the initial wage-related benefit. The provision also takes into account the

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duration of the UG's risk over the benefit payments. The mutation in the provision is recorded under the item Other staffing expenses. The discount rate used is 0.1%.

Own-risk bearer ZW flex
As of 1 January 2015, the UG has become the own-risk bearer for the flexible premium under the Sickness Benefits Act (ZW). As a result, the University will itself bear the associated expenses for new entrants. A provision has been created for this in the financial statements. The provision is determined on the basis of the data of the individual participants over the term that the UG incurs risks with regard to the benefit payments. The amount of the provision is determined on the basis of the daily wage in accordance with Raet's decision. The provision for own-risk bearer ZW flex is part of the provision for own risk under the WGA scheme. The mutation in the provision is recorded under the item Other staffing expenses. The discount rate used is 0.1%.

Staff with a long-term incapacity for work
The UG has created a provision at the individual level for obligations existing on the balance-sheet date for future (continued) payments to employees that – at the balance-sheet date – are expected to be completely or partially unable to perform work as a result of illness or invalidity. This estimate was made by the occupational physicians. Contributions from other parties have not been taken into account. The mutation in the provision is recorded under the item Other staffing expenses. The discount rate used is 0.1%.

Anniversary provision
The anniversary provision is formed at individual level for future anniversary benefits. The calculation of this provision takes into account mortality and morbidity risks and future wage increases. The movement in the provision is booked in the other personnel expenses. The discount rate used varies between 0.1 and 0.3%.

Leave saving scheme
Between 2007 and 2012, employees of 50 years and older had the opportunity to save up to 120 hours per year for the gradual reduction of working time during the period prior to retirement, known as the leave saving scheme 50+.
With effect from 2013, employees have the option to save up to 72 extra holiday hours each year for a minimum of 3 and a maximum of 5 years, in addition to their regular holiday hours, to be used for a long-term, consecutive holiday period, referred to as the multi-year savings model. The UG has made a provision for the associated replacement costs. The provision is determined on the basis of the data of the individual participants (duration and salary expenses). The discount rate used is 0.2% on average.

Transition provision
As from 1 January 2018, the CLA obliges the UG to pay transitional compensation.
The provision has been created at the individual level for employees with a temporary contract, taking into account the possibility of renewal of the contract. The calculation was made on the basis of the average percentage of renewed temporary contracts in the past four years. A provision has been created for the remuneration to be paid, in proportion to the years of service at the end of the financial year. The mutation in the provision is recorded under the item "Other staffing expenses". The discount rate used is 0.1%.

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Environmental risk
The Environmental risk provision was created for the obligations resulting from the current legal duty to remove environmental pollutants (i.e., asbestos) present in buildings. The calculation of the environmental provision is based on visual or nonvisual asbestos examinations of the buildings. These examinations were carried out by a specialized external agency. Based on these examinations, the agency made an estimate per building of the expected clean-up costs, including the costs of project management and final inspections. The mutation in the provision is recorded under the item "Other expenses". The provision is a reliable estimate, albeit with some uncertainties.
The first aspect is the uncertain price development in the construction sector as a result of market developments. In addition, individual contractors may have an interest in deviating from the market price when tendering, resulting in a lower offer in order to win the work. The provision is based on visual inspection. The actual clean-up may prove to differ from the estimate. In those cases where the actual costs of clean-up are clear and divert from the provision created, the provision will be adjusted. Finally, combining clean-up projects may produce economies of scale. The discount rate used is 0.1%.

Project provision
The UG has created a provision for expected losses on ongoing projects.
The expected losses on work in progress are immediately recognized in the profit and loss account. The level of the loss will be determined irrespective of whether the project has already started, the stage of realization of the project or the profit expected on other, not related projects.

Cyclotron dismantling
The provision for Cyclotron dismantling is created on the basis of the currently best estimate of future costs for termination (dismantling) of the AGOR Cyclotron (hereafter: cyclotron). Article 10.1 of the Regulations Radiation Protection (Basic Safety Standards) (Rbs, Regeling basisveiligheidsnormen stralingsbescherming), in conjunction with Article 10.8 of the Radiation Protection (Safety Standards) Decree (Bbs, Besluit basisveiligheidsnormen stralingsbescherming) stipulates that for a cyclotron that produces particles generating more than 8 MeV, a termination plan for that cyclotron is obligatory. The Bbs is effective as of 6 February 2019. The termination plan must indicate how the financial aspects of the termination are covered. The UG meets this legal obligation by creating a provision.

The provision is based on an internal report including an estimate of the costs drawn up by the UG's radiation expert in consultation with the VGI (Property and Investment Projects Department). The internal report was checked by asking an external agency specializing in nuclear services for a second opinion. Based on the internal report and the second opinion of the external expert, the estimate ranges between € 6.6 million and € 16.6 million. The range can be explained by the uncertainties in, in particular, the quantity of concrete to be removed and the number of years of storage decay. At the moment, these uncertainties cannot reasonably be resolved by the University because they depend partly on guidelines and experience figures that are still being developed and because, at present, no pilot drilling can be carried out to obtain more certainty. With a view to the completeness of the provision (prudence), the UG prefers not to be at the lower end of the range. However, we are of the opinion that the maximum estimate of € 16.6 million is too high because we understand that it is more likely that the cost of dismantling will be lower because the guidelines extend the possibilities for reuse. The wider possibilities are expected to reduce the amount of concrete to be stored. The UG is of the opinion that based on these two considerations, the best estimate for the dismantling costs is currently € 11.6 million (this being the arithmetic average of the range). The discount rate used is 1.25%. The effect of the discount rate of 1.25% is € 1.4 mln.

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Other provisions
The other provisions are recorded at the nominal value of the expenditures and liabilities necessary for the settlement of the provision. If a contract has been concluded involving a negative difference between the performance to be received after the balance sheet date and the contract performance to be performed by the service provider after the balance sheet date, a provision will be created for this negative difference. In calculating the provision, the unavoidable costs have been taken into account. The discount rate used is 0.1%.

Debts

Debts are stated at fair value when they are first recognized. Transaction costs that are directly attributable to the acquisition of debts, are included in the valuation at first recognition. Debts are valued at amortized cost after first recognition. As a general rule, the amortized cost price is equal to the book value of the asset minus repayments on the principal, and increased or decreased by the cumulative amortization of the difference between the amount on first recognition (including transaction costs) and the repayment amount, determined on the basis of the effective interest rate method.

Offset

An asset and a liability item are offset in the financial statements only if, and to the extent that:

> A sound legal instrument is available to offset the asset and settle the loan capital item simultaneously; and
> there is a clear intention to settle the balance as such or both simultaneously.

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3. Principles for the determination of the result

General

Income and expenditure have been allocated to the financial year they pertain to. Profits have only been included insofar as they were realized at the balance-sheet date. Losses and risks whose origin pre-dates the end of the financial year have been taken into account if they came to be known before the Financial Statements were drawn up.

Income

The recognition of revenues from the provision of services takes place pro rata to the performance, based on the services provided up to the balance sheet date in relation to the total services to be provided.

Government grants
Government funding is recognized as income in the statement of income and expenditure in the financial year to which the funding pertains.

Tuition fees
Received tuition fees are attributed to the financial year to which they pertain, assuming that regular teaching and research tasks are spread evenly over the academic year.

Grants
The UG uses operating grants and occasionally makes use of investment grants. Grants are recognized as income in the statement of income and expenditure in the financial year to which the expenses related to the grants pertain.

Royalties
Royalties are recognized in the profit and loss account according to the allocation principle in accordance with the content of the agreement, provided the royalty amounts are determinable and it is probable that they will be received.

Interest
Interest income is recognized time proportionally in the profit and loss account, taking into account the effective interest rate of the relevant asset item, provided the amounts are determinable and it is probable that the income will be received.

Expenditure

Staffing expenses
Pursuant to the employment conditions, salaries and social security contributions (including pension payments) are recognized in the statement of income and expenditure insofar as they are owed to employees.

Pensions
The University of Groningen has a pension scheme with the Stichting Bedrijfspensioenfonds ABP. The provisions of the Dutch Pensions

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Act apply to this pension scheme and contributions are paid by the University of Groningen on a compulsory or contractual basis. The ABP uses the average salary as a pensionable salary basis. The ABP tries to increase pensions each year by the average wage increase in the government and education sectors. If the coverage ratio is lower than 105%, no indexation will take place.

The coverage ratio of Stichting Bedrijfspensioenfonds ABP amounts to 93.2% as at 31 December 2020. The ABP's financial position as at 31 December 2020 has been assessed as inadequate by De Nederlandsche Bank. The coverage ratio should be at least 126%. The ABP needs to submit a plan to De Nederlandsche Bank to restore the coverage ratio. In January 2021, the ABP's coverage ratio stood at 93.8%. Due to exceptional economic circumstances, Minister Koolmees has set the critical coverage ratio for all pension funds under the exemption scheme at 90% for 2020. ABP will only have to reduce pensions if the actual coverage ratio at the end of 2020 is below 90%.

The premiums due for the current financial year, are recognized as expenditure in the statement of income and expenditure. If the payable premium has not yet been paid, it is recognized as a liability on the balance sheet. The premiums are recognized as staff expenses as soon as they are due. Prepaid premiums are recognized as accruals and deferred expenditure if it results in a repayment or a reduction of future payments. Premiums yet unpaid are recognized as liabilities on the balance sheet.

Depreciation
Tangible fixed assets are depreciated over the expected future useful life of the asset from the time when they are first put to use. If there is a change in the estimated future useful life, the future depreciations will be adjusted.
Land is not depreciated. Account is taken of a residual value or revisions to accounting estimates that are expected on the balance sheet date. A change in the life of an asset occurs when an asset is put out of use prematurely. Book profits and losses are recognized in the year of realization.

Taxes
More than 90% of the UG's core activities consist of government-funded teaching and research activities, which are financed for more than 70% by public funds, statutory tuition fees or other tuition fees or contributions by public benefit institutions for which no – or only a marginal – contractual consideration is required. The UG thus fulfils the requirement of activities and government-funding and is therefore eligible for exemption of corporate income tax. This exemption has been applied in the financial statements.

Financial income and expenditure

Interest income and interest expenditure
Interest income and interest expenses are recognized time proportionally, taking into account the effective interest rate of the assets and liabilities concerned. When processing the interest expenses, account is taken of the recognized transaction costs on the loans received.

Dividends
Dividends to be received from participating interests are recognized as soon as the UG has acquired the right to do so.

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4. Financial instruments and risk management

The UG does not use financial (trade) instruments in its operations other than the regular debtors and creditors.
The UG has no exposure with regard to financial risks in:

- price risks when valuing securities (financial fixed assets)
- forward exchange contracts
- concentration of interest, credit and cash flow risks with outstanding trade receivables
- bank credit facilities.

The UG operates mainly in the Netherlands and inside the European Union. Occasionally orders for specialist scientific equipment are placed in foreign currencies. No forward exchange contracts are used for the latter type of order.

The liquid assets are outstanding to financial institutions that have at least an A-rating.

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ASSETS

FIXED ASSETS

1.1.2 Intangible fixed assets

	1.1.1.0 Software	1.1.1.5 Projects in progress	1.1.1.5 Total
Balance as at 1 January 2020			
Acquisition price	0,0	0,0	0,0
Cumulative deprecations and impairments	0,0	0,0	0,0
Book values	0,0	0,0	0,0
Mutations			
Investments	4.841,5	1.591,0	6.432,5
Depreciations	-569,4	0,0	-569,4
	4.272,1	1.591,0	5.863,1
Balance as at 31 December 2020			
Acquisition price	4.841,5	1.591,0	6.432,5
Cumulative depreciations and impairments	-569,4	0,0	-569,4
Book values	4.272,1	1.591,0	5.863,1

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1.1.2 Tangible fixed assets

	1.1.2.1 Buildings	1.1.2.2 Premises	1.1.2.3 Inventories and equipment	1.1.2.5 Projects in progress	Total
Balance as at 1 January 2020					
Acquistion price	831.969,0	6.598,1	109.860,0	74.111,4	1.022.538,5
Cumulative depreciations and impairments	-490.259,9	0,0	-55.723,9	0,0	-545.983,8
Book values	341.709,0	6.598,1	54.136,1	74.111,4	476.554,8
Mutations					
Investments	0,0	0,0	15.263,8	85.789,3	101.053,1
Disinvestments	-792,7	0,0	-1.221,3	0,0	-2.014,1
Depreciations	-23.875,6	0,0	-12.680,6	0,0	-36.556,2
Reclassification projects in progress	32.233,8	0,0	0,0	-32.233,8	0,0
Depreciation of disinvestments	792,7	0,0	1.221,3	0,0	2.014,1
	350.067,3	6.598,1	56.719,3	127.667,0	541.051,7
Balance as at 31 December 2020					
Acquisition price	863.410,0	6.598,1	123.902,4	127.667,0	1.121.577,6
Cumulative depreciations and impairments	-513.342,8	0,0	-67.183,1	0,0	-580.525,9
Book values	350.067,3	6.598,1	56.719,3	127.667,0	541.051,7

Explanatory notes

> The amounts in the column Reclassification work in progress are mutations of completed projects.
> There are no restrictions on the ownership of the above tangible fixed assets.
> The recognized disinvestments are entirely related to decommissioning.

As regards the environmental risks such as asbestos in buildings, reference is made to the environmental provision that has been created. On this subject, see the explanatory notes to 2.2.

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In accordance with the RJ guidelines, the previous year's statement of movements is included below for comparison:

1.1.2 Tangible fixed assets

	1.1.2.1 Buildings	1.1.2.2 Premises	1.1.2.3 Inventory and equipment	1.1.2.5 Projects in progress	Total
Balance as at 1 January 2019					
Acquisition price	809.226,2	6.271,8	101.423,8	45.863,4	962.785,2
Cumulative depreciations and impairments	-466.296,8	0,0	-52.362,3	0,0	-518.659,1
Book values	342.929,3	6.271,8	49.061,5	45.863,4	444.126,1
Mutations					
Investments	0,0	0,0	16.713,0	51.350,1	68.063,1
Disinvestments	-33,0		-8.276,7		-8.309,7
Depreciations	-23.996,0		-11.638,3		-35.634,4
Reclassification work in progress	22.775,7	326,4		-23.102,1	0,0
Depreciation of disinvestments	33,0		8.276,7		8.309,7
	341.709,0	6.598,1	54.136,1	74.111,4	476.554,8
Balance as at 31 December 2019					
Acquisition price	831.969,0	6.598,1	109.860,0	74.111,4	1.022.538,5
Cumulative depreciations and impairments	-490.259,9	0,0	-55.723,9	0,0	-545.983,8
Book values	341.709,0	6.598,1	54.136,1	74.111,4	476.554,8

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1.1.3 Financial fixed assets

		Participation %	Book value as at 01/01/2020	Investments 2020	Disinvest-ments 2020	Result 2020	Mutation provision 2020	Other mutations 2020	Book value as at 31/12/2020
1.1.3.2	Other equity								
	- Zernike Seed Fund B.V. - Groningen	32%	0,0	0,0	0,0	0,0	0,0	0,0	0,0
	- Stichting GN-IX - Groningen	nvt	6,0	0,0	0,0	0,0	0,0	0,0	6,0
	- Univ. Groningen NW Germany Gmbh - Papenburg (Dld)	100%	21,3	0,0	0,0	21,9	0,0	0,0	43,1
	- LOFAR CV - Dwingeloo	11%	0,0	0,0	0,0	0,0	0,0	0,0	0,0
	- Participations Stichting AOG	0 - 100%	4.312,4	0,0	0,0	46,6	0,0	-500,0	3.859,0
	- Participation RHM* in UOCG Market B.V.	100%	1.003,8	0,0	0,0	214,9	0,0	-100,0	1.118,7
	- Participation RHM in NTV Beheer B.V	100%	0,0	0,0	0,0	0,0	0,0	0,0	0,0
	- Participation RHM in Kennis Conversie Fonds B.V.	100%	902,9	0,0	0,0	734,7	0,0	0,0	1.637,6
	- Participation RHM in Van Swinderen Huys B.V.	100%	103,4	0,0	0,0	24,0	0,0	0,0	127,4
	- Participation RHM in SlimStampen B.V.	95%	0.0	20,0	0,0	0,0	0,0	0,0	20,0
	- Other participations by RHM	0 - 100%	1.276,6	1.077,5	-105,6	-64,8	0,1	-45,0	2.138,7
			7.626,4	1.097,5	-105,6	977,2	0,1	-645,0	8.950,6

The UG devalued its interests in LOFAR CV, at € 10K, in full in 2015.
In this respect, the UG is not at risk with respect to interest, cash flow and liquidity.

			Investments as at 01/01/2020	Additions 2020	Withdrawal 2020	Investments as at 31/12/2020
1.1.3.7	Securities					
1.1.3.7.4	Other securities	Deposits	21.500,0	0,0	-5.000,0	16.500,0
			21.500,0	0,0	-5.000,0	16.500,0

Securities concern fixed-yield liquid assets with a term of more than one year.
The amortized cost equals the nominal value.

* RHM: RUG Houdstermaatschappij (UG Holding)

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		Outstanding loans 01/01/2020	Granted loans 2020	Repayments /settlements 2020	Outstanding loans 31/12/2020	Interest rate	Remaining term in years
1.1.3.8	Other receivables						
	- GSZ Mayday	138,1	0,0	0,0	138,1	0,0%	undetermined
	- GSZ Mayday	30,0	0,0	-1,8	28,2	4,0%	15
	- Stichting Behoud Groene Hortus	1.510,7	0,0	62,6	1.573,3	0,0%	> 1
	- Stichting Behoud Groene Hortus (achtergesteld)	124,8	0,0	-62,6	62,3	0,0%	> 1
	- UNICA installatie groep B.V.	2.220,2	0,0	-269,6	1.950,7	0,0%	5
	- Stichting Infoversum	54,6	0,0	0,0	54,6	2,5%	>1
	Houdstermaatschappij B.V.	1.039,3	195,0	-112,7	1.121,6	div.	
		5.117,8	195,0	-384,1	4.928,8		

	Net as at 01/01/2020	Allocation 2020	Release 2020	Withdrawal 2020	Net as at 31/12/2020
Minus: provision FFA					
Loans to legal entities	1.858,3	0,0	0,0	-1,8	1.856,5
	1.858,3	0,0	0,0	-1,8	1.856,5

	Net as at 01/01/2020	Net as at 31/12/2020
Outstanding loans	5.117,8	4.928,8
Minus: provision FFA	1.858,3	1.856,5
	3.259,5	3.072,3

These concern receivables from participations with a term of more than one year. A security has been provided for the outstanding receivable on Mayday. No amortization has been applied to loans with an interest rate of 0%. The financial effect of this is K€ 48, based on a discount rate of 1.25%. The release of the provision corresponds to the repayments on the loans.

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CURRENT ASSETS

1.2.1 Inventories

		Accounts 31/12/2020	Accounts 31/12/2019
1.2.1.2	Acquisition price consumer goods		
	Inventories (stock)	656,9	665,8
		656,9	665,8

The extent of obsolete inventory is limited, so a value adjustment is unnecessary.

1.2.2 Accounts receivable

			Accounts 31/12/2020		Accounts 31/12/2019
1.2.2.1	Accounts receivable	10.992,7		8.057,3	
	To be invoiced	0,0		73,6	
	Minus: Provisions for non-collectable debts	-352,5		-367,6	
			10.640,2		7.763,3
1.2.2.2	Receivables from OCW/ EZ				
	Grants to be received		0,0		7,6
	Cash limitations		0,0		361,0
1.2.2.6	Receivables from staff		24,4		56,1
1.2.2.7	Receivables from students/ participants / course participants		59,5		235,0
1.2.2.10	Other receivables				
	Income to be received	40.639,2		37.290,4	
	Other receivables	49.845,3		57.675,4	
			90.484,5		94.965,8
1.2.2.12	Prepaid expenses		8.728,6		9.123,7
1.2.2.15	Miscellaneous receivables		59,3		150,3
			109.996,5		112.662,8

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The changes in the provision for non-collectable debts were as follows:

	2020	2019
Balance as at 1 January 2020	367,6	410,47
Withdrawal	-59,0	-76,60
Allocation	44,0	33,73
Balance as at 31 December 2020	352,5	367,60

The fair value of the receivables approximates their book value, given their short-term nature and the fact that provisions for doubtful debts have been formed where necessary.

The accrued income consists mainly of subsidy payments from the second & third flow of funds that have not yet been received. The Other receivables include the item Working capital of UMCG R&D of EUR 53,122k (previous year: EUR 57,551k). The working capital is an item that arises from the collaboration between the RUG and Groningen University Hospital and consists of debtors, creditors, cash and cash equivalents and other receivables and debts which are presented as balances. In accordance with the Deposit Agreement concluded as part of this collaboration, the Groningen University Hospital is responsible and liable to third parties for legal transactions entered into in the name of the UMCG, and therefore also for the purchase and sale of goods and services. In this sense, the working capital is a receivable from the RUG to the Groningen University Hospital. No interest is owed on this position.

1.2.4 Liquid assets

			31/12/2020		31/12/2019
1.2.4.1	Cash funds		11,6		13,2
1.2.4.2	Bank account credits				
	Bank account credits (general)	8.484,6		42.040,4	
	Deposits (<= 1 year)	500,0		26.000,0	
	Current accounts	239.888,8		210.367,2	
			248.873,4		278.407,5
			248.884,9		278.420,7

- Liquid assets consist of cash funds, bank balances and call deposits with a term of one year or less and are at the free disposal of the institution.
- The current account consists of €237 million in cash that the RUG has placed with the Ministry of Finance as part of its treasury banking operations. This facility means that these funds do not appear under cash and equivalents in the annual accounts but under the current account. This item also includes €2 million for payments in transit. The debit limit at the Ministry of Finance is € 33.5 million. The intraday limit at ABN-AMRO Bank amounts to € 100 million.

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LIABILITIES

2.1 Equity

		Balance as at 31/12/2019	Result 2020	Other mutations 2020	Balance as at 31/12/2020
2.1.1.1	General reserve	568.524,3	-7.395,0	-8.387,8	552.741,5
2.1.1.2	Allocated reserve (public)	31.021,6	0,0	2.524,8	33.546,5
2.1.1.3	Allocated reserve (private)	-1.374,1	324,4	0,0	-1.049,7
2.1.1.4	Allocated funds (public)	711,4	0,0	-25,1	686,3
2.1.1.5	Allocated funds (private)	6.635,3	1.329,9	-499,4	7.465,8
2.1.1.7	Other legal reserves	0,0	0,0	5.863,1	5.863,1
	Totals	605.518,5	-5.740,6	-524,4	599.253,5

In accordance with the RJ guidelines, the table below includes last year's statement of movements for comparison:

		Balance as at 31/12/2018	Result 2019	Other mutations 2019	Balance as at 31/12/2019
2.1.1.1	General reserve	565.327,0	-3.892,2	7.089,5	568.524,3
2.1.1.2	Allocated reserve (public)	38.111,2	0,0	-7.089,5	31.021,6
2.1.1.3	Allocated reserve (private)	-1.524,9	150,8	0,0	-1.374,1
2.1.1.4	Allocated funds (public)	710,7	18,3	-17,6	711,4
2.1.1.5	Allocated funds (private)	4.630,8	2.504,4	-500,0	6.635,3
	Totals	607.254,8	-1.218,7	-517,6	605.518,5

Allocated reserves are reserves with a more limited spending option, with the restriction imposed by the Board of the University.
Allocated funds are reserves with a more limited spending option, with the restriction imposed by third parties.

- 2.1.1.2 The allocated reserve (public) has been created because of the ongoing PhD students' experiment.
- 2.1.1.3 The allocated reserve (private) is intended to cover private activities.
- 2.1.1.4 The special-purpose funds (public) include funds under management.
- 2.1.1.5 The special-purpose funds (private) include the assets of the related parties.

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2.2 Provisions

		Balance as at 31/12/2019	Interest 2020	Allocations 2020	Withdrawals 2020	Release 2020	Balance as at 31/12/2020	Short-term part <1 year	Short-term part >1 year	Short-term part >5 year
2.2.1	Staffing provisions									
2.2.1.1	Staff and reorganization policies	749,1	0,0	248,7	-270,1	-131,8	595,8	250,6	345,2	0,0
2.2.1.1	Transition provision	3.144,4	11,0	1.638,0	-1.121,4	-0,0	3.672,0	2.510,4	1.161,6	0,0
2.2.1.1	TFR/KNIR	290,1	0,0	25,6	0,0	0,0	315,7	0,0	176,5	139,2
2.2.1.2	Leave saving	2.812,7	12,2	395,6	-255,5	-474,9	2.490,0	712,6	1.503,5	273,9
2.2.1.3	Own risk under the WGA scheme	1.795,6	5,6	2.598,4	-855,6	-81,5	3.462,4	783,2	1.729,0	950,3
2.2.1.4	Anniversary provision	4.416,8	314,5	1.252,0	-564,2	-2.102,8	3.316,3	485,9	2.017,9	812,5
2.2.1.5	Unemployment contributions	4.564,8	32,4	4.056,2	-4.212,1	-303,7	4.137,6	2.077,4	1.980,6	79,6
2.2.1.6	Long-term illnesses	1.003,3	3,3	602,2	-188,1	-742,4	678,3	638,5	39,7	0,0
		18.776,6	379,0	10.816,7	-7.467,2	-3.837,1	18.668,1	7.458,7	8.953,8	2.255,5
2.2.4	Other provisions									
	Environmental risk	12.289,8		1.123,6	-71,2	0,0	13.342,2	0,0	13.342,2	0,0
	Cyclotron dismantling	10.052,7	192,2	0,0	0,0	-0,0	10.244,9	0,0	0,0	10.244,9
	Other	9.460,3	33,7	0,0	-2.000,0	0,0	7.494,0	2.515,0	4.979,0	0,0
		31.802,8	225,9	1.123,6	-2.071,2	-0,0	31.081,1	2.515,0	18.321,2	10.244,9
	Totals	50.579,4	604,9	11.940,3	-9.538,3	-3.837,1	49.749,2	9.973,7	27.275,0	12.500,4

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2.4 Short-term debts

		31/12/2020	31/12/2019
2.4.4	OCW/EZ	0,0	35,8
2.4.7	Instalments pre-invoiced and received for projects	6.170,4	7.713,2

Below is the status of the projects in progress (PiP) and the invoiced instalments:

	31/12/2020			31/12/2019		
	Work in progress	Invoiced Instalments	Balance	Work in progress	Invoiced Instalments	Balance
PiP > instalments	-22.322,5	17.118,0	-5.204,5	-16.769,0	13.583,0	-3.186,0
PiP < instalments	-18.723,1	30.098,0	11.374,8	-19.731,3	30.630,5	10.899,2
Total	-41.045,6	47.216,0	6.170,4	-36.500,3	44.213,5	7.713,2

2.4.8	Creditors	20.094,6	6.688,2
2.4.9	Taxes and social security contributions		
	- Income tax	16.943,1	15.973,3
	- Turnover tax	738,7	1.302,1
		17.681,8	17.275,4
2.4.10	Debts in respect of pensions	4.719,5	4.617,8
2.4.11	Debts in respect of work by third parties	1.906,3	1.716,0
2.4.12	Other short-term debts	22.430,2	17.286,7
2.4.13	Tuition, course and exam fees received in advance	36.810,8	33.388,0
2.4.14	Grants received from in advance from OCW/ EZ	2.405,2	1.956,8
2.4.16	Amounts received in advance	132.225,6	120.034,0
2.4.17	Holiday pay and holidays		
	- Holiday allowance	11.462,1	10.821,4
	- Holidays reservation	29.091,9	22.047,3
		40.554,0	32.868,8
2.4.19	Miscellaneous receivables		
	- Graduation Fund	300,0	292,5
	- Other	675,0	719,0
		975,0	1.011,5
		285.973,3	244.592,2

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The amounts received in advance mainly consist of subsidy payments received in advance from the second & third flow of funds. With the introduction on 1 January 2020 of the Normalization of Civil Servants' Rights Act (WNRA), employees in public education, including universities, no longer fall under civil servants' rights but under private law. As a result, the statutory holiday days not taken in 2020 (152 hours for a full-time appointment) no longer lapse at the end of 2020, but on 1 July 2021. The reserve for holidays at year-end 2020 consists of 333,000 hours of untaken statutory holiday hours.

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MODEL G Overview of earmarked target grants OCW (amounts x € 1,000)

Overview of earmarked target grants OCW (amounts x € 1,000) Model G

G1 Grants without a settlement clause

Description	Allocation		At the end of the reporting year, the performance is in conformity with the grant completed and finalized
	Reference	Date	
PleitVRij	OO18-18	23/04/2018	Yes
Tel mee met Taal	TMMTA20254	17/09/2020	No

G2 Grants with a settlement clause

G2-Expiring at the end of the reporting year

Description	Allocation		Amount of the allocation	Received including reporting year	Total of costs including reporting year	Balance as at 1 January reporting year	Received in reporting year	Costs in reporting year	Accountable as at 31/12/2020
	Reference	Date							
			0,0	0,0	0,0	0,0	0,0	0,0	0,0

G2-B Doorlopend tot in een volgend verslagjaar

Description	Allocation		Amount of the allocation	Received including reporting year	Total of costs including reporting year	Balance as at 1 January reporting year	Received in reporting year	Costs in reporting year	Balance as at 31/12/2020
	Reference	Date							
			0,0	0,0	0,0	0,0	0,0	0,0	0,0

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Off-balance sheet assets and/or liabilities

Academic books

The valuation of academic books possessed depends on various value factors and cannot be estimated reliably. The academic books have therefore not been included in the balance sheet.

Multi-year financial liabilities

The UG has entered into investment commitments for an amount of k€ 203.572,8

The following multi-year liabilities have been entered (amounts in € 1,000):

	< 1 year	1-5 years	> 5 years
Personnel costs	4.887,87	4.075,48	
Building lease	2.476,74	6.473,11	2.592,83
Energy and water	7.077,30	3.174,16	
Cleaning costs	3.825,37	6.830,47	
Other housing costs	6.940,95	26.730,91	6.137,83
Inventory and equipment	1.381,03	1.381,03	
Telecommunications and information technology	10.847,90	8.678,76	
Travel and accomodation expenses	2.358,95	3.538,42	
Lease obligations	1.525,44	1.906,80	
Other expenditure	1.013,00	2.363,00	
	42.334,54	65.152,15	8.730,65

Other non-recognized liabilities

Concession contract including secondment contract

As from 1 January 2018, employees of the F&D department with a permanent employment contract at the UG will be seconded to supplier Beijk on the basis of a European tender procedure. The UG charges the salary costs to Beijk on a monthly basis. The contract stipulates that the UG cannot charge Beijk for staff members who are sick for longer than two weeks. Due to the impact of COVID-19, there are additional agreements with Beijk as long as there is a full or limited opening of our buildings.

Guarantee of rental flow

With effect from 1 September 2018, the UG and Hanze UAS Groningen together guarantee a minimum rent per year on the third party operated student accommodation project at the former Suikerunie site in Groningen. The guarantee will be for a term of ten years.

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Risks as a result of earthquakes

According to a government decision in March 2018, the gas extraction from the Groningen field will be phased out to eventually zero. By letter dated 10 September 2019, the government stated that the gas extraction will be phased out sooner than the original time path that was agreed in March 2018. Gas extraction in Groningen may possibly be reduced to zero mid-2022. This will substantially reduce the safety risk of earthquakes and earthquake damage. Despite the accelerated phasing out, building regulations have not been modified, which means that until 2023 assessments of earthquake risks must be carried out still. The policy principle is that by closing the gas valve the risk of earthquakes will be reduced substantially in a short period. This means that from 2023 (t3), no assessment of the loads caused by an earthquake needs to be carried out for the three UG campus sites. Agreements were made with the NAM on compensation of the additional building costs of the Feringa Building that is being built. The agreements made have been incorporated in a contract of settlement.

The earthquake issue is an integral part of the UG's property policy and implementation. In 2017, the survey of the Potential High Risk Building Elements (PHRBEs) per building was completed. The survey of the PHRBEs is part of the reinforcement task of the city of Groningen which falls under the responsibility of the National Coordinator for Groningen (NCG). The reinforcement task in the province of Groningen has slowed down considerably and the NCG focuses on the problems in the core risk area and not on the city of Groningen. It is not expected that the NCG will focus on the reinforcement task of the city in the period 2021 to 2023. A number of elements have been found to be in need of reinforcement. The reinforcement costs to be incurred by the UG will be reimbursed once they have been approved by the NCG.

Other

In the context of a possible violation of integrity, the UG has seized the bank account of a third party (Foundation) and has brought an action against it.

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Amounts x € 1.000

3. INCOME

		Accounts 2020		Budget 2020		Accounts 2019	
3.1	**Government funding**						
3.1.1	Government funding OCW/EZ						
3.1.1.1	- Government funding OCW (HE sector)		541.707,0		526.784,5		515.435,1
3.1.2	Other grants OCW/EZ						
3.1.2.1	Other grants OCW		9,2		0,0		454,3
3.1.3	Income transfer from government funding						
3.1.3.2	- Academic hospitals		-98.392,2		-95.900,6		-96.689,9
	Total government funding OCW/EZ		443.324,0		430.883,9		419.199,5
3.3	**Statutory tuition/course/exam fees**		0,0		0,0		0,0
3.3.4	Tuition fees HE sector (charged in the current financial year)		82.350,6		73.000,0		76.029,3
	Educational liabilities (pre-invoiced tuition fees)		-36.810,8		0,0		-33.901,0
	Release educational liabilities (pre-invoiced tuition fees previous ac year)		33.901,0		0,0		31.085,2
	Total tuition fees		79.440,9		73.000,0		73.213,4
3.4	**Income from work commissioned by third parties**						
3.4.1	Contract teaching						
3.4.1.1	- Faculties		4.272,1		5.492,8		7.713,4
3.4.2	Contract research						
3.4.2.1	- International organizations						
	- European Union	31.526,2		39.835,4		35.931,9	
3.4.2.2	- National public authorities	22.997,0		7.975,5		21.874,6	
3.4.2.3	- NWO	34.709,9		35.698,2		37.507,0	
3.4.2.4	- KNAW	414,5		507,0		581,3	
3.4.2.5	- Other nonprofit organizations	18.326,4		32.619,0		19.813,4	
3.4.2.6	- Companies	18.757,8		20.373,1		17.143,4	
			126.731,8		137.008,2		132.851,6
3.4.5	Other income from work commissioned by third parties		5.272,6		3.687,2		6.729,2
	Total income from work commissioned by third parties		136.276,6		146.188,2		147.294,2

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Income from work commissioned by third parties does not include grants which are subject to discussions with the grant provider about the approval of the grant. The UG mainly receives grants for its operations. A substantially smaller amount concerns actual contracts from third parties, the so-called work in progress projects. These incomes are listed under 3.4.2.6 Companies and 3.4.5 Other income from work commissioned by third parties.

		Accounts 2020		Budget 2020		Accounts 2019	
3.5	**Other income**						
3.5.1	Income from lease		2.183,6		1.740,7		2.747,8
3.5.10	Other income						
	- Courses, conferences and symposia	4.801,4		3.460,5		4.717,1	
	- Company services	22.193,9		1.234,8		21.073,7	
	- Royalties	3.466,6		0,0		2.827,7	
	-Other incidental income	24.472,7		57.585,2		26.848,7	
			54.934,6		62.280,6		55.467,2
	Total other income		57.118,2		64.021,3		58.215,0
	Total income		716.159,7		714.093,4		697.922,1

Other incidental incomes consist mainly of: SEO resources, income summer schools, receivables from the Ubbo Emmius Fonds and grants of the province of Friesland.

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4. EXPENDITURE

		Accounts 2020		Budget 2020		Accounts 2019	
4.1	**Staffing expenses**						
4.1.1	Wages, salaries, social security charges and pension costs*)						
4.1.1.1	- Wages and salaries	380.368,1		364.612,8		362.949,4	
4.1.1.2	- Social security contributions	45.073,0		42.927,0		42.731,2	
4.1.1.5	- Pension costs	56.914,7		55.819,7		55.565,1	
			482.355,8		463.359,5		461.245,7
4.1.2	Other staffing expenses						
4.1.2.1	- Mutation staff provisions	6.979,6		-164,4		7.511,8	
4.1.2.2	- Expenses staff not in employment	24.842,7		25.934,4		18.920,1	
4.1.2.3	- Other staffing expenses	13.044,3		11.545,0		3.141,2	
			44.866,6		37.315,0		29.573,1
4.1.3	Payements received		-1.946,2		-527,2		-1.780,5
	Total staffing costs		525.276,2		500.147,3		489.038,2

*) The staffing expenses for the UMCG R&D will be on-charged by UMCG's salary accounts department.

The average number of employees in 2020 was 2020 6,477 FTE (2019: 6,318 FTE)

The average number of employees by category in FTE.

	2020	2019
Ac		
Academic staff	3.810,7	3.667,5
Support staff	2.666,1	2.650,8
Group companies	-	-
	6.476,8	6.318,2

The number of staff employed by the UG working outside the Netherlands amounts to 1.92 FTE (2019: 0.3 FTE).

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		Accounts 2020		Budget 2020		Accounts 2019	
4.2	**Depreciations**						
4.2.2	Tangible fixed assets	36.556,2		41.321,0		35.634,4	
	Intangible fixed assets	569,4		0,0		0,0	
	Total depreciations		37.125,6		41.321,0		35.634,4
4.3	**Housing expenses**						
4.3.1	Rent	4.139,3		6.240,8		4.322,4	
4.3.2	Insurance	619,6		574,6		546,9	
4.3.3	Maintenance	13.619,3		13.005,7		15.887,3	
4.3.4	Energy and water	8.358,1		10.219,2		8.721,1	
4.3.5	Cleaning	6.881,2		6.394,9		6.700,4	
4.3.6	Taxes and levies	4.042,1		3.724,8		3.161,3	
4.3.8	Other	3.051,1		9.390,5		2.241,8	
	Total of housing expenses		40.710,6		49.550,5		41.581,2
4.4	**Other expenditure**						
4.4.1	Administration and management		3.959,1		-698,0		3.982,2
4.4.2	Inventory and equiment						
	- Inventory and equipment	8.227,2		9.051,1		9.672,2	
	- Other	9.189,3		930,4		12.731,9	
			17.416,4		9.981,5		22.404,1
4.4.4	Mutation other provisions		1.123,6		0,0		-2.993,0
4.4.5	Other						
	- Telecommunications and information technology	12.625,4		17.132,9		9.987,0	
	- Travel and accomodation expenses	4.562,4		13.449,2		15.437,0	
	- Publicity, representation and grants	14.208,3		12.776,4		15.072,7	
	- Specific costs of teaching and research	41.805,8		57.938,7		43.394,3	
	- Consultancy and service fees	5.955,4		6.386,7		5.825,4	
	- Other	18.513,3		15.354,8		21.904,9	
			97.670,7		123.038,8		111.621,4
	Total other expenditure		120.169,8		132.322,4		135.014,7

Explanatory notes
Specific costs education & research mainly consists of costs for laboratory and research equipment, project costs, costs for UMCG R&D affiliates and costs for PhD students.

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The total fees charged to the legal person during the financial year for the examination of the financial statements, other audit orders, tax opinions and other non-audit services relate to the activities carried out during the financial year.

	Accounts 2020			Accounts 2019		
Breakdown auditor's costs	EY	KPMG	Total	EY	KPMG	Total
Remuneration audit financial statements	372,5	149,7	522,1	436,8	181,2	618,0
Remuneration other auditing assignments	245,2	88,5	333,7	205,8	11,6	217,4
Remuneration tax advice	132,0	-	132,0	90,0	0,0	90,0
Remuneration other non-auditing services	16,1	11,4	27,5	29,7	59,4	89,1
Auditing costs	765,8	249,6	1.015,4	762,3	252,2	1.014,5

6. Financial income and expenditure

		Accounts 2020	Budget 2020	Accounts 2019
6.1.1	Interest income	186,9	0,0	154,5
6.2.1	Interest expense	-604,9	0,0	-564,1
	Net financial income and expenditure	-418,0	0,0	-409,6

The decrease in interest is mainly due to the declining interest rate on these outstanding assets.
Interest expenses concern interest related to the calculation of the present value of the provisions.

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8. Income from participations

	Accounts 2020	Budget 2020	Accounts 2019
Result UGNWG GmbH	21,9	0,0	0,0
Result participation AOG Holding B.V.	46,6	0,0	648,0
Result participations RUG Houdstermaatschappij	1.731,5	0,0	1.889,3
Net result participations	1.799,9	0,0	2.537,3
RECAPITULATION Statement of income and expenditure			
Income and expenditure operations			
Income	716.159,7	714.093,4	697.922,1
Expenditure	723.282,2	723.341,2	701.268,5
Net income and expenditure	-7.122,5	-9.247,8	-3.346,4
Financial income and expenditure			
Net financial income and expenditure	-418,0	0,0	-409,6
Result from partications			
Net result participations	1.799,9	0,0	2.537,3
Operating result	-5.740,6	-9.247,8	-1.218,7

Proposal for allocation of the net income and expenditure
Amounts x € 1.000

Addition general reserve	-7.395,0
Addition to allocated reserves (public)	0,0
Addition to allocated reserves (private)	324,4
Addition to allocated fund (public)	0,0
Addition to allocated fund (private)	1.329,9
Consolidated result	-5.740,6

The UG is a legal entity under the Higher Education and Academic Research Act and has no articles of association.
There are therefore no special provisions imposed by the articles of association regarding the result appropriation.

Events after the reporting date

No relevant events occurred after the reporting date.

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MODEL E OVERVIEW RELATED PARTIES

Amounts x € 1.000

In the guidelines for financial statements for universities, the Minister states that legal entities must be consolidated in the financial statements, if:

> they form an economic unit with the university, and
> they are under the joint management of the economic unit, and
> the joint management has decisive control over the legal entities in question.

The data of the majority interests and related parties with decisive control are derived from the final financial statements of 2018 of the participations concerned.

At the UG, it concerns the following legal entities:

Majority interest

		Legal form	Statutory office	Code of activities	Equity 31/12/2019	Turnover 2019	Result 2019	Participation rate
Applied NanoSystems (Chamber of Commerce no. 02067460)		BV	Groningen	4	-4,1	0,0	-0,3	100%
Declaration Section 2:403 Civil Code:	no							
Consolidated:	yes							
RUG Houdstermaatschappij (Chamber of Commerce no. 02058154)		BV	Groningen	4	6.903,0	0,0	1.476,5	100%
Declaration Section 2:403 Civil Code:	no							
Consolidated:	yes							
University of Groningen North West Germany GmbH		GmbH	Papenburg (DI)	4	42,0	0,0	20,8	100%
Declaration Section 2:403 Civil Code:	no							
Consolidated:	no							

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Explanatory note
At the end of 2020, the RUG Houdstermaatschappij B.V. had participating interests in the following companies:

Companies	Participating interest	Core activities
AGILeBiotics B.V	10%	Development of antibiotics
Angteq B.V.	15%	Pharmaceutical and diagnostic advice and research
Biorion Technologies B.V.	5%	Drug delivery system
KNN Groep B.V.	20%	Consulting on environment and economy
Nederland Rusland Centrum B.V.	45%	Guiding bilateral contacts
Noord Tech Venture CV	3%	Investing in promising technology companies
PolyVation B.V.	49%	Polymer products for the medical industry
Pro Facto B.V.	6%	Public administration and legal advice
UC Promotion Groningen CV	33%	Researches human movement sciences degree programme
RUG UMCG investeringen B.V.	50%	Investing in promising technology companies
Lifelines B.V.	50%	Medical data collection
Ocean Grazer B.V.	35%	Developing generation and storage of energy
EV Biotech B.V.	9%	Developing high-quality molecules
BAI B.V.	34%	Biological innovation centre
TBCertain B.V.	10%	Producing synthetic molecules
Kennis Conversie Fonds B.V.	100%	Investment fund
NTV Beheer B.V.	100%	Management company
Van Swinderen Huys B.V.	100%	Meeting and congress centre
UOCG Market B.V.	100%	Development products and services for educational support
SlimStampen B.V (Haren)	95%	Development effective educational methods
SG Papertronics B.V.	22%	Biotechnology company
Innolab Holding B.V.	18%	Holding and management
QDI Systems B.V.	13%	Development and production of X-ray detectors

All companies have their registered offices in Groningen.

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Other participating and capital interests

	Legal form	Statutory office	Code of activities	Equity	Turnover 2019	Result balance 2019	Participation rate
Lofar C.V. (KvK 04082149) Declaration Section 2:403 Civil Code: Consolidated:	C.V.* no no	Dwingeloo	2	0,0	0,0	0,0	11%
Stichting GN-IX (KvK 02074287) Declaration Section 2:403 Civil Code: Consolidated:	Foundation no no	Groningen	4	0,0	0,0	0,0	n/a

Decisive control

	Legal form	Statutory office	Code of activities	Equity	Turnover 2019	Result balance 2019	Participation rate
Stichting AOG (Chamber of Commerce 41011529) Declaration Section 2:403 Civil Code: Consolidated:	Foundation no yes	Groningen	1	4.347,4	0,0	646,7	n/a

* Commanditaire Vennootschap (limited partnership business entity)

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Other related parties

Name	Legal form	Statutory registered office	Code of activities
Stichting ACLO	Foundation	Groningen	4
Stichting Behoud Groene Hortus	Foundation	Groningen	4
Stichting tot Bevordering der Hematologie Groningen	Foundation	Groningen	4
Stichting Bestuursrecht en Bestuurskunde	Foundation	Groningen	4
Stichting Groninger Universiteitsfonds	Foundation	Groningen	4
Stichting Groninger Center for Drug Research	Foundation	Groningen	4
Stichting Groninger Universiteitsblad	Foundation	Groningen	4
Stichting KEI	Foundation	Groningen	4
Stichting Klinische Farmacologie Groningen	Foundation	Groningen	4
Stichting Leonardo da Vinci	Foundation	Groningen	4
Stichting Marketing Support Group	Foundation	Groningen	4
Stichting Nicolaas Muleriusfonds	Foundation	Groningen	4
Stichting voor Pedagogisch Onderwijs	Foundation	Groningen	4
Stichting Technology Consultancy Center	Foundation	Groningen	4
Stichting ter Bevordering van Onderzoek en Onderwijs in de strafrechtswetenschappen	Foundation	Groningen	4
Stichting ter Bevordering van Ruimtelijke Wetenschappen	Foundation	Groningen	4
Stichting tot Bevordering van de Huisartsengeneeskunde Regio Noord Nederland	Foundation	Groningen	4
Stichting Ubbo Emmius Fonds	Foundation	Groningen	4
Stichting Nederlands Agronomisch Historisch Instituut	Foundation	Groningen	4
Stichting Academische Opleidingen Groningen	Foundation	Groningen	4
Stichting Business Generator Groningen (Northern Knowledge)	Foundation	Groningen	4
Stichting Alumni Economie en Bedrijfskunde Groningen	Foundation	Groningen	4
Stichting Centrum Groninger Taal en Cultuur	Foundation	Groningen	4
Farmaceutisch Technologie Groningen	Association	Groningen	4
Stichting Aquilo	Foundation	Groningen	4
CS ASPA	Partnership	Groningen	4
Stichting Pastoor Schmeits voor Sterrekunde	Foundation	Groningen	4
Stichting Sterrenkundig Studiefonds J.C.Kapteyn	Foundation	Groningen	4
Stichting Bèta Bedrijvendagen	Foundation	Groningen	4
Stichting Grote Buitenl.Excursie(s) Fysisch Mathem.Facult.ver.	Foundation	Groningen	4
Stichting Hilmar Joh.Backer Fonds	Foundation	Groningen	4
Stichting Surfeng	Foundation	Groningen	4
Technisch Fysische Vereniging Prof.Francken	Association	Groningen	4
Vereniging voor Polymeerchemici Netwerk	Association	Groningen	4
Stichting ESEB 2017 (Entosiast)	Foundation	Groningen	4

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Name	Legal form	Statutory registered	Code of activities
Stichting Microbes Unlimited	Foundation	Groningen	4
Johann Bernoulli Stichting voor de Wiskunde	Foundation	Groningen	4
Stichting Cover Travel Foundation	Foundation	Groningen	4
Stichting Natuurkunde Olympiade Nederland	Foundation	Groningen	4
Stichting Systems & Control Groningen	Foundation	Groningen	4

Activities code:
1 = contract teaching
2 = contract researching
3 = immovable property
4 = other

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SINGLE FINANCIAL STATEMENTS 2020

SINGLE BALANCE SHEET AS AT 31 DECEMBER 2020

(after result approbiation)

ASSETS

		31/12/2020	31/12/2019
FIXED ASSETS			
1.1.1.0	Intangible fixed assets	5.863,1	0,0
	Tangible fixed assets		
1.1.2.1	Buidings	350.067,2	341.709,0
1.1.2.2	Premises	6.598,1	6.598,1
1.1.2.3	Inventory and equipment	56.717,4	54.135,0
1.1.2.5	In progress and prepayments	127.667,0	74.111,4
		546.912,9	476.553,6
	Financial fixed assets		
1.1.3.1	Participations in group companies	8.510,3	7.300,6
1.1.3.2	Other participations	49,1	27,3
1.1.3.3	Receivables from group companies	0,0	0,0
1.1.3.7	Securities	16.500,0	21.500,0
1.1.3.8	Other receivables	1.950,7	2.220,2
		27.010,1	31.048,1
	Total fixed assets	573.922,9	507.601,7
CURRENT ASSETS			
1.2.1	Inventories	656,9	665,8
1.2.2	Accounts receivable	109.703,9	112.535,3
1.2.4	Liquid assets	246.649,9	275.524,3
	Total liquid assets	357.010,8	388.725,4
		930.933,7	896.327,1

LIABILITIES

		31/12/2020	31/12/2019
SHAREHOLDERS' EQUITY			
2.1.1.1	General reserveerve	554.026,5	568.524,3
2.1.1.2	Allocated reserve (public)	33.546,5	31.021,6
2.1.1.3	Allocated reserve (private)	-1.049,7	-1.374,1
2.1.1.4	Allocated fund (public)	686,3	711,4
2.1.1.5	Allocated fund (private)	2.280,6	2.280,6
2.1.1.7	Other legal reserves	5.863,1	0,0
	Total equity	595.353,3	601.163,8
BORROWED CAPITAL			
2.2	Provisions	49.749,2	50.579,4
2.4	Short-term debts	285.831,3	244.583,9
	Total borrowed capital	335.580,4	295.163,3
		930.933,7	896.327,1

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Single statement of income and expenditure for 2020

	Accounts 2020	Budget 2020	Accounts 2019
Consolidated result	-5.740,6	-9.247,8	-1.218,7
Minus/Plus: Sales result within the group	0	0,0	0,0
Minus: Provision participating interest ANS B.V.	-0,3	0,0	0,0
Minus: Result foundations	-44,7	0,0	-648,4
Non-consolidated result	-5.785,6	-9.247,8	-1.867,1

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Notes to the single financial statements

Amounts x € 1000

General

The single financial statements were prepared in accordance with the statutory provisions of Part 9, Book 2 of the Netherlands Civil Code and the annual-reporting guidelines issued by the Dutch Accounting Standards Board. These provisions are applicable pursuant to the Annual Reporting Regulations for the Educational Sector. The financial statements have been prepared in euros (EUR, €).

The accounting principles for the non-consolidated financial statements and the consolidated financial statements are the same. Participations in group companies are valued at net asset value. As regards the accounting principles for the valuation of assets and liabilities and for the determination of the result, reference is made to the explanatory notes to the consolidated balance sheet and statement of income and expenditure. In the explanatory notes to the balance sheet and statement of income and expenditure, reference is made, where necessary, to the explanatory notes to the consolidated financial statements.

1.1.1 Intangible fixed assets

	1.1.1.0 Software	1.1.1.5 Projects in progress	Total
Situation as at 1 January 2020			
Acquisition price	0,0	0,0	0,0
Cumulative depreciations and impairments	0,0	0,0	0,0
Book values	0,0	0,0	0,0
Mutations			
Investments	4.841,5	1.591,0	6.432,5
Depreciations	-569,4	0,0	-569,4
	4.272,1	1.591,0	5.863,1
Situation as at 31 December 2020			
Acquisition price	4.841,5	1.591,0	6.432,5
Cumulative depreciations and impairments	-569,4	0,0	-569,4
Book values	4.272,1	1.591,0	5.863,1

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1.1.2 Tangible fixed assets

	1.1.2.1 Buildings	1.1.2.2 Premises	1.1.2.3 Inventory & equipment	1.1.2.5 Projects in progress	Total
Acquisition price	831.969,0	6.598,1	109.864,9	74.111,4	1.022.543,5
Cumulative depreciations and impairments	-490.259,9	0,0	-55.729,9	0,0	-545.989,8
Book value	341.709,0	6.598,1	54.135,0	74.111,4	476.553,6
Mutations					
Investments	0,0	0,0	15.262,6	85.789,3	101.051,9
Disinvestments	-792,7	0,0	-1.234,5	0,0	-2.027,3
Depreciations	-23.875,6	0,0	-12.680,2	0,0	-36.555,7
Reclassification work in progress	32.233,8	0,0	0,0	-32.233,8	-
Depreciation of disinvestments	792,7	0,0	1.234,5	0,0	2.027,3
	350.067,3	6.598,1	56.717,4	127.667,0	541.049,8
Acquisition price	863.410,0	6.598,1	123.893,0	127.667,0	1.121.568,1
Cumulative depreciations and impairments	-513.342,8	0,0	-67.175,6	0,0	-580.518,3
Book values	350.067,3	6.598,1	56.717,4	127.667,0	541.049,8

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1.1.3 Financial fixed assets

		Participation rate	Book value as at 01/01/2020	Investments 2020	Disinvest-ments 2020	Result 2020	Mutation provision 2020	Other mutations 2020	Book value as at 31/12/2020
1.1.3.1	Participation in group companies								
	Applied NanoSystems B.V., Groningen	100%	0,0	0,0	0,0	0,0	0,0	0,0	0,0
	RUG Houdstermaatschappij B.V., Groningen	100%	7.300,6	0,0	-0,0	1.284,7	0,0	-75,0	8.510,3
			7.300,6	0,0	-0,0	1.284,7	0,0	-75,0	8.510,3

Explanatory note
The interest in Applied Nanosystems B.V. has been entirely written down on account of its negative equity

1.3.2	Participations								
1.1.3.2	Other participations								
	- Stichting GN-IX - Groningen	n/a	6,0	0,0	0,0	0,0	0,0	0,0	6,0
	- Univ. Groningen NW Germany Gmbh - Papenburg (Dld)	100%	21,3	0,0	0,0	21,9	0,0	0,0	43,1
	- LOFAR CV - Dwingeloo	11%	0,0	0,0	0,0	0,0	0,0	0,0	0,0
			27,3	0,0	0,0	21,9	0,0	0,0	49,1

The university has an 11% participating interest in LOFAR CV. The initial contribution of € 10,000 has been entirely written down.

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		Outstanding loans 01/01/2020	Extended loans 2020	Repayments/ settlements 2020	Outstanding loans 31/12/2020	Interest rate	Residual maturity in years
1.1.3.3	Receivables from group companies						
	Applied NanoSystems B.V.	11,4	0,3	0,0	11,7	3,0%	1
		11,4	0,3	0,0	11,7		

	Provision receivables from group companies	Balance as at 01/01/2020	Allocations 2020	Release 2020	Balance as at 31/12/2020
	Applied NanoSystems BV, Groningen	11,4	0,3	-0,0	11,7
		11,4	0,3	-0,0	11,7

1.1.3.7	Securities	Investments as at 01/01/2020	Acquisitions/ loans 2020	Mutation 2020	Investments as at 31/12/2020
1.1.3.7.4	Other securities; deposits	21.500,0	0,0	-5.000,0	16.500,0
		21.500,0	0,0	-5.000,0	16.500,0

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		Outstanding loans 01/01/2020	Extended loans 2020	Repayments/ settlement 2020	Outstanding loans 31/12/2020	Interest rate	Residual maturity in years
1.1.3.8	Other receivables						
	- GSZ Mayday	138,1	0,0	0,0	138,1	0,0%	indefinitely
	- GSZ Mayday	30,0	0,0	-1,8	28,2	4,0%	15
	- Stichting Behoud Groene Hortus	1.510,7	0,0	62,6	1.573,3	0,0%	> 1
	- Stichting Behoud Groene Hortus (subordinated)	124,8	0,0	-62,6	62,3	0,0%	> 1
	- UNICA installatie groep B.V.	2.220,2	0,0	-269,6	1.950,7	0,0%	5
	- Stichting Infoversum	54,6	0,0	0,0	54,6	2,5%	>1
		4.078,5	0,0	-271,4	3.807,2		

	Balance as at 01/01/2020	Allocation 2020	Release 2020	Withdrawal 2020	Balance as at 31/12/2020
Provision other receivables	1.858,3	0,0	0,0	-1,8	1.856,5

	Balance as at 01/01/2020	Balance as at 31/12/2020
Outstanding loans	4.078,5	3.807,2
Minus: Provision FVA	1.858,3	1.856,5
	2.220,2	1.950,7

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1.2 Current assets

1.2.1 Inventories

		Account 31/12/2020	Account 31/12/2019
1.2.1.2	Acquisition price consumer goods		
	Inventories (stock)	656,9	665,8

1.2.2 Receivables

			Account 31/12/2020		Account 31/12/2019
1.2.2.1	Accounts receivable	10.700,2		8.057,3	
	To be invoiced	0,0		73,6	
	Minus: Provisions for non-collectable debts	-352,5		-367,6	
			10.347,7		7.763,3
1.2.2.2	Receivables from OCW/ EZ		0,0		7,6
	Cash limitations		0,0		361,0
1.2.2.6	Receivables from staff		24,4		56,1
1.2.2.7	Receivables from students/ participants / course participants		59,5		235,0
1.2.2.10	Other receivables				
	Income to be received	40.639,2		37.290,4	
	Other receivables	49.845,3		57.547,9	
			90.484,5		94.838,3
1.2.2.12	Prepaid expenses		8.728,6		9.123,7
1.2.2.15	Accrued assets		59,3		150,3
			109.703,9		112.535,3

Explanatory note
The fair value of the receivables approximates their book value, given their short-term nature and the fact that provisions for doubtful debts have been formed where necessary.

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1.2.4 Liquid assets

		31/12/2020	31/12/2019
1.2.4.1	Cash funds	11,6	13,2
1.2.4.2	Bank accounts credits		
	Bank accounts credits (general)	6.249,6	39.143,9
	Deposits (=< 3 months)	500,0	26.000,0
	Current accounts	239.888,8	210.367,2
		246.649,9	275.524,3

Explanatory note
Liquid assets consist of cash funds, bank balances and call deposits with a term of three months or less and are at the free disposal of the institution.

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LIABILITIES

2.1 Equity

More information about the equity is provided by the explanatory notes to the balance sheet in the consolidated financial statements.

	Balance as at 31/12/2020	Balance as at 31/12/2019
Non-consolidated equity	595.353,3	601.163,8
Group companies equity	3.892,0	4.347,4
Loan provision Applied NanoSystems B.V.	11,7	11,1
Equity Applied NanoSystems B.V.	-3,5	-3,8
Consolidated equity	599.253,5	605.518,5

Explanatory note
The group companies equity relates to the equity of the Stichting Academische Opleidingen Groningen. This is not included as a participation in the non-consolidated financial statements. The created provisions have been eliminated in the consolidated financial statements as a result of the consolidation of both entities. The equity of Applied Nanosystems B.V. is negative, for which no provision was included in the non-consolidated financial statements. The negative equity must be included in the consolidated financial statements.

2.2 Provisions

The provisions are further explained in the explanatory notes to the balance sheet in the consolidated financial statements.

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2.4 Short-term debts

			31/12/2020		31/12/2019
2.4.4	OCW/EZ		0,0		35,8
2.4.7					
	Pre-invoiced and pre-received instalments for work in progress	-41.045,6		-36.500,3	
	Invoiced instalments	47.216,0		44.213,5	
			6.170,4		7.713,2
2.4.8	Creditors		20.053,2		6.688,2
2.4.9	Taxation and social security contributions				
	- Income tax	16.943,1		15.973,3	
	- Turnover tax	638,1		1.305,5	
			17.581,1		17.278,8
2.4.10	Debts in respect of pensions		4.719,5		4.617,8
2.4.11	Debts in respect of work by third parties		1.906,3		1.716,0
2.4.12	Other short-term debts		22.430,2		17.275,1
2.4.13	Tuition, course and exam fees received in advance		36.810,8		33.388,0
2.4.14	Grants received in advance from OCW/ EZ		2.405,2		1.956,8
2.4.16	Amounts received in advance		132.225,6		120.033,9
2.4.17	Holiday pay and holidays				
	- Holiday allowance	11.462,1		10.821,4	
	- Reservation for holidays	29.091,9		22.047,3	
			40.554,0		32.868,8
2.4.19	Miscellaneous receivables				
	- Graduation Fund	300,0		292,5	
	- Other	675,0		719,0	
			975,0		1.011,5
			285.831,3		244.583,9

The short-term debts all have a residual maturity of less than one year.

Explanatory note

The off-balance sheet assets and/or liabilities (non-consolidated) have been explained in the notes to the Consolidated Balance Sheet.

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Statement of income and expenditure

		Non-consolidated results 2020	Foundations with control		Participations		Consolidated results 2020
			Stichting AOG	Stichting University Guesthouse	Applied Nano Systems BV	RUG Houdster-maatsch.	
3	**Income**						
3.1	Government funding	443.324,0	0,0	0,0	0,0	0,0	443.324,0
3.2	Other government funding and grants	0,0	0,0	0,0	0,0	0,0	0,0
3.3	Statutory tuition/course/exam fees	79.440,9	0,0	0,0	0,0	0,0	79.440,9
3.4	Income from work commissioned by third parties	136.276,6	0,0	0,0	0,0	0,0	136.276,6
3.5	Other income	57.115,9	-1,9	0,0	0,9	3,2	57.118,2
		716.157,5	-1,9	0,0	0,9	3,2	716.159,7
4	**Expenditure**						
4.1	Staffing expenses	525.276,2	0,0	0,0	0,0	0,0	525.276,2
4.2	Depreciation of tangible fixed assets	36.555,8	0,0	0,0	0,0	0,5	36.556,2
	Depreciation of intangible fixed assets	569,4	0,0	0,0	0,0	0,0	569,4
4.3	Housing expenses	40.710,6	0,0	0,0	0,0	0,0	40.710,6
4.4	Other expenses	119.642,2	0,0	0,0	0,7	527,0	120.169,8
		722.754,1	0,0	0,0	0,7	527,4	723.282,2
	Net income and expenditure	-6.596,6	-1,9	0,0	0,2	-524,2	-7.122,5

The average number of employees in 2020 was 6,477 FTE (2019: 6,318 FTE).

6	**Financial income and expenditure**						
6.1	Financial revenues	109,4	0,0	0,0	0,0	77,4	186,9
6.2	Financial expenses	-604,9	0,0	0,0	0,0	0,0	-604,9
	Net financial income and expenditure	-495,5	0,0	0,0	0,0	77,4	-418,0
8	**Result participations**	1.306,5	46,6	0,0	0,0	446,8	1.799,9
	Result	-5.785,6	44,7	0,0	0,3	0,0	-5.740,6

In the above statement of income and expenditure, the reconciliation between the result in the non-consolidated financial statements and the consolidated financial statements has also been accounted for. As regards the explanatory notes, reference is made to the notes in the consolidated financial statements.

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WNT (Act for the standardization of the remuneration of senior officials in the public and semi-public sector)

As from 1 January 2013, the WNT has been applicable to publicly funded institutions such as the University of Groningen. The WNT includes a disclosure obligation.

For 2020, the maximum salary at the UG was established at € 201,000 (full-time). The maximum salary will be calculated in proportion to the duration and/or the scope of the employment contract in the calendar year. In the educational classification, the UG is grouped under G. Three criteria determine the classification. Based on the average of the total income in the years t-4 up to and including t-2, the UG gains 10 complexity points; for the number of students in the years t-4 up to and including t-2 4 complexity points; and for the number of types of degree programmes in the year t-2 5 complexity points. This adds up to 19 complexity points, resulting in classification G. The Supervisory Board established the classification 2019 on 17 December 2019.

The managing senior officials of our organization with an employment contract do not have an employment contract as a managing senior official with other institutions covered by the WNT (contracted since 1 January 2018).

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List of the salaries of senior officials

A. Board of the University

Data 2020	J. de Vries	J.A.W.M. Biemans	T.N. Wijmenga
Job data			
Position	Chair	Member	Rector Magnificus
Commencement and termination date in 2020	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12
Scope of employment contract (as a part-time factor in FTE)	1	1	1
Employment contract	yes	yes	yes
Salary			
Salary plus taxable disbursements	178.161	154.078	178.297
Long-term benefits	22.042	21.037	21.930
Subtotal	200.203	175.115	200.227
Individually applicable maximum salary	201.000	201.000	201.000
-/- Amount unduly paid	n/a	n/a	n/a
Total salary	200.203	175.115	200.227

Data 2019			
Job data			
Position	Chair	Member	Rector Magnificus
Commencement and termination date in 2020	01/01 - 31/12	01/09 - 31/12	01/09 - 31/12
Scope of employment contract (as a part-time factor in FTE)	1	1	1
Employment contract	yes	yes	yes
Salary			
Salary plus taxable disbursements	172.069	43.884	53.137
Long-term benefits	20.973	6.732	7.017
Subtotal	193.041	50.616	60.154
Individually applicable maximum salary	194.000	64.843	64.843
-/- Amount unduly paid	n/a	n/a	n/a
Total salary	193.041	50.616	60.154

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B. Supervisory Board

Data 2020

	T.H.J. Joustra	J.W. Remkes	W. Reehoorn	H.J.E. van Balen	H.D. Post	A.S. Roeters
Position	Chair	Chair	Member	Member	Member	Member
Commencement and termination date in 2020	01/01 - 31/08	01/09 - 31/12	01/01 - 31/12	01/01 - 30/11	01/01 - 31/12	01/01 - 31/12
Salary	13.333	6.667	15.000	13.750	15.000	15.000
Individually applicable maximum salary	20.100	10.050	20.100	18.398	20.100	20.100
-/- Amount unduly paid	n/a	n/a	n/a	n/a	n/a	n/a

Data 2019

	T.H.J. Joustra		W. Reehoorn	H.J.E. van Balen	H.D. Post	A.S. Roeters
Position	Chair	n/a	Member	Member	Member	Member
Commencement and termination date in 2019	01/01 - 31/12	n/a	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12
Salary	20.000	n/a	15.000	15.000	15.000	15.000
Individually applicable maximum salary	29.100	n/a	19.400	19.400	19.400	19.400
-/- Amount unduly paid	n/a	n/a	n/a	n/a	n/a	n/a

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C. Salaries of non-senior staff (in case of exceeding the standard)

Data 2020

Position	Professor	Dean	Professor	Professor
Commencement and termination date in 2020	01/01 - 31/12	01/01 - 31/12	01/01 - 31/12	01/01 – 31/12
Scope of employment contract (as a part-time factor in FTE)	1	1	1	0.67
Salary plus taxable disbursements	243.038	194.208	179.619	124.732
Long-term benefits	20.660	22.209	21.620	14.254
Total remuneration	263.697	216.417	201.239	138.986
Individually applicable maximum salary	201.000	201.000	201.000	134.220
Explanation of the excess remuneration	Royalties	Supplement	Supplement	Supplement

Data 2019

Position	Professor	Dean	Professor	Professor
Commencement and termination date in 2019	01/01 - 31/12	01/01 - 31/12	n/a	n/a
Scope of employment contract (as a part-time factor in FTE)	1	1	n/a	n/a
Salary plus taxable disbursements	234.044	190.479	n/a	n/a
Long-term benefits	20.009	21.991	n/a	n/a
Total remuneration	254.052	212.471	n/a	n/a

Explanatory note
In accordance with paragraph 6 of the (amended) Policy Rules on the Application of the WNT, the University of Groningen does not account for external non-top functionaries.

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Groningen, 14 juni 2021

Board of the University

J. de Vries, Chair

C. Wijmenga, Rector Magnificus

J.A.W.M. Biemans

Supervisory Board

J.W. Remkes, Chair

W. Reehoorn

A.S. Roeters

W. van Saarloos

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Results approbation

The UG is a legal entity under the Higher Education and Academic Research Act and has no articles of association. There are therefore no special provisions imposed by the articles of association regarding the result appropriation.

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Indicators of financial position

			2020	2019
Capitalization factor	Total capital -/- buildings and premises / Total income + interest income	x 100	80.88	79.13
Staffing expenses/total expenses	Staffing expenses / Total expenses from ordinary business operations	x 100%	72.7%	69.8%
General reserve/income	General reserve / Total income from ordinary business operations	x 100%	77.4%	81.5%
Equity/income	Equity / Total income from ordinary business operations	x 100%	83.7%	86.7%
Provisions/income	Provisions / Total income from ordinary business operations	x 100%	6.9%	7.2%
Government funding/income	Government funding + other government / Contributions total income from ordinary business operations	x 100%	61.9%	60.1%
Other government contributions/income	Other government funding / Total income from ordinary business operations	x 100%	0.0%	0.0%
Investments in accommodation/income	Investment in buildings and premises / Total income from ordinary business operations	x 100%	12.2%	7.4%
Investment (inventory + equipment)/income	Income from investment in inventory and equipment / Total income from ordinary business operations	x 100%	2.1%	2.4%

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			2020	2019
Working capital/income	Current assets - / - short-term borrowed capital / Total income from ordinary business operations	x 100%	9.6%	21.1%
Investments (relative to equity)	Securities / Equity	x 100%	3.6%	3.6%
Contract activities/income	Income from work commissioned by third parties / Total income from ordinary business operations	x 100%	19.0%	21.1%
Contract activities/government funding	Income from work commissioned by third parties / Government funding	x 100%	30.8%	35.1%
Tuition fees/income	Tuition fees / Total income from ordinary business operations	x 100%	11.1%	10.5%
Financial income/expenditure	Financial income / Total income from ordinary business operations	x 100%	0.0%	0.0%
Receivables/income	Receivables / Total income from ordinary business operations	x 365 days	56	59
Short-term debts/income	Short-term debts / Total income from ordinary business operations	x 365 days	146	128

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			2020	2019
Solvency 1	Equity / Total		0.64	0.67
Solvency 2	Equity / Total equity		0.69	0.73
Liquidity (current ratio)	Current assets / Short-term borrowed capital		1.24	1.60
Liquidity (quick ratio)	Current assets excluding / Short-term borrowed capital		1.24	1.60
Profitability (gross margin)	Result from ordinary business operations / Total income from ordinary business operations	x 100%	-1.0%	-0.5%

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The following is an English translation of the independent auditor's report issued 14 June 2021.

Independent auditor's report

To: the executive board and the supervisory board of Rijksuniversiteit Groningen

Report on the financial statements 2020 included in the annual report

Our opinion

We have audited the financial statements 2020 of Rijksuniversiteit Groningen, based in Groningen.

In our opinion:

- The financial statements included in this annual report give a true and fair view of the financial position of Rijksuniversiteit Groningen as at 31 December 2020, and of its result for the year 2020 in accordance with the Regeling jaarverslaggeving onderwijs (Education Reporting Regulation)
- The income and expenditures recognized in these financial statements, as well as the movements in the balance sheet in 2020, have been legitimately generated in all material respects in accordance with the provisions contained in the relevant laws and regulations, as included in section 2.3.1. Referentiekader (frame of reference) of the Auditing Protocol for Auditors in the Education Sector OCW 2020 (Onderwijsaccountantsprotocol OCW 2020).

The financial statements comprise:

- The consolidated and company balance sheet as at 31 December 2020
- The consolidated and company statement of income and expense for the year 2020
- The notes comprising of a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the Onderwijsaccountantsprotocol OCW 2020. Our responsibilities based on these are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Rijksuniversiteit Groningen in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Compliance with anti-cumulation provision of WNT is unaudited

In accordance with the Controleprotocol WNT 2020 (WNT Auditing Protocol 2020), we did not audit the compliance with the anti-cumulation provision in Section 1.6a of the WNT and Section 5(1) (n and o) of the Uitvoeringsregeling WNT (WNT Implementation Regulation).

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Therefore, we did not audit whether or not a remuneration maximum was exceeded by a senior management official as a result of possible employment as senior management official at other institutions that are subject to the WNT, nor did we audit whether the required disclosure is accurate and complete in this respect.

Report on other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The board report
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code
- The supervisory board report, foreword by the president of the board, key figures and indicators and appendices

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by the Regeling jaarverslaggeving onderwijs and the relevant laws and regulations as included in section 2.2.2. Bestuursverslag (directors' report) of the Onderwijsaccountantsprotocol OCW 2020

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of the Regeling jaarverslaggeving onderwijs, section 2.2.2. Bestuursverslag of the Onderwijsaccountantsprotocol OCW 2020 and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board is responsible for the preparation of the other information, including the board report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code in accordance with the Regeling jaarverslaggeving onderwijs and the relevant laws and regulations as included in section 2.2.2. Bestuursverslag of the Onderwijsaccountantsprotocol OCW 2020.

Description of responsibilities for the financial statements

Responsibilities of the board and the supervisory board for the financial statements

The board is responsible for the preparation and fair presentation of the financial statements in accordance with the Regeling jaarverslaggeving onderwijs. Furthermore, the board is responsible for legitimately generating the income and expenditures recognized in the financial statements and the movements in the balance sheet, in accordance with the provisions contained in the relevant laws and regulations, as included in section 2.3.1. Referentiekader of the Onderwijsaccountantsprotocol OCW 2020. In this respect, the board is also responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements and compliance with relevant laws and regulations, without material misstatements, whether due to fraud or error.

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As part of the preparation of the financial statements, the board is responsible for assessing the education institution's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board either intends to liquidate the education institution or to cease operations, or has no realistic alternative but to do so. The board should disclose events and circumstances that may cast significant doubt on the institution's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the financial reporting process of the education institution.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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

We have maintained professional skepticism throughout the audit and have exercised professional judgment where relevant, in accordance with Dutch Standards on Auditing, the Onderwijsaccountantsprotocol OCW 2020, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of
  - material misstatement of the financial statements, whether due to fraud or error,
  - illegitimately generating of income and expenditures as well as movements in the balance sheet that are of material importance,

  designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the education institution's internal control.
- Evaluating the appropriateness of accounting policies used, the financial criteria applied for legitimacy and the reasonableness of accounting estimates and related disclosures made by the board.
- Concluding on the appropriateness of the board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the education institution's ability of to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an institution to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation and whether the income and expenditure recognized in the financial statements as well as movements in the balance sheet have in all material respects been legitimately generated.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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

Groningen, 14 June 2021

Ernst & Young Accountants LLP

D.E. Engwerda

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Education

Academic year	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
Students							
Total	34.123	31.840	31.515	29.702	28.875	28.244	28.324
UG's market share in NL	10,4%	10,5%	10,7%	10,5%	10,8%	10,8%	11,0%
Foreign nationals	8254	7536	7019	5692	4900	4104	3.642
Percentage foreign nationals at UG	24,2%	12,1%	22,3%	19,2%	17,0%	14,5%	12,9%
Registration types							
Full-time	33.678	31.432	31.081	29.227	28.376	27.708	27.693
Part-time	404	355	382	429	456	491	591
Dual	44	53	52	46	43	45	40
Registration per academic phase							
Propaedeutic	10.857	9.577	10.052	8.692	7.745	7.447	7.921
Bachelor	10.622	12.182	11.424	11.249	11.499	11.244	11.073
Master	11.171	10.081	10.039	9.761	9.631	9.553	9.330
Intake of first-year students							
Bachelor	7.687	6.767	7.173	6.376	5.855	5.463	5.781
Master	1.160	2.020	1.036	869	987	874	818
Total	8.847	8.787	8.209	7.245	6.842	6.337	6.599
Market share	9,1%	9,9%	9,7	9,1%	9,4%	9,4%	9,9%
Degrees							
Bachelor	unknown	4.384	4.196	4.030	4.258	4.060	4.186
Market share	unknown	11,1%	11,1%	11,1%	11,8%	11,5%	11,7%
Master	unknown	4.400	4.407	4.195	4.203	4.014	4.166
Market share	unknown	9,3%	9,4%	9,4%	9,7%	9,6%	10,2%
Funding							
Funded registrations	21.813	19.850	19.576	18.189	17.628	17.589	17.786
Funded degrees	unknown	7.783	7.703	7.459	7.579	7.435	7.574

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Research

Calendar year	2020	2019	2018	2017	2016	2015
Research						
Academic staff (FTE)	2.039	1.795	1.799	1.829	1.880	1.864
PhD theses	591	546	507	502	535	501
Academic publications (excluding PhD theses)	8.153	8.806	8.296	7.868	7.348	7.048
NWO grants	21	14	21	24	20	30
UG's national market share	7.6%	6.0%	8.2%	9.8%	8.2%	12.3%
UG employees (FTE) (excluding UMCG)						
Academic staff	2.468	2.407	2.339	2.296	2.302	2.289
Non-Dutch nationals	1119	1078	1014	940	909	879
Administrative & support staff	1.967	1.972	1.909	1.809	1.711	1.693
Non-Dutch nationals	120	119	107	91	73	66
Professors	308	301	297	294	285	276
Associate professors	264	265	251	244	242	237
Assistant professors	528	517	483	438	409	392
Employed PhD students	719	703	688	737	778	810
Non-Dutch nationals	386	377	359	359	372	395
Other academic staff	643	616	616	583	588	575
UMCG employees (FTE)						
Academic staff	1.136	1.050	1.026	1.005	1.051	1.025
Non-Dutch nationals	283	262	252	254	228	207
Administrative & support staff	620	637	620	614	581	565
Non-Dutch nationals	23	23	23	15	16	14
Professors	95	93	74	65	65	67
Employed PhD students	442	421	384	418	446	416
Non-Dutch nationals	170	162	148	153	135	125
Current PhD trajects UG & UMCG						
1a. Employed PhD students	1.911	1.920	1.871	1.926	1.979	1.956
2a. PhD students from UG and UMCG	660	616	627	453	290	273
2b. PhD students from other funds	553	611	570	513	430	352
3. Externally financed PhD students	404	394	373	355	303	270
4. Self-supporting PhD students (private means)	525	529	519	491	479	468
Other	303	301	325	326	337	384
Total	**4.356**	**4.371**	**4.285**	**4.064**	**3.818**	**3.703**
Non-Dutch nationals	2.228	2.283	2.102	1.927	1.580	1.603
Proportion of non-Dutch nationals	51.1%	52.2%	49.1%	47.4%	41.4%	43.3%

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Artistieke impressie van de Feringa Building

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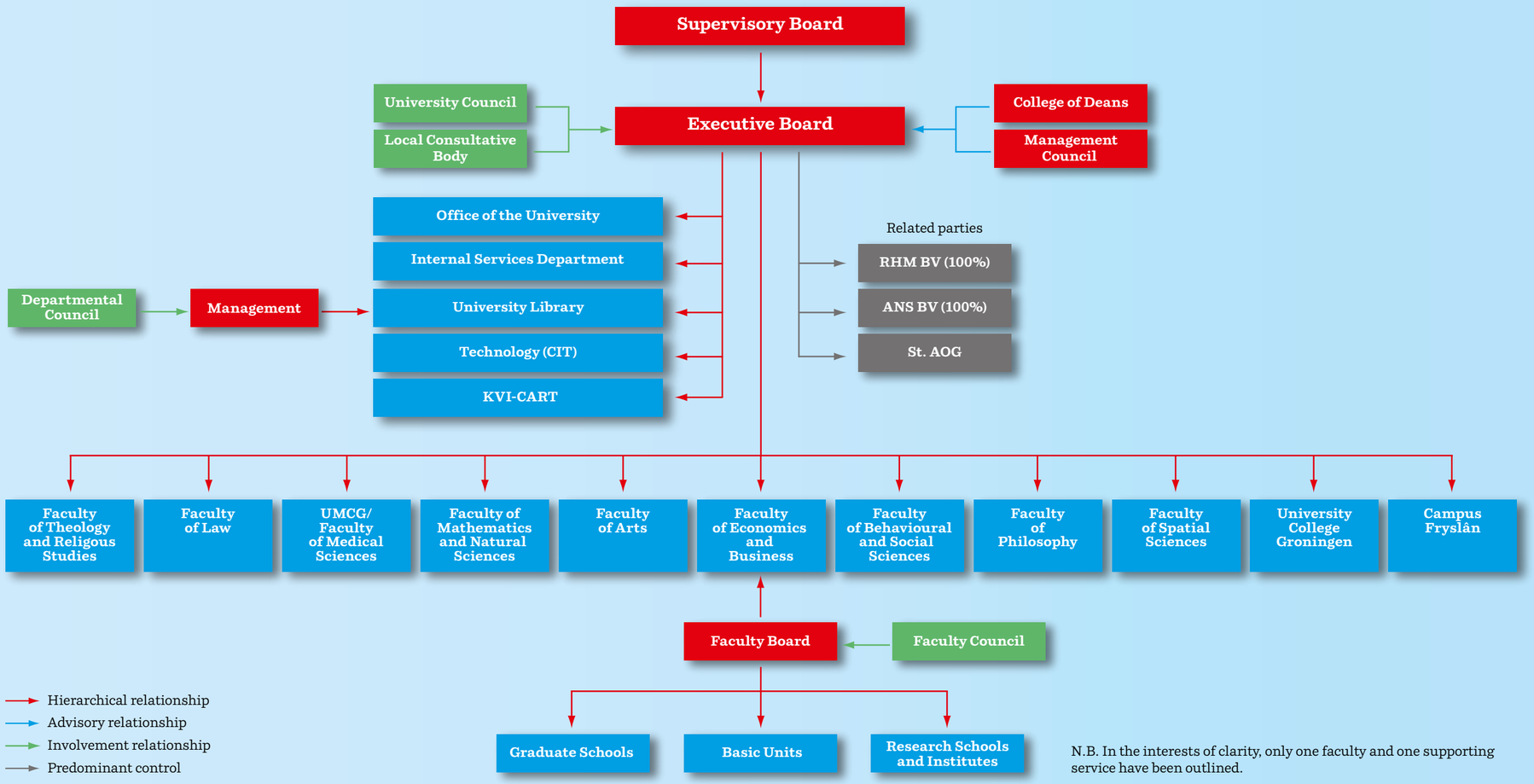
APPENDIX A

Overview of central organizations



N.B. In the interests of clarity, only one faculty and one supporting service have been outlined.

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APPENDIX B

Backgrounds of the administrators

I. Board of the University

As of 31 December 2020

Prof. J. de Vries (President)

Jouke de Vries (1960) studied Political Sciences at the University of Amsterdam, where he obtained his PhD in 1989. In 1999, De Vries was appointed Professor of Public Administration at Leiden University. He also became the academic director and later Dean of The Hague Campus, part of Leiden University. Under his leadership, Campus The Hague developed into an internationally renowned academic centre with thousands of students. In 2015, De Vries was appointed Professor of Governance and Public Policy at the University of Groningen. He was also appointed Dean of Campus Fryslân in Leeuwarden and as such he was responsible for the development of the eleventh faculty at the University of Groningen. On 1 October 2018, he was appointed President of the Board of the University.

J.A.W.M. Biemans (member)

Hans Biemans (1961) studied Economics at Tilburg University. He started his career as a policy officer for employment and construction policy at the union CNV (1987-1991). He then went on to work for the Association of Dutch Architects as an economic affairs officer. After that, he became a senior consultant for the labour market and education at KPMG. Since 2000, he has held various positions at the University of Groningen: Deputy Head of Alumni Relations and Fundraising, followed by Head of Financial Planning and Budgets, Interim Head of Real Estate and Investment Projects and then Head of Corporate Control. In September 2019 he joined the Board of the University of Groningen. He is responsible for finance, accommodation and real estate, technology transfer, public private partnerships, commercial activities and IT.

Prof. C. Wijmenga (Rector Magnificus)

Cisca Wijmenga (1964) studied biology at the University of Groningen, obtained her doctorate with honours at Leiden University (1993) and was a professor at the UMC Utrecht. She has been Professor of Human Genetics at the University of Groningen since 2007 and was head of the UMCG's Genetics Department from 2007 to 2017. Wijmenga has been a member of the Royal Netherlands Academy of Arts and Sciences (KNAW) since 2012; she is also a member of the Royal Holland Society of Sciences and Humanities (KHMW). In 2012 she received an ERC Advanced Grant for her research on gluten and gluten allergy. She was also director of BBMRI-NL2.0, the partnership of biobanks in the Netherlands, which received €9.8 million from the Netherlands Organization for Scientific Research (NWO) in 2014. In 2015 she was awarded the Spinoza Prize. Furthermore, she was prominently associated with the 'Organs on a chip' research programme, which was awarded a Gravitation grant in 2017. In 2017 she was appointed to the Lodewijk Sandkuijl chair at the University of Groningen. In 2019 she was appointed (the first female) Rector Magnificus of the University of Groningen.

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II. Supervisory Board

T.H.J. Joustra (Chair until 1 September 2020)

Tjibbe Joustra (1951) studied Dutch law at the University of Groningen from 1970 to 1975. He began his career at the Ministry of Agriculture, Nature and Food Quality. He was appointed Secretary-General of the Ministry in 1987. From 2002 to 2004, he was Chairman of the Executive Board of the Institute for Employee Benefit Schemes (UWV, Uitvoeringsinstituut Werknemersverzekeringen). After this, he was the Dutch National Antiterrorism Coordinator for five years. From 2009 to 2011, he was Chairman of the Horticulture Board (Productschap Tuinbouw) and other organizations. On 1 February 2011 he was appointed chairman of the Dutch Safety Board (Onderzoeksraad voor Veiligheid) and in May 2019, after eight years, he stepped down.

J.W. Remkes (Chair since 1 September 2020)

Johan Remkes (1951) has held many political and administrative positions at municipal, provincial and national levels. In 1978, he was elected to both the Groningen Municipal Council and the Groningen Provincial Council. From 1982 to 1993, he was also a member of the Provincial Executive of Groningen, and from 1994 to 1996 he was re-elected to the Groningen Municipal Council. In 1993, Remkes also joined the Dutch House of Representatives, as a member of the VVD fraction. He was State Secretary for Housing, Spatial Planning and the Environment from 1998 to 2002. From 2002 to 2007, Remkes was Minister of the Interior and Kingdom Relations, and from 2002 to 2003 he was also Deputy Prime Minister. In late 2006, he rejoined the House of Representatives. In addition, he was Chair of the State Commission on the Parliamentary System in 2017/2018. From 2010 until 2019, he was King's Commissioner in Noord-Holland. Remkes was also Chair of the committee that issued advice to the Cabinet on nitrogen issues. From October 2019 until July 2020, he was Deputy Mayor of The Hague. The Minister of Education, Culture and Science, appointed him as Chair of the Supervisory Board of the UG as of 1 September 2020. Finally, on 19 April 2021, Johan Remkes was appointed Deputy King's Commissioner for the province of Limburg.

H.J.E. van Balen

Heleen van Balen (1964) studied Law at the University of Groningen. She specializes in strategic legal management, higher education management and development, and governance, risk management and compliance (GRC). Heleen van Balen is the proprietor of Commutatio Group BV. She is currently project leader at SchoolpleinNoord, setting up a digital platform (vacancy website) and network organization for primary and secondary education in the three northern provinces in order to influence the labour market, cooperate and share knowledge so as to contribute to the development and quality of life in the northern region. She is also a lecturer in Leadership and Governance at the Hanze UAS Groningen. Heleen van Balen has extensive experience in governance and management. She is the Chair of the Giraffa network. She is also a member of the Board of Het Behouden Huys. In the Supervisory Board, she is the member with the particular trust of the University Council. Van Balen stepped down from the UG Advisory Board on 1 December 2020. She was succeeded by Prof. W. van Saarloos on 1 January 2021.

H.D. Post

Harm D. Post (1953) began his career in 1976 at the South Holland provincial authority, where he worked on traffic and transport policy in South Holland. From 1978 he held various management positions at Hanze Vervoer- en Techniekgroep in Groningen: he was Director of GADO (the Groningen bus company), GADO Touring (the Groningen coach company), and the taxi company GadoTax. He also worked for the owner of these companies in Ukraine. Harm Post then became Director of NoordNed Personenvervoer BV, a new bus and train operator owned by the UK-based transport multinational Arriva. In June 1999, under Post's leadership, NoordNed won the first public tender for railway lines in the province of Groningen. From 2001 until 2017 Post was director of Groningen Seaports, the company that manages two seaports, two inland ports and a railport. In 2017 he founded his own consultancy firm and won projects in the recycling and energy transition sector. In addition, he is a professional supervisor at five companies. He has always engaged in many administrative activities in addition to his work. For example, he is currently Chair of the Groningen Commercial Club (CCG), Honorary Consul for Norway, member of the board of Stichting Walkyre Echo's

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and member of the board of the Kinderboekenhuis Foundation in Winsum. He stepped down from the UG Advisory Board on 1 March 2021, after eight years.

W. Reehoorn

Wietze Reehoorn (1962) studied Dutch law at the University of Groningen. He began as a trainee at ABN AMRO in 1989 and went on to hold senior management positions in Wholesale, Commercial & Corporate Banking and Risk Management. In 2000, he was appointed Corporate Executive Vice President. In 2001 he joined the management team of Business Unit Nederland and in 2002 he became Head of Corporate Development at ABN AMRO Groep NV. In 2004 he again joined the management team of Business Unit Nederland and later became Head of Commercial & Corporate Banking. After ABN AMRO was taken over by a consortium of banks in 2007, Reehoorn became CEO of Merchant Banking in the Netherlands. In 2009, he joined the transition team for the integration of ABN AMRO and Fortis Bank Nederland. In 2010 he was appointed Chief Risk Officer (responsible for Risk Management & Strategy, including Corporate Development & Investor Relations) on the Managing Board of ABN AMRO Group NV, ABN AMRO Bank NV and Fortis Bank (Nederland) NV (part of ABN AMRO Bank NV since 1 July 2010). Reehoorn stood down from the Managing Board of ABN AMRO at the end of 2017 after nine years and left the bank on 1 July 2018. He took several commissariats since and is currently an active member in boards with eight different organizations, at home and abroad, including the National Bank of Greece.

A.S. Roeters

Annette Roeters (1954) studied Dutch Language and Literature at the University of Groningen, and obtained her PhD in 1982. As general director, she managed the Child Care and Protection Agency for five years between 1 February 2015 and 1 January 2020. Before this she was Senior Chief Inspector of the Netherlands Inspectorate for Education, part of the Ministry of Education, Culture and Science (2008-2015). Previously, she was also a member of the Executive Board of VU University Amsterdam and Executive Board member and then Vice President of Windesheim University of Applied Sciences.

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III. Terms of office

The Board of the University

Administrator	Position	Start of appointment	End of appointment
J. de Vries	President	1 October 2018	1 October 2022
J.A.W.M. Biemans	Member	1 September 2019	1 September 2023
C. Wijmenga	Rector Magnificus	1 September 2019	1 September 2023

Supervisory Board Administrator	Position	Start of appointment	End of appointment
T.H.J. Joustra	Chair 1	1 September 2012	1 September 2020
J.W. Remkes	Chair 2	1 September 2020	1 September 2024
H.J.E. van Balen	Member	1 December 2016	1 December 2020*
H.D. Post	Member	1 March 2013	1 March 2021
W. Reehoorn	Member	1 January 2014	1 January 2022
A.S. Roeters	Member	1 November 2015	1 November 2023

* Mrs. H.J.E. van Balen was succeeded by Prof. W. van Saarloos on 1 January 2021.

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IV. OTHER POSITIONS

(as per 31 December 2021)

1. The Board of the University

Person/ Positions	Organization	Salaried
J. de Vries (President)		
Chair of the General Board	Academische Opleidingen Groningen Foundation (AOG)	no
Chair of the Supervisory Board	Groningen University Fund	no
Chair of the Foundation Board	Behoud Groene Hortus Foundation	no
Member of the Supervisory Board	RUG Houdstermaatschappij B.V.	no
Vice Chair of the Executive Committee	Ubbo Emmius Fund	no
Member of the General Board	Ubbo Emmius Fund	no
Member of the Board	Groningen Confucius Institute	no
Member	The Groningen Agreement Steering Committee	no
Member	WIJS (Wijk Inzet door Jongeren en Studenten) Steering Committee	no
Member of the Executive Committee	Groningen National Programme	no
Member of the General Board	Groningen National Programme	no
Member	Economic Board Noord-Nederland	no
Member	VNSU Strategy, Public Affairs & Governance Steering Committee	no
Board member	Dutch Dutch Scientific Institutes Abroad	no
Member of the Supervisory Board	New Energy Coalition	no
Member of the International Supervisory Board	Energy Delta Institute	no
Member of the Board	Netherlands Energy Research Alliance	no
Director	Royal Holland Society of Sciences and Humanities (KHMW)	no
Board member	Netherlands-Caribbean Foundation for Clinical Higher Education	no
Board member	European Medical School Oldenburg-Groningen	no
Member	The Guild of European Research-Intensive Universities	no
Member	Verbund Norddeutscher Universitäten	no
Member	House of Representatives Nominations Advisory Committee 2021	no
J.A.W.M. Biemans (member)		
Member of the Supervisory Board	LOFAR Foundation	no
Chair of the Supervisory Board	RUG Houdstermaatschappij B.V.	no
Board treasurer	Business Generator Groningen Foundation	no
Vice Chair of the General Board	Academic Programmes in Groningen (AOG)	no
Member of the Steering Committee	VSNU – Business operations and Finances	no
Member of the Steering Committee	Epi-Kenniscentrum	no

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Person/ Positions	Organization	Salaried
Member of the Investors Board	Carduso Capital	no
Member of the Council of Members	SURF U.A. Cooperative	no
Member of the Supervisory Board	Cognigron	no
Member of the Steering Committee	Youth Housing Office	no
Member of the Steering Committee	Campus Groningen	no
Chair	Northern Knowledge Programme	no
Treasurer	The Island of Helpermaar Management Association	no*
C. Wijmenga (Rector Magnificus)		
Member of the Supervisory Board	Groningen University Fund	no
Chair	Nicolaas Mulerius Fund	no
Chair of the Board	Eric Bleumink Fund	no
Member of the Board	Ubbo Emmius Fund	no
Member of the board	Royal Dutch Physics Society	no
Member of the of the Supervisory Board	RUG Houdstermaatschappij BV	no
Member of the board	Capaciteitsorgaan	no
Member	Fryske Akademy	no
Member	Royal Holland Society of Sciences and Humanities	no
Member	KNAW Selection Committee for new members	no
Member of the Scientific Advisory Committee	Estonian Genome Centre	no
Member of the Scientific Advisory Board	International Genome Sample Resource	no
Member of the Scientific Advisory Board	Latvian Biomedical Research and Study Centre	no
Member	Academia Europaea	no
Member	VSNU Steering Group for Education and Research	no
Organizational Inspirator	VNSU Steering Group on Scientific Integrity	no
Member Governing Board	Zwaartekracht Hybrid Intelligence	no
Member Governing Board	ENLIGHT	no
Chair Advisory Committee	Honours College	no
Member of Steering Committee	Restructuring Grote Markt (Grand Square in Groningen)	no
Member of the Council	Jury LSVB Thesis Prize 2020	no
Member of the Supervisory Board	Ludwig Clinic	no
Member of the Supervisory Board	Wadden Academy Foundation	yes**

* As a private person

** Transfer of revenues to UG

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2. Supervisory Board

Person/Positions	Organization
T.H.J. Joustra	
Chair	Society and Safety Foundation
Chair	Research committee on inter-country adoption
Chair	National Library of the Netherlands
Chair	Personal Injury Council
Chair	Dutch Milk Foundation
Chair of the Board	AgriNL
Chair of the Advisory Board	G4S Group
Chair of the Supervisory Board	Meermanno
Chair of the Supervisory Board	Dutch public service broadcasters (NPO)
Chairman of the Supervisory Board	Netherlands School for Public Administration (NSOB)
Member of the Advisory Board	Dutch Data Protection Authority
J.W. Remkes	
Chair	Advisory and Arbitrary Committee of the Rijksdienst
Chair of the Supervisory Board	Groninger Museum
Co-chair	Consultative Council on the Physical Environment
Chair of the Supervisory Board	Housing Corporation Portaalte Utrecht
Chair of the Supervisory Board	Deltares
Deputy Mayor	City of The Hague (October 2019 till July 2020)
Deputy King's Commissioner	Province of Limburg (as of April 2021)
H.J.E. van Balen	
Director/Owner	Commutatio Group B.V.
Project Leader	SchoolpleinNoord
Lecturer	Hanze UAS Groningen
Chair	Giraffa Netwerk, ZorgpleinNoord
Member of the Board	Friends of the Behouden Huys Foundation

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Person/Positions	Organization
H.D. Post	
Chair	Groningen Commercial Club
Chair	Maggie's Foundation, Netherlands
Chair	GRQ Business Network
Chair of the Supervisory Board	Special Business Locations Groningen
	(part of Foundation for Ancient Churches)
Director	Lauwersoog Operating Company
Member of the Supervisory Board	Port of Harlingen
Member of the Supervisory Board	AG Ems
Member of the Board	Perspective for Groningen 2025
Member of the Board	Social Impact Day Groningen
Member of the Board	Friends of Opmaat
Member of the Board	Northern Culture Fund
Adviser	Wad Sustainable Foundation
Secretary	KinderBoekenHuis
Honorary Consul	Norway in the three northern provinces of the Netherlands
W. Reehoorn	
Chair of the Supervisory Board	TopsportCommunity
Member of the Supervisory Board	Frans Hals Museum
Member/Director	Royal Holland Society of Sciences and Humanities (KHMW)
Member of the Board	Abe Bonnema Foundation
Member of the Board of Directors	National Bank of Greece
A.S. Roeters	
Member and Chair	Council for Dutch Language and Literature
Member of the Board	Widow Funds Foundation
Member of the Advisory Board	Societal advisory council Dynamics of Youth
Member	Higher Education Efficiency Committee
Member	Advisory Panel for the Dutch Scientific Agenda 2019 and 2020
	('Research along routes by consortia')

university of groningen

Colophon

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