

Optiver 

Optiver Foundation
Annual Report 2021

Creating meaningful impact





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Creating meaningful impact

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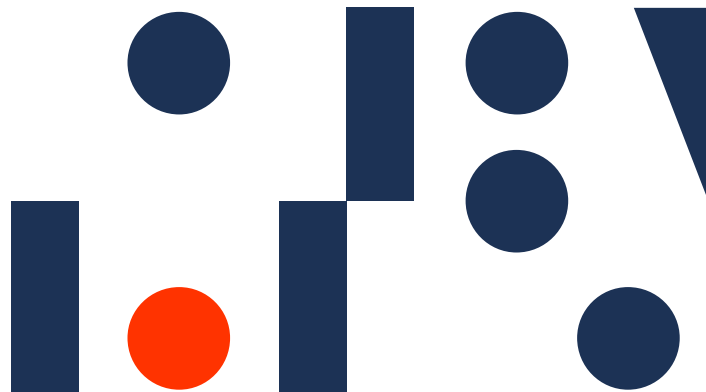
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Introduction

Climate action. Gender equality. Access to quality education, food and clean water. These are just some of the many pressing issues facing our planet and people. As a global organisation, we want to tackle some of these challenges and create meaningful impact through non-profit means.

Incorporated in March 2021 as an independent entity from Optiver, the Optiver Foundation was founded with the aim to drive a positive, long-term impact on some of the world's most important causes. Of particular importance to us are two focus areas: **Environmental Action and Diversity.**





Our focus

Environmental Action is a prerequisite to achieving a prosperous and sustainable future for all. From reforestation to water conservation to preservation of ecosystems and biodiversity to reducing carbon emissions, there's no end to the good that can be done for the environment. Planet earth is the only home we have and we should play an active role in helping reverse the impacts of climate change.

Diversity is not just one person's responsibility, it's everyone's. An inclusive and diverse workforce not only fosters a culture of trust and respect but also strengthens our ability to innovate and thrive. We all have a role in creating equal opportunities for others, regardless of their gender, ethnicity or background. One of the ways that we can help improve this is through access to education. In many parts of the world, talented young people are not given the same opportunities to follow their dreams. We can help improve this and empower future generations through learning opportunities and more.





Our approach

Science, technology and education are at the core of what we do at Optiver. As such, the Foundation is focused on partnering with organisations that share the same values and mission as the firm. In particular, we're interested in how technology and academia could be used to address some of the world's most pressing issues.

We've approached our philanthropy the same way we approach how we operate – with a determined focus on optimal performance. It would be easy to donate a set amount of money and move on, but we want our activities to make an impact that stays. That's why the Optiver Foundation is financed through an endowment fund, starting off with an initial capital investment of €35 million. The annual returns generated from this fund are donated in full to the organisations and initiatives that we partner with. This not only ensures that we're able to scale up our efforts every year but also allows for the sustainability of our projects.

Optiver Foundation Managing Board

Charles Lui (Chairman)

Michael Deaton (Treasurer)

Johann Kaemingk

Kjelle Blom

Wieteke Graven



Project 1: Reforestation with landlife

With Optiver's strong and long-established connection to Australia, the Optiver Foundation embarked on a eucalyptus reforestation project in the state of New South Wales. In collaboration with Landlife, a tech-driven reforestation organisation, the Foundation re-seeded 97 hectares of land. In August 2021, Australia's Indigenous and First Nations community, held a "starting off ceremony" on the land to celebrate the planting. This reforestation, marked an important next chapter in the Moolagundi region, which is in urgent need of rehabilitation. The reintroduced eucalyptus trees are projected to capture 21,000t CO₂, reforest at-risk tree species, aid animal herds with affected migration routes, and help endangered animals (including koalas) to re-populate.

In our next Landlife project, the Foundation will be restoring degraded land in the small municipality of Mombeltrán and Cuevas del Valle, Spain. Due to a wildfire in 2011, high bushes have flourished in the area, preventing forest land from growing back. As a result, there is a low diversity of trees and plant species in the area, reducing the number of animal species that can find shelter and feed at the site. Aside from reducing carbon emissions, the reforestation project will reintroduce a variety of tree species to the area, attracting new animal species to the forest (potentially including Hispanic Goats, the endangered Iberian Lynx and the near-threatened Bearded vulture) and restore its natural balance.



Project 2: Providing equal opportunity to STEM with Women Win

The future of work is shifting. STEM-related skills such as digital literacy, data analysis and problem-solving are growing in demand across a range of sectors, and STEM occupations are projected to grow even more in the future. However, access to STEM education for girls and women, is limited by gender norms, minimal scholarship opportunities, a lack of role models and mentors, financial responsibilities and more.

With this in mind, the Optiver Foundation joined forces with Women Win, a global women's fund whose mission is to economically empower women. As part of our partnership, the Foundation will support the development of the 'Stemming the Gap: THE FREE STEM Fund' which will focus on enhancing equal access to STEM for girls and women in underprivileged communities.

Over the next few years, the fund envisions providing grants to youth-led, women-led and community-based organisations, women-led social enterprises and educational institutions in the Global South (including Latin America, Asia, Africa, and Oceania). Women Win will manage the fund using its unique experience with inclusive and participatory philanthropy.



With the development of this fund, the Foundation hopes to contribute to the narrowing of the gender STEM gap, encourage gender equity and empower diversity in STEM-related education, and eventually, in the workplace. With both the finance and tech industry still dominated by males, the Optiver Foundation strives to endorse and advance women in every arena that we can, especially in our own STEM fields.



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Please keep off the grass

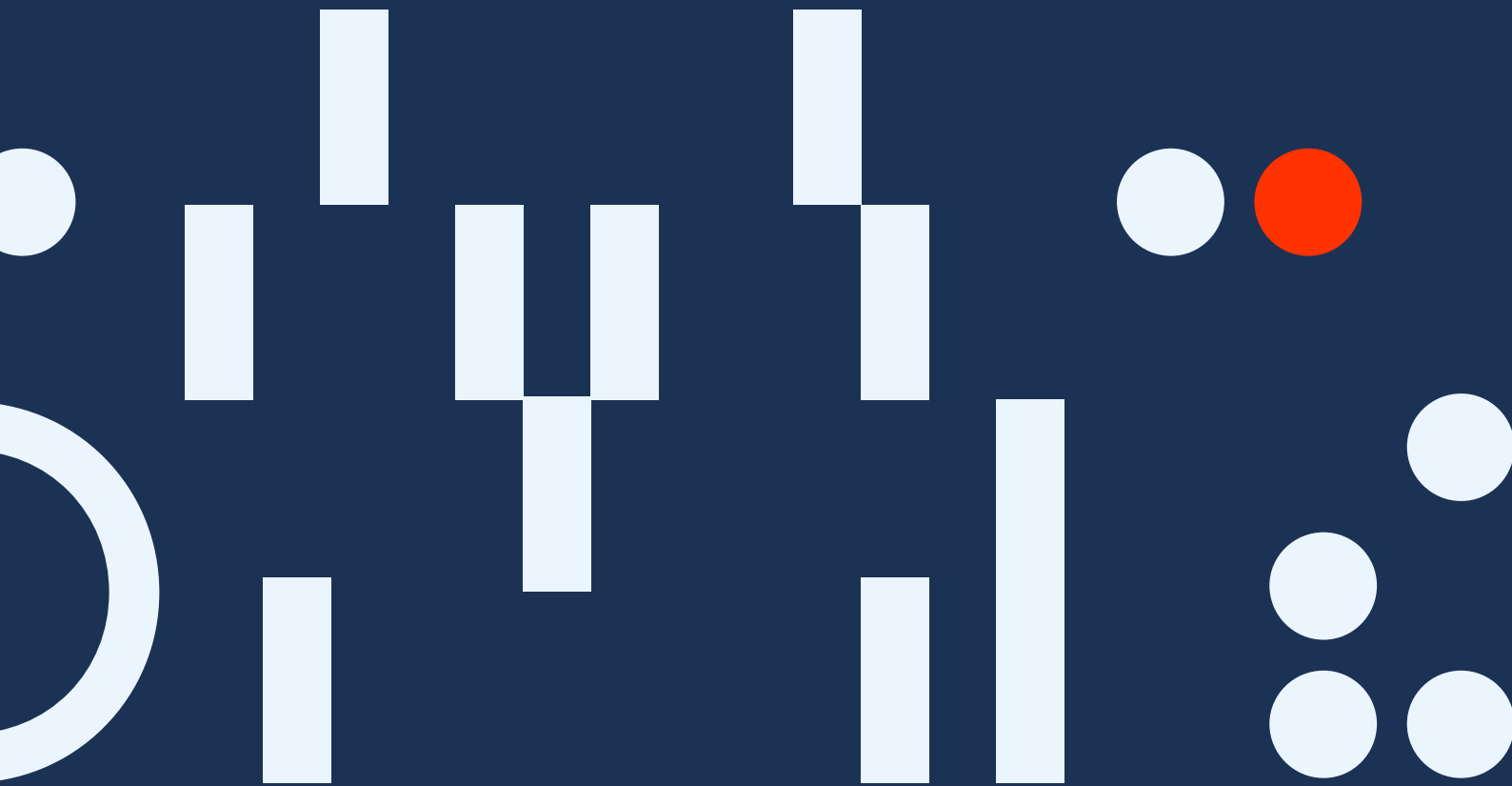


Looking ahead

To date, the Optiver Foundation has made a great start in laying the groundwork needed to make a positive change on some of the world's most important causes. But as we look ahead, there is still a lot more work to be done. In addition to Landlife and Women Win, the Foundation is in the process of finalising its next long-term partnership with the funding of a scholarship programme at the University of Oxford, to enable students from disadvantaged backgrounds to pursue studies in STEM fields.



The Optiver Foundation Fund





Results and operations at a Glance

Optiver Foundation (“Foundation”) reported a net result of €35,481,209 in 2021. The contribution from Optiver Holding B.V. of €35,000,000 accounts for most of this result. The Foundation spent €1,268,272 towards its operating objectives during the year and recorded net financial income of €1,620,270. The financial income was related to gains on the Foundation’s investments.

The Foundation exhibited a strong financial position at the end of 2021, with total assets of €35,513,638. We maintain a conservative capital structure that is designed as an endowment fund, providing sustainable financing to causes and initiatives that have a positive, long-term impact on our world.

The fund management is responsible for investing the funds of the Foundation in sustainable investments that do no harm to the environment or society or against any element of the Foundation’s mission. The return on the investments are used for the Foundation activities; this ensures that the capital stays intact and creates a sustainable existence. The Foundation may not have more assets than necessary for its work. Therefore, the Foundation’s assets must remain limited.



Balance sheet

| € | 2021 |
|--|-------------------|
| Assets | |
| Financial assets | |
| Other investments | 27,590,260 |
| Receivables | |
| Taxes and social security charges | 8,322 |
| Cash and cash equivalents | 7,915,056 |
| Total Assets | 35,513,638 |
| Equity and liabilities | |
| Capital | |
| Result for the year | 35,351,998 |
| Current liabilities | |
| Current other payables, liabilities and accrued expenses | 161,640 |
| Total equity and liabilities | 35,513,638 |

Statement of activities

for the period 27-11-2020 until 31-12-2021

| € | 27-11-2020 / 21-12-2021 |
|----------------------------------|-------------------------|
| Benefits | |
| Donations | 35,000,000 |
| Total of sum of donations | 35,000,000 |
| Expenses | |
| Spent on objectives | 1,072,847 |
| Other operating expenses | 195,425 |
| Total of sum of expenses | 1,268,272 |
| Total of operating result | 33,731,728 |
| Financial income and expense | 1,620,270 |
| Total of net result | 35,351,998 |

Notes to the financial statements

1. Nature of the business

General

The Optiver Foundation (“Foundation”) is a foundation under Dutch law. It has been incorporated at 27-11-2020. The address of the Foundation is Strawinskyiaan 3095, 1077ZX Amsterdam, The Netherlands. The Foundation optiver is registered at the Chamber of Commerce under number 81037252.

The objective of the Foundation is to create a sustainable, global environment through technology, science, and education. By promoting nature conservation, women empowerment, and various education initiatives, the Foundation works toward meeting this objective.

Final reporting period

These financial statements have been prepared for the period 27-11-2020 until 31-12-2021.

Applicable accounting policies

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

These financial statements have been prepared on the basis of the going concern assumption.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

2. Significant accounting policies

Basis of preparation

These financial statements are presented in euro, which is the Foundation's presentation and functional currency. All amounts have been rounded to the nearest euro, except when otherwise indicated.

The notes to the financial statements are prepared using the concepts of materiality and relevance. This means that information not considered material in terms of quantitative and qualitative measures or which is irrelevant to the financial statement users is not presented in the notes.

The significant accounting policies have been incorporated into the notes to which they relate.

Transactions in foreign currencies

Items included in the financial statements of the Foundation are valued with due regard for the currency in the economic environment in which the company carries out most of its activities (the functional currency). The financial statements are denominated in euros; this is both the functional currency and presentation currency of the Foundation.

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date.

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the profit and loss account.

Non-monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Recognition and measurement

The financial statements have been prepared on amortized cost basis.

An asset is disclosed in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Foundation and the cost of the asset can be measured reliably. A liability is recognised in the balance sheet when it is expected to result in an outflow from the Foundation of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

Income is recognised in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability has arisen, the size of which can be measured reliably. Expenses are recognised when a decrease in the economic

potential related to a decrease in an asset or an increase of a liability has arisen, the size of which can be measured with sufficient reliability.

If a transaction results in a transfer of future economic benefits and or when all risks relating to assets or liabilities transfer to a third party, the asset or liability is no longer included in the balance sheet. Assets and liabilities are not included in the balance sheet if economic benefits are not probable and/or cannot be measured with sufficient reliability.

Revenues and expenses are allocated to the period to which they relate. Revenues are recognized when the Foundation has transferred the significant risks and rewards of ownership to the buyer.

Fund accounting

The Foundation holds restricted and unrestricted funds.

Unrestricted income funds comprise those funds which the directors are free to use for any purpose in furtherance of the charitable objects of the Foundation.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. Restricted funds comprise donations to the Foundation which are held pending instructions for investment or onward donation to charitable organizations.

Disclosure of estimates

In applying the principles and policies for drawing up the financial statements, the directors of the Foundation make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Impairment of non-current assets

On each balance sheet date, the Foundation assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realisable value and the value in use.

An impairment loss is directly recognised in the statement of activities while the carrying amount of the asset concerned is concurrently reduced.

The realisable value is initially based on a binding sale agreement; if there is no such

agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. The costs deducted in determining net realizable value are based on the estimated costs that are directly attributable to the sale and are necessary to realize the sale. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash generating unit; these cash flows are discounted, based on a discount rate. The discount rate does not reflect risks already taken into account in future cash flows.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill cannot be reversed.

3. Benefits

Benefits consists of donations and investment income.

Accounting policy

Income is allocated to the period which it relates to. Income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably.

Interest receivable on financial assets is recognised using the effective interest method. Dividends are recognised once the dividend has been declared and notification has been received of the value of the dividend due.

| € | 27-11-2020 / 31-12-2021 |
|------------------|-------------------------|
| Donations | 35,000,000 |
| Donations | 35,000,000 |

4. Expenses

Accounting policy

| € | 27-11-2020 / 31-12-2021 |
|---------------------------|-------------------------|
| Land Life project costs | 1,072,847 |
| Spent on objective | 1,072,847 |

Other operating expenses

| € | 27-11-2020 / 31-12-2021 |
|---------------------------------|-------------------------|
| General Expenses | |
| Bank expenses | 81,823 |
| Asset management fee | 68,306 |
| Accounting expenses | 17,303 |
| Management fee | 15,125 |
| Other general expenses | 12,868 |
| Other operating expenses | 195,425 |

All costs are spent on objectives.

The Foundation had no employees during the financial year 2020/2021.

5. Financial income and expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the statement of activities in the period in which they occur, unless hedge accounting is applied.

Declared dividends from participations and securities valued at historical cost are recognised as soon as the Foundation has acquired the right to them.

| € | 27-11-2020 / 31-12-2021 |
|--|-------------------------|
| Value changes of receivables from securities | 1,528,380 |
| Financial income from securities | 110,773 |
| Currency translation differences | (18,883) |
| Tax and social security charges | 1,620,270 |

6. Financial investments

Investments in non-listed entities over which no significant influence can be exercised are valued at historical cost. The result represents the dividend declared in the reporting year, whereby dividend not distributed in cash is valued at fair value.

In the event of an impairment loss, valuation takes place at the recoverable amount; an impairment is recognised and charged to the statement of activities.

Securities are valued at market value as per balance sheet date.

| € | 31-12-2021 |
|--------------------------|-------------------|
| Credit Suisse securities | 24,540,260 |
| Optiver Holding B.V | 3,050,000 |
| Other Investments | 27,590,260 |

7. Other current assets and liabilities

The other current assets have a maturity less than one year, unless stated otherwise. The fair value of the accounts receivable is close to the carrying amount, given the current nature of the accounts receivable and the fact that, where necessary, provisions for bad debt have been recognised.

Receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Taxes and social security charges

| € | 31-12-2021 |
|--|--------------|
| Withholding tax | 4,739 |
| Foreign withholding tax | 3,583 |
| Tax and social security charges | 8,322 |

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received considering premiums or discounts and minus transaction costs. This is usually the nominal value.

The current liabilities have a remaining term of maturity of less than one year. The fair value of current liabilities approximates the carrying amount because of their short-term character.

Other current liabilities

| € | 31-12-2021 |
|--|----------------|
| Trade payable | 83,567 |
| Accrued Land Life project costs | 45,644 |
| Accounting expenses | 17,304 |
| Accrued management fee | 15,125 |
| Tax and social security charges | 161,640 |

8. Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

The cash and cash equivalents of € 7.915.056 are freely available to the Foundation.

| € | 31-12-2021 |
|----------------------------------|------------------|
| Credit Suisse | 7,915,056 |
| Cash and cash equivalents | 7,915,056 |

9. Reserves

Reserves are the residual interest in the assets after deducting all liabilities recognised in the balance sheet.

| € | Result for the year |
|---------------------------------------|---------------------|
| Balance as at 27 November 2020 | 0 |
| Result for the year | 35,351,998 |
| Balance as at 31 December 2021 | 35,351,998 |

10. Commitments and contingent liabilities

The Foundation entered into a contract with Land Life Company B.V. to offset the CO2 emissions of Optiver Holding B.V. The total commitment runs until mid-2023 and totals EUR 1,932,000. The first EUR 1,072,847 was paid in 2021. The remaining amount of 859,153 will be paid within a year. The above is an estimation as there are no fixed payment terms and this is dependent on the commencement date.

11. Subsequent events

There are no subsequent events with significant impact on the financial statements.

12. Other information

Appropriation of the profit

The board of directors proposes to appropriate the result over the financial period 2021 as follows: the amount will be fully added to the reserves of the Foundation.

The proposal has been incorporated in the financial statements.



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