



Financial statements

Financial statements

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Balance sheet as of 31 December 2018

(Before profit appropriation)

Assets	Notes	31-12-2018	31-12-2017
Fixed assets			
Intangible fixed assets	1	1,874,343	863,486
Tangible fixed assets	2	533,302,957	502,981,451
Financial fixed assets	3	284,758,391	321,170,809
Total fixed assets		819,935,691	825,015,746
Current assets			
Receivables	4	25,353,143	16,270,812
Liquid assets	5	6,673,255	35,333,279
Total current assets		32,026,398	51,604,091
TOTAL ASSETS		851,962,089	876,619,837
Liabilities			
Shareholders' equity	6		
Issued capital	7	45,000	45,000
Share premium reserve	8	300,584,972	300,584,972
Legal and statutory reserves	9	2,195,479	2,567,525
Other reserve		318,484,962	22,604,093
Result for the year		17,940,069	356,447,395
		639,250,482	682,248,985
Provisions	10	75,382,521	76,501,954
Non-current liabilities	11	59,313,650	63,144,910
Current liabilities	12	78,015,436	54,723,988
TOTAL LIABILITIES		851,962,089	876,619,837

Statement of profit and loss for 2018

	Notes	2018	2017
Revenue	13	157,412,776	150,055,980
Personnel expenses	14	34,393,881	33,238,553
Depreciation and amortisation	15	21,719,023	21,680,629
Other operating expenses	16	28,855,780	20,852,822
Total operating costs		84,968,684	75,772,004
Operating result		72,444,092	74,283,976
Financial income and expenditure	17	654,914	796,105
Result from business operations before tax		73,099,006	75,080,081
Taxes	18	-56,533,306	281,347,428
Result from business operations after tax		16,565,700	356,427,509
Share in results of participating interests	19	1,374,369	19,886
NET PROFIT AFTER TAX		17,940,069	356,447,395

Cash flow statement for 2018

Cash flow from operating activities	2018	2017
Operating result	72,444,092	74,283,976
Adjustments for:		
Depreciation and amortisation	21,568,122	21,679,303
Change in provisions	-1,148,716	-1,413,532
Change in provision for financial fixed assets	-	-10,366,281
Redemption of ground lease	-2,117,436	-2,181,099
	18,301,970	7,718,391
<i>Movements in working capital</i>		
Movement in receivables	-3,609,944	34,905
Movement in current liabilities	14,961,423	631,219
	11,351,479	666,124
Cash flow from operating activities	102,097,541	82,668,491
Interest received	758,625	692,357
Interest paid	-12,346	-51,535
Taxes	-28,105,000	-
	-27,358,721	640,822
Cash flow from operating activities	74,738,820	83,309,313

Cash flow from investing activities	2018	2017
Investments in intangible fixed assets	-1,201,110	-547,370
Investments in tangible fixed assets	-53,298,564	-31,896,824
Investment in financial fixed assets	-15,733,683	-3,720,817
Disposals of intangible fixed assets	-	1,326
Disposals of tangible fixed assets	156,174	-
Third-party contributions to investments	1,443,015	1,930,220
Repayment of financial fixed assets	1,887,720	1,832,533
Dividends received from participating interests	1,000,000	-
Cash flow from investing activities	-65,746,448	-32,400,932
<i>Cash flow from financing activities</i>		
Dividends paid	-60,938,572	-50,000,000
Increase in non-current liabilities	435,408	399,956
Repayment of non-current liabilities	-2,149,232	-47,056
Movement in liabilities to credit institutions	25,000,000	-
	-37,652,396	-49,647,100
Cash flow from financing activities	-37,652,396	-49,647,100
Movement in cash and cash equivalents	-28,660,024	1,261,281
<i>Developments of movements in cash and cash equivalents</i>		
Position at the beginning of the financial year	35,333,279	34,071,998
Movements in the financial year	-28,660,024	1,261,281
Position at the end of the financial year	6,673,255	35,333,279

Accounting policies

Company profile

In accordance with its articles of association, Port of Amsterdam (legal name: Havenbedrijf Amsterdam N.V.) has its corporate domicile and principal place of business at De Ruijterkade 7, 1013 AA Amsterdam and is registered in the Commercial Register under number 57398879.

General notes

Core activities of the legal entity

Port of Amsterdam is principally engaged in the following activities:

- Optimising services and the business development climate for companies based in the port region, focusing on existing customers, attracting new cargo flows and businesses, as well as marketing and promotional activities;
- Construction and maintenance of the infrastructure, renovation of the port and management of the Amsterdam Westpoort port area;
- Promoting swift, safe and environmentally responsible handling of shipping traffic from 12 miles off the coast at IJmuiden to the Oranje locks, partly on the basis of regulations and enforcement.

Consolidation

The sole shareholder of Port of Amsterdam is the Municipality of Amsterdam. Port of Amsterdam also has participating interests in Hallum Cruise B.V., Bouw en Handelsmaatschappij Hallum B.V. (hereinafter Hallum B.V.), and Regionale Ontwikkelingsmaatschappij N.V. (Hereinafter RON N.V.).

Port of Amsterdam applies the exemption from the obligation to consolidate the figures of participating interests if the joint financial significance of the companies to be included in the consolidation is negligible compared with Port of Amsterdam as a whole (DASB 217.304).

Related-party transactions

A related party is any legal entity over which dominant control, joint control or significant influence can be exercised. Legal entities over which a controlling interest can be exercised are also classified as related parties. Members of the Board of Directors named in the articles of association, other key officers of Port of Amsterdam or its parent company and those closely related to them are also related parties.

Significant transactions with related parties are explained insofar as they were not concluded under normal market conditions. The explanation includes the nature and size of the transaction, as well as any other information necessary to enable an understanding of the transaction.

Estimates

In applying the accounting policies and rules for preparing the financial statements, the Board of Directors of Port of Amsterdam makes various judgements, estimates and assumptions based on circumstances and information available at the time of preparing the financial statements. Estimates based on future events or the occurrence of expected events may be subject to future changes in the market and circumstances outside the control of the group. These changes in estimates are recognised on a forward-looking basis. The main judgements and estimates, including the underlying assumptions, are:

Depreciation/amortisation and residual value

The depreciation and amortisation periods have been determined for each asset class on the basis of the estimated economic life of the assets, which are depreciated to zero on a straight-line basis, taking account of any residual value. The depreciation and amortisation periods used are set out in Parts 1 and 2 of the notes to the financial statements.

Accounting policies

During the year, an assessment is made of whether any changes have occurred in the estimates and assumptions relating to assets that require an adjustment to their useful life. Any such adjustments are made on a forward-looking basis.

Provision for deferred tax

Deferred tax assets are recognised when it is likely that there will be taxable profit in the future. The main estimate concerns the forecast results based on the long-term budget.

Provision for doubtful debts

Provisions deemed necessary for possible losses due to the risk of irrecoverability are deducted. These provisions are determined on the basis of individual assessment of the receivables. The estimation elements relate mainly to the age of the receivables and the creditworthiness of the customers.

Employee benefits provision

The estimated elements relate primarily to the interest rates used, projected salary trends, the probability of redundancy, retention and retirement, as well as inflation assumptions and career tables.

Provision for decontamination liabilities

This provision is calculated on the basis of the currently known decontamination costs, taking into account price indexation and the anticipated impact on decontamination costs of technological developments in this field.

Provision for demolition

This provision is calculated on the basis of the currently known demolition costs, taking into account price indexation and the anticipated impact on costs of technological developments in this field.

Provision for home insulation

This provision is calculated on the basis of the currently known insulation costs.

General accounting policies

The standards according to which the financial statements have been prepared

The financial statements have been prepared in accordance with the provisions of Part 9, Book 2 of the Dutch Civil Code and the provisions of the Guidelines for Financial Reporting issued by the Dutch Accounting Standards Board. The financial statements have been prepared on the basis of historical cost. Assets and liabilities are stated at nominal value unless another measurement basis is stated. Income and expenses are allocated to the year to which they

relate. Profits are only recognised insofar as they have been realised by the balance sheet date. Liabilities and potential losses originating before the end of the reporting year are recognised if they became known before the preparation of the financial statements.

Netting

Assets and liabilities are netted in the financial statements if and to the extent that:

- There is a reliable legal instrument to net and simultaneously settle the asset and the liability;
- There is a firm intention to settle the net amount or the two items simultaneously.

Changes in estimates

Port of Amsterdam has been subject to corporate income tax since 1 January 2017. A fiscal opening balance sheet was therefore prepared in which the assets and liabilities were valued on a commercial basis. The fiscal value of the company is higher than the commercial value. Under the Annual Reporting Guidelines, a deferred tax asset must be recognised equal to the difference between the fiscal value and the commercial value. In the 2017 financial year the recognised deferred tax (1 January 2017: €300.1 million) as the best estimate based on discussions with the tax administration. In 2017, this non-recurring income led to corporate income tax income totalling €281.3 million after deduction of the regular tax charge for 2017 amounting to €18.8 million, in which the current corporate tax amounts

Accounting policies

to €14.1 million. This income has been stated as follows in the statement of profit and loss for 2017.

A settlement agreement was signed by Port of Amsterdam and the tax administration on 17 January 2019. This includes the definitive fiscal opening balance sheet as well as a number of other agreements on the specification of the fiscal profit of Port of Amsterdam. According to the definitive fiscal opening balance sheet in the settlement agreement, there is a total difference of €937 million between the equity for tax purposes on 1 January 2017 of €1,804 million and the equity for commercial purposes on that date of €867 million.

A higher valuation for the 'Prepaid ground lease for land and sites' was the main cause of the difference between the equity in the fiscal and commercial balance sheets. The prepaid ground lease is valued at fair value in the fiscal opening balance sheet and in the commercial financial statement based on the historical cost. As a result of the final adoption of the fiscal opening balance sheet, the sum of €12.6 million must be added to the deferred tax asset in 2018.

The effect of the change of estimate is explained in Part 3 of the notes to the financial statements.

Error recovery

Provision for decontamination liabilities

Provision for decontamination liabilities

On 21 December 2017, City Council approved the Port-City Development Strategy, which means that from 2029 the Municipality of Amsterdam will build between 40,000 and 70,000 homes. Some of these homes will be built in the port area around Coenhaven, Minervahaven, Mercuriushaven and Vlothaven. Having regard to this decision and the possible consequences for the Port-City area in the near future, an external party was commissioned in 2018 to investigate the decontamination costs of restoring the area to the industry standard as defined in the Soil Quality Regulation. The additional estimated decontamination cost is €22.5 million.

The port sites examined in Port-City form part of the ground lease agreement between the Municipality of Amsterdam and Port of Amsterdam. When the area is transformed, the Municipality of Amsterdam can once again acquire full ownership of the land. The ground lease agreement, which was drawn up when the company became an independent entity in 2013, between the Municipality of Amsterdam and Port of Amsterdam, specifies that the cost of decontaminating the land to the industry standard would be on the account and risk of Port of Amsterdam.

On the basis of the foregoing, Port of Amsterdam concluded during the 2018 financial year that the Port-City decontamination obligation already existed when the ground lease agreement with the Municipality of Amsterdam was concluded and at that time should have led to the additional allocation of €22.5 million to the provision for soil decontamination. The identified error was accounted for retrospectively with the cumulative effect being charged to shareholders' equity on 1 January 2017.

As a result of the identified error, the deferred tax asset was adjusted upwards by €5.6 million. This effect has been recognised retrospectively with an adjustment to the comparison figures for 2017.

The effect of the error recovery on the balance sheet as at 1 January 2017, 31 December 2017 and the 2017 result is as follows:

Accounting policies

	Balance sheet as of 1 January 2017	Effect of error recovery	Revised balance sheet as of 1 January 2017	Balance sheet as at 31 December 2017	Effect of error recovery	Effect of reclassifications in the 2018 financial statements	Revised balance sheet as at 31 December 2017
Assets							
Fixed assets	495,011,592	–	495,011,592	503,844,937	–	–	503,844,937
Financial fixed assets	12,943,525	–	12,943,525	315,538,309	5,632,500	–	321,170,809
Current assets	50,767,325	–	50,767,325	51,634,569	–	–30,478	51,604,091
Total assets	558,722,442	–	558,722,442	871,017,815	5,632,500	–30,478	876,619,837
Shareholders' equity and liabilities							
Issued share capital	45,000	–	45,000	45,000	–	–	45,000
Share premium	300,584,972	–	300,584,972	300,584,972	–	–	300,584,972
Legal and statutory reserves	397,134	–	397,134	2,567,525	–	–	2,567,525
General reserves	22,970,617	–22,530,000	440,617	45,134,093	–22,530,000	–	22,604,093
Undistributed profit	74,333,867	–	74,333,867	350,814,895	5,632,500	–	356,447,395
Shareholders' equity	398,331,590	–22,530,000	375,801,590	699,146,485	–16,897,500	–	682,248,985
Provision for decontamination liabilities	51,793,237	22,530,000	74,323,237	51,862,416	22,530,000	–	74,392,416
Other provisions	3,623,028	–	3,623,028	2,109,538	–	–	2,109,538
Non-current liabilities	64,973,109	–	64,973,109	63,144,910	–	–	63,144,910
Current liabilities	40,001,478	–	40,001,478	54,754,466	–	–30,478	54,723,988
Total shareholders' equity and liabilities	558,722,442	–	558,722,442	871,017,815	5,632,500	–30,478	876,619,837

Accounting policies

Revised statement of profit and loss for 2017	Reported 2017	Effect of error recovery	Revised 2017 figures
Amounts in €			
Total operating income	150,055,980		150,055,980
Wages, salaries and social security contributions	33,238,553		33,238,553
Depreciation and amortisation of tangible and intangible fixed assets	21,680,629		21,641,810
Other operating expenses	20,852,822		20,852,822
Total operating expenses	75,772,004		75,733,185
Operating result	74,283,976		74,322,795
Financial income and expenditure	796,105		796,105
Result before tax	75,080,081		75,118,900
Taxes	275,714,928	5,632,500	281,347,428
Result after tax	350,795,009	5,632,500	356,466,328
Share in results of participating interests	19,886	–	19,886
Net profit	350,814,895	5,632,500	356,447,395

Accounting policies

Conversion of foreign currency

The financial statements are expressed in euros, which is both the functional and the presentation currency of Port of Amsterdam.

Conversion of foreign currency for the balance sheet

Accounts receivable, debts and liabilities in foreign currencies are converted at the rate prevailing on the balance sheet date. Exchange differences resulting from settlement and conversion are credited or charged to the statement of profit and loss.

Conversion of foreign currency for the statement of profit and loss

Transactions in foreign currencies during the reporting period are recognised in the financial statements at the exchange rate on the date of the transaction.

Leases

An assessment is made of whether a contract constitutes a lease on the basis of the economic reality at the time the contract is concluded. A contract is deemed to be a lease if the right to use an asset is ceded to another party for an agreed period and for a specified fee.

Operational leases

Liabilities relating to operating leases are recognised in the statement of profit and loss over the term of the lease. Liabilities after the financial year are stated under contingent liabilities.

Pension schemes

The company's employees participate in the sector pension scheme of Algemeen Burgerlijk Pensioenfonds (ABP). The average salary scheme is funded by payments to ABP. Pension liabilities are measured according to the 'obligation to the pension provider' approach. In this approach, the contribution payable to the pension provider is stated as an expense in the statement of profit and loss.

The pension administration agreement is used as a basis for assessing whether and, if so, liabilities exist on the balance sheet date in addition to the payment of the annual contribution to the pension provider. These additional obligations, including any obligations under the pension provider's recovery plans, lead to expenses for the company and are included in a provision in the balance sheet. At the end of 2018 and 2017 there were no liabilities apart from the payment of the annual contribution to the pension provider.

ABP's coverage ratio as at 31 December 2018 was 97.0% (2017: 104.4%). This coverage ratio is a snapshot of the financial position on 31 December 2018. As the current coverage ratio can fluctuate sharply within a short period, pension funds are required to apply the 'policy coverage ratio' as of 2015. The policy coverage ratio is an average of twelve months. ABP's policy coverage ratio as at 31 December 2018 was 103.8% (2017: 101.5%). Legally, the coverage ratio must be 128% and not be below 104.2% for more than five years. Measures taken by ABP in recent years in connection with non-compliance with the 104.2% statutory policy coverage ratio include non-indexation of pensions.

Accounting policies

Valuation policies for assets and liabilities

Intangible fixed assets

An intangible fixed asset is recognised in the balance sheet if:

- it is likely that economic benefits will accrue to the company and;
- the cost of the asset can be reliably determined.

Expenses in connection with an intangible fixed asset that do not meet the conditions for capitalisation, such as expenditures relating to research and internally developed brands, logos, publishing rights and customer bases, are recognised directly in the statement of profit and loss.

Intangible fixed assets are carried at cost and net of cumulative depreciation and any impairments.

Intangible fixed assets are amortised systematically on the basis of the estimated economic life at a maximum of twenty years, calculated on the basis of a fixed percentage of the cost of acquisition, taking any residual value into account. The economic life and the amortisation method are reassessed at the end of every financial year. Intangible fixed assets under construction are not amortised.

Development costs are capitalised if the applicable conditions are met with regard to technical, commercial and financial feasibility. A legal reserve is maintained equivalent to the capitalised amount.

If expectations concerning the depreciation method, useful life or residual value undergo any changes over time, it is accounted for as a change in the accounting estimate.

Tangible fixed assets

A tangible fixed asset is recognised in the balance sheet if:

- it is likely that economic benefits will accrue to the company and;
- the cost of the asset can be reliably determined.

Tangible fixed assets are carried at cost minus investment subsidies and third-party contributions, and net of accumulated depreciation and any impairments. Depreciation is based on the estimated useful life and calculated on the basis of a fixed percentage of the cost of acquisition, taking account of any residual value. Depreciation commences when the asset is taken into use. Owned land and tangible fixed assets under construction are not depreciated.

Tangible fixed assets under construction are measured at manufacturing cost net of any impairments, where applicable. The manufacturing cost consists of material costs, direct labour costs and an attributable portion of the indirect production costs.

Investment grants and contributions are deducted from the acquisition cost of the assets to which they relate, which results in lower depreciation charged to income.

Tangible fixed assets taken out of operation are valued at the carrying value and the net realisable value. A tangible fixed asset is no longer recognised in the balance sheet on disposal or if no future performance units are expected from its use or disposal. The gain or loss resulting from the disposal is recognised in the statement of profit and loss.

Scheduled major maintenance is capitalised according to the component approach. The cost includes the cost of major maintenance as soon as these costs arise and the capitalisation criteria have been fulfilled. The carrying amount of the components to be replaced are then treated as a disposal and is charged in the statement of profit and loss. If expectations concerning the depreciation method, useful life or residual value undergo any changes over time, this is accounted for as a change in the accounting estimate.

Accounting policies

Financial fixed assets

Participating interests in group companies

Non-consolidated participating interests over whose business and financial policies significant influence can be exerted are carried at net asset value, but not below zero. This net asset value is calculated on the basis of the accounting policies that apply to Port of Amsterdam.

Significant influence is deemed to exist if a shareholder's interest exceeds 20% of the voting rights attached to the shares. Participating interests with a negative net asset value are valued at zero. A provision is recognised if all or part of the debts of the relevant participating interest are guaranteed by the company or the company has an actual obligation to enable the participating interest to pay its debts in respect of its share. In determining the amount of this provision, due account is taken of bad debt provisions already deducted from amounts receivable from the participating interest.

Participating interests over which no significant influence is exerted in terms of financial and commercial policy are valued at the acquisition cost and net of any impairments, where applicable.

Other non-current receivables

At initial recognition, the loans and other receivables recognised under financial fixed assets are carried at fair value plus the directly attributable transaction costs. After initial recognition, loans granted and other receivables are carried at amortised cost in accordance with the effective interest method. Income and expenses are recognised in the statement of profit and loss through the amortisation process.

Deferred tax assets

Deferred tax assets are recognised for deductible tax losses and deductible temporary differences between the value of assets and liabilities according to tax rules and the accounting principles followed in this financial statements, on the understanding that deferred tax assets are recognised only if it is likely that future taxable profit will be available against which the temporary differences can be settled and losses can be offset.

Deferred tax assets are calculated at the tax rates prevailing at the end of the reporting year or at the rates that will apply in forthcoming years, where such rates have already been set by law.

Deferred tax assets are carried at nominal value.

Impairments of fixed assets

On each balance sheet date an assessment is made of whether there are any indications that a fixed asset may be impaired. If such indications exist, the realisable value of the asset is determined. If it is not possible to determine the realisable value of the individual asset, the realisable value of the cash-generating unit to which the asset belongs is determined. An impairment loss is recognised if the carrying amount of an asset or of the cash-generating unit to which it belongs exceeds the realisable value. The realisable value is the higher of the net realisable value and the value in use. Impairment losses are recognised directly as expenses in the statement of profit and loss.

Receivables

Receivables are carried at fair value at initial recognition and subsequently at amortised cost. Provisions deemed necessary for possible losses due to the risk of irrecoverability are deducted. These provisions are determined on the basis of individual assessment of receivables.

Cash and cash equivalents

Cash and cash equivalents consist of cash, bank account credit balances and demand deposits with a maturity of less than three months. Cash and cash equivalents are carried at nominal value.

Accounting policies

Provisions

Provisions are recognised for legally enforceable or constructive obligations existing on the balance sheet date where settlement is likely to entail an outflow of resources whose amount can be reliably estimated.

Provision for decontamination liabilities

Port of Amsterdam, under the land lease agreement with the Municipality of Amsterdam, has the obligation with effect from 1 April 2013 to return the leased port sites on the basis of the industry standard under the Soil Quality Regulation. This obligation applies on termination of the continuous land lease contract.

An exception to the soil decontamination obligation applies in respect of all pollution arising as a result of acts of war during World War II. In the Port Agreement, the Municipality of Amsterdam indemnifies Port of Amsterdam in respect of the environmental damage caused during that period.

In order to be able to deliver the land according to the industry standard, it is important that there is controllability of any new pollution but also of pollution that was already known and present before 1 April 2013, because Port of Amsterdam is also responsible for the 'older' pollution. As part of the deferred restoration obligation under the land lease agreement with the Municipality of Amsterdam, Havenbedrijf Amsterdam

N.V. has included a standard clause in the contracts with its tenants or leaseholders stating that the port land must be returned in the state in which they acquired it. The deferred obligation of Havenbedrijf Amsterdam N.V. has therefore been assigned to the leaseholders or tenants of the port site. In the event of new pollution, the decontamination obligation is incumbent in the first instance under the Soil Protection Act (Wet bodembescherming, Wbb) on the party causing the pollution and in the second instance under the restoration obligation clause on the user of the port site, provided the site was not contaminated before it was issued.

On termination of the rental or land lease contract, it is possible that companies may be fully or partly unable to comply with the decontamination obligation or that persistence with the obligation would lead to irresponsible destruction of capital, such as demolition of buildings to eliminate soil contamination. Havenbedrijf Amsterdam N.V. therefore offers its tenant or leaseholder the possibility of buying out the decontamination obligation.

The provision for the deferred soil obligation and demolition of buildings is measured at the nominal value of the expected decontamination expense at the sites concerned, taking into account the risks, uncertainties, price indexation and anticipated impact on decontamination costs of technological developments.

Provision for demolition liabilities

The provision for demolition liabilities is measured at the nominal value of the expected demolition expense at the sites concerned, taking into account the risks, uncertainties, price indexation and anticipated impact on demolition costs of technological developments. The restoration costs are recognised through a provision formed over the expected useful life of the asset equivalent to the amount necessary to settle the restoration obligation. An amount is added to the provision each year as a charge against the statement of profit and loss.

Provision for personnel

Other deferred employee benefits are payments due to service anniversaries and payments due to former employees entitled to non-statutory unemployment benefits. The stated liability is the best estimate of the amounts necessary to settle the respective liabilities on the balance sheet date. The liability is carried at present value. Discounting takes place at the market interest rate (effective yield) of high-quality corporate bonds at the balance sheet date.

Provision for home insulation

The other provisions concern liabilities relating to home insulation. These provisions are measured at the present value of the expected expenditure required in order to settle the respective liabilities.

Accounting policies

Non-current liabilities

Non-current liabilities are carried at fair value at initial recognition and subsequently at amortised cost.

Redemption of ground leases

Site tenants have the option to redeem ground leases at their present value during the term of the lease. The redemption amounts received are stated in non-current liabilities. Ground lease payments received in advance relating to the following financial year are stated under current liabilities.

Current liabilities

Current liabilities are measured at fair value at initial recognition and subsequently at amortised cost.

Principles for determining the result

Revenue recognition

Revenue is exclusive of sales tax and less any discounts. Sales revenue is recognised in the statement of profit and loss when all significant rights to economic benefits as well as all significant risks have been transferred to the purchaser. Revenue from services is recognised in proportion to the services performed, based on the costs incurred for the services up to the balance sheet date in proportion to the estimated costs of the total services to be performed. The cost of these services is allocated to the same period.

Total expenses

The expenses are determined on a historical basis and allocated to the reporting year to which they relate. Foreseeable liabilities and potential losses originating before the end of the financial year are recognised if they became known before the financial statements were prepared and the conditions for recognition of the provision are satisfied.

Depreciation of intangible fixed assets

Intangible fixed assets including goodwill are amortised from the time when they are ready to be taken into use over the expected future useful life of the asset.

If there is a change in the estimate of the future useful life, the future depreciation will be adjusted.

Depreciation of tangible fixed assets

Tangible fixed assets are depreciated from the time when they are ready to be taken into use over the expected future useful life of the asset. Owned land is not depreciated.

If there is a change in the estimate of the future useful life, the future depreciation will be adjusted.

Book profits and losses from incidental sales of tangible fixed assets are included in the depreciation.

Financial income and expenditure

Interest income and expenses are recognised on a time-proportionate basis, taking into account the effective interest rate for the respective assets and liabilities. Interest expenses are added to provisions and non-current liabilities whose balance sheet value is determined on the basis of a present value calculation.

Accounting policies

Income tax on the profit or loss

Tax on the result is calculated on the pre-tax result in the statement of profit and loss, taking account of available, tax-deductible losses from previous financial years, insofar as they are not included in the deferred tax assets, exempt profit components and after the addition of non-deductible expenses. Changes to the deferred tax assets and deferred tax liabilities arising from changes in the applicable tax rate are also taken into account.

Share in results of participating interests

The share in the results of participating interests is the share attributable to the company in the results of participating interests over whose business and financial policies the company exerts significant influence. These results are determined on the basis of the accounting policies of Port of Amsterdam. In the case of participating interests over whose financial and commercial policy no significant influence is exerted, the dividend is recognised as a profit.

Accounting policies relating to the cash flow statement

The cash flow statement has been prepared in accordance with the indirect method. The cash resources in the cash flow statement consist of cash and cash equivalents. Interest received and dividends received are included in the cash flow from operating activities. Interest paid and dividends paid are included in the cash flow from financing activities. Transactions that involve no transfer of cash or cash equivalents, including financial leasing, are excluded from the cash flow statement. The lease instalments payable under financial lease contracts are presented as repayments of liabilities for the repayment component and as interest paid for the interest component.

Notes to the balance sheet

1 Intangible fixed assets

	Costs of research and development	Concessions, licences and intellectual property	Assets under construction	Total
<i>Balance as at 1 January 2018</i>				
Acquisition cost	1,139,367	1,402,743	527,597	3,069,707
Cumulative depreciation	-1,000,395	-1,205,826	-	-2,206,221
Carrying amount as at 1 January 2018	138,972	196,917	527,597	863,486
<i>Movements</i>				
Investments	-	1,000	1,200,110	1,201,110
Depreciation	-96,498	-93,755	-	-190,253
Disposals (acquisition value)	-	-49,803	-	-49,803
Disposals (cumulative depreciation)	-	49,803	-	49,803
Balance of mutations	-96,498	-92,755	1,200,110	1,010,857
<i>Balance as at 31 December 2018</i>				
Acquisition value	1,139,367	1,353,941	1,727,707	4,221,015
Cumulative depreciation	-1,096,893	-1,249,779	-	-2,346,672
Book value as at 31 December 2018	42,474	104,162	1,727,707	1,874,343
Depreciation rates	33%	33%	-	

Notes to the balance sheet

The costs of research and development relate to the amounts paid to third parties with respect to proprietary software, such as applications for the collection of port dues and the Data Warehouse.

Concessions, licences and intellectual property relate to investments in new ICT applications and major maintenance of these applications for the benefit of the business operations of Port of Amsterdam. This item includes licences with a carrying amount as at year-end 2018: 37,350 (2017: €113,001).

A number of investments in intangible fixed assets have been amortised in full but are still in use. The most important of these are: Ophelia ZHG system, Data Warehouse and the Profit payroll programme.

The principal investments during the financial year related to new functionalities in the digital duty log and the inland port dues application.

Assets under construction primarily relate to the new scheduling and reservation system for river cruise vessels, the cloud transition and data management.

Notes to the balance sheet

2 Tangible fixed assets

	Prepaid ground lease for land and sites	Ground, road and water works	Other tangible fixed assets	Assets under construction	Total
<i>Book value as at 1 January 2018</i>					
Acquisition value	300,354,830	248,786,746	45,578,126	12,285,837	607,005,539
Cumulative depreciation	-30,047,414	-56,692,353	-17,284,321	-	-104,024,088
Book value as at 1 January 2018	270,307,416	192,094,393	28,293,805	12,285,837	502,981,451
<i>Movements</i>					
Investments	-	335,919	10,802,150	42,160,495	53,298,564
Commissioning	-	7,661,028	2,107,136	-9,768,164	-
Depreciation	-6,013,062	-11,604,441	-3,760,366	-	-21,377,869
Disposals (acquisition value)	-	-252,181	-259,832	-	-512,013
Disposals (cumulative depreciation)	-	106,205	249,634	-	355,839
Third-party contributions	-	-	-	-1,443,015	-1,443,015
Balance of movements	-6,013,062	-3,753,470	9,138,722	30,949,316	30,321,506
<i>Balance as at 31 December 2018</i>					
Acquisition value	300,354,830	256,531,511	58,227,580	43,235,153	658,349,074
Cumulative depreciation	-36,060,476	-68,190,588	-20,795,053	-	-125,046,117
Book value as at 31 December 2018	264,294,354	188,340,923	37,432,527	43,235,153	533,302,957
Depreciation rates	2%	0-10%	2-20%	-	

Notes to the balance sheet

Classification of movements

Due to the nature of the operating activities, the categories in the statement of movements differ from the legally specified categories. This is permitted because the categories used provide a better insight into the composition of the book value and invested sums.

Use of the component approach

Before Port of Amsterdam became an independent entity on 1 April 2013 no component approach was used with respect to tangible fixed assets. After that date, however, the component approach was used for better insight. The component approach is used for the asset classes of ground, road and water works, as well as a number of subclasses within the other tangible fixed assets. At the end of 2018 the carrying amounts of the asset classes 'Ground, road and water works' before and after the company became an independent entity were €133.2 million and €55.2 million respectively.

At the end of 2018, the carrying amounts of the subclasses in 'Other tangible fixed assets' before and after the company became an independent entity were €16.3 million and €21.1 million respectively.

Prepaid ground lease for land and sites

On its incorporation, the company acquired the port sites on a ground lease. The Municipality of Amsterdam has legal ownership of the port sites. The annual ground lease payments in the first period of 50 years are deemed to have been settled, as agreed between the Municipality of Amsterdam and Port of Amsterdam. An option to update the ground lease and revise the general terms and conditions of the principal ground lease is provided at the end of the first period on 31 March 2063. Based on the economic realities of the transaction, the Municipality has made a capital contribution of the buyout payment and the buyout payment has been capitalised as 'Prepaid ground lease for land and sites' with share premium as a counterpart on the balance sheet. Port of Amsterdam is charging the prepaid ground lease to the statement of profit and loss on a straight-line basis over a 50-year period.

Ground, road and water works

Ground, road and water works concern investments in the infrastructure of the entire port area, as well as land owned by the port.

The main investments and commissioning in 2018 concern large-scale maintenance on the Katoen Natie quay (€1.3 million) and on Radarweg and surrounding roads (€0.7 million).

Other tangible fixed assets

Other tangible fixed assets include vessels, installations, computer equipment and office equipment.

The main investments in commissioning in 2018 concern the purchase of the buildings on Koprweg (€10.8 million) and the renovation of two warehouses (€0.8 million).

Assets under construction

The largest items in assets under construction concern the projects relating to the expansion of the Afrikahaven quay (€8.9 million), the construction of the Hoogtij quay and associated equipment (€8.2 million) and the construction of waiting areas at Afrikahaven (€4.4 million). The remainder consists of various smaller assets under construction.

Notes to the balance sheet

3 Financial fixed assets

	Participating interests in group companies	Deferred tax assets	Other non-current receivables	Total
Book value as at 1 January 2018	8,571,672	295,508,823	17,090,314	321,170,809
Loans granted	–	–	15,733,683	15,733,683
Allocation	–	12,553,858	–	12,553,858
Movement as a result of rate change	–	–51,554,115	–	–51,554,115
Share in result of participating interests over which significant influence is exerted	1,374,369	–	–	1,374,369
Dividends received from participating interests	–1,000,000	–	–	–1,000,000
Interest	–	–	436,232	436,232
Current portion	–	–	–1,678,032	–1,678,032
Repayments	–	–	–729,942	–729,942
Realisation	–	–11,548,471	–	–11,548,471
Book value as at 31 December 2018	8,946,041	244,960,095	30,852,255	284,758,391

Participating interests

The company's interests in other companies can be analysed as follows:

	Share in issued capital in %
Bouw- en handelsmaatschappij Hallum B.V., Amsterdam	100.00
Hallum Cruise B.V., Amsterdam	100.00
Regionale Ontwikkelingsmaatschappij Noordzeekanaalgebied N.V., Amsterdam	33.33

Notes to the balance sheet

Participating interests in group companies	31-12-2018	31-12-2017
Bouw- en handelsmaatschappij Hallum B.V.	2,967,212	2,903,527
Hallum Cruise B.V.	4,875,496	4,056,670
Regionale Ontwikkelingsmaatschappij Noordzeekanaalgebied N.V.	1,103,333	1,611,475
Total participating interests in group companies	8,946,041	8,571,672

<i>Bouw- en handelsmaatschappij Hallum B.V.</i>	2018	2017
Carrying amount as at 1 January	2,903,527	2,790,435
Result	63,685	113,092
Carrying amount as at 31 December	2,967,212	2,903,527

<i>Hallum Cruise B.V.</i>	2018	2017
Book value as at 1 January	4,056,670	3,761,351
Result	818,826	295,319
Book value as at 31 December	4,875,496	4,056,670

<i>Regionale Ontwikkelingsmaatschappij Noordzeekanaalgebied N.V.</i>	2018	2017
Book value as at 1 January	1,611,475	2,000,000
Result	491,858	-388,525
Dividend received from participating interest	-1,000,000	-
Book value as at 31 December	1,103,333	1,611,475

Deferred tax assets	2018	2017
Balance as at 1 January	295,508,823	-
Allocation due to start of tax liability	12,553,858	300,130,368
Movement as a result of rate change	-51,554,115	-
Movement due to error recovery	-5,632,500	-
Change in temporary differences during 2018	-5,915,971	-4,621,545
Balance as at 31 December	244,960,095	295,508,823

Notes to the balance sheet

Port of Amsterdam has been subject to corporate income tax since 1 January 2017. The company prepared the fiscal opening balance sheet in 2017. In the 2017 financial year the recognised deferred tax (1 January 2017: €300.1 million) was the best estimate based on discussions with the tax administration. In 2017, this non-recurring income led to non-recurring net income totalling €281.3 million after deduction of the realised and current corporate tax amounting to €18.8 million, in which the current corporate tax amounts to €14.1 million.

This non-recurring income has been stated as follows in the 2017 statement of profit and loss. The deferred tax is expected to be settled in full in 2063.

The settlement agreement was signed by Port of Amsterdam and the tax administration on 17 January 2019. This includes the definitive fiscal opening balance sheet as well as a number of other agreements on the determination of the fiscal profit of Port of Amsterdam.

Effect of changes in estimates

According to the definitive fiscal opening balance sheet in the settlement agreement there is a total difference of €937 million between the equity for tax purposes on 1 January 2017 of €1,804 million and the equity for commercial purposes on that date of €867 million. A higher valuation for the 'Prepaid ground lease for land and sites' was the main cause of the difference between the equity in the commercial and fiscal balance sheets. The prepaid

ground lease is carried at fair value in the fiscal opening balance sheet and at historical cost in the commercial financial statements. As a result of the final adoption of the fiscal opening balance sheet, the sum of €12.6 million must be allocated to the deferred tax asset in 2018.

Effect of rate changes

Corporate income tax rates were changed with effect from 19 December 2018. According to the Guidelines of the Dutch Accounting Standards Board, changes must be recognised in the measurement of deferred tax. From 2020, the top rate of corporate tax will gradually decrease. The top rate in 2019 is 25%. In 2020, it will decrease to 22.55% and from 2021 it will be 20.5%. As a result of these future rate cuts, the deferred tax asset is adjusted downwards by €-51.6 million.

An amount of €6.9 million of the deferred tax asset is expected to be realised within one year.

The deferred tax asset was revised in 2017 due to an error recovery. A more detailed explanation of the nature and the size of the error recovery can be found in the accounting policies.

Notes to the balance sheet

Other non-current receivables	31-12-2018	31-12-2017
Long-term loans	12,093,324	10,643,428
Prepaid discount and transitional schemes	18,758,931	6,446,886
Total other non-current receivables	30,852,255	17,090,314

The long-term loans include a deferred tax liability of €9.8 million (2017: €10.3 million).

The prepaid discount and transitional schemes relate to amounts already paid to customers in relation to long-term contracts. Because the discounts granted relate to the entire term of the contracts concerned, they are realised in the result over the whole contractual term.

The increase is explained by an amount of €8.9 million paid for a ground lease right.

4 Receivables

	31-12-2018	31-12-2017
Trade receivables	9,474,544	8,132,595
Amounts owed by group companies	1,810,603	1,421,233
Taxes and social security contributions	–	2,236,938
Corporate income tax	7,620,372	–
Prepayments and accrued income	6,447,624	4,480,046
Total receivables	25,353,143	16,270,812

Notes to the balance sheet

A provision for doubtful debts of €886,997 has been deducted from the total trade receivables (2017: €923,659). €923,659). The receivables from group companies concern ordinary trade receivables, invoices pending and amounts to be settled.

In 2017, under 'Tax and social security contributions', Port of Amsterdam had a tax receivable resulting from a land purchase.

Prepayments and accrued income	31-12-2018	31-12-2017
Prepaid discount and transitional schemes	1,306,358	1,062,933
Invoices pending	3,248,814	1,981,825
Prepaid expenses	1,122,594	877,568
Grants to be received	100,652	–
Other receivables	669,206	557,720
Total prepayments and accrued income	6,447,624	4,480,046

The increase in the outstanding invoices is mainly due to more outstanding port dues statements that have yet to be invoiced (€0.4 million) and incidental contract revenue that has yet to be invoiced (€0.4 million).

The other receivables relate particularly to the short-term part of the long-term loans (€0.4 million).

5 Liquid assets

	31-12-2018	31-12-2017
Cash at banks	6,673,255	35,333,279

Notes to the balance sheet

Deposits

No cash and cash equivalents were held on deposit on the balance sheet date.

Limited availability of cash and cash equivalents

The cash and cash equivalents are freely available.

6 Shareholders' equity

	Issued capital	Share premium reserve	Legal and statutory reserves	Other reserves	Result for the year	Total
Balance as at 1 January 2018	45,000	300,584,972	2,567,525	22,604,093	356,447,395	682,248,985
Movement in profit appropriation	-	-	-	-	-356,447,395	-356,447,395
Results for the year	-	-	-	-	17,940,069	17,940,069
Profit appropriation for previous year	-	-	-	356,447,395	-	-356,447,395
Movement in legal reserves	-	-	-372,046	372,046	-	-
Dividend distribution	-	-	-	-60,938,572	-	-60,938,572
Balance as at 31 December 2018	45,000	300,584,972	2,195,479	318,484,962	17,940,069	639,250,482

The shareholders' equity was revised on 1 January 2017 due to the correction of an error.

A more detailed explanation of the nature and the size of the error recovery can be found in the accounting policies.

Notes to the balance sheet

7 Issued capital

The authorised capital is €225,000 divided into 225,000 shares, each with a nominal value of €1. The issued and paid-up share capital upon incorporation on 1 January 2013 is €45,000 and consists of 45,000 ordinary shares each of a par value of €1.

8 Share premium reserve

On its incorporation, the company acquired the port sites on a ground lease. The annual ground lease payments in the first period of 50 years are deemed to have been settled, as agreed between the Municipality of Amsterdam and Port of Amsterdam. Based on the economic reality of the transaction, the Municipality of Amsterdam has made a capital contribution equivalent to the buyout payment and the buyout payment has been capitalised as 'Prepaid ground lease for land and sites' with share premium as a counterpart on the balance sheet.

9 Legal and statutory reserves

The legal reserve is maintained for the capitalisation of development costs and participating interests. The legal reserve for development costs has been created up to the amount of capital development costs and the applicable conditions have been met with regard to technical, commercial and financial feasibility. At the end of 2018, the legal reserve amounted to €42,475 (2017: €138,972).

The legal reserve for participating interests has been created to the extent that the company is unable to effect payment of the positive results without limitation. Port of Amsterdam's share in the direct increases and decreases in assets of the participating interests is included in the legal reserve. At the end of 2018 the legal reserve amounted to €2,153,004 (2017: €2,428,553).

Notes to the balance sheet

Appropriation of the result for the previous financial year

The 2017 financial statements were adopted at the General Meeting held on 26 April 2018. The General Meeting also adopted the appropriation of the profit in accordance with the proposal submitted.

10 Provisions

	31-12-2018	31-12-2017
Provisions for decontamination	72,567,346	73,978,916
Provisions for demolition	1,320,027	413,500
Personnel provisions	1,495,148	1,763,588
Provision for home insulation	–	345,950
Total other provisions	75,382,521	76,501,954

Provisions for decontamination	2018	2017
Balance as at 1 January	73,978,916	74,323,237
Allocations	908,500	41,317
	74,887,416	74,364,554
Release	–11,500	–35,525
Withdrawals	–2,308,570	–350,113
Balance as at 31 December	72,567,346	73,978,916

The provision is measured as the nominal value of the expected decontamination expense at the locations in which on the one hand the tenant or leaseholder has bought out the contamination obligation or on the other hand Port of Amsterdam has accepted liability for the decontamination of the land based on past events. Since at most locations there are technical uncertainties with regard to the amount of land to be dealt with and the techniques to be used, a risk premium is applied with regard to the situation on which the provision has been calculated. The risk premium applied by Port of Amsterdam ranges between zero and 25%, depending on the degree of uncertainty with regard to the expected decontamination costs. At the end of 2018 Port of Amsterdam had a number of decontamination projects with a risk premium of 0% or 15%. In the

Notes to the balance sheet

assessment of which risk premium is applicable, due account is taken of the certainty or uncertainty regarding the volume and location of the contamination. The observation as to whether the decontamination is mobile or immobile also plays a role. There are no locations in which the premium percentage is 25%. The weighted average of the risk premiums is 15%. At the end of 2018, an amount of €10.3 million was included in the decontamination provision by way of a risk premium.

At the end of 2018, a total of 237 hectares of land was not let by Port of Amsterdam or issued under a sub-ground lease and Port of Amsterdam is consequently responsible for the quality of the soil. These are mainly sites on which no industrial activities have ever taken place. Although no soil reports are available for the bulk of the sites, on the basis of historical information, these new sites are not expected to have been polluted. The proportion of the sites available for issue which have been recovered from previous customers have all been investigated for soil pollution by external, specialist firms. Where necessary, the land has been decontaminated or the pollution has been bought out by the previous customer and included in the decontamination provision.

A number of sites have been included in the decontamination provisions for which the buyout took place more than three years ago and at the end of 2018 no new investigation had been instituted into the soil condition because there are no grounds to do so having regard to the immobility of the contamination. In the case of mobile contamination, periodic monitoring takes place every three to five years. Of the provision, €7,198,824 is short term (<1 year) and €64,295,288 is long term (> 5 years).

On 21 December 2017, City Council approved the Port-City Development Strategy, which means that from 2029 the Municipality of Amsterdam will build between 40,000 and 70,000 homes. Some of these homes will be built in the port area around Coenhaven, Minervahaven, Mercuriushaven and Vlothaven. Having regard to this decision and the possible consequences for the Port-City area in the near future, an external party was commissioned in 2018 to investigate the decontamination costs of restoring the area to the industry standard as defined in the Soil Quality Regulation. The additional estimated decontamination cost is €22.5 million.

Notes to the balance sheet

The port sites examined in Port-City form part of the ground lease agreement between the Municipality of Amsterdam and Port of Amsterdam. When the area is transformed, the Municipality of Amsterdam can once again acquire full ownership of the land. The ground lease agreement, which was drawn up when the company became an independent entity in 2013, between the Municipality of Amsterdam and Port of Amsterdam, specifies that the cost of decontaminating the land to the industry standard would be on the account and risk of Port of Amsterdam.

On the foregoing basis, Port of Amsterdam concluded during the 2018 financial year that the decontamination obligation for Port-City already existed when the ground lease agreement with the Municipality of Amsterdam was concluded. The identified error was accounted for retrospectively and the shareholders' equity for the 2017 financial year was recalculated. A more detailed explanation of the nature and the size of the error recovery can be found in the accounting policies.

Provisions for demolition	2018	2017
Balance as at 1 January	413,500	360,000
Allocated and charged to result	915,000	53,500
	1,328,500	413,500
Decrease credited to result	-8,473	-
Balance as at 31 December	1,320,027	413,500

The provision for demolition relates to:

Demolition of wind turbines

Port of Amsterdam has a ground lease in which the leaseholder is required to pay Port of Amsterdam an annual ground rent of up to €725,000, of which €125,000 will be used for the costs of dismantling the wind farm at Afrikahaven. The wind farm consists of nine wind turbines and will have to be dismantled at the end of its technical life. The net provision as at 31 December 2018 amounts to €250,000 (2017: €0) and is entirely long term.

Notes to the balance sheet

Demolition of foundations

The provision for the demolition of foundations relates to an obligation accepted by Port of Amsterdam to demolish the waste processing slag used as a foundation layer on a site in the port area. The cost of removing the foundation layer is estimated at €4.75 million.

The net provision as at 31 December 2018 amounts to €665,000 (2017: €0) and is entirely long-term.

Demolition of buildings

The demolition of buildings relates to the demolition costs accepted by Port of Amsterdam, on termination of a rental or ground lease. The provision is measured as the nominal value of the expected expense expenditure at the locations concerned. These expected expenses are estimated on the basis of the current known costs and price indexation. The net provision as at 31 December 2018 amounts to €405,027 (2017: €413,500) and part of it (€50,000) is short-term.

Personnel provisions	2018	2017
Balance as at 1 January	1,763,588	2,384,540
Allocations	130,837	167,795
Interest	29,278	-30,778
	1,923,703	2,521,557
Release	-131,669	-501,831
Withdrawals	-296,886	-256,138
Balance as at 31 December	1,495,148	1,763,588

Personnel provisions have been recognised in the context of non-statutory employment benefit for former personnel and benefits for future service anniversaries. Interest is added annually to personnel provisions, which have a short-term character and amount to €383,259.

The provision for former personnel as at 31 December 2018 amounts to €926,962 (31 December 2017: €1,178,166).

The provision for service anniversaries as at 31 December 2018 amounts to €568,186 (31 December 2017: €585,422).

Notes to the balance sheet

Provision for home insulation	2018	2017
Balance as at 1 January	345,950	878,488
Release	-289,347	-
Withdrawals	-56,603	-532,538
Balance as at 31 December	-	345,950

The provision for home insulation relates to the noise reduction in homes as a result of the expansion of the Westpoort noise zone. This item was settled in full in 2018.

11 Non-current liabilities

	31-12-2018	31-12-2017
Ground lease payments received in advance	56,726,064	60,495,724
Other liabilities	2,587,586	2,649,186
Total	59,313,650	63,144,910

Non-current liabilities	Balance as at 31 December 2018	Remaining term >1 year	Remaining term >5 year
Ground lease payments received in advance	56,726,064	56,726,064	48,592,635
Other liabilities	2,587,586	2,587,586	2,587,586
Total	59,313,650	59,313,650	51,180,221

Ground lease payments received in advance

The ground lease payments received in advance concern redemption payments from tenants with regard to future ground lease. Port of Amsterdam is consequently not liable to pay any interest. The 2018 portion of the ground lease payments received in advance is stated under current liabilities in an amount of €2,102,790 (2017: €2,172,042).

Notes to the balance sheet

Other liabilities

The other non-current liabilities item includes contributions received from third parties for the implementation of the Houthavens Covenant (€1.1 million) and the deposits received (€1.5 million).

12 Current liabilities

	31-12-2018	31-12-2017
Debts to credit institutions	25,000,000	–
Trade payables	1,396,135	1,499,675
Contract revenue received in advance	25,272,197	20,442,496
Taxes and social security contributions	3,114,677	16,335,795
Pension liabilities	398,997	374,106
Other liabilities and deferred income	22,833,430	16,071,916
Total short-term liabilities	78,015,436	54,723,988

Debts to credit institutions

Port of Amsterdam has a 'Revolving facilities agreement' for €110 million. Of this facility, €50 million can only be utilised once construction of the new sea lock at IJmuiden has started. The facility has been granted under market conditions and can be periodically drawn for one, three or six months at an interest rate of one, three or six months Euribor +0.5%. In addition, a covenant has been agreed with the lender in which the adjusted shareholders' equity must be at least 30% of the total equity. This condition was met comfortably in 2018. No collateral has been provided for this loan. Due account has been taken of additional costs in the valuation of this loan.

As at 31 December 2018, the utilisation of this facility amounted to €25 million (2017: €0).

Notes to the balance sheet

Other liabilities and deferred income	31-12-2018	31-12-2017
Invoices to be received	10,633,706	5,947,897
Discounts payable	3,346,730	3,038,259
Other taxes payable	3,024,051	1,290,064
Holiday pay or days	2,612,704	2,647,604
Grants received in advance	919,973	577,892
Revenue received in advance	312,676	450,018
Other	1,983,590	2,120,182
Total other liabilities and deferred income	22,833,430	16,071,916

The increase in invoices to be received is due particularly to a number of large invoices relating to investments.

The increase in other taxes relates to real estate tax. The increase was due to a delay in the receipt of the tax assessments.

The other items relate in particular to the aftercare plan for the dredging sites (€1.4 million) and the reclassification of the credit balances in the debtors (€0.4 million).

Assets, liabilities and arrangements not included in the balance sheet

Information covering contingent arrangements

Transformation area

In the Port-City Transformation Strategy, which was adopted in the City Council meeting of July 2013, it was determined that the Municipality of Amsterdam would pursue a gradual transformation strategy, starting with the non-port sites. On 21 December 2017, City Council approved the Port-City Development Strategy, which means that from 2029, Amsterdam will build between 40,000 and 70,000 homes, some of which will be built in the port areas around Coenhaven, Minervahaven, Mercuriushaven and Vlothaven.

The financial consequences for Port of Amsterdam depend on further decisions and are thus uncertain. In the 2014 coalition agreement, the Municipal Executive decided that the existing companies located on the port sites inside the ring road can remain there until at least 2040.

The development strategy specifies that new homes will be gradually built among current businesses. The other agreements remained the same. The following agreements are currently in force:

- Houthaven/NDSM Covenant;
- Existing companies can remain at their current locations until at least 2040, within the existing environmental contours.
- New allocations and expansions are possible with a duration up to 2029, or in consultation with the Municipality;

- The city will reimburse Port of Amsterdam for all current assets at the time of the transformation at the carrying amount applicable at that time;
- Major new investments in the area, with a depreciation period going beyond 2029, must be agreed with the Municipality, with the possibility that Port of Amsterdam will not be reimbursed the full carrying amount for all of the new investments on transfer;
- The land must be delivered clean, which means industry level.

Houthavens Covenant

Port of Amsterdam has concluded the Houthavens Covenant with the Municipality of Amsterdam, the Province of North Holland and various companies in the port. The aim of the agreement is to achieve the right balance between facilitating the development of the port and the companies established there on the one hand and the development of housing in Houthaven and on the NDSM shipyard on the other.

To give this agreement concrete form, an innovation fund has been set up from which companies can be paid a contribution towards environmental measures exceeding the statutory minimum, meaning measures that extend beyond the companies' obligations under the laws and regulations, which help to improve the environmental situation and living environment existing at that time. A maximum of €9 million has been made available for the innovation fund. Port of Amsterdam's maximum contribution is €3 million. The remaining liability at the end of 2018 amounts to €1.9 million (2017: €1.9 million).

HoogTij project

For the purpose of refinancing the HoogTij project, Port of Amsterdam provided security for the Province of North Holland and the Municipality of Zaanstad in February 2016 subject to conditions and up to a maximum of €23.3 million at an annual premium of 0.55% over the principal, covered in part by a mortgage on the property underlying the transaction.

Sea lock

As an interested party, Port of Amsterdam has made a financial contribution to the construction of the new lock. The amount of the contribution has been set at €46.51 million and will be paid in two installments. The first tranche of €5 million was paid in October 2017 and was therefore charged to the 2017 result. The remaining liability at the end of 2017 amounts to €41.51 million. This amount must be paid and included in the financial statements on the completion date or on 31 October 2019, whichever is later.

If the availability date is later than 31 October 2019, Port of Amsterdam will receive €1.3 million in compensation for each full calendar year that elapses between 31 October 2019 and the availability date, as well as a proportional share of that sum for each part of a full calendar year that elapses between 31 October 2019 and the availability date. The expected completion date is currently January 2022.

Assets, liabilities and arrangements not included in the balance sheet

Information on liabilities not included in the balance sheet

At the end of 2018, Port of Amsterdam had a number of multi-year financial liabilities toward third parties relating to ground leases, maintenance of the port area and infrastructure, and internal business operations. These concern multi-year contracts for ground leases that have not been settled, office leases, leasing of vehicles, IT services, road cleaning, etc.

The total amount of these liabilities is €115.5 million. Of this amount, €22.2 million have a term of one to five years and €85.8 million have a term longer than five years.

A number of contingent liabilities have also been entered into with suppliers in the form of framework agreements for the management and maintenance of the port area, for example.

Investment liabilities not included in the balance sheet

At the end of 2018 Port of Amsterdam assumed liabilities toward third parties in the amount of €17.5 million (2017: €65.9 million) for the purchase and development of intangible and tangible fixed assets.

Information on assets not included in the balance sheet

Port of Amsterdam has entered into long-term rental and ground lease contracts for property, land and quays. The minimum future revenue from these contracts is €2,450 million, of which €92.3 million is due in the coming year.

A total of €84.8 million in receipts was recognised in the statement of profit and loss in 2018. The agreements have a term of 20–50 years, with the income being a fixed amount per year that is indexed annually.

Post-balance sheet events

An owner of water within the Amsterdam port area alleges that it has a claim against Havenbedrijf Amsterdam in respect of the use of the water by inland shipping and other vessels without that owner's consent. The basis and amount of the claim are unknown at this stage. There have been no other events after the balance sheet date that add further information on the actual position as at the balance sheet date or are material for users of the financial statements in forming an opinion.

Proposed appropriation of result

The net result for 2018 amounts to €17,940,069. The amount of the dividend is adopted by a resolution of the general meeting.

Notes to the statement of profit and loss

13 Revenue

	2018	2017
Rent and ground lease	84,875,740	79,327,591
Sea port dues	57,223,266	55,974,696
Inland port dues	7,470,131	7,266,074
Revenue from mooring reservations	2,675,043	2,284,581
Other revenue	5,168,596	5,203,038
Total revenue	157,412,776	150,055,980

Rent and ground lease

The rental and ground lease revenue has increased due to new allocations and regular price increases. A net total of 45.1 hectares of land was issued in 2018. In 2017, the figure was 18 hectares. Large port-based issues for which Port of Amsterdam is also building or renovating a quay were Katoennatie, Commodity Centre Netherlands and Paro. Various plots were also allocated for large-scale logistics at Atlaspark, including for Fetim and the developers Delin and Borghese Real Estate. Finally, at Minervahaven work started on the construction of a student hotel and various premises are being developed on previously issued plots.

Sea port dues

The revenue from seaport dues increased by €1.2 million in 2018, as a result of a 1% increase in throughput, as well as price indexation. The dry bulk tonnage decreased substantially, particularly due to a 17% decline in coal compared to 2017. By contrast, agriproducts and construction materials performed well. The total volume of liquid bulk compensated for this decline as a result of the favourable situation in the trading market for fuels in the period from September to November 2018. General cargo increased by 28%, largely as a result of an increase in container volumes. This increase was also reflected in the number of calls, which increased by 7.5%, against the long-term trend. Since general cargo is generally carried in smaller vessels, the average ship size decreased. For this reason and the decrease in the share of 'relatively cheap' coal as a whole, sea port dues per ton of throughput increased by 1.6%.

Notes to the statement of profit and loss

Revenue from mooring reservations

The revenue from mooring reservations increased in 2018, due to the fact that some of the berths on De Ruyterkade West were out of use in 2017, but became operational again in 2018. The introduction of a new reservation system also resulted in better berth occupancy.

Other revenue

The other revenue mainly relates to the Port Waste Plan (€2.4 million), a fee for the management and maintenance of the areas within the remit of the Amsterdam Municipal Development Company (€0.7 million), revenue from works for third parties (€0.6 million), revenue from the dredging depot (€0.6 million) and revenue from shore-based power facilities (€0.8 million).

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14 Personnel costs

	2018	2017
Wages and salaries	23,377,021	22,919,882
Social security contributions and pension costs	7,099,571	6,906,713
Other personnel costs	3,917,289	3,411,958
Total personnel costs	34,393,881	33,238,553

An amount of €1,212,815 has been deducted from wages and salaries as a result of the recharging of wages and salaries (2017: €1,278,549).

This increase is due to regular periodic salary increases and a collective labour agreement. Employees of Port of Amsterdam were also granted a one-off compensation of €112,754 for a new work roster and one-off bonuses of €310,250 under the collective labour agreement entered into in April.

The other personnel expenses increased by €505,331, mainly because of the release of a reserve for reorganisation costs presented in 2017.

Notes to the statement of profit and loss

Social security contributions and pension costs	2018	2017
Social security contributions and pension costs	3,573,684	3,545,123
Pension costs	3,525,887	3,361,590
Total social security contributions and pension costs	7,099,571	6,906,713

Number of employees

Port of Amsterdam had the following number of employees at year-end, calculated on a full-time basis and broken down by activity:

Number of employees by activity	2018	2017
Nautical activities	162.6	165.7
Operation of port sites and overheads	193.2	192.0
Total	355.8	357.7

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Remuneration of the Board of Directors

In December 2017, the shareholder adopted the remuneration policy applicable to members of the Port of Amsterdam Board of Directors for 2018, based on a proposal from the Supervisory Board. This remuneration policy offers an employee benefits package consisting of a fixed basic salary, possible variable remuneration and a pension contribution. The new remuneration policy for the Board of Directors complies with the current municipal remuneration policy for its participating interests.

Name	Start of term	End of term	Fixed remuneration	Variable remuneration	Pension contribution	Total
K.J. Overtoom	06-12-2016	06-12-2020	149,916	–	19,564	169,480
M.R. de Brauw	01-11-2015	01-11-2019	138,375	–	19,122	157,497

Notes to the statement of profit and loss

Fixed remuneration

The fixed remuneration of the members of the Board of Directors decreased in 2018 compared to 2017 (Overtoom) or remained unchanged (De Brauw). The stated amounts include holiday pay and exclude employer's social security contributions.

Variable remuneration

The members of the Board of Directors may be granted variable remuneration of up to 10% of their gross salary. This is partly related to long-term value creation. No variable bonus was granted in respect of the 2018 financial year.

Pension costs

The members of the Board of Directors participate in the pension scheme of Algemeen Burgerlijk Pensioenfonds (ABP). Their pension scheme is the same as that for Port of Amsterdam employees.

Remuneration of Supervisory Board members

The remuneration for the members of the Supervisory Board is tied to the maximum applying to the highest-earning director, in accordance with the Standards for Remuneration in the Senior Executives in the Public and Semi-Public Sector's Act (*Wet normering bezoldiging topfunctionarissen publieke en semipublieke sector, WNT*). For the members, this means 10% of the general WNT standard in 2018. For the chairman, the figure is 15%.

Name	Start of term	End of term	2018	2017
K. van der Steenhoven	01-08-2016	01-08-2020	28,050	27,150
R.I. Doerga	03-05-2017	03-05-2021	18,700	20,975
J.F.J.M. de Haas	15-12-2015	08-12-2019	18,700	20,975
W.J. Maas	03-05-2017	03-05-2021	18,700	20,975
P.G. Stibbe	26-04-2018	26-04-2022	18,700	20,975
R.M. Smit	06-03-2013	01-04-2017	–	6,250
			102,850	117,300

On the nomination of the Supervisory Board, the General Meeting of the shareholder appointed Philip Stibbe for a second term with effect from 26 April 2018.

Notes to the statement of profit and loss

15 Depreciation

	2018	2017
Depreciation of intangible fixed assets	190,253	275,462
Depreciation of tangible fixed assets	21,528,770	21,405,167
Total depreciation	21,719,023	21,680,629

A book loss on a disposal amounting to €150,901 was also recognised in the depreciation of tangible fixed assets (2017: €1,326). This concerns in particular the write down of the carrying amount of the jetties on the De Ruyterkade, which were replaced.

16 Other operating expenses

	2018	2017
Accommodation expenses	2,616,288	2,657,911
Management and maintenance expenses	6,418,017	5,849,407
ICT costs	6,051,851	6,262,217
Environment and spatial planning	3,609,071	1,244,040
Communication, marketing and acquisition	2,827,135	2,700,235
Rental and ground lease charges	2,285,012	2,249,491
Research and consultancy expenses	2,099,309	2,104,021
Other expenses	2,949,097	-2,214,500
Total of other operating expenses	28,855,780	20,852,822

This increase in management and maintenance costs is mainly due to the hiring of additional towage services and higher costs for waste collection as part of the Port Waste Plan.

Notes to the statement of profit and loss

A release of a provision for a non-current receivable to the sum of €10.3 million was recognised under other expenses in 2017. The first contribution to the new sea lock, amounting to €5 million, was also recognised under this item.

External auditor's fees

The breakdown of the fees paid to the external auditor Ernst & Young Accountants LLP is as follows:

	2018	2017
Audit of the financial statements	160,000	212,035
Other audit engagements	3,900	5,294
Other non-audit engagements	13,260	9,740
Total	177,160	227,069

Port of Amsterdam has recognised the total fees of the external auditor relating to the 2018 financial year as costs in the statement of profit and loss.

17 Financial income and expenditure

	2018	2017
Interest income	696,543	808,013
Interest expenses	-41,629	-11,908
Total financial income and expenditure	654,914	796,105

Interest income	2018	2017
Interest on outstanding loans	509,851	484,637
Interest on employee benefits	-	30,777
Interest due to deferred payment of debts	186,692	292,599
	696,543	808,013

Notes to the statement of profit and loss

	2018	2017
Interest expenses		
Interest on credit facility	6,669	–
Interest on employee benefits	29,283	–
Interest on late payments to creditors	5,677	11,908
	41,629	11,908

18 Taxes

	2018	2017
Corporate income tax	–6,739,658	–14,161,395
Corporate income tax in respect of prior years	755,080	–
Movement in deferred taxes	–50,548,728	295,508,823
	–56,533,306	281,347,428

The adjustments in respect of taxes for prior financial years (€755,080) concern the difference between the recognised corporate income tax payable for 2017 (€14,161,395) and the submitted return for 2017 (€13,406,315).

The movement in deferred tax was revised in 2017 due to an error recovery. A more detailed explanation of the nature and the size of the error recovery can be found in the accounting policies.

Notes to the statement of profit and loss

Movement in deferred taxes

Realisation of temporary differences in the year	-11,548,471
Increase in deferred tax as a result of definitive fiscal opening balance sheet	12,553,858
Change in deferred tax due to decrease in tax rates from 2020	-51,554,115
Total	-50,548,728

The increase in the deferred tax asset (€12,553,858) occurred as a result of the final adoption of the fiscal opening balance sheet following the signing of the settlement agreement.

The reconciliation between the nominal top tax rate and the effective tax rate according to the income statement is as follows:

	2018 in %	2017 in %
Nominal rate	25	25
Capitalisation of deferred tax asset	-	-399.7
Less tax payable for prior year due to settlement agreement	-1.0	-
Additional capitalisation of deferred tax asset due to adjustment to fiscal opening balance sheet 1-1-2017	-17.2	-
Decrease in deferred tax asset due to lower corporate income tax rates	70.5	-
Effective rate	77.3	-374.7

19 Share in results of participating interests

	2018	2017
Result of Hallum Cruise B.V.	818,826	295,319
Result of Hallum B.V.	63,685	113,092
Result of RON N.V.	491,858	-388,525
Total results of participating interests	1,374,369	19,886

Signature page

Amsterdam, 4 April 2019
Port of Amsterdam:

signed: K.J. (Koen) Overtoom
Chief Executive Officer

signed: M.R. (Michiel) de Brauw
Chief Financial Officer

Amsterdam, 4 April 2019
Signatures of Supervisory Board members:

signed: K. (Koos) van der Steenhoven
Chairman

signed: R.I. (Ingrid) Doerga

signed: J.F.J.M. (Jeroen) de Haas

signed: W.J. (Willemijn) Maas

signed: P.G. (Philip) Stibbe

Other data

Provisions of the articles of association concerning profit appropriation

The dividend policy adopted when the company became an independent entity in 2013 and set out in article 9 of the Port Agreement was amended on 9 January 2018. That policy was replaced by a provision in the articles of association of Port of Amsterdam to the effect that the dividend policy would henceforth be established by the shareholder on the proposal of the Supervisory Board and the Board of Directors. Article 9 of the Port Agreement therefore ceased to apply.

The dividend policy set by the shareholder will ideally match the four-year term of Port of Amsterdam's strategic plan. The shareholder has established the current dividend policy for the period 2017-2021.

The basic principles of the policy for determining the dividend are the continuity of the company and a robust capital structure. There must be sufficient scope for investment, with the investment agenda in the Strategic Plan 2017-2021 serving as a starting point. The policy allows sufficient scope for an effective balance between the investment agenda and the level of the dividend.

Independent auditor's report

To: the shareholders and management of Port of Amsterdam N.V.

Report on the audit of the financial statements 2018 included in the annual report

Our opinion

We have audited the financial statements 2018 of Port of Amsterdam N.V., based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Port of Amsterdam N.V. as at 31 December 2018, and of its result for 2018 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The balance sheet as at 31 December 2018;
- The profit and loss account for 2018;
- The cash flow statement for 2018;
- Accounting policies and principles for determining results;
- Notes to the balance sheet;
- Assets, liabilities and arrangements not included in the balance sheet; and
- Notes to the profit and loss account.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

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

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

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 management report; and
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Other data

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 Part 9 of Book 2 of the Dutch Civil Code.

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 Part 9 of Book 2 of the Dutch Civil Code 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.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities for the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our responsibilities for the audit of the financial statements

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

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

Other information

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 company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures;
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management 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.

Amsterdam, 4 April 2019

Ernst & Young Accountants LLP

Signed by
drs. M.H. de Hair RA

GRI table

Category	Standard	Reference	Notes
Organisational profile	102-01 Name of the organisation Profile	Title sheet	
	102-02 Main brands, products or services Profile: How we create value	Profile, vision and mission Value creation	
	102-03 Location of the organisation's headquarters Publication details	Publication details	
	102-04 Number of countries where the organisation operates	Port map Appendix 2	
	102-05 Ownership structure and legal form Strategic performance: Our organisation	Governance and compliance Organisation chart	
	102-06 Markets served (geographic reach, sectors served and types of customers and beneficiaries)	Profile, vision and mission Strategic roadmaps Value creation Stakeholder dialogue	
	102-07 Scale of the reporting organisation	Profile, vision and mission Value creation Shipping and nautical safety Our employees Financial results Economic significance of the North Sea Canal Area Financial statements	
	102-08 Employees and other workers	Our employees About this report	102-8b and 102-8e: Port of Amsterdam has no employees stationed outside the Amsterdam region and no seasonal employees. Omission for 102-8a, 102-8b and 102-8d. This information is not available at the time of publication. If available, the 2018 data will be published retrospectively in the 2019 annual report.

GRI table

Category	Standard	Reference	Notes
	102-09 Description of the supply chain	Profile, vision and mission Value creation Strategic roadmaps	
	102-10 Significant changes during the reporting period: Size, structure, ownership or supply chain of the organisation	Organisation chart	No changes took place with regard to locations and operations in 2018.
	102-11 Precautionary principle for risk management	Risk Management	
	102-12 Externally developed economic, environmental and social charters, principles or other initiatives which the organisation endorses	About this report	
	102-13 Memberships of associations and national or international advocacy organisations	Appendix 2	
Strategy	102-14 Statement from the most senior decision-maker about the relevance of sustainability to the organisation and its strategy	Message from the Board of Directors	
Ethics and integrity	102-16 The organisation's values, principles, standards and norms of behaviour	Governance and compliance	
Governance	102-18 Governance structure of the organisation	Organisation chart Responsibility for sustainability	
Stakeholder engagement	102-40 Stakeholders engaged by the organisation	Stakeholder dialogue	
	102-41 Percentage of the employees covered by collective bargaining agreements	Our employees	

GRI table

Category	Standard	Reference	Notes
	102-42 Identifying and selecting stakeholders with whom to engage	Stakeholder dialogue	
	102-43 Approach to stakeholder engagement	Stakeholder dialogue	
Reporting	102-44 Key topics and concerns that have been raised through stakeholder engagement and how the organisation has responded	Value creation Strategic roadmaps Stakeholder dialogue Materiality About this report	
	102-45 Entities included in the consolidated financial statements	Financial statements Appendix 1	
	102-46 Process for defining the report content and the topic boundaries.	Materiality About this report	
	102-47 List of the material topics identified in the process for defining report content	Materiality	
	102-48 Restatements of information given in previous reports	About this report	There are no restatements of information given in previous reports
	102-49 Changes in reporting	Materiality	
	102-50 Reporting period	About this report	
	102-51 Date of most recent report	About this report	
	102-52 Reporting cycle	About this report	
	102-53 Contact information	About this report	
	102-54 Statement in the text that report has been prepared in accordance with the GRI Standards	About this report	
	102-55 GRI content index	Appendix: GRI table	
	102-56 Policy and current practice for obtaining external assurance for the report		Port of Amsterdam ensures that the annual report complies with GRI Standards (Core). The external auditor has issued no assurance concerning the non-financial information in this report.

GRI table

Theme	Standard	Reference	Notes
Environment and living environment	103-1 Explanation of the material topic and its boundary	Materiality	
	103-2 Management approach	Materiality: Environment and living environment	
	103-3 Evaluation of the management approach	Materiality: Environment and living environment Responsibility for sustainability	
	203-1 Development, current or expected impacts and type of investments in infrastructure and services	Message from the Board of Directors Message from the Chairman of the Supervisory Board Strategic roadmaps Investments and market Materiality: Environment and living environment Responsible commercial chain	
	203-2 Significant indirect economic impacts	Materiality: Environment and living environment Investments and market Economic significance of the North Sea Canal Area	
	302-1 Energy consumption within the organisation	Appendix 3	Omission for 302-1d. This information does not apply.
	302-4 Reduction of energy consumption	Materiality: Environment and living environment Appendix 3	
	305-1 Direct greenhouse gas emissions (scope 1)	Materiality: Environment and living environment Appendix 3	
	305-2 Energy indirect greenhouse gas emissions (scope 2)	Materiality: Environment and living environment Appendix 3	
	305-7 Other significant air emissions by type and weight	Materiality: Environment and living environment	Omission for 307-2a. Information not available on: iii. Persistent organic pollutants (POP), iv. Volatile organic compounds (VOC) etc. Hazardous air pollutants (HAP) because this information is not measured.

GRI table

Theme	Standard	Reference	Notes
	413-1 Impact of operations on the local community	Stakeholder dialogue Materiality: Environment and living environment Economic significance of the North Sea Canal Area Shipping and nautical safety	
	413-2 Operations with significant actual and potential negative impacts on local communities	Risk Management	
Clean and safe shipping	103-1 Explanation of the material topic and its boundary	Materiality	
	103-2 Management approach	Materiality: Clean and safe shipping	
	103-3 Evaluation of the management approach	Materiality: Clean and safe shipping Responsibility for sustainability	
	306-3 Total number and volume of significant spills	Materiality: Clean and safe shipping Appendix 4	Omission for 306-3bi, 306-3bii and 306-3c. No information is available on the size, type and impact of the water pollution.
	403-1 Occupational health and safety management system	Materiality: clean and safe shipping Shipping and nautical safety	
Work and knowledge	103-1 Explanation of the material topic and its boundary	Materiality	
	103-2 Management approach	Materiality: Work and knowledge	
	103-3 Evaluation of the management approach	Materiality: Work and knowledge Responsibility for sustainability	
	Port of Amsterdam criteria, knowledge: Knowledge-sharing	Materiality: Work and knowledge	
	Port of Amsterdam criteria, work: Sustainable employability	Our employees: Developing agility	

GRI table

Theme	Standard	Reference	Notes
Energy transition and circular economy	103-1 Explanation of the material topic and its boundary	Materiality	
	103-2 Management approach	Materiality: Energy transition and circular economy	
	103-3 Evaluation of the management approach	Materiality: Energy transition and circular economy Responsibility for sustainability	
	Port of Amsterdam criteria	Materiality: Energy transition and circular economy	
Responsible supply chain	103-1 Explanation of the material topic and its boundary	Materiality	
	103-2 Management approach	Materiality: Responsible supply chain	
	103-3 Evaluation of the management approach	Materiality: Responsible supply chain Responsibility for sustainability	
	205.3 Number and nature of confirmed incidents of corruption	Materiality: Responsible supply chain	
	308-1 Percentage of new suppliers screened using environmental criteria	Materiality: Responsible supply chain	
	414-1 Percentage of new suppliers screened using social criteria	Materiality: Responsible supply chain	

Appendix 1

List of participating interests

	Participating interest
Bouw- en handelsmaatschappij Hallum B.V.	100%
Port of Amsterdam Activities B.V.	100%
Port of Amsterdam International B.V.	100%
Windpark Ruigoord B.V.	50%
Sail Beheer B.V.	47.5%
Portbase B.V.	25%
Mainport Innovation Fund II B.V.	23.03%
Bin2Barrel Holding B.V.	10%
Hallum Cruise B.V.	100%
Waterkant B.V.	100%
Waterkant C.V.	100%
Regionale Ontwikkelingsmaatschappij N.V.	33.33%

Appendix 2

List of strategic partnerships and memberships

AIVP (the worldwide network of port cities)

Amports

Amsterdam Airport Area

Amsterdam Cruise Port

Amsterdam IJmuiden Offshore Ports (AYOP)

Amsterdam Logistics Board

North Sea Canal Area (NSCA) Administrative Platform

Bettercoal

Sea Port Sector Organisation (BOZ)

North Sea Canal Area Central Nautical Management

Organisation of Own-Account Carriers (EVO)

Emma at Work

European Sea Ports Organisation (ESPO)

International Association of Ports and Harbors (IAPH)

International Harbour Masters Association (IHMA)

Holland International Distribution Council (HIDC)

Maritime by Holland (NML)

Dutch Wind Energy Association (NWEA)

Network Council Amsterdam Economic Board

Pantar

Heating & Cooling Programme for the Amsterdam Metropolitan Region

Appendix 3

Notes on CO₂ footprint

Direct RFH 2 emissions (scope 1)

Year	2018	2017	2016
Total	1,140 tons of CO ₂ emissions	1,290 tons of CO ₂ emissions	1,420 tons of CO ₂ emissions
Analysis	<ul style="list-style-type: none"> Gas: 89,496 m³ Fuel: 385,110 litres Biodiesel for vessels: 355,921 litres Diesel for vessels: n/a Petrol for company cars: 22,456 litres Diesel for company cars 6,643 litres 	<ul style="list-style-type: none"> Gas: 113,524 m³ Fuel: 404,750 litres Biodiesel for vessels: 316,560 litres Diesel for vessels: 54,095 litres Petrol for company cars: 26,199 litres Diesel for company cars 7,896 litres 	<ul style="list-style-type: none"> Gas: 110,788 m³ Fuel: 377,862 litres Biodiesel for vessels: n/a Diesel for vessels: 346,240 litres Petrol for company cars: 24,569 litres Diesel for company cars 7,053 litres

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Indirect RFH 2 emissions due to electricity consumption (scope 2)

Year	2018	2017	2016
Total	440 tons of CO ₂ emissions	370 tons of CO ₂ emissions	390 tons of CO ₂ emissions
Analysis	<ul style="list-style-type: none"> Electricity consumption: 899,257 kWh, of which 162,331 kWh green 	<ul style="list-style-type: none"> Electricity consumption: 1,020,413 kWh, of which 298,399 kWh green 	<ul style="list-style-type: none"> Electricity consumption: 890,619 kWh, of which 147,570 kWh green

Appendix 3

Year	2018	2017	2016
Total	480 tons of CO ₂ emissions	500 tons of CO ₂ emissions	580 tons of CO ₂ emissions
Analysis	<ul style="list-style-type: none"> Claimed private car use: 1,775,406 km Air travel: 522,896 km 	<ul style="list-style-type: none"> Claimed private car use: 1,862,882 km Air travel: 528,010 km 	<ul style="list-style-type: none"> Claimed private car use: 2,174,713 km Air travel: 645,072 km

RFH 2 emissions of Port of Amsterdam (scope 1, 2 and 3 combined)

Year	2018	2017	2016
Total	2,060 tons of CO ₂ emissions	2,140 tons of CO ₂ emissions	2,390 tons of CO ₂ emissions

Scope 1: direct emissions from use of natural gas and fuel in operational vehicles.

Scope 2: indirect emissions from electricity consumption.

Scope 3: indirect emissions from claimed business travel by car and air.

Calculation

We use the Smarttrackers application (formerly www.co2managementsysteem.nl) and the list at www.co2emissiefactoren.nl on SKAO level using the performance ladder methodology. The emission factors are calculated in grams of CO₂ per measured unit.

Appendix 4

Water contamination in the Port of Amsterdam management area

Year	2018	2017	2016
Number of water contamination incidents	17	30	30

Location analysis 2018

Location	Number of water contamination incidents
Westsluis IJmuiden	2
NZK lock Houtrak	1
Amerikahaven	3
Centre	2
Eastern port area	2
Westhaven	4
Mercuriushaven and Coenhaven	1
Afrikahaven	1
Oil ports	1

Source: Report on the public duties of the Harbour Master's Division.

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