

## 2014 Sustainability Report

VolkerWessels™ is the trade name of Koninklijke Volker Wessels Stevin nv

### **MorgenWonen**

MorgenWonen (Future Living) involves assembly on an industrial platform, with super-fast build times. The house is assembled using superior-quality plug and play components. The result is a sustainable home, built to a high standard. Low maintenance. Zero energy. Standardisation accommodates projects of any size, even a single home. The photo shows the MorgenWonen project in Rijen.

[www.morgenwonen.nl](http://www.morgenwonen.nl)



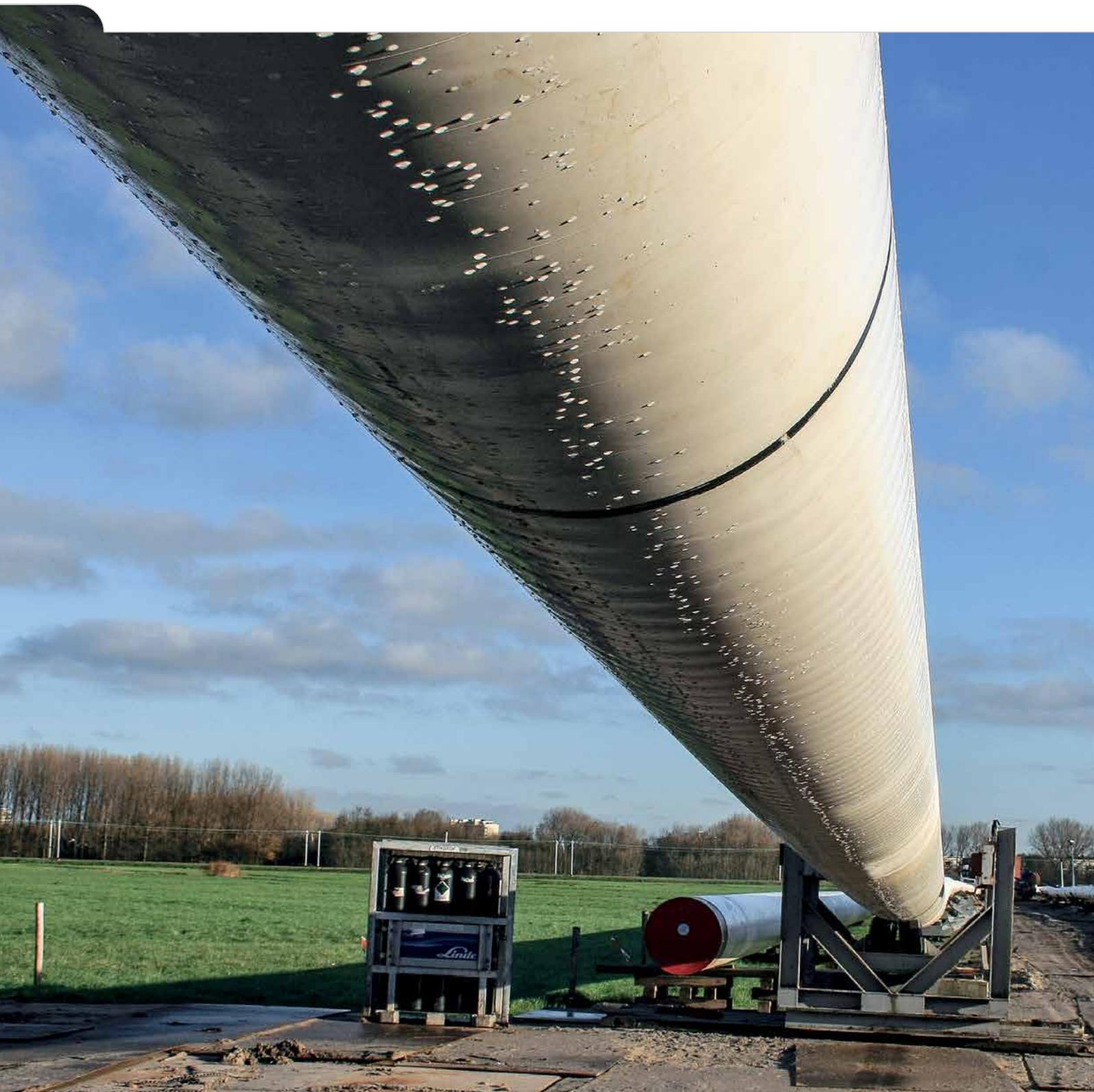
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This photo shows the district heating network 'Leiding over Noord' (The North Pipeline). This project enabled VolkerWessels (Visser & Smit Hanab) to test  $\text{CO}_2$  reduction initiatives in practice and assess their feasibility and results. The experiences of Leiding over Noord were shared within VolkerWessels and are now part of the  $\text{CO}_2$  reduction policy of Visser & Smit Hanab.

## Foreword

On behalf of the Management Board

We work together to realise a better quality of life.

When we work on a client's project, we focus on the interests of its end users.

In other words, we do not build homes for the housing corporation alone, but for the people who will be living in them. And when we are building a road or a bridge, we aim to do more than just satisfy our client. Satisfying local residents and road users is at least as important.

Working on a new network, our focus is not so much on the provider as the consumers who will be using it.

Because at the end of the day, the best way to serve our clients' interests is by keeping those of their end users in mind.

The key word here is cooperation.

That is why we enter into dialogue with end users.

That is why we consult and exchange views with clients.

And that is why we facilitate knowledge sharing within our organisation.

Indeed, at VolkerWessels, our shared vision is to 'work together to realise a better quality of life'.

And this vision is as fruitful for us as it is for our clients.

Because sustainability is a sound business practice.

And we believe that the company that makes the strongest contributions in this area can count on the strongest bottom line.

Feel free to hold us accountable for any pledges we make in this sustainability report.

We are allergic to unfulfilled promises!

To find out more, read on.

**Henri van der Kamp,**

Member of the Management Board, March 2015

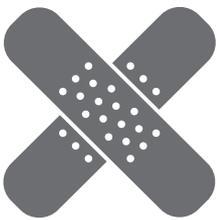


# Summary\*

## Safety

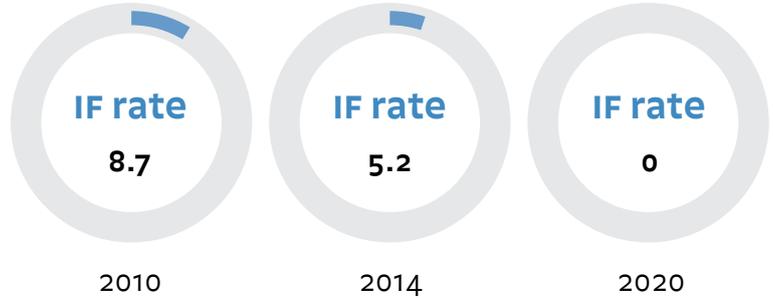
IF rate

**5.2**



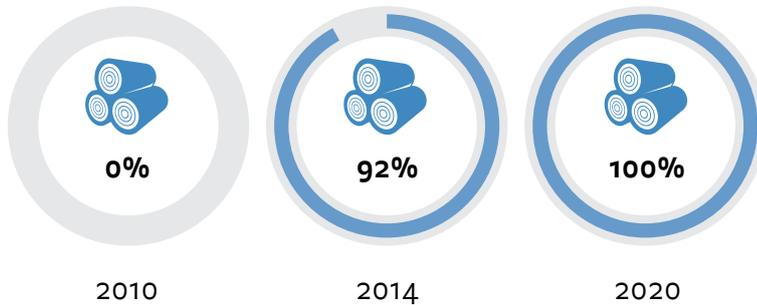
**115**

Lost time accidents

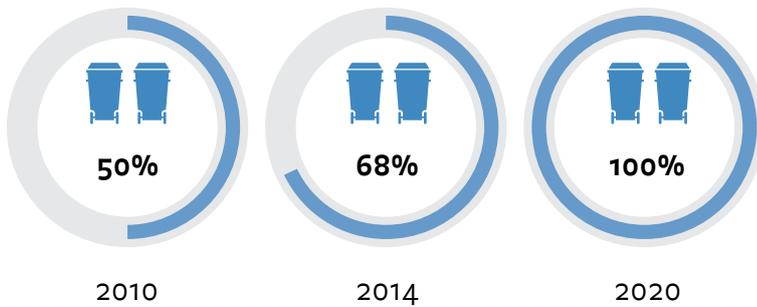


## Raw materials

Use of sustainable wood



Waste separation percentage



Purchasing raw materials



2015  
**100%**  
Wood

2020  
**-15%**



2015  
**100%**  
Steel

2020  
**-15%**



2015  
**100%**  
Concrete

2020  
**-25%**



2015  
**100%**  
Asphalt granulate

2020  
**-10%**

Waste in tonnes



\* The figures in this summary relate to VolkerWessels Netherlands.

 **Employment**

Objective 2020: level 5 PSOBouw certification



**100**

Employees distanced from the labour market

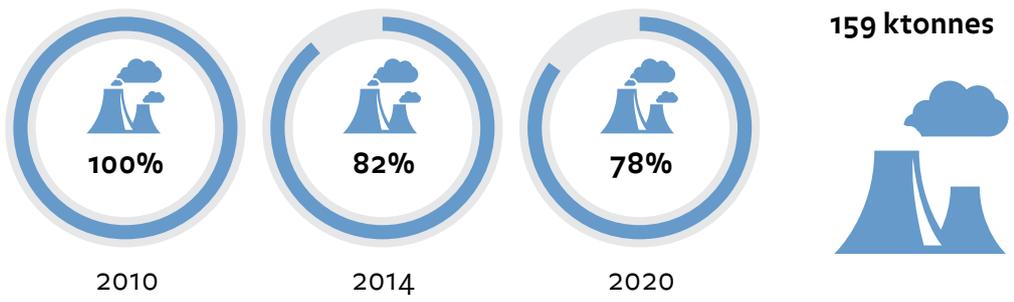


**76**

Reinstated employees

 **CO<sub>2</sub> and energy**

CO<sub>2</sub> emissions

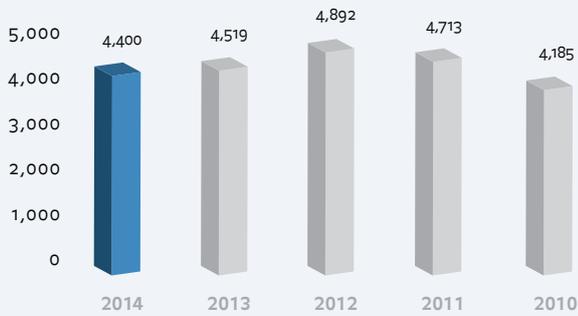


Reduction of emissions in the supply chain



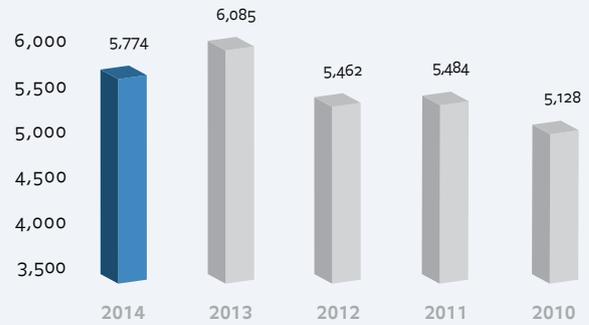
**Operating revenue\***

(in millions of euros)



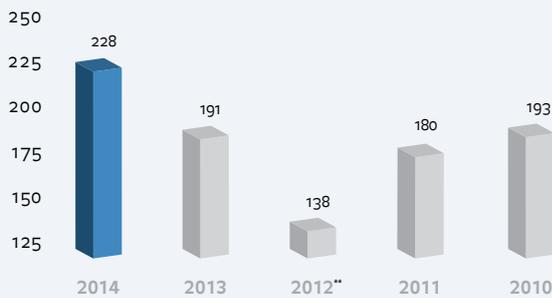
**Order book\***

(in millions of euros)



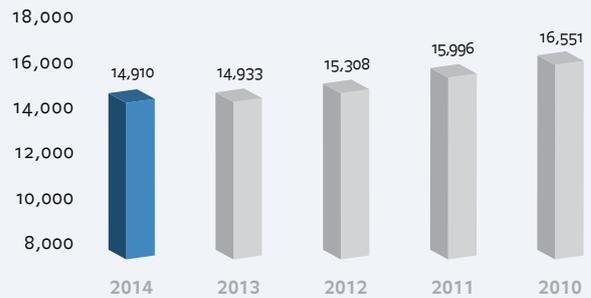
**Operational EBITDA\***

(in millions of euros)



\*\* 2012, excluding depreciation.

**Average number of employees\***



**VolkerWessels' strategy**



VolkerWessels is a construction company operating in the areas of housing, work, mobility, energy and telecom. We develop, design, construct, finance, manage and operate properties on behalf of all our stakeholders: our customers, employees, shareholders, suppliers and society at large.

Within our group of decentralised operating companies, we work with around 15,000 employees. VolkerWessels is

active in the Netherlands, the United Kingdom, the United States and Canada\*. Because of the distribution of the activities of our 120 operating companies, both in terms of content and geography, together we can offer a very diverse array of knowledge and specialisms. The operating companies are organised into three main sectors: Construction & Real Estate, Infrastructure and Energy & Telecoms.

\* Our activities in the United States and Canada are not part of this report and are not considered further.

For more information, see the section 'About this report'. The figures over 2014 and 2013 are in compliance with NL GAAP. For comparison purposes, 2013 was converted from IFRS to GAAP. The figures over 2010 – 2012 are in compliance with IFRS.

# VolkerWessels in the world

Our environment is changing increasingly rapidly. These complex, fast transformations in the world involve certain risks. At the same time, trends in the market and society also provide opportunities for new products, services, applications and solutions that add more social value. Like the themes in our sustainability policy, these risks and opportunities are inextricably linked and include all dimensions of sustainability: People, Planet and Profit.

Trend	What does this mean for VolkerWessels?		Theme
	Risk <sup>1</sup>	Opportunity	
Economic instability and crises	Inadequate access to funding Insufficient investment Declining public expenditure Increasing competition and price pressure	New financing and business models Public-private partnerships Supply chain integration Reuse and renewable raw materials and energy	Themes listed below
Changing labour force	Unemployment Population ageing Reduced labour market participation Vulnerable groups Insufficient availability of young talents Rising (healthcare) expenses	Inclusive entrepreneurship Sustainable employability Adjusting the built environment to the changing population	Employment Safety Integrity
Scarcity of raw materials	High energy prices High raw material prices Water scarcity Increasing competition for land use	Sustainable energy Circular raw material chain Alternative applications of raw materials and waste Combining functions of the land	Raw materials CO <sub>2</sub> emissions and energy Public liaison management Biodiversity
Climate change	More extreme weather Loss of biodiversity Collapsing ecosystems Damage to infrastructure Threat to public health	Sustainable energy Energy neutrality Adaptation of the built environment Recovery of ecosystems	CO <sub>2</sub> emissions and energy Biodiversity Raw materials Public liaison management
Government withdrawal	Weaker institutions Economic and social instability Falling confidence Reduced social cohesion	Contributions to quality of life Public-private partnerships Social enterprise Strengthening of the local identity	Quality of Life Employment Public liaison management Safety Integrity

To translate these social trends and opportunities, VolkerWessels specifically looks at the added social value we can achieve with our business processes. This requires a 'future proof' policy and a proactive attitude.

To achieve this, we align our objectives and themes to these trends in dialogue and in cooperation with our internal and external stakeholders.

<sup>1</sup> Source: World Economic Forum, Global Risk Report 2014.

What does this mean for...



A large part of our economy is still based on primary resources. By smart thinking about reusing our products in each step of the supply chain, our products become a 'raw materials bank' providing social and financial capital. In a circular economy, primary resources are becoming less and less necessary: the transition has begun.

-  Primary resources
-  Value chain
-  Living, working and mobility as a raw materials bank

**...our business model?**

In order to do our work, we use natural resources and materials, knowledge and skills of employees and suppliers and financial resources. With this input, we produce solutions to social problems and challenges as described above. The shift from a linear to a circular chain of supply and from products to functions (living, mobility, connection) plays a central role here. To effectively contribute to quality of life by providing these functions, we need to think in terms of the client and the end user. Broadening the value chain, which is part of our business strategy, allows us to play an increasingly important role in closing and enhancing the sustainability of this chain. The complex challenges in society demand a comprehensive response, which means that we as a national group with many disciplines and specialisms, need to organise on an increasingly large-scale and interdisciplinary level.

**...our supply chain?**

Our greatest impact in the supply chain is in the design and realisation phase, through which we can positively influence other steps in the chain:

- **Design:** By already thinking about future reuse during the design process, we can preserve the value of materials
- **Extraction:** By inventing new uses for waste, using alternative materials or changing our designs, we can reduce the negative impact during extraction, whilst adding more economic value
- **Production:** More efficient production processes and clever reuse of energy and materials reduce harmful emissions and the pressure on scarce raw materials
- **Realisation:** By making smart and efficient use of our construction processes, we can prevent pressure on our environment, raw materials and energy
- **Use:** By exerting our influence on the design, we can reduce energy consumption and maintenance costs and ensure a more pleasant climate in the use phase
- **End of service life:** The explicit inclusion of the end of service life during design and construction enables reuse, transformation and recycling

**...our internal organisation?**

To actually seize the identified opportunities and enable their implementation, we look for ways to add social value to our core process. This means changes in behaviour and/or in our concepts. In the next chapter, we will explain what this means for our strategy and policies, our decisions and our internal and external collaboration with stakeholders.



**Van Asperdt performs maintenance and management work with 20 people who are distanced from the labour market. Their backgrounds vary from homeless to burnout and autism. Clients range from housing corporations to banks and law firms.**

# From vision to impact

Innovative ideas that make a difference. That is how VolkerWessels wants to contribute to the quality of life. This means that we look for real sustainable impact. Policies and initiatives that touch as many sustainable dimensions simultaneously. Our innovation in the field of construction logistics (page 39), for example, focuses on reducing both harmful emissions and nuisance to the environment, and we give waste wood a new life (page 25) thanks to the efforts of the employees in a sheltered workshop.

Maximising this social impact requires a clear vision with concrete objectives. This way, our employees and other stakeholders know exactly what they can expect, what is expected of them and where they can help us. This means that we, as VolkerWessels, assume a different role in which we do not wait for questions to be asked, but take our answer to the streets.

‘We continuously ask ourselves the question: How do our activities contribute to a better quality of life?’

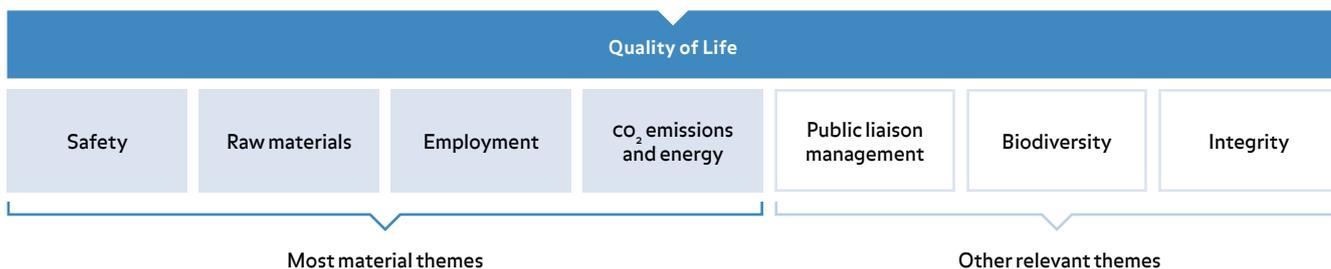
## Strategy

To achieve this maximum social impact, we need the collaboration of our operating companies and the expertise within these operating companies. Furthermore, we are a decentralised organisation and the entrepreneurship and independence of our operating companies are the main sources of innovations. Our policy is therefore focused on giving as much scope as possible to the initiatives of operating companies and employees and linking them. Our strategy focuses heavily on pilots in which, often in the context of a concrete construction project, we further develop an idea or opportunity and test it in practice. Successful pilots are generalised and scaled up to a structural company or group-wide policy.

Our themes are at the heart of our search for a positive impact on the quality of life. These themes were established with our stakeholders on the basis of the following criteria:

- What is most important for our company and for society?
- Where can we exert the most influence?
- Where can we achieve the greatest impact with our policies?

We deliberately choose to focus on a limited number of themes with real impact. For these themes, we established long-term objectives. During our stakeholder dialogues, we determined which themes would have the highest priority in the near future. This resulted in the four most material themes, which are most important to us and our stakeholders. The central theme of quality of life is leading and connects the other themes. Therefore, we continuously ask ourselves the question: ‘How do our activities contribute to a better quality of life?’





Name: **Onno Dwars**

Job title: **Head of Innovation and Acquisition**

Operating company: **VolkerWessels Vastgoed**

## ‘Continue challenging us on sustainability!’

‘When I was six, I wanted to be a Mayor. So I could make the world a more beautiful place.

I increasingly recognise my social engagement and drive for sustainability in colleagues and clients. Take our involvement in the Stroomversnelling, in which we as a sector aspire to achieve an energy bill of € 0 through sustainable renovation of existing homes. Sometimes our thinking process is still slightly faster than the technology. However, the large numbers are only a matter of time. We are making great strides in affordability and manufacturability. The next step after the energy revolution? I foresee integrated propositions in which housing solutions are part of a transition of the entire built environment. This includes circular neighbourhoods with **biobased** homes with a healthy and attractive living environment. Perhaps we will soon be giving quality of life guarantees. Imagine being able to live demonstrably longer thanks to the optimal and healthy living conditions in a house created by VolkerWessels. What could be better than to leave a trail of happiness? Does this sound utopian? You have to be ambitious. If you had predicted a zero energy house ten years ago, people would have said you were mad. The circular economy may still be in its infancy, but we sow everywhere. All we need now is a couple of heavy showers. The main gain is that sustainable thinking and acting have become commonplace: **business as usual**. That’s a compliment for all those passionate colleagues at VolkerWessels who embrace our sustainable assignments. But for our clients as well. Ten years ago, you would meet a lot of resistance. Now clients now are constantly tempting us into providing circular solutions. Keep on challenging us!’

## Policy 2015-2020

Concrete, measurable objectives have been set for each theme for the period 2015-2020. These objectives can be found in the theme chapters. The operating companies further outline these objectives within their own policies.

Safeguarding our vision within our decentralised organisational structure requires direction and accountability for sustainability performance. Each theme therefore has indicators which we monitor centrally. As of 2015, this monitoring will become even tighter. The main indicators will no longer be monitored annually, but quarterly.

The so-called In Control Statements, in which the directors of the operating companies justify policy and performance, also contain questions about sustainability. In these Statements, the operating companies provide details about their sustainability performance. The Management Board monitors and, from 2015, periodically (quarterly for the main indicators) targets on sustainable indicators using these Statements, and discusses the performance with the directors of the operating companies. The bonus for members of the Board partly depends on the performance of the safety indicator.

‘Our directors’ bonuses depend on performance on the safety indicator’

## Collaboration and decision-making

We cannot achieve our vision alone. We need all our stakeholders to do so. They help us determine what is important, where we can achieve the highest social impact and what is expected of us.

At the heart of our sustainability policy are the stakeholder dialogues:

1. **Strategic dialogue** (annually): our directors and external stakeholders discuss social trends, themes and expectations.

[Based on these discussions, we outline our vision and strategy.](#)

2. **Operational dialogue** (half-yearly): representatives of our operating companies and external stakeholders discuss the concrete implementation of the strategy.

[Based on these discussions, we take action and develop programmes.](#)

To give substance to the quality of life theme, we aim to introduce a third dialogue in 2015:

3. **Dialogue with end users** (annually): in discussions with end users of our products and services, we investigate what quality of life means to them and how we can help increase it.

[Based on this, we evaluate the extent to which we meet our objectives in terms of quality of life.](#)

A detailed description of this new plan can be found in the chapter Quality of Life.

Besides these three dialogues, we continuously work together with our stakeholders on a better quality of life in both small and large projects. The overview below shows examples of how we cooperate with our main stakeholders.

Stakeholder	Cooperation example
Knowledge institution	TNO – pilot De Trip (page 39)
NGO	IUCN – Otter Challenge (page 41)
Client	Rijkswaterstaat – Green Deal concrete (page 24)
Students	Sustainability Challenge (page 26)
Sector	Construction companies – Governance code Safety in the Construction Sector (page 20)
Social services	Sheltered workshop – of the Construction site (page 25)
Environment	Residents’ information evenings
Legislator	Dutch Wind Energy Association – legislation on wind energy (page 35)
End user	Dialogue with the end user (page 15)

The central decision-making body for sustainability is the CSR (Corporate Social Responsibility) Platform, composed of representatives from the Management Board and executives from all sectors. The Management Board is ultimately responsible for the policies and achievement of the objectives, and monitors progress and results through the figures, In Control Statements and periodic interviews with directors of the operating companies. The CSR Department is responsible for the daily support, coordination and facilitation of the implementation of the sustainability policy by the operating companies. The CSR department reports about progress to the CSR Platform and the Management Board.

## Knowledge sharing

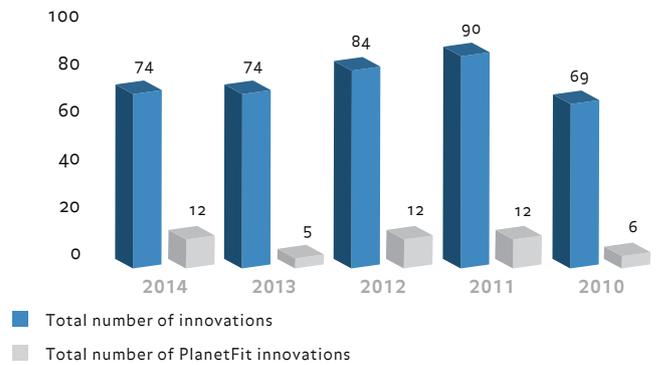
VolkerWessels is a diversified company with a wide range of people, each of whom work on many different topics. This provides a wealth of information. Knowledge sharing between individuals, departments and organisations is essential for knowledge fitness. We want to stay ahead in knowledge development, and we steer towards this by facilitating innovation marathons, online platforms and other opportunities where people meet and knowledge and experience can be shared.

## Role in the supply chain

In order to help the end user to the best of our ability, it is becoming increasingly apparent that we must operate as a complete supply chain and not as part of the chain. As VolkerWessels, we are therefore looking at our products in terms of the supply chain, rather than just as an organisation. For example, we consult the entire concrete supply chain, from raw material supplier to demolition contractor, about the sustainability of the product concrete.

However, bearing responsibility for something is not the same as taking responsibility for it. What can we do, for example, when introducing a supplier code proves insufficient and if companies, despite their commitments, fail to comply with them? Do we check whether all companies comply with these basic conditions or do we put our efforts into selecting them on sustainable distinctiveness? To find the right mode for this, several times a year we consult supply chain partners in strategic dialogues and the end user dialogue, thereby steering towards supply chain objectives.

## Innovation



### Focusing on innovation: PlanetFit

It is essential to encourage innovation. We use our PlanetFit label to publicise and promote sustainable innovations within the group. To steer towards this, we measure the number of innovations and the number of PlanetFit innovations. For this last indicator, our target was a 20% increase compared to 2011. Unfortunately, by putting less focus on PlanetFit for a while, we failed to achieve this objective. The number of innovations will continue to be an important indicator in the coming years.



In addition, we are focusing on acquiring knowledge by participating in initiatives and collaborating with knowledge partners. This allows us to contribute to the development of knowledge in our company and in society. In 2014, we participated in the Sustainability Challenge, where students tackled various sustainability issues in the group, such as the circular residential district and sustainable mobility. For the development of our concept for construction logistics, we work together with TNO and various universities of applied science. As an active participant in De Groene Zaak (the Green Business), we work in a coalition to collect and share knowledge regarding the creation of social value. We use this knowledge to implement our new theme quality of life.

‘Bearing responsibility for something is not the same as taking responsibility for it’

### From 2014 policy to 2020 policy

The existing objectives were set for the period 2009-2014. In 2014, new objectives were therefore formulated for the period 2015-2020. A number of themes have been given a new name or a different definition. In addition, the theme 'quality of life' received an umbrella function: all other issues should contribute to it.

We are no longer applying the division of 'Market, Employees, Environment, Society'. Sustainability issues are becoming increasingly complex and are interrelated, making it difficult to place them in a single category. Furthermore, we are always looking for win-win-win solutions: a positive impact within all three sustainable dimensions (economically, ecologically and socially).

	Old theme	New theme
Market	Innovation	Themes listed below
	Supply chain	
Employees	Health and Safety	Safety
	Integrity	Integrity
	Diversity	Employment
	Training & Development	
Environment	CO <sub>2</sub>	CO <sub>2</sub> and energy
	Raw materials management	Raw materials
	Biodiversity	Biodiversity
Community	Public liaison management	Public liaison management
	Community investment	
	Quality of Life	Quality of Life
	Social return	Employment



Name: **Fokko de Bruine**

Job title: **Senior Policy Advisor**

Organisation: **Salvation Army**

## 'Participation is positive for everyone'

'At the Salvation Army, we serve approximately 35,000 people. People who, for whatever reason, are currently outside the system. Our goal for this group is 'to restore normal life'. 70% of our people are basically employable. Therefore, we no longer see ourselves purely as a care organisation. We obviously offer support, but no longer without a compromise. Participation is key. It is perfectly all right to require something in return for our shelter and care. This is why our work is widening. From poorly to highly educated, from cleaners to business economists, ... we have people from different backgrounds. Job coaches seek development opportunities for them. Paid or unpaid. Participate in society, that's what counts. However, simply moving from the street to a working environment is impossible. It requires guidance. And we obviously can't do that alone. We need partners to achieve this. A company like VolkerWessels, for example. When purchasing materials and services, we select companies on their sustainability and social policy. This led us to VolkerWessels for the construction and renovation of our buildings. Now we are taking the next step together. With so many operating companies, there are plenty of opportunities within the company that match the skills and interests of our people. From clearing the construction site to a position in the office. This gives them a lot more satisfaction than our usual daily activities. And for VolkerWessels, it's a good way to climb the Social Return Performance Ladder (SRPL). An opportunity to come to at least 5% of employees with a distance to the labour market, as required under the Participation Act. It allows VolkerWessels to focus on very different people. The cooperation is positive for everybody involved.'

# Safety

Safety tops our agenda. We refuse to make any concessions to safety. So we work according to the following principle: we work safely or we do not work at all. We strive to achieve a corporate culture in which safety is embedded continuously in our consciousness. Common rules are not enough. That is why our **safety campaign WAVE** (Wees Alert! Veiligheid Eerst! [Be alert! Safety first!]) focuses on increasing safety awareness within the entire group. From the construction site to management: working safely is a shared responsibility. This is a growth process of several years, and is only successful if there

are no more accidents (for more information, see our **'zero accidents' policy**). In our policy, safety is not restricted to our own organisation. VolkerWessels therefore looks together with our partners to the integrated security in the entire supply chain: from the supplier to the client, the environment and the end user. We can do this by implementing the **Governance Code 'Safety in the Construction Sector'**, and our **construction logistics innovations**, which provide more safety around the construction site (see page 39).

## Objective for 2014

- ✓ Periodic progress meetings to discuss improvement targets' involving the Management Board and executives
- ✓ Continuous development of corporate safety policy in cooperation with the Safety Platform.
- ~ Achieve rise on Safety Ladder from 3 to 3.5 (will be level 4)

✓ Achieved ~ In progress ✗ Not achieved

## Objective for 2020\*

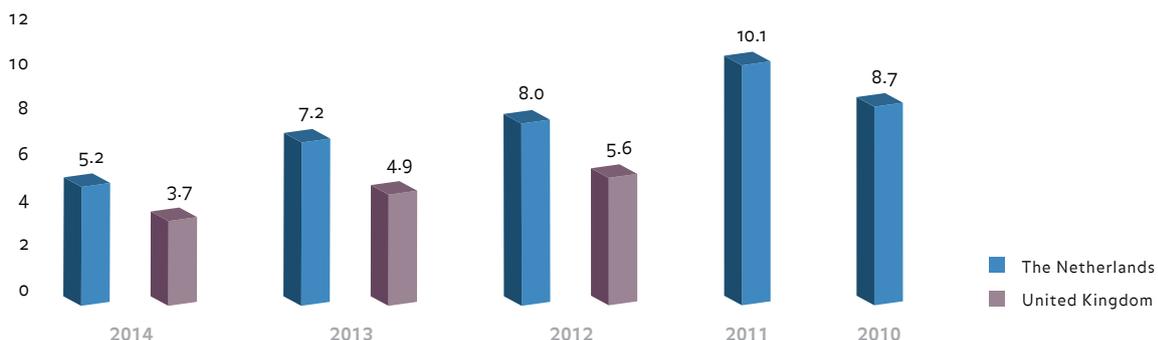
- Further deployment of the central registration of accidents
- Group-wide implementation of a safety passport
- Actively work on the development of products arising from the Governance Code Safety in the Construction Sector
- Involve subcontractors in WAVE

\* We want to have the safety objectives largely completed by the end of 2015. These objectives will be tightened further after their evaluation in 2015.

'We work safely or we do not work at all!'



IF rate\* (in percentages)



\* KPMG provides assurance of these figures, except for the safety figures for 2010.

## wave: Wees Alert! Veiligheid Eerst! (Be alert! Safety first!)

The wave programme aims to increase safety awareness throughout the organisation (see also the interview on page 19). Besides 7 core values, wave has several safety rules that apply at all times and to all people, and which are presented visibly at every VolkerWessels location in the Netherlands through posters, banners and signs. Our individual companies translate wave into their own approach to their business, which is included in their annual plan and approved by the Management Board. The Dutch Building and Property Development sector (BVGO) has established a sector-wide roadmap for the period 2014-2017 laying down the minimum requirements for all companies. One of the first initiatives is a nationwide wave day for the entire sector.

## Responsibilities, performance and remuneration

Under the guidance of the Management Board, the Safety Platform monitors the continued development and implementation of the safety policy and the wave programme. Safety is a fixed item on the agenda of all management meetings. The safety figures and safety policy are also standard items on the agenda in the quarterly meetings between the Management Board and the directors of the operating companies. During these meetings, statements on and measures to improve safety performance are discussed. In this respect, we have achieved our objective for 2014. The remuneration of directors partially depends on these achievements.

Our main indicator is the Incident Frequency Rate (IF rate). In recent years, we have seen a downward trend in the IF rate, which will continue in 2014. This sharp decrease is partly explained by the wave safety programme. Another part of this explanation lies in enhanced monitoring: the number of hours worked was also registered this year, instead of the conservative estimate that we made last year. As a result, the IF figure was calculated over a larger number of hours.

Our operating company VolkerRail was recently certified on level 3 of the ProRail Safety Performance Ladder. The continued growth objective was adjusted to level 4 (instead of 3.5), in accordance with the levels of the ladder. Unfortunately, we were not able to achieve this objective in 2014, but we hope to do so in 2015. In 2014, our OVSAAAL project was the first project to be certified on level 3 of the ladder.



Name: **Rosa Groenewegen**

Job title: **Project coordinator wave**

Operating company: **Van Hattum en Blankevoort**

## 'Wees Alert! Veiligheid Eerst! (Be alert! Safety first!)

'Hey, that's not wave!' This statement by a colleague dovetails seamlessly with the objective of our campaign: to increase safety awareness within our company. Safety rules alone are not enough to prevent incidents. Safety is getting increasing attention. This includes developments at clients, such as the Safety Ladder of ProRail and the SPIC programme at Rijkswaterstaat. The signals from the Management Board of VolkerWessels were also crystal clear. So more than enough incentives for our safety campaign Wees Alert! Veiligheid Eerst! (Be alert! Safety first!, wave). VolkerWessels adopted the name wave. The operating companies have provided input for the corporate campaign, and they implement wave from their own business, markets and corporate culture. Everyone responds to different stimuli. At Van Hattum and Blankevoort, for instance, we have workshops, training sessions, a cartoon book and a wave ambassador team, who at the same time act as our feelers within the organisation. The strength of the campaign is that it concerns all colleagues: from the foremen and craftsmen to the directors. And from the construction site to the office. Another important element is personal responsibility and sphere of influence. What safety measures am I currently taking? And what safety measures should I be taking? A culture measurement shows that attention and awareness are growing, and that safety has become an issue that can be discussed. At the same time, we must still take the final step in calling each other to account. A vertical integration, where colleagues from different levels of the organisation exchange knowledge and experience, has also been put on the agenda. However, wave is an ongoing process. Safety is an ongoing challenge. You can't skip it for a day. This means: repeat, repeat, repeat. Wees Alert! Veiligheid Eerst! (Be alert! Safety first!)

## 'Knowledge from the sector and science helps us in the development of a 'zero accidents' policy'

### Our safety rules

- Use the required PPE (Personal Protection Equipment)
- Ensure safe area markers in the workplace
- Make sure the site is clean and tidy
- Use the right (certified) work tools and resources
- Perform a last minute risk analysis (LMRA)
- Do not work or drive when under the influence of alcohol and/or drugs
- Do not smoke except in designated smoking areas

### Core Values Safety

Consistency	Safety is part of everything we do
Responsibility	I am responsible for my own safety and that of other people
Willingness to learn	I want to learn from accidents and near-misses
Open	I address others about unsafe behaviour and safety
Action	I stop unsafe work. If necessary, I suspend activities
Respect	I accept being addressed about safety
Honest	I report all accidents and near-misses

### Highlights in 2014

- The BVGO sector organised the national WAVE day.
- The directors informed our employees of the safety figures.
- The companies went to work with the theme 'order and tidiness' on project locations
- New online knowledge platform for knowledge sharing within and across sectors with all (learning) documents per sector
- Internal annual safety report and (quarterly) newsletter
- Pilot WAVE app at one operating company
- External safety training via the VolkerWessels Academy

## 'Zero accidents' policy

VolkerWessels is participating in international scientific research by TNO within the framework of the 'Zero Accidents Network' (see the interview on page 45). Knowledge sharing within this network helps in the development of a 'zero accidents' policy. Since 2014, we have centrally registered all lost time accidents in the Netherlands, giving us insight into common issues and the impact of our policies. The purpose of this central registration is to create a learning path. Learning documents are drafted after each report. Many common accidents can result in us tightening our policy or they may receive additional attention in our communications. The theme order and tidiness, for example, was very common in 2014. For this reason, it was the theme of the national WAVE day of the BVGO.

## Governance Code Safety in the Construction Sector

Safety is an issue that affects the entire supply chain and sector. In 2014, our Management Board therefore signed the Governance Code, along with clients and contractors from the sector. Together we work on increasing the safety level and improving the safety culture within the sector. That is why we discuss normalisation, training, supply chain safety and mutual learning in national working groups.

### Actions in 2015

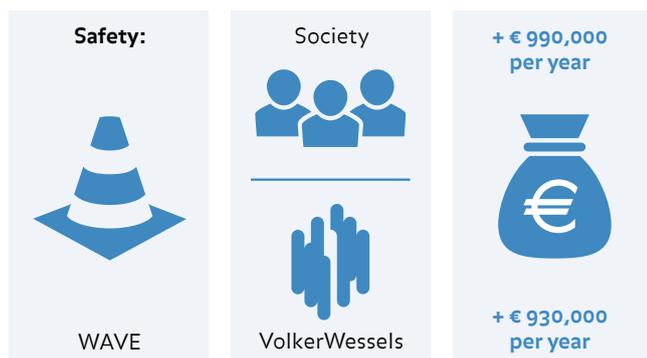
- Introduce the WAVE app to report incidents and unsafe situations
- Perform a Zero Accidents Vision study by TNO
- Set up a framework of WAVE training sessions
- Inform the operating companies about the Governance Code Safety in the Construction Sector
- Appoint a full time safety coordinator
- Register all incidents
- Move up to level 4 of the Safety Ladder

## Dilemma: safety and cultural change

To further improve our performance in terms of safety, we have made various efforts. These include the development of rules and policies, continuously monitoring figures and events and the evaluation of results by the Management Board. The key to improved performance lies in further improving the safety culture. Rules and guidelines do not necessarily lead to the required cultural change.

Together with TNO, we launched an investigation this year into the perception of safety culture among our employees. We also started the WAVE platform. This allows us to steer towards raising awareness and behavioural change among our employees by providing active education using visuals and other tools.

Further monitoring of safety figures proves to be difficult. As we have been focusing strongly on safety figures in recent years, we can use more and better data for the calculations. One example is the number of registered hours of our own and external employees. These are registered by an increasing number of our operating companies. As a result, we are no longer using the conservatively estimated 1,600 hours per employee and safety figures are falling. The fall in our safety figures is therefore partly artificial.



**Society:** Reduction in immaterial damage. The reduction in the number of accidents from 2013 to 2014 results in a decline in potential immaterial damage (suffering, grief), which is based on a fixed percentage of the Value of Statistical Life (VSL).

**VolkerWessels:** Maximum reduction in the costs of absenteeism. This is based on the average number of days lost due to sickness and the number of cases of sickness absence per year.\*

\* These amounts are indicative and based on assumptions. You can find these on our website <http://www.volkerwessels.com/nl/corporate-responsibility>.



Name: **Mascha van den Heuvel**

Job title: **Director**

Organisation: **Dubotechniek Bedrijven**

## 'Our ultimate goal: completely self-sufficient'

From engineering and implementation to maintenance. Dubotechniek Bedrijven is an innovative company which has all the disciplines for sustainable energy systems in residential, commercial, residential care, nursing and industry. This includes thermal storage systems, solar energy systems and sustainable plug and play solutions. An example is our plug and play energy system Own New Energy (ONE) for heating, cooling and hot water. We produce ONE from start to finish in our own factory, as VolkerWessels does with the housing concept MorgenWonen (Future Living). Until a few years ago, such an installation had to be built on location. This took months. Now we can deliver a complete technical room within one day. Our ONE installation, for example, has been installed at Park 20|20, the first cradle-to-cradle office park in the Netherlands, where VolkerWessels also plays a leading role. We are responsible for the entire energy process: from the feasibility study to maintenance, management and operation. We provide thirteen offices building with heating and cooling. Our solution enables the mutual exchange of energy between the office buildings. This makes the system one of a kind. 75% of the energy needed to generate heat is gained from the soil. For the other 25%, we still depend on electric power. Our ultimate goal is to be completely self-sufficient. In my eyes, that's when you are really working in a sustainable manner. By continuing to invest in innovation and development, we are coming closer and closer to achieving this objective. Therefore, we constantly ask ourselves the question: "Where can we be even more efficient and smarter?"



Through the vdBouwplaats project, people distanced from the labour market process waste into useful products, such as furniture. Some of this furniture even makes its way into the boardroom. Good for people, good for the environment and good for the image.

# Raw materials

Raw materials are a key part of our projects. Our impact in the supply chain is also largely determined by raw materials and waste streams. Within our group, concrete, steel, asphalt and wood are the main materials, both in terms of size and impact. Our policy therefore focuses on the sustainability of these raw materials and reducing our need for new raw materials. This is evidenced by our [asphalt with biobitumen](#), our [purchasing of](#)

[sustainable wood](#) and the use of recycled materials in our concrete and asphalt, as in our [test with waste materials in geopolymers concrete](#). We close the waste chain at the 'back' with ambitions like a high quality waste segregation and less disposal of waste by reusing and recycling it inside and outside our organisation.

## Objective for 2014

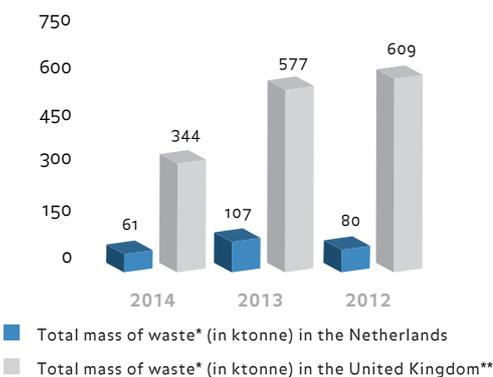
- ✓ Increase percentage of waste separated by 10%.
- ✓ Reduce packaging waste in consultation with suppliers and create policy to this effect.
- ✓ Further integrate the supply chain and sustainable raw materials management sub-areas.
- ✓ Increase the percentage of in-house developed homes made with sustainable wood to 50%.
- ✓ Structure our knowledge sharing on sustainable concrete, steel and asphalt.
- ✗ Develop and introduce Sustainable Purchasing guidelines.
- ✗ Develop a Code of Supply for suppliers.

## Objective for 2020

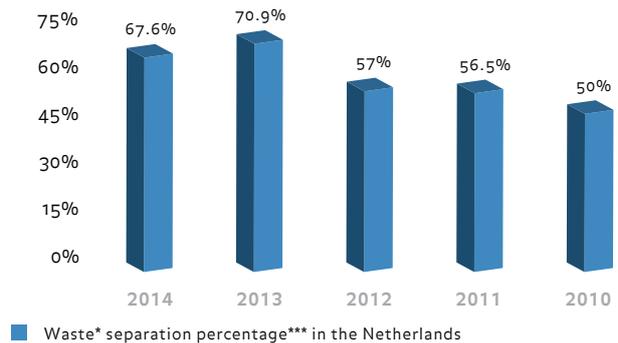
- Increase the waste segregation percentage to a 100% high quality use.
- 25% less waste disposal per € of revenue.
- Reduction of the purchase of raw materials:
  - 25% reduction in the purchase of wood
  - 25% reduction in the purchase of steel
  - 35% reduction in the purchase of concrete
  - 10% reduction in the purchase of asphalt granulates
- 100% sustainable wood purchase

✓ Achieved   ~ In progress   ✗ Not achieved

## Raw materials management



\* KPMG has granted assurance for these values.  
 \*\* The bigger amount of waste in the UK in comparison with the Netherlands can be attributed to the amount of excavation waste, which is quite large in the UK. In the Netherlands, soil waste streams arising after excavation work are often used directly on the project or are regarded as a commercial stream and not as waste. In the UK it is considered waste, however. This makes it difficult to compare the waste streams.



\*\*\* The waste separation percentage is determined by the share of ungraded construction and demolition waste processed by SITA in 2014. Construction and demolition waste represents about 70% of the total waste of VolkerWessels Nederland, excluding rubble and sand streams.



Name: **Bert Brinks**

Job title: **Manager Productontwikkeling en Kwaliteit**

Operating company: **De Groot Vroomshoop**

## ‘Wood has an enormous potential’

‘Wood is growing gold. Materials such as steel, aluminium, plastic and cement consist of “finite” raw materials, which are formed over the course of tens of thousands of years. Trees are ready to be cut after “just” a hundred years. This makes wood one of the few fully renewable raw materials. In addition, trees continuously absorb CO<sub>2</sub> into their wood. The use and reuse of wood therefore provide for hundreds of years of storage of CO<sub>2</sub>. Therefore, wood has enormous potential. As long as we practice sustainable forest management. De Groot Vroomshoop has already been strongly committed to this for years. We were involved in the discussions at the cradle of FSC Netherlands. From the very beginning, we have seen this as an opportunity. Not as an obligation. The FSC and PEFC certificate guarantee the planting of a new tree for each tree felled. Since young trees store much more CO<sub>2</sub> than older ones, felling is not necessarily a bad thing. However, we can’t just indiscriminately fell entire hectares of forest. In a tropical FSC forest section, only a predetermined number of trees is cut every thirty years. This allows the forest to recover naturally. Without causing damage to flora and fauna and without disturbing the residents. At De Groot Vroomshoop, more than 99% of the wood we use is certified sustainable wood. And VolkerWessels is also committed by participating in the Building & Wood Covenant for the use of sustainable wood. Both FSC and PEFC certified wood comply with the standards. Our wish is for these two certifying bodies to merge one day. This will allow companies to become certified much more easily and cheaply. Our ultimate dream? That the system renders itself unnecessary because there is nothing else to purchase but wood from sustainably managed forests!’

The amount of waste has declined in recent years. Where we previously included streams that were already being reused within the corresponding project (i.e. moved earth) in our reports, we have now, retroactively, omitted them from the figures. The reduction is mainly determined by fluctuations in the projects. As a result, monitoring the amount of waste remains difficult. We will therefore focus more on purchases in the coming years. In addition, we will continue the discussion on the ‘theme’ water this year. Stakeholders have indicated that they consider this an important issue, although our role therein is not yet clear.

## Enhancing sustainability of raw material streams

More secondary materials, alternative binders, CO<sub>2</sub> reduction in the production process and shared objectives for 2020. These are the principles of the Green Deal Beton covenant, in which VolkerWessels wishes to enhance the sustainability of the concrete chain in conjunction with sector peers, suppliers and clients. VolkerWessels is working on more energy-efficient production, the reuse of concrete and formwork wood as well as innovative concrete mixtures. For instance, we conducted the first test with **geopolymer concrete** with our partners, using a binder of industrial residues instead of cement.

The production of steel requires a great deal of energy, but it is also highly recyclable. Proper waste segregation, the reuse of steel and the purchase of recycled steel thus contribute significantly to reducing the demand for new materials and the environmental impact during production.

Our **HERA System** (Highly Ecologic Recycling Asphalt System) ensures that the percentage of recycled asphalt used may rise by 25%, reducing the need for new raw materials. We are also looking for alternatives for these raw materials, such as plant-based binders instead of the traditional bitumen. For both asphalt and concrete, there are secondary alternatives to the use of new sand or gravel as an aggregate.

Wood has the special property that it is a renewable raw material. However, the extraction of wood can cause a lot of damage to nature and the local residents. Therefore, sustainable forest management is essential. VolkerWessels has signed the **FSC covenant**, thereby expressing our ambition to purchase only sustainable wood in the future. In 2014, more than 90% of the wood we purchased was already certified sustainable wood, enabling us to easily exceed our target for the year (70%).

Huge gains can be achieved for all raw materials if the function and service life of a building or infrastructure are carefully considered at the start of the process. By also considering the use and the end of the service life during the design phase, the design can be adjusted in such a way that raw materials are easily recoverable and reusable (**Eco-efficient construction**), or that no additional raw materials are needed for maintenance and repairs (**The new Dutch quay**).

**Eco-efficient construction**

MJ Oomen has developed a concept which allows them to operate completely eco-efficiently by 2030, by making use of circular materials, designs and funding models.

That means working without creating any waste while maximising the value for the customer. This process benefits society (waste reduction, value-maximisation) as well as ourselves (no landfill costs, maintaining product value).



**Waste as a raw material**

By disposing of waste, valuable (potential) raw materials are lost. We want to work towards optimised segregation to maximise new use of the waste materials. By using the waste calculator and focusing on the segregation percentage and the associated cost reduction, we are aiming for savings in the waste processing costs. As a result, we achieved our objective for 2014 to increase our waste segregation percentage by 10% (from 57% segregation in 2011 to 67% segregation in 2014). This allows us to use waste materials as new raw materials in other projects. Both inside and outside the construction sector

(asphalt and concrete granulates, the reuse of sand and stone material, the reuse of wood. In 2014, for instance, we combined the use of construction waste and people distanced from the labour market to create new products for five projects within our concept 'from the Construction Site'. In collaboration with our suppliers, we use smart logistics in order to minimise packaging and packaging waste (see the 2014 objectives). The use of waste as a raw material requires adjustments in our process, such as building before disassembly (**Cradle to Cradle warehouse**) or the application of different demolition techniques.



**Society:** Reduction in benefit costs due to the creation of jobs, based on the annual average number of young people working at the construction site. **VolkerWessels:** Reduction in processing costs for construction and demolition waste, as some is now being reused by the construction site.\*

\* These amounts are indicative and based on assumptions. You can find these on our website <http://www.volkerwessels.com/nl/corporate-responsibility>.

**Highlights in 2014**

- In 2014, 92% of the wood we purchased comprised certified sustainable wood
- We discussed the theme of water in several contexts, including in stakeholder dialogues
- The smart loading of freights and reducing packaging waste is part of this concept development regarding MorgenWonen (Future Living)
- We developed PAC (porous asphalt concrete) with recycled asphalt granulate, and we were the first major road builder to be allowed to apply this project at Rijkswaterstaat
- In the Wildlands Adventure Zoo Project in Emmen, we are using clay extracted from the construction site in different buildings and we mix the concrete with hemp fibres

**Actions in 2015**

- Further develop the 'from the Construction Site' concept with more projects
- Continue the central monitoring of the purchase of wood
- Draft the FSC Annual Plan 2015 to achieve fully sustainable purchase of wood
- Organise central consultations for each of the four key raw materials and determine the baseline and monitor the objectives for the four key raw materials
- Monitor the enhancement of the sustainability of concrete within the Green Deal Beton Covenant 2.0
- Continue discussions on the theme of water

## 'Sustainable sharing... the new having'

A road with 'intelligent markings' that adapts to the most dominant traffic flow. Social sustainable housing for the vital elderly with a small purse, a sustainable information centre as beating heart in the district and even an entire circular residential area with a sharing economy. Does that sound like the future? That is exactly the point. With plenty of renewable energy, four teams of students examined the circular challenges of today and tomorrow on behalf of VolkerWessels during the Sustainability Challenge.

'A hundred brains, twenty teams and five corporates.' It sounds like the leader of the latest reality show. During the annual Sustainability Challenge, students try to translate sustainability challenges into concrete and immediately applicable **business cases**. This year, the event was hosted by the city of Utrecht. VolkerWessels asked the twenty students representing our group to focus on various movements within the market. Transformation of vacant houses, renovation and preservation of homes, better utilisation of the existing road network and storage of locally / centrally generated sustainable energy. The mission: 'Devise concrete **business cases** that allow VolkerWessels to respond to these trends and contribute to a sustainable urban environment.'

### Everything belongs to everyone

The entry of VolkerWessels for the **grand finale** was given the **catchy** name Urban Green. A sustainable redevelopment in the heart of Utrecht where mostly young families and other starters pay for a range of shared sustainable services and products. **Performance based:** the resident pays only for use. And all buildings, raw materials and materials remain the property of the developer or housing association. 'Urban Green combines the two most important and dominant sustainable trends in the market: the circular economy and the share economy', explains team captain Annemarie Tibbe. 'A win-win situation. Young families live in a healthy neighbourhood close to the city. The city of Utrecht can visibly distinguish itself with

a sustainable icon project and VolkerWessels has all the disciplines to achieve and manage the circular residential area.' Whether it concerns a circular energy circuit or water management within the district, or electric cars or tools; in the philosophy of Urban Green, sustainable sharing is 'the new having'. 'What could be nicer than being part of a **community** where everything belongs to everyone?', team member Jaap van der Veen voices a common thought within a young generation. 'Sharing things and services is the future.'

### Sustainable trilogy

VolkerWessels also felt that this initiative had the best future. Urban Green best fits the initiatives that we as a group are already working on', Christine Wortmann of sustainable consultancy Primum of VolkerWessels explains the choice of the internal jury. 'Think about the circular residential area and

'Using the knowledge of a new generation to help the business sector with sustainable questions about What? and How?'



Business of the future is not only sustainable, but also fun.

MorgenWonen, where we assemble an entire home in the factory and finish it on location within one day. Urban Green upscales our ideas by adding the sharing economy.’ What kind of scale are we actually talking about? ‘At least fifty and up to five hundred homes,’ Tibbe expects. ‘It should obviously all be feasible and scalable. The city of Utrecht responded enthusiastically. We are now studying with VolkerWessels what would be the ideal earnings model.’ Because a healthy sustainable **business case** should go hand in hand with healthy financial management. In the philosophy of VolkerWessels, ecological, social and economic sustainability go hand in hand. McKinsey has already done the maths. A circular economy will produce € 7 billion for the Netherlands. On a global scale, the savings may yield € 630 billion. This requires entrepreneurship. And just like VolkerWessels, some students have it in their DNA: ‘If you put € 10,000 in the bank, you’ll get a 2% return, Jorick Messink calculates. ‘If you invest this money in the sustainability of a building, you can achieve a return of between 7% and 8%. That is worth considering.’

#### Colouring outside the lines

Fresh insights from the new generation. That is the idea behind the challenge. Initiator SustainableMotion wants to bridge the gap between education and the business sector by leveraging the knowledge of the new generation. Starters and students in an expert role. Like Tijmen van den Top. The brand new civil engineer proudly shows his jeans: ‘Lease trousers. If that isn’t sustainable!’ The ink on his degree from the University of Amsterdam has barely dried. But Van den Top talks with almost Cruyff-like logic about sustainability: ‘There are three elements. Labour, energy and material use. Labour is a given. Energy won’t be a problem either. So many parties are working on that. But how sustainable will this energy be if you also take the materials used into consideration? I’m particularly interested in the use of materials. Yes, I’m sure that will be the next major theme.’ Because that is the ultimate ambition: **the next big thing**. ‘Of course there’s nothing better than students coming up with something we hadn’t yet thought of’, Wortmann says. ‘Especially in this traditional sector with many fixed and ingrained patterns, a vision that dares to think out of the box and the standard frameworks is very welcome. And who better to develop a vision of the future than with the people who actually work and live in this future?’



Name: **Cees Dekker & Vincent van Velzen**

Job title: **Founders**

Organisation: **SustainableMotion**

## ‘Sustainable answers to the questions of tomorrow’

‘A better world. Another way of interacting with each other. Sustainable ambitions can sound pompous, but a clear shift is visible. From the emotions of the early beginning towards a new balance which also allows scope for the rational approach which we stand for with our innovative project office SustainableMotion. The idea of: ‘Hey, there should be a better way to do that.’ In education too, sustainability is increasingly being supported and embraced. Born out of the idealism of the environmental sciences, it is now virtually taken for granted. On behalf of Utrecht University, we identified over sixty courses that integrate sustainability into their curricula. And this was in 2011. At the same time, we also discovered a gap between the knowledge of a new generation and that of the business sector. Many corporates are struggling with the question: ‘We need to do something with sustainability, but what? And how?’ It is not uncommon for them to call in expensive consultants. Furthermore, there are specific sustainable issues and challenges. Take VolkerWessels, one of the participants in our Sustainability Challenge. The theme of this edition is the sustainable urban environment. VolkerWessels tells us that they actually have all the technologies to build a completely circular city. That’s fascinating, isn’t it? But the question remains: why isn’t this being done yet? A good example of a case to which we, as SustainableMotion, want to contribute with sustainable projects. Recruitment, knowledge hub and network: we play different roles. For instance, in addition to the Challenge, we also have our Sustainable Career Events and Circular Economy Ambassadors.’

# Employment

Our people are the foundation of our company. Our key principles are therefore sustainable employability and the development and nurturing of the talents of our employees, so that they can continue working healthily and happily in the long-term. VolkerWessels also wants to contribute to adequate employment by promoting labour mobility, retraining and

re-skilling and the employment of people distanced from the labour market in a way that contributes to valuable labour participation as well as to the success of our company. Our **Mobility Centre** and our policy relating to **social return** reflect these ambitions.

## Objective for 2014

- ✓ Active cooperation among operating companies to drive down absenteeism.
- ✓ Align training and development programmes with developments in the sector.
- ✓ Increase the percentage of employees receiving regular performance and career development reviews to 70%.
- ~ Train project management skills in at least 80% of the training programmes.
- ✓ Integrate sustainability themes into 100% of the VolkerWessels Academy courses.

## Objective for 2020

- Focus on internal succession
- Invest in sustainable employability
- Achieve level 5 of the Social Return Performance Ladder in the Construction Sector
- Provide information sessions to promote equal opportunities

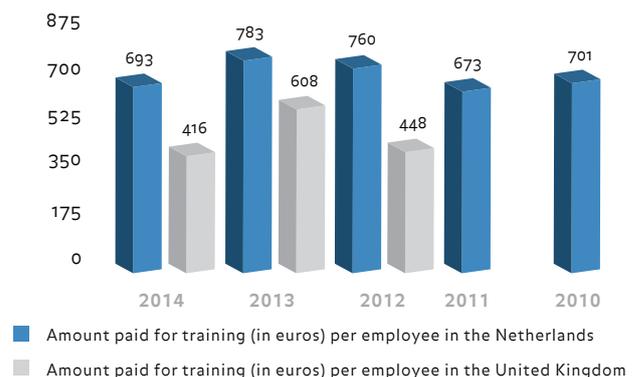
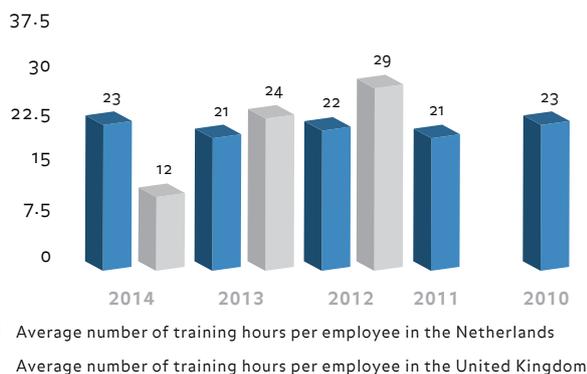
✓ Achieved ~ In progress ✗ Not achieved

‘VolkerWessels wants to contribute to sufficient employment’

## Training and development

Within VolkerWessels, HR is mainly organised locally: our companies have their own objectives. Some of the central themes are discussed at group level, such as sustainable employability, lease policy and pensions.

The average number of hours of training remains stable in 2014, while the average expenditure rise again. In 2014, 73% of the employees were regularly invited to discuss performance and career development, which means that we achieve our objective for 2014.



## Sustainable employability

(Continuing) To work in a healthy and enjoyable manner. We want to retain our valuable employees for our companies, for the sector and for the work process. Career development with possible retraining, re-skilling and refresher courses is an important building block for sustainable employability. VolkerWessels has a Mobility Centre, which promotes and supports the redeployment of employees within the group. As a result of reorganisations, 124 redundant employees have registered: 94 for guidance for new work and 20 for a retirement scheme. Of the 94 participants, 76% (71 employees) found new jobs, 16 of whom within VolkerWessels. As a result, the number of people successfully helped to find a new job rose from 54% in 2013 to 76% in 2014. In order to retain people for the sector, we are also working with other construction companies for the supply and demand of employees.

## Financial jobs

Centrally, we are committed to further strengthening the financial jobs and the internal promotion of financial talents. We make sure we find these talents and provide them with appropriate training for their personal development and growth.

### VolkerWessels Academy

The VolkerWessels Academy offers training courses in the field of project management and management skills. All educational programmes comply with the following core values, consistent with our leadership profile:

1. Result-oriented
2. Enterprising
3. Focused on working safely
4. Customer-oriented

All courses disseminate what we expect from our employees in terms of integrity, safety, Corporate Social Responsibility and Building Together More Intelligently.



Name: **Chris Verstegen**

Job title: **Innovation and Sustainable Development Manager**

Organisation: **ProRail**

## 'We need each other to achieve sustainable innovation'

**S**ustainable travelling, sustainable living and sustainable working. Those are the pillars of our sustainability policy. At ProRail, we view these themes in terms of the entire railway chain. This includes the CO<sub>2</sub> Performance Ladder we developed and which has also been applied successfully outside the railway sector for years. It is important that market participants also assume a leading role. I feel a good example is 'The Sustainable Construction Site' of VolkerWessels. This initiative to make the construction site safer, greener and cheaper to set up, fits within the development that we also represent. Sustainable use (and reuse) of materials is becoming increasingly important. We, for instance, are currently implementing a 'circular procurement' pilot for the design of the new traffic control station in Utrecht, a project that also involves VolkerWessels. We would like to translate this principle of sustainable use and reuse into railway materials. In addition, reducing noise and vibration and the sustainable integration of rails and stations in the area will be important sustainability themes over the next few years. This concerns the quality of life around the track. The challenge is how we as a railway sector can adequately involve the local residents in the design, construction and use of the track, the stations and the immediate vicinity. The market is teeming with good ideas to tackle these challenges. However, effective application is often difficult in practice. It's therefore good to check whether there are any obstacles. Does our policy provide the market with sufficient space? Are there any regulatory barriers? Is the market sufficiently open to showing and sharing its sustainable innovative ideas and products? Internally, but for public tendering as well. This is a shared challenge for ProRail and the market participants. Because for really sustainable innovation, we need each other.'



Name: **Ed Kooijmans**

Job title: **Director**

Operating company: **Van Asperdt Onderhoud en Beheer**

## ‘Getting people out of trouble and being profitable at the same time’

Everyone thinks about the best way to implement CSR. Achieving a structural solution for people distanced from the labour market: that’s the idea behind the Regional Caretaker. We perform simple maintenance tasks, for housing associations for example. The intention was to help one or two people find a job or gain work experience per year. Meanwhile, we have seventeen full time employees. With an employment contract and minimum wage. They can thus show the people at home and the authorities that they have a stable job and are making something of their lives. An enormous milestone. Homeless, burned out or suffering from autism: our new colleagues have different backgrounds. It doesn’t matter if there’s something you can’t do. But I do expect you to give it 100%. The fact that I have never had to call anyone who was still in bed says it all. Every company would be jealous of our absenteeism percentage. Not everyone possesses every skill. But where there’s a will there’s a way. We get people out of trouble by offering them prospects. The percentage of people moving on to a regular job is 70%. Social return allows you to make a contribution in proportion to your social responsibility. Whether you are a small organisation, or our parent company VolkerWessels. I consider it a sport to show that we can also make a living with these colleagues. That this initiative is commercial and profitable. Its strength is that our clients often don’t even notice which target groups we work with. We simply provide quality work. However, I could never have imagined that it would work so well, and that we would have so much fun together.

## Building Together More Intelligently

An important aspect of our programme Building Together More Intelligently (see page 29) is the responsibility and commitment of employees. This requires different skills from our employees. Therefore, our recruitment, selection and training policy not only focuses on technical skills, but also on personal characteristics and social and communication skills. Creating more diversity in people and skills ultimately pays off in an even better quality.

## Performance Management

To ensure the quality of our work, our training covers Performance Management. One of our training courses for this is the ‘Good in Conversation’ course, which covers the art of conducting good, honest and frank conversations. The supervisors play a model role in this area. This is essential for the regular performance appraisals.

In 2014, the VolkerWessels Academy further developed the Project Management courses, which are provided by internal teachers. We also train young managers within the Management Development Course.

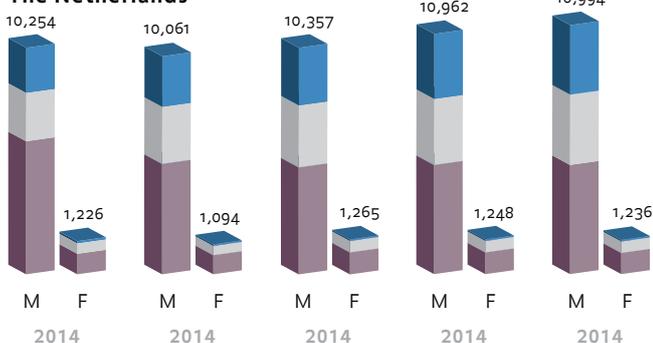
## Opportunities for and by social return

Our companies have experience in working with sheltered employment, placing and redeploying people with disabilities or who are distanced from the labour market as well as with deploying students and young people. Besides projects, we also do this on a more structural basis through the initiative **Regional Caretaker** (see page 30). With this experience and our creativity, we search for the best implementation of **social return**: valuable and sustainable labour participation that contributes to the success of our company. This includes giving people who are distanced from the labour market an opportunity without this being to the detriment of our own employees.

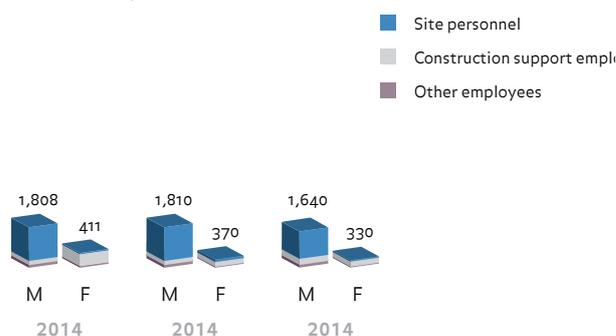
We do this in close collaboration with partners inside and outside our supply chain. Sheltered workshops, for instance, reuse our waste materials as a new raw material for buildings (**Liander Duiven**), as furniture for our offices and even for art (**From the Construction Site**). We seek the connection between sustainable employability, our Mobility Centre and the possible deployment of people distanced from the labour market.

Distribution of men and women per job group (number of men/number of women)

The Netherlands



United Kingdom



We believe in a structural corporate policy for social return, taking into account a wide target group and opportunities both within VolkerWessels and elsewhere. To this end, we are actively involved in the development of the Social Return Performance Ladder in the Construction Sector (PSOBouw). To gain experience, in 2014 we will start a pilot with a trial implementation at a number of companies from various sectors. We share our experiences, knowledge, lessons learned and results both internally and with our external partners to further develop the ladder. Our ambition is to reach the highest level (level 5).

<p><b>Employment:</b></p> <p>Regional Caretaker</p>	<p><b>Society</b></p> <hr/> <p>VolkerWessels</p>	<p><b>+ € 180,000 per year</b></p> <p><b>+ € 500,000 per year</b></p>
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**Society:** Reduction in annual benefit costs based on the number of successful participants in the The Regional Caretaker programme. **VolkerWessels:** Increase in turnover of The Regional Caretaker, because the project is new to VolkerWessels.

\* These amounts are indicative and based on assumptions. You can find these on our website <http://www.volkerwessels.com/nl/corporate-responsibility>.

Highlights in 2014

- VolkerWessels is the most popular employer in the industry
- Knowledge sharing on reducing absenteeism in HR consultations between operating companies
- Group-wide knowledge session on social return opportunities
- Pilot PSOBouw with companies in construction and real estate, infrastructure, rail and facilities sector
- Join the initiative Talent for Rotterdam, with internships and apprenticeships to prevent youth unemployment and school dropout

Actions in 2015

- The start of new Project Management courses
- Completion of PSOBouw
- Identify suitable activities for different target groups regarding social return
- Initiate cooperation between operating companies and clients for social return
- Start the arranging internships and apprenticeships within the framework of Talent for Rotterdam
- Set up information sessions on equal opportunities



**The Stroomversnelling; the initiative whereby social housing is renovated to homes with 'zero on the meter', meaning homes without an electricity bill. Here you can see the result of one in Nieuw Buinen.**

# CO<sub>2</sub> and energy

The transportation and conversion of raw materials are inextricably linked to our industry and core processes. This means that we consume serious amounts of energy and produce CO<sub>2</sub> emissions. Where can be gained most? We focus on the largest consumers to reduce our CO<sub>2</sub> emissions and energy consumption. Moreover, this policy increases efficiency and cost savings. That creates scope for new innovative solutions. Within VolkerWessels, asphalt plants, commercial vehicles and the energy consumption of business and project locations are the main causes of emissions and energy consumption. We therefore focus on alternative, sustainable energy sources, energy efficiency of the production sites, for instance,

through **HERA System** and logistics optimisation, as with our **Construction Logistics concept** (page 39). Consumption and emissions are also important themes in the extraction and production of raw materials such as steel, cement and bitumen, and at the other end of the supply chain, for the end user as residents.

VolkerWessels focuses, among other things, on enhancing the sustainability of the energy consumption in the use phase. Examples are plug-and-play power plant **ONE** (Own New Energy), zero energy **MorgenWonen** (page 46). Our objectives apply both to our own operations and our products and services.

## Objective for 2014

- ✓ 5% reduction in CO<sub>2</sub> emissions compared with 2011 levels
- ✓ (Re)certification on the CO<sub>2</sub> Performance Ladder
  - Construction & Real Estate level 4
  - Sector Infrastructure in The Netherlands level 5
- ✓ 10% better EPC performance than the legally required standard in our PlusWonen concept.

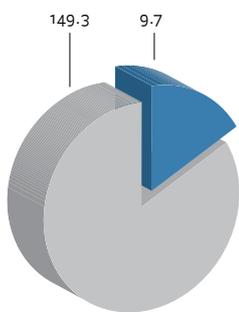
✓ Achieved   ~ In progress   ✗ Not achieved

## Objective for 2020

- 10% CO<sub>2</sub> reduction per € of revenue compared to 2014
- 5% CO<sub>2</sub> reduction Scope 3 per € of revenue of concrete products compared to 2014
- 5% CO<sub>2</sub> reduction Scope 3 per € of revenue of asphalt products compared to 2014
- 5% CO<sub>2</sub> reduction Scope 3 per € of revenue of steel products compared to 2014
- Level 5 on the CO<sub>2</sub> Performance Ladder of the Construction & Real Estate Sector
- 400 zero energy homes

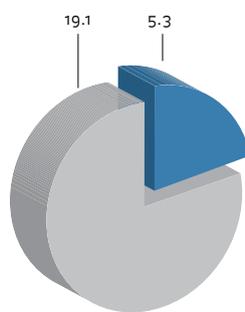
## CO<sub>2</sub> emissions per GHG scope 2014

The Netherlands



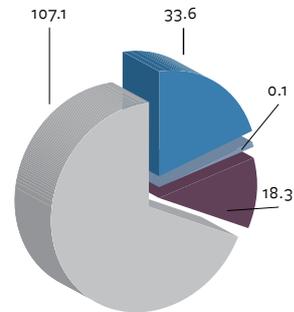
■ Scope 1  
■ Scope 2

United Kingdom



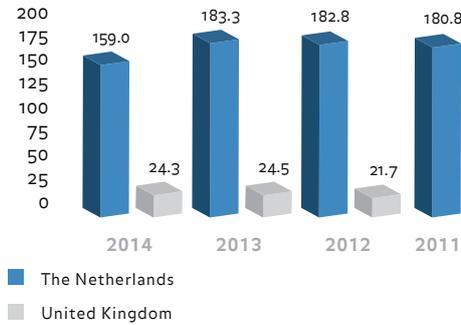
■ Scope 1  
■ Scope 2

Per sector



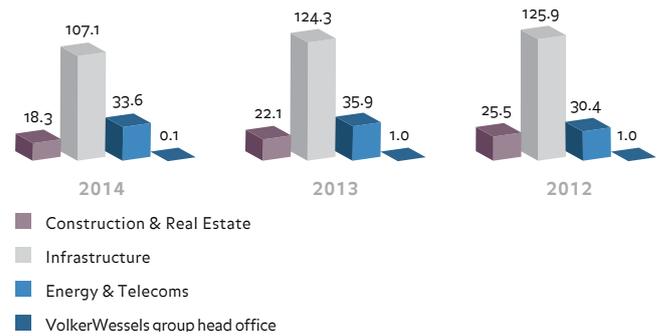
■ Construction & Real Estate  
■ Infrastructure  
■ Energy & Telecoms  
■ VolkerWessels group head office

CO<sub>2</sub> emissions in tonnes (total)\*



\* KPMG has granted assurance for these values.

CO<sub>2</sub> emissions in tonnes (per sector)\*\*



\*\* Figures relate to VolkerWessels Netherlands.

## Internal savings

Innovation in our processes often means working more efficiently while consuming less energy. An example is the **HERA System**. This asphalt recycling system is more energy efficient than other systems. Furthermore, HERA reduces emissions and saves the system a large amount of raw materials by using more recycled asphalt. The production of asphalt at lower temperatures also significantly reduces energy consumption during the production process. Enhancing the sustainability of the fleet can be achieved through cleaner vehicles and behavioural changes among drivers. Pilots in the group show us that a reduction of 2% to 7% can be achieved by using cars with an A or B label, hybrid and electric cars. The driver is literally at the wheel when making more efficient use of fuel-efficient cars. Through courses, toolbox meetings and providing feedback about driving behaviour (for example, via the app of our leasing company), employees are made aware of their impact on fuel consumption, emissions and costs. Our buildings are also becoming increasingly green. To reduce our energy needs, we combine green power with reducing energy needs by using energy efficient lighting, ICT and equipment.

### ONE

The ONE is a plug-and-play power plant which we use to provide homes and non-residential building with sustainable energy. ONE is prefabricated and installed on site in one day. This considerably reduces nuisance and the risk of damage and errors in the installation.



Additional savings can often be achieved on project locations. Similar measures as for lease cars (energy efficient equipment and conscious use) also have a positive effect on the emissions of our equipment. The **Sustainable Construction Site** concept helps our operating companies make their construction site smarter, more energy efficient and more sustainable, for example, through well insulated site huts equipped with time switches.

Compared to previous years, our CO<sub>2</sub> emissions fell in 2014. This means that we achieved our current objective; focusing on CO<sub>2</sub> is bearing fruit. Stopping the use of brown coal at two of our asphalt plants had a large share in this. Incidentally, these figures are somewhat distorted, since the figures for asphalt production fluctuate annually. As a result, the 2014 emissions are even lower. We base our new internal objective on emissions relative to the turnover, so that we can make a better comparison between years with varying production. The focus of our CO<sub>2</sub> policy is on the certifications of our operating companies on the CO<sub>2</sub> Performance Ladder: level 4 for the Building and Property Development Sector and Level 5 for the Infrastructure Sector.

With the rise in the number of operating companies to level 4 and 5, we have achieved these objectives for 2014. In the future, we would also like to achieve the highest level 5 for the Building and Property Development Sector.

## Sustainable energy

The focus of our own sustainable energy use is on the purchase of green electricity through a shared electricity contract (approximately 30 GWh/year) and the individual contracts of our companies. This will reduce the CO<sub>2</sub> emissions caused by our electricity consumption to a very low level. This includes the greening of the construction power outlets on project locations. Other applications of sustainable energy on the construction site include the use of green construction power outlets instead of a generator or the use of solar collectors. This may even result in an energy positive construction site, as is the case of Liander Duiven, where the construction site is connected to the solar panels on the roof of the office building, which were installed early in the construction process.

VolkerWessels actively contributes to the availability of sustainable energy, for example through the ONE and by connecting windmills. As a member of the Dutch Wind Energy Association, we also proactively think about removing barriers in fulfilling the ambitions in the field of wind energy.

### Cradle to Cradle warehouse

The first logistics 'Cradle to Cradle Inspired' building in the world: a multifunctional, modular warehouse on the Fokker Logistics Park at Schiphol East. The basic principles in the design include life cycle endurance and flexibility, easy disassembly, transformation and use of biobased and recycled materials. This saves on primary raw materials as well as on energy required for production.



Name: **Thomas Heye**

Job title: **Sustainability Quality Assurance Officer**

Operating company: **Boele & van Eesteren**

## 'Sustainably looking for the ideal construction flow'

The reduction of transport movements around the construction site. It is an important component for the sustainable indicator BREEAM and a recurring criterion in more and more tenders and procurements. Especially in urban areas. But how do we optimise construction flows in practice? Together with VolkerWessels Bouwmaterieel, we are looking for an answer. The equipment department participates in the Top Consortium Knowledge and Innovation (TKI) Logistics. An initiative by TNO and others pursuing innovation in logistics. 'Our' De Trip project in Utrecht serves as a pilot project. First, we will take a look at what the traditional approach would be. Then what the optimisation process would be and what our objectives are. This could include CO<sub>2</sub> reduction, noise and vibration reduction, the minimisation of particulate matter and a safer construction site. A serious option is a hub location on the outskirts of the city. Currently, suppliers all drive to the project site by themselves. Often even with half-empty lorries. We collect the construction materials at a hub, after which a shuttle service drives to the construction site with full lorries. Transport by water is also an option. Like a shuttle service for colleagues to avoid parking problems in the project. The next step is the organisation of the construction site. For example, a logistics employee, who puts the material in the right place in advance. This saves the engineer expensive hours. Furthermore, fewer transport movements during working hours is safer. Our biggest challenge? Quantifying and measuring all the flows. What, for example, does a hub actually save in terms of emissions and nuisance? What does it cost, or what does it produce? 'All parties must be open. Our objective: a repeatable and scalable model that is more broadly applicable within VolkerWessels.'

## Reduction in the supply chain

The reduction of CO<sub>2</sub> and energy use in the extraction and production of our key raw materials depends very strongly on the optimal use and reuse of these materials and on finding alternatives. We also encourage our suppliers to use energy efficiently in their production process. This includes screening and selecting suppliers based on their environmental policy or always requesting their CO<sub>2</sub> data via our [general terms and conditions of purchase](#).

### MorgenWonen

With the MorgenWonen concept, VolkerWessels creates a waterproof and windproof home in a single day. The highly standardised and optimised production and logistics process make it possible to build homes very quickly and to convert them into zero energy homes using solar panels and heat pumps.



## Pipeline

With our products and services, we also contribute to energy and CO<sub>2</sub> reduction in the use phase (Scope 3 emissions). In Rotterdam, for instance, we are building a district heating network ([Leiding over Noord](#) (The North Pipeline)) which enables the reuse of residual heat from waste plants. We are developing highly reflective asphalt and luminous road markings [FloWithGlow](#) thus reducing the need for public lighting, and we are contributing to a better flow of traffic through the installation of smart stop lights. Our PlusWoning (energy-bill-free home) achieved an EPC standard, which is 10% below the legal standard, with which we have achieved our objective for 2014 in this respect. For 2020, we have formulated objectives to achieve Scope 3 reduction of our three most CO<sub>2</sub> intensive materials: asphalt, concrete and steel.

### Highlights in 2014

Pilot Project De , selected by TNO as a pilot in a study of logistics optimisation

Various operating companies rose to level 4 or 5 on the CO<sub>2</sub> Performance Ladder

The first zero energy Future Homes achieved with fully sustainable energy supply

'The Edge' Office, which incorporated several sustainable energy techniques, was awarded the highest BREEAM certificate 'Outstanding'

The first test homes delivered for the Stroomversnelling, the national renovation project where homes are renovated to zero-on-the-meter

### Actions in 2015

Monitoring the asphalt, concrete and steel objectives through central consultations for core raw materials

Continuing to monitor performance of the zero energy homes

Monitoring plan for pilot concept Construction Logistics

Construction Logistics concept rollout to other projects

## Smart logistics

Much of our emissions and energy use relates to the transport of people, goods and equipment. Additionally, we often work in inner cities or at locations that are difficult to reach. By optimising logistics, for example through our Asphalt Logistics Information System (ALIS), allowing us to track the location, time of arrival and temperature of the asphalt being transported, we reduce waste and transport movements. Large savings can also be achieved in the transport of people. With the **Digital Technician**, for instance, we have fully digitised the administration. Project employees do not have to drive back and forth every day for folders, but can always use, modify and share maps and forms from a tablet.

### CO<sub>2</sub> emissions and energy:



MorgenWonen

### Society



VolkerWessels

+ € 576,000  
per year



+ € 360,000  
one-time

**Society:** A reduction in the annual energy costs per 400 homes, because 120 euros per month saves on energy. **VolkerWessels:** A one-off saving in transportation costs because fewer lorry trips will be needed to deliver a home.\*

\* These amounts are indicative and based on assumptions. You can find these on our website <http://www.volkerwessels.com/nl/corporate-responsibility>



Name: Irene ten Dam

Job title: Domain Manager Green

Organisation: Economic Board Utrecht

## 'From zero on the meter to circular residential district'

'Translate social challenges into innovations, employment and economic opportunities. That's the objective of Economic Board Utrecht (EBU). An initiative of governments, companies and knowledge institutions in the province of Utrecht and Hilversum. Together we are stronger and more effective. We want to become the most viable economy in Europe and we identify three areas: green, healthy and smart. I am mainly involved in programmes that contribute to a green and ultimately circular economy. That's how I came into contact with VolkerWessels. One of our ambitions is to have fifty thousand zero-on-the-meter-homes' in the province of Utrecht by 2020. It's amazing how far VolkerWessels already is in this development. Within a year, new zero energy homes will be their standard. The challenge therefore lies primarily in existing construction. The next step: standard renovation concepts for different types of housing, which we can apply on a large scale. Another challenge is the expected growth of the city of Utrecht by approximately 150,000 people within thirty years. How can we ensure adequate living space whilst keeping the urban environment healthy and attractive? Here too, VolkerWessels can play a role. With the sustainable transformation of offices, for example. And by building new circular residential districts. Another one of our ambitions in Utrecht is for at least 10% of purchases to be circular by 2020. We try to entice developers of real estate to do the same.' With its clear vision on circular residential districts, ideas on the sharing economy, with innovative pilot projects relating to sustainability and construction logistics, such as 'De Trip' in Utrecht, VolkerWessels is the appropriate party to contribute to the sustainable future of Utrecht.'

# Public Liaison Management

Our projects have an impact on our surroundings. We therefore put a considerable effort into forging a good relationship with local residents. We do this in part by informing residents and engaging in dialogue with all stakeholders. Other important points of attention are the surrounding nature and **biodiversity** (page 40). We can also contribute to satisfied local residents by optimising our processes and the way we organise our projects. An increasing number of our products comply with the **Bewuste Bouwers** (Considerate Constructors) guidelines, allowing us to

concretely implement our commitment to society and the local residents. Internally, VolkerWessels is working on optimising the process, which will also result in benefits for the local residents. By optimising construction flows we can ensure better accessibility and reduce the considerable pressure inflicted on the transport network by construction traffic. Furthermore, **Building Together More Intelligently** ensures a shorter lead time. This means less and shorter inconvenience for the residents.

## Objective for 2014

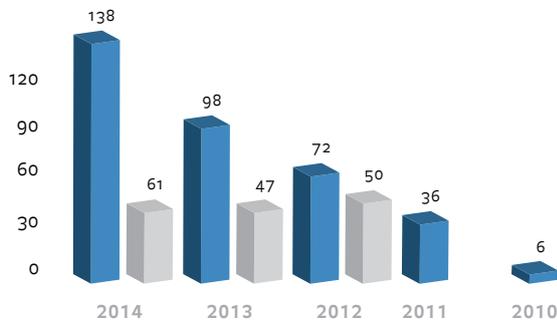
- ✓ Register at least fifty projects with 'Bewuste Bouwers'
- ✓ Embed the theme of public liaison management in 5 in-house courses

✓ Achieved    ~ In progress    ✗ Not achieved

## Objective for 2020

- 100% of the projects comply with the Bewuste Bouwers guidelines
- At least 150 projects should be registered annually with Bewuste Bouwers
- 15 projects in which 2 measures are taken from the Sustainable Construction Site guideline
- 15 projects in which 2 measures are taken from the Construction Logistics Menu

## Public liaison management



- Number of Bewuste Bouwers (Considerate Constructors) construction sites in the Netherlands
- Projects certified according to the 'Considerate Constructors Scheme' in the United Kingdom

A study into the expectations of local residents we conducted shows that poor accessibility, noise and litter are the three main annoyances of the residents. Within the concept of **the Sustainable Construction Site**, we have developed internal standards and guidelines. The main themes are the satisfaction of the residents, waste separation, a clean construction site and the appearance of the construction site.

## Highlights in 2014

- 138 construction sites comply with Bewuste Bouwers
- Three projects in the United Kingdom were certified according to the 'Considerate Constructors Scheme'
- Nationwide contest 'Tidiest Workplace' at kws to highlight the importance of safety for ourselves and our environment on and around the construction site. First prize: a chocolate construction helmet
- Several staff initiatives and sponsored activities relating Community Investment

## Actions in 2015

- Rollout of the Sustainable Construction Site and Construction Logistics Menu concepts to other projects
- Further incorporate biodiversity and quality of life into concrete measures

### Construction Logistics Menu

With the Construction Logistics Menu, we facilitate our companies and projects to optimise their logistics process. Its design makes it possible to optimally adapt the logistics to the unique characteristics of a project. Improved logistics translates into less nuisance, reduced CO<sub>2</sub> emissions and hazardous particulate matter, a safer environment and a more productive construction site. In our pilot project **De Trip** (page 39), we collect information on the added value of possible logistics optimisations, in order to make the best possible economic, ecologic and social choice(s).



Further advantages can be achieved by strategically organising the transportation of people, equipment and materials. Our logistic pilot project **De Trip** proves that it is possible to reduce the number of transport movements by up to 60%. This saves time and costs and reduces (noise) nuisance caused by waiting vehicles or even vehicles parked nearby. Silent transport methods and just-in-time deliveries also limit the inconvenience to the environment.

Our project **Wildlands Adventure Zoo Emmen** shows that the complete reuse of raw materials such as soil and sand within a project completely eliminates the inconvenience caused by heavy goods vehicles. We bundle all the options for the optimisation of our logistics in our **Construction Logistics Menu**.

<p><b>Public Liaison Management:</b></p>  <p>Sustainable Construction site</p>	<p>Society</p>  <hr/>  <p>VolkerWessels</p>	<p>+ € 1,100 one-time</p>  <p>+ € 15,000 one-time</p>
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**Society:** One-time reduction in costs for CO<sub>2</sub> and NO<sub>x</sub> emissions by increasing load factor of lorries on the Rijssen-Zwolle route for the pilot project Studentenhuisvesting Zwolle (Student Housing Zwolle). **VolkerWessels:** One-time reduction in transportation costs by increasing load factor of lorries on the Rijssen-Zwolle route for the pilot project Studentenhuisvesting Zwolle.

\* These amounts are indicative and based on assumptions. You can find these on our website <http://www.volkerwessels.com/nl/corporate-responsibility>.



Name: **Freek Huijsmans**  
 Job title: **Programme Manager Business Model Innovation**  
 Operating company: **M.J. Oomen Group**

## 'The circular economy: closer than you think'

'Currently, everything revolves around possessions. Take a mobile phone, for instance. The responsibility of the manufacturer ends with the sale. The consumer takes possession of the phone, which ultimately ends up on the scrap heap. That's the linear economy. Valuable raw materials are lost. The solution? A circular economy. Based on nature, where waste is always a raw material for something new. Due to the increasing pressure on finite resources and future charging of environmental damage, producers will soon be valuable raw material banks for suppliers. That mobile remains the property of the manufacturer and we pay for its use rather than for ownership. The translation into the services provided by M.J. Oomen Group called the eco-effective water cycle. A circular water cycle in which all the raw materials are 100% reused. Our ultimate dream? A closed water cycle per home. No more sewer systems and large treatment plants, but on-site water purification. Multiple use of the water for laundry, shower and toilet. This eco-effective water cycle is part of a larger ambition: a totally self-sufficient house in a completely eco-effective residential district. We must therefore translate our vision group-wide. We can only achieve this together as VolkerWessels. Together we can make a change. And the first step has already been taken. The long term performance-based management and maintenance of the entire public space for various municipalities. Instead of having many points of contact, in future municipalities will only have one.' The resulting financial benefit creates space for innovative solutions. We see opportunities to accelerate the process of making existing residential districts circular. The circular economy may be much closer than anyone thinks!'

# Biodiversity

Biodiversity was introduced as a new theme this year. For several years, stakeholders have been indicating that the conservation of biodiversity is an important theme for VolkerWessels. Our goal this year was to put the theme on the map within VolkerWessels and to give it substance by developing a concrete guideline for use in projects.

Biodiversity and healthy ecosystems are important for our social and economic sustainability. The disappearance of animals, plant species and forests and the disruption of ecosystems are serious social problems. Therefore, this theme

has been a spearhead for VolkerWessels since 2014. With concrete objectives in addition to our obligations under the flora and fauna legislation, we encourage our operating companies to take **additional measures** that promote biodiversity and increase the added ecological value of a location or region. These include planting native fauna, building natural banks and creating nests and bat abodes. We are also committed to endangered species and extracting sustainable raw materials that do not result in loss of nature. Some examples are our participation in the **Otter Challenge** and the **FSC covenant** (page 24).

## Objective for 2014

✓ Introduction of a new theme

✓ Achieved   ~ In progress   ✗ Not achieved

## Objective for 2020

- Rollout of the new internal campaign for the promotion of biodiversity
- 20 projects annually, in which at least 2 biodiversity measures are taken
- 3 biodiversity scans a year at operating companies
- 2 inspiring projects per year

‘Our otter tunnel has now reached the final of the Otter Challenge’

## Highlights in 2014

VolkerWessels becomes partner of the Otter Challenge  
Start of construction of Ecoduct Boele Staal, part of the ecological corridor of the Utrecht Ridge and Leusderheide  
Biodiversity measures to protect bats, swifts and sparrows established for the renovation project of the Stroomversnelling test homes  
List of possible ecological measures and projects

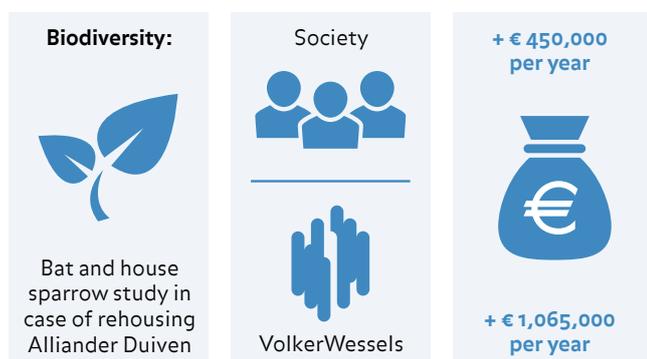
## Actions in 2015

Internal campaign on the biodiversity theme  
Realisation of the first projects with additional measures promoting biodiversity  
Performance of the first biodiversity scan  
Election of the winning Otter Challenge business case

The Otter Challenge aims to have 1000 otters in the Netherlands by 2020. One of the ideas to achieve this objective is VolkerRail's otter safe, an otter-friendly eco-passage with stock guard. This product allows otters to cross the road without risking a collision whilst also expanding its habitat. The product is expected to save many otter lives and has also reached the final of the Otter Challenge.

Our operating companies can use our list of environmental measures to develop their own initiatives in addition to the statutory mitigation or compensatory measures. As of 2015, an internal campaign will make operating companies aware of our objectives and the available opportunities to contribute to biodiversity. In addition, we will introduce a so-called 'biodiversity scan' at several individual operating companies. The results will be translated into concrete measures and the implementation of improvements.

VolkerWessels also initiates inspiring ecological projects, such as the construction of an ecological garden for new homes. In 2014, we joined the coalition of partners of the **Otter Challenge**. The Otter Challenge is an initiative of the International Union for Conservation of Nature (IUCN), which aims to ensure the presence of at least a thousand otters in the Netherlands by 2020 through sustainable business cases. During our first brainstorming session, our own ecologists contributed their knowledge.



**Maatschappij:** Toename van werkgelegenheid door uitvoer onderzoek 'Vleermuizen en Huismus'. **VolkerWessels:** Afname van potentieel jaarlijkse kosten voor het niet hoeven stilleggen van de bouwplaats.\*

\* Deze bedragen zijn indicatief en gebaseerd op aannames. Deze kunt u vinden op onze website <http://www.volkerwessels.com/nl/corporate-responsibility>



Name: **André Donker**

Job title: **National forest ranger**

Organisation: **Natuurmonumenten**

## 'Towards a new biological richness'

I prefer to speak of biological richness rather than biodiversity. Environmental pressure, fragmentation of ecosystems and intensive monotonous use of (agricultural) land cause the disappearance of important links from natural chains of plants and animals that need each other to survive. Phenomena such as bird flu and (mice) plagues indicate a disruption of the biological balance. Spending millions on fighting these disturbances is not what I would call sustainability. In the Netherlands, only 15% of the original biological richness is still intact. This puts us among the worst countries in the world. Thousands of endangered plant and animal species are also on the 'red list'. Natuurmonumenten has been committed to a varied flora and fauna for 109 years. I am involved in the Marker Wadden as a forester, for example. A new group of islands, which should improve the weakened water environment of the Markermeer lake. The nice thing is that nature responds immediately to the opportunities we offer. Spoonbills and spawning fish, for example, are already appearing at the test island. Sustainable movements can also be observed in the construction sector. This includes ecoducts, for example. Connecting natural areas really works. The larger the natural area, the greater the diversity. Taking account of biological wealth when mowing along railway tracks and roads is another good example. Successful local initiatives striving for biodiversity deserve a structural character. Nowadays, new construction is so 'perfectly' isolated and closed off that there is no more room for birds. Often, room is freed up afterwards for house sparrows and swifts. Ultimately, we as a society will need to propel changes. We still have a long way to go, but slowly the tide is turning. The sustainable awareness all around us is encouraging.'

# Integrity

Companies that want to do business with integrity are working more and more exclusively with companies that pursue this aim too. VolkerWessels also wants to be a part of this group of companies.

We have translated our integrity policy into our Code of Conduct, which forms the basis for our actions. To promote a culture of open and honest business, we use several means, such as a central confidential counsellor and an anonymous reporting system. Integrity is also a prerequisite for our dealings with other contract partners. For example, we included provisions on integrity in our purchase conditions and we are committed to the Guiding Principles for Instructing Construction Companies, which focus on sustainable collaboration between client and contractor.

Integrity is one of our three core values. In recent years, we have particularly focused on facilitating various ways to monitor integrity. This has resulted in people more easily finding their way to the confidential counsellor as well as them being aware of the reporting scheme. Because integrity is difficult to verify, it is difficult to draw conclusions regarding the level of integrity at VolkerWessels: does an additional report mean an additional violation or an additional person who has found their way to the confidential counsellor? What is certain is that by 2020 we want to be among the top 3 construction companies which do business with integrity and that we will strive for this in everything we do. We will also ensure that there is openness and willingness to call each other to account.

Our efforts to make employees aware of our integrity policy and the corresponding actions are reflected in the number of workers who participated in integrity workshops in the Netherlands in 2014.

## Objective for 2014

- ✓ Increase awareness of doing business with integrity
- ✓ Rollout the integrity programme in the operating companies
- ✓ Further develop the policy and define concrete actions for improvement.
- ✓ Gain better insight into integrity risks and integrity culture.
- ✓ Further introduce the Guiding Principles in our business operations.

✓ Achieved ~ In progress ✗ Not achieved

‘We only want to work with companies which do business with integrity, just like we do.’

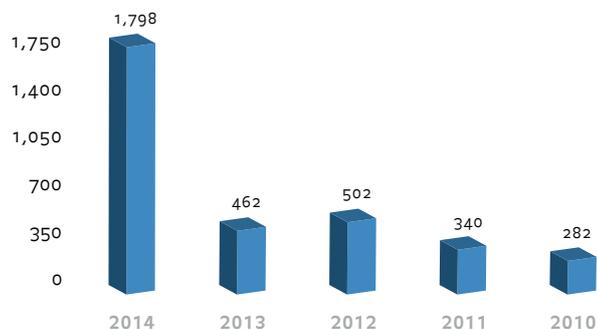
## Objective for 2020

- In 2015, 100% of the employees must know the way to the confidential counsellor
- Being among the top 3 of construction companies in the Netherlands which do business with integrity

To be among these top 3 construction companies in the Netherlands by 2020 requires a system that enables control and interpretation. This yet to be developed system must be able to ensure that significant steps can be taken in honest handling and that these can be monitored.

Last year, we were made aware of possible alleged wrongdoings regarding the manner in which a subcontractor rewards its employees. The debate is still ongoing. We will do everything within our power to prevent abuses.

## Integrity



■ Number of employees participating in integrity workshops in the Netherlands, including in the VolkerWessels introduction programme and at other events\*

There were 49 reports to confidential counsellors in the Netherlands, compared to 50 in 2013. In the United Kingdom, there were 8 reports, although reporting there is defined differently than in the Netherlands\*\*. As in previous years, the number of reports is rising. We see this as a positive sign of increasing awareness about integrity.

## Code of Conduct and Integrity Platform

The basis for our integrity policy can be found in our code of conduct. Ensuring that the behavioural norms of this code are effective in practice requires attention and awareness. To achieve this, the Integrity Platform of VolkerWessels has the following objectives:

- raise the awareness of employees of the importance of integrity
- embed integrity in the business culture
- increase awareness of the content, purpose of and compliance with the generally accepted social norms and values and national and international legislation and regulations.

\* KPMG has granted assurance for these values.

\*\* In the UK, employees report what is known as **grievances**. The definition of grievances differs from what is understood to be non-ethical behaviour in the Netherlands. Furthermore, cultural differences make it impossible to compare the complaints in the Netherlands and the United Kingdom.



Name: **Huib Costermans**

Position: **CFO**

Company: **KPN NETHERLANDS**

## ‘Taking responsibility in the supply chain’

‘Sustainability tops our agenda. Corporate Social Responsibility is integral to our strategy and policy-making. The reason that we may call ourselves one of the most sustainable telecommunications companies in the world and a leader in the Transparency Benchmark is partly because of our long involvement in sustainability. Especially when it comes to my energy portfolio. 0.8% of all energy consumption in the Netherlands is related to KPN. This means that we need to bear our responsibility. KPN Netherlands uses 100% green electricity. KPN also has the ambition to be CO<sub>2</sub>/climate neutral by 2015. Here too, we take our responsibility. With our products and services, we can also have a positive influence on our customers. Working online and telecommunication applications ensure reduced emissions and can even solve the congestion problem. KPN also has an exemplary function for the consumer. Far too few mobile phones are currently recycled. One of our initiatives is a bus where you can hand in your old phones. A good example of social sustainability is class contact, allowing sick children to follow classes online from home. We also see interesting developments elsewhere in the market. Nowadays, for instance, the sector’s environment management is highly professional. A nice reference of VolkerWessels is the brush machine, with which they build our networks faster, cheaper, more sustainably and with less disruption and harm to the environment. KPN is constantly seeking dialogue and cooperation with its partners. We consciously expand our scope. One should not only look at one’s own organisation and activities, but also at the sustainable role you can play in the supply chain. Especially with the tendency of a scaling down government sector, it is important that we, as market participants, take responsibility.’

Each new employee receives the code of conduct and we organise integrity workshops in our companies. We are currently finalising an e-learning tool that will be launched next year. This tool presents employees with integrity dilemmas. The programme of the workshops being organised in 2015 will be tailored on the basis of the results of the tool.

**Code of Conduct**



The Code of Conduct of VolkerWessels contains the following topics:

- Interacting with the outside world
- Interacting with market participants
- Interacting with the organisation
- Interacting with each other
- Compliance with laws and regulations

Social views are diverse and change rapidly. It is a challenge to properly align our integrity policy to them. Take the emergence of social media, for example. In 2015, we will evaluate whether the Code of Conduct still reflects these changing social views and, if necessary, we will modify the code.

**Highlights in 2014**

The option of sending anonymous reports to the central confidential counsellor

Development of e-learning tool on integrity

Integrity Workshops followed by 1,798 employees

Ensuring that the principles of our code of conduct are effective in practice requires attention and awareness. Key concepts thereby are raising awareness, promoting and safeguarding integrity. The Integrity Platform of VolkerWessels gives substance to these key concepts and takes initiatives for concrete actions.

As part of the integrity programme, each new employee receives the code of conduct and we organise integrity workshops within our companies. We are currently finalising an e-learning tool that will be launched next year. This tool presents employees with integrity dilemmas. The programme of the workshops being organised in the coming years will be tailored on the basis of the results of the tool.

By appointing a central confidential counsellor, employees no longer need to submit their – already anonymous – reports at operating company level. This lowers the threshold for reporting.

**The new Dutch quay**

The new Dutch quay: using innovative materials is low maintenance and reduces the risk of damage to vessels as they moor. Due to the reduced need for maintenance, less material and energy are required for repairs during the service life. Furthermore, the distance between the ship and the quay is smaller, thus reducing the risk of cargo spilling into the water.



**Actions in 2015**

Increase awareness of the confidential counsellor through communication

Update the Code of Conduct

Update the protocol on the use of social media

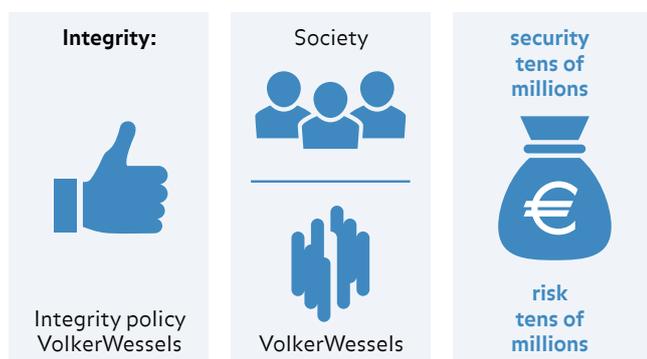
Launch of the e-learning tool on integrity

Continue the integrity workshops

## Supply chain responsibility

The Guiding Principles that we have developed together with six other major Dutch companies focus on supply chain responsibility and professional collaboration. Via the In Control Statements (see Chapter From vision to impact), our operating companies account for the alignment of their policy with the Guiding Principles. In the guiding principles, we express our expectation that our suppliers are also professional, honest, transparent and socially responsible. The latter also means that we expect concrete efforts and cooperation in our key sustainability themes, such as CO<sub>2</sub> (see page 33) and social return (see page 28).

Within the framework of supply chain responsibility, we have also signed the Global Compact of the UN and the Manifesto Socially Responsible Procurement.



**Society:** No risk of additional costs due to disruption of the market. **VolkerWessels:** Without integrity policy, VolkerWessels faces the risk of damage to its reputation and fines, the cost of which could amount to tens of millions of euros. With our integrity policy, we minimise this risk.\*

\* These amounts are indicative and based on assumptions. You can find these on our website <http://www.volkerwessels.com/nl/corporate-responsibility>.



Name: **Mr. Gerard Zwetsloot**

Job title: **Project Leader European Safety Study**

Organisation: **TNO and the University of Nottingham**

## ‘Well developed sense of safety’

‘An increasing number of organisations are committed to a zero accident or zero damage policy. Surprisingly, little research exists into the success factors for the implementation of this ambition. That’s about to change. Together with foreign partners, TNO is conducting research into these success factors. We are looking at how commitment within the organisation is shared and communicated, and what this means for the safety culture. We are also studying the extent to which companies are willing to learn from other organisations. How do they handle incidents? How is safety encouraged proactively? These are important questions that allow companies to take concrete actions. The research is currently being conducted in seven European countries, including the UK, Poland and Germany. An average of four organisations is involved in each country, including companies from the construction and installation sectors. VolkerWessels is one of the Dutch participants. The organisation has a well-developed sense of safety. Examples include the signing of the Governance Code Safety in the Construction Sector and the awareness campaign WAVE! (Wees Alert! Veiligheid Eerst! [Be alert! Safety first!]). VolkerWessels is very interested in the extent to which people actually feel that they can work safely. And what employees have to say to each other about safety. Are they aware of the principles of WAVE? To what extent does management encourage the safety policy? How wide is the gap between the visions of the ‘office’ and the workplace? At a foreign construction company, for instance, we noticed an enormous motivation to work more safely. The only problem was that the employees did not know where to get the necessary information. These are the kind of crucial findings that are discovered during the research. We hope to complete the final report by the summer.’

## 'Sustainable homes, rolling off the belt'

**M**orgenWonen. The new construction standard of VolkerWessels abandons the traditional way of building and gives a new dimension to prefabrication. It is 'Lego for experts'. Complete homes are rolling off the 'belt' of our subsidiaries in parts and are supplied as a building kit. Special teams assemble the building blocks within one day into a complete, sustainable and zero energy home.

Nestled in the green heart and with a forest in the backyard. There is no better location for 'green' homes. The second series of homes under the MorgenWonen concept has been delivered for the Sterrenberg project in Huis ter Heide. 'For the concept, the location does not really matter', Rik Hulsman, manager Market and Innovation Manager of VolkerWessels Construction & Real Estate says. 'We can put these homes practically anywhere.' And that is quite a strange experience. In the evening, a finished home will be standing on the site where only a foundation was visible in the morning. Complete with frames and insulating glass, masonry, bathroom, toilet, wiring and installations. In just two weeks, the houses are completely 'ready for occupancy'. 'New residents can enter immediately.'

### Like a car

Sustainable homes built to a high standard. Reducing failure costs. Limiting the impact on the environment. All these wishes were at the forefront of MorgenWonen. New challenges and developments called for a groundbreaking approach and a vision beyond the scope of current residential building. 'Not easy for a traditional builder', Hulsman confesses. We therefore included an industrial designer in the process. He taught us to think differently and view things from a different angle. He compared building processes with the industrial processes of a car factory or an aircraft manufacturer. Standardisation is the key word there. Sometimes, multiple car models and brands



**Rik Hulsman, manager  
Market and innovation**

are built on a single platform. VolkerWessels translated this working method into the construction process. All aspects of the construction process were redesigned. This produce an industrial platform with smart, interchangeable elements. Homes now always roll off the production line with the

same high quality. Regardless of whether a single home is manufactured or fifty. And the price remains the same too.' Hulsman continues: 'This is where we really stand out. In MorgenWonen, one home is the norm. And do you know another difference with traditional residential building projects? We now produce 80% of the home internally at VolkerWessels. Normally, this averages 20%.'

### Plug-and-play

A home within a day. This requires a tight schedule. Laying the foundation and the drains and pipes in the ground are the only activities that are carried out on site in advance. On the day of construction, the assembly team of MorgenWonen assembles the home in a few hours by 'clicking' the elements together in a fixed order. Each prefabricated element is plug-and-play and has a maximum deviation of two millimetres. Hulsman: 'It must be very accurate, otherwise it won't fit. The load-bearing walls, for example, must be extremely tight and smooth. An enormous challenge, but by casting vertically from the bottom under high pressure, it worked.' The Westo Prefab Betonsystemen plant supplies the concrete construction elements. The floor parts, including underfloor heating and cutouts for other installations, form the base of the house. A concrete staircase with service shaft, which also ensures the stability of the home, is installed on top. After installing the walls, a toilet unit, the intermediate floors and walls and the staircase unit of the upper floor, it is the turn of the following feat: the bathroom. Complete with tiling, shower cubicle, mirrors, a vanity unit and designer radiator. 'A De Mors unit with walls of wooden sandwich panels, finished with aluminium. We only need to unpack it, hoist it in and connect it.' The same goes for the piping, cables and tubing, which are vertically lifted into the service shaft as a complete package. The final element of the package is a HOMIJ cabinet with all energy-saving installations. The outside walls with window frames, mouldings and brickwork and the roof by De Groot Vroomshoop will finally make the home wind and waterproof within a day.

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'Complete homes are rolling off the 'belt' of VolkerWessels in parts and are supplied as a building kit'

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**The MorgenWoning home is built in one day.  
This picture shows the first series being 'assembled' in Rijssen.**

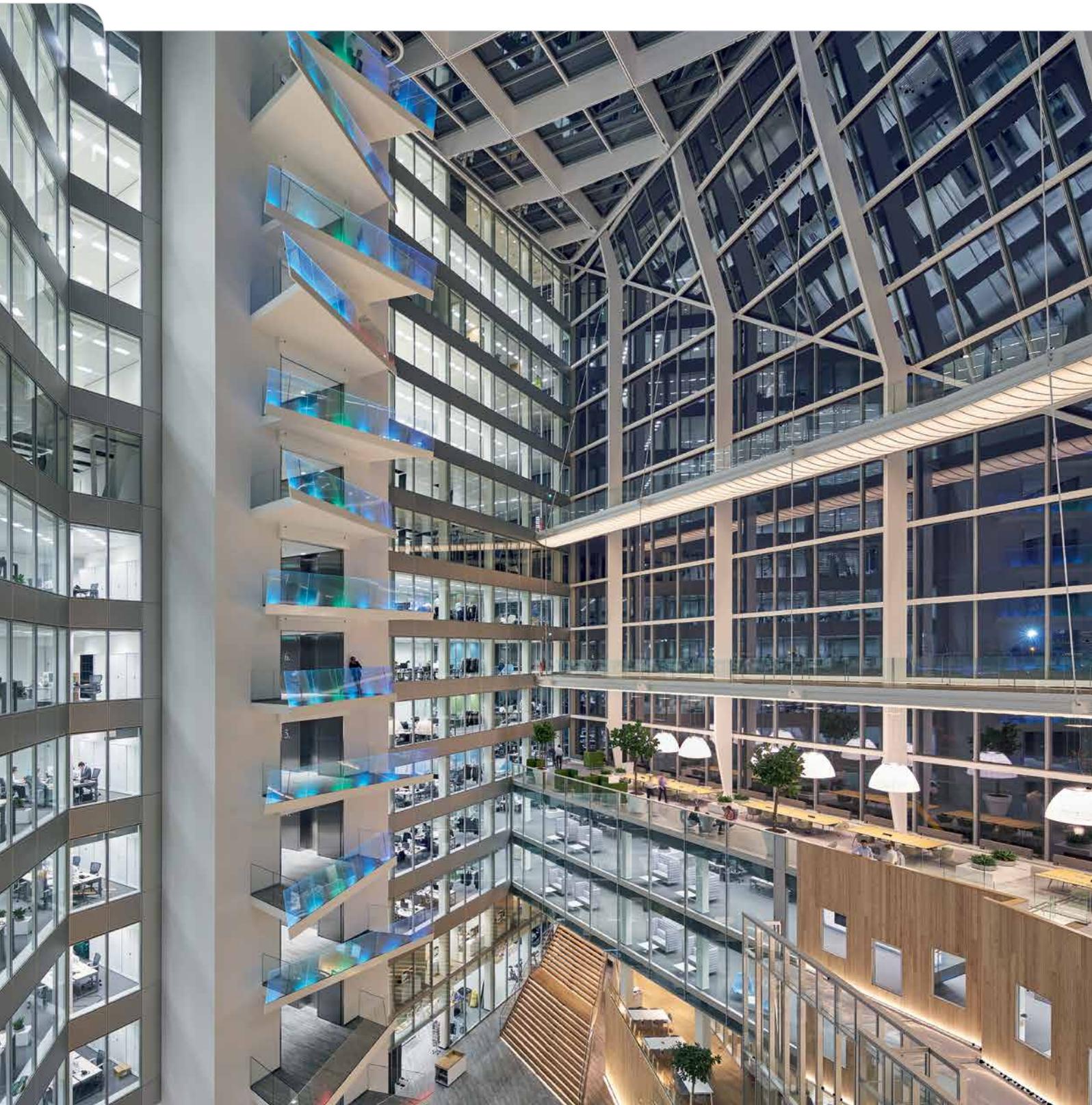
#### **Zero energy.**

High quality and low maintenance. Low costs of failure. Reliable and fast delivery time due to production under ideal conditions. Cost-saving: There are many advantages to MorgenWonen.

However, one of the biggest bonuses is the sustainable nature. Numerous measures ensure that normal use will result in no energy costs for the residents. The homes boast a 'shell' with outstanding insulating properties, roof-mounted solar panels and a sustainable heat pump that extracts heat from the outside air. Smart ventilation uses CO<sub>2</sub> sensors to measure how much air has to be taken in and extracted so that no energy is lost unnecessarily by heating excess air. Furthermore, an efficient unit uses heat from the extracted air to warm up cool air. However, there are also other measures and developments that result in environmental savings: fewer transport

movements to the construction site, less waste, lower failure costs and the reuse of the home, possibly at another location, without the need for demolition and use of new building materials. This is made clear by a CO<sub>2</sub> supply chain analysis of the extraction of raw materials to the construction process and the use phase of the waste processing. Homes that comply with the Buildings Decree 2014 emit an average of 326 tonnes of CO<sub>2</sub>. The emissions of MorgenWonen are well below that level at 61 tonnes of CO<sub>2</sub>. 'And that is only the start', Hulsman expects. 'This year we are building a hundred homes, next year maybe even two hundred. We are constantly adjusting and fine-tuning the processes to achieve even better results.'

**Operating companies involved:** VolkerWessels Building and Property Development, Westo Prefab Betonsystemen, De Mors, De Groot Vroomshoop, HOMIJ, REINÆRDT Deuren, VolkerWessels Bouwmaterieel, Primum



**'The Edge', the new head office of Deloitte at the Amsterdam Zuidas. On delivery, the most sustainable building in the world: a clever design, solar panels, thermal energy and the use of rainwater.**

# Quality of Life

Building a better quality of life. Together: this is the dot on the horizon of VolkerWessels for 2020. For VolkerWessels, quality of life is the umbrella that covers all sustainability themes. But how do we define quality of life? And what does this mean for society? The end user plays a key role in answering those questions.

## Objective for 2014

✓ Introduce quality of life as a theme

✓ Achieved ~ In progress ✗ Not achieved

VolkerWessels wishes to create real added value by visibly contributing to the quality of life. Our efforts must not only translate into the quality of the physical environment, but also into the quality of life for the end user. Quality of life is a very broad concept. It is therefore our challenge to make the transition to our own contribution and concrete actions for today. To this end, we are starting the process in collaboration with our (knowledge) partners, stakeholders and employees of clearly formulating our contribution and actions towards 2020.

By showing and visualising what we are doing, we can internally clarify our ambitions and objectives in the longer term and show how our innovations and creative entrepreneurship can contribute to this. Externally we will discover how we can best serve the end user and the positive impact our activities can have.

## Actions in 2015

New (third) stakeholder dialogue with end users

Establish a measuring method for quality of life

Participation of VolkerWessels business unit Primum in the coalition De Groene Zaak on social impact measurement

In the coming years, VolkerWessels will therefore seek and talk to this end user and other stakeholders about how the individual themes in this report contribute to the quality of life and the contribution of VolkerWessels thereto.

## Objective for 2020

Building a better quality of life. Together.

## Quality of Life dilemma

VolkerWessels wants to build a better quality of life. Together. Our work affects lives and hence people's quality of life. The exact impact of our work on the quality of life and what can be done to improve it is difficult to capture in a single strategy. How can we monitor and ensure that our products and services contribute to the quality of life? How can we live up to this claim? And what if the interests of different stakeholders are in conflict with each other? Often, our customer is not the end user. We are not yet completely clear about how we should address this situation. However, we are making progress by looking for a concrete approach in conjunction with De Groene Zaak and other parties facing the same problems. Starting in 2015, we will also organise an annual end user dialogue. In these dialogues, we discuss with the end users of our products and services how we can add most value with our work to their quality of life.

## Renovation Concept - Fixer-upper Flat Kleiburg

The Kleiburg flat in Amsterdam Bijlmer was about to be demolished. Now, 'The Flat' is the largest fixer-upper and renovation project of the Netherlands. Not only has the national heritage been 'secured' for the next 50 years, thanks to the fixer-upper concept, the homes are also the most affordable homes in Amsterdam. There's a lot of interest in the homes. The affordability and flexible layout options allow the new residents to use their creativity.



# About this report

## Scope

In this report, we provide information on subcontractors and suppliers with whom we develop innovations. We do not report on their safety or CO<sub>2</sub> performance. But this does not mean that we don't have insight into this. Where the CO<sub>2</sub> performance ladder requires us to set conditions for our subcontractors and suppliers, we have insight into their footprint in those areas. However, because of the limited nature of this insight, we have decided to keep it outside the scope of our report. Since 2013, we have been including the performance of our operating companies in the UK in this report. The data from our British companies is collected separately and presented by theme in this report. There were a number of internal changes in 2014 that have no influence on the consolidated figures.

## Reach

The primary target group of this report consists of stakeholders who are interested in our activities in Europe – primarily the Netherlands and the UK – where we are engaged in activities in various sectors over a wide area. Our activities in the US and Canada are not as widespread and therefore have a different character. The reports on these countries are therefore less relevant to our stakeholders in the Netherlands and the UK. After some consideration, the Management Board explicitly decided to limit the scope in 2013 and 2014 to the Netherlands and the United Kingdom, based on the conviction that this currently best satisfies the information wishes of our stakeholders. The projects executed by our other foreign activities are also outside the scope of this report.

In this report we have included consortia or partnerships in which we have dominant control. Consortia in which we have joint control are not included. This method is in line with the Dutch financial reporting guideline.

The substantive themes for VolkerWessels are determined based on various stakeholder dialogues and an inventory among employees. The CSR strategy of the British operating companies has been aligned with the group strategy. The revised strategy was formulated based on market research, best practices and VolkerWessels' strategy. In the strategy for the British Group, thirteen themes were selected that slightly differ from the Dutch definitions. With regard to the themes 'Integrity', 'Safety' and 'Raw Materials', definitions differ. This will be explained if applicable in the relevant section of the report. We conform to the internationally recognised guidelines of the Global Reporting Initiative (GRI, version 4). In 2014, we switched to the GRI 4. From that moment, we will report according to the GRI 4 in accordance with the option 'Core'. The GRI table can be found on the website\*

## Data collection

In order to collect data in a uniform manner, we have drawn up a reporting manual for the Netherlands and the UK. To calculate the carbon footprint of both our Dutch and British business activities, we use the GHG protocol and the conversion factors employed by SKAO. An exception are the conversion factors for natural gas and electricity in the United Kingdom. The DEFRA conversion factors were used here as they specifically apply to the situation in the UK. Any recalculations and changes to definitions are explained in the text and the footnotes.

Since 2014, VolkerWessels has been using the 'CSR Report' data management system of CO<sub>2</sub> management to collect all its sustainability data. By switching to this system, VolkerWessels aims to continuously improve and professionalise its data collection, validation and analysis. As part of the switch, a quality improvement was implemented for the figures for 2013, which has led to a restatement on the figures for 2013. VolkerWessels performs an extensive internal audit of all sustainability figures. On this basis, we continuously improve the reliability of our sustainability scores.

## Monitoring

In recent years we have worked on making our monitoring system more robust. More and better data also produce more reliable figures, although this sometimes complicates control. This is reflected in the waste figures, CO<sub>2</sub> and safety, among others. Increasingly, we are working with the correct figures rather conservative estimates. Improvement of the figures is therefore attributable in part to performance and in part to the improved monitoring system. We will use next year to develop KPIs that enable better control. In addition, as of 2015 the monitoring and evaluation of the key indicators will take place quarterly instead of annually and be discussed by the Management Board.

### Future of the reporting policy

We intend to start a pilot in the future to extend the scope to Canada and the us. We will also start a process in 2015 to create more insight into the supply chain and use this to formulate policies, including within the theme 'Raw Materials'. To improve communication on the added value and impact of the sustainability policy, we will map the economic, environmental and social monetary value of this policy in the future.

### External assurance

In order to guarantee the reliability of our figures, we asked KPMG to verify our reporting for the Netherlands and the United Kingdom and to provide an assurance report. They did this for certain data for the themes 'Safety', 'CO<sub>2</sub>', 'Raw materials management' and 'Integrity' (see Chapter 11.1 below).

### Monetising

Expressing the impact of our work on both society and VolkerWessels in monetary terms provides credibility, support and a discussion framework for the sustainability of our policies and projects. This year, the focus will be on some of the most sustainable projects and objectives. These amounts are indicative and based on assumptions. In 2015, together with various stakeholders and social parties, we will focus on further exploring and monetising our impact on society. The assumptions, calculations and sources used can be found on our website\*.

### Feedback

If you have any feedback on or questions about our sustainability report, please contact [csr@volkerwessels.com](mailto:csr@volkerwessels.com).

\* <http://www.volkerwessels.com/nl/corporate-responsibility>

# Independent assurance report

To the readers of the 2014 Sustainability Report by Koninklijke VolkerWessels Stevin N.V.

## Introduction

The management of Koninklijke VolkerWessels Stevin N.V. (hereafter: 'VolkerWessels') asked us to provide assurance of certain indicators regarding its Dutch and English activities in the 2014 Sustainability Report (hereafter: the Report). The management of VolkerWessels is responsible for compiling the Report, including the selected indicators and for determining the subjects to be reported on. It is our responsibility to provide an assurance report for the selected indicators in the Report based on the activities described below.

## Scope of our assignment

Our activities focused on providing limited assurance of whether selected indicators and the associated explanations for the supply chain, health & safety, CO<sub>2</sub>, integrity and raw materials management themes for both the Dutch and English activities marked with an asterisk (\*) in the Report are presented in accordance with the reporting criteria in all material respects.

The activities performed in order to obtain limited assurance focus on assessing the plausibility of the information and are less detailed than those carried out to obtain reasonable assurance. We provide no assurance of the feasibility of the objectives, expectations or ambitions of VolkerWessels.

## Reporting criteria

VolkerWessels employs the Sustainability Reporting Guidelines (G4) of the Global Reporting Initiative (GRI), in connection with internal guidelines, for reporting the indicators as described in the chapter 'About this report'. The information provided regarding the selected indicators in the Report must be considered in connection with this explanation. We believe that the reporting criteria apply within the context of our assurance engagement.

## Assurance standards

We performed our engagement in accordance with the Netherlands standard 3810N 'Assurance standard relating to social reports'. This standard requires, among other things, that the members of the assurance team possess the specific knowledge, skills and professional competencies needed to provide assurance of the sustainability information. It also requires that the members comply with the requirements of the IFAC Code of Ethics for Professional Accountants, including their independence.

## Activities

We performed the following activities:

- Conducting interviews with employees responsible for analysing and reporting the selected indicators.
- Evaluating the systems and processes for collecting information, internally checking and processing the information about the selected indicators.
- Visiting three locations in the Netherlands and one location in the United Kingdom with the objective of assessing the reliability of the selected indicators for those locations.
- Assessing internal and external documentation, based on spot checks, to determine whether the data for the selected indicators is sufficiently supported.
- Making an analytical assessment of the data and trends with respect to the selected indicators.

During our examination we discussed with VolkerWessels the necessary changes to the Report and we determined that these changes were adequately implemented in the definitive version.

## Conclusion

Our activities did not find that the selected indicators for Dutch and English activities marked with an asterisk (\*) in the Report in all materially important aspects, were not represented in accordance with the reporting criteria.

## Data included for comparison was not examined

The data included in the Report as comparison to the selected indicators with respect to 2010 was not included in the assurance engagement. This is also the case for data used as comparison to the selected indicators for the United Kingdom with respect to 2011. Consequently, no assurance is provided for this comparative data.

**Observation**

Without affecting the provision of assurance, we present an observation that we believe should be given some attention: In recent years, VolkerWessels has made important progress on a number of indicators, thus reducing the relevance of these indicators. This is especially true for the supply chain (percentage of operating companies with CSR clauses in their contracts) and raw materials management (waste segregation percentage). We therefore recommend recalibrating the indicators to be used, so that the reported indicators continue to provide insight into relevant progress for VolkerWessels.

Amstelveen, 12 March 2014

KPMG Sustainability,  
Part of KPMG Advisory N.V.

W.J. Bartels RA, partner

# Appendix

## Market

	2014	2013	2012	2011	2010
<b>Innovation</b>					
Percentage of the total number of innovations with the PlanetFit label	16.2%	6.8%	14.3%	13.3%	9.0%
Total number of innovations	74	74	84	90	69
Total PlanetFit innovations	12	5	12	12	6
<b>Supply chain</b>					
<b>Percentage of operating companies with purchasing contracts and/or general conditions with CSR clauses*</b>					
The Netherlands	92%	92%	93%	87%	85%
United Kingdom	100%	100%	80%	50%	
Percentage of sustainable wood used	92%	70%			

## Employees

	2014	2013	2012	2011	2010
<b>Health and Safety</b>					
<b>Sickness absence percentage*</b>					
VolkerWessels**	3.8%				
The Netherlands	4.8%	5.6%	5.2%	5.8%	6.1%
Construction and Property Development	5.8%	7.3%	5.0%	6.1%	5.4%
Infrastructure	4.1%	5.0%	5.6%	6.4%	7.1%
Energy & Telecoms	4.9%	4.9%	4.5%	5.5%	5.3%
VolkerWessels group head office	1.6%	1.8%	2.5%	1.2%	1.2%
United Kingdom	1.4%	1.0%	1.4%		
Canada/United States					
<b>Lost time accidents*</b>					
VolkerWessels**	145				
The Netherlands	115	125	145	195	151
Construction and Property Development	30	32	54	74	71
Infrastructure	57	67	66	92	67
Energy & Telecoms	28	26	24	29	13
VolkerWessels group head office	0	0	1	0	0
United Kingdom	15	16	23		
Canada**	14				
United States**	1				
<b>Number of accidents at work with fatal results*</b>					
VolkerWessels**	1				
The Netherlands	1	2***	0	0	1
United Kingdom	0	0	0		
Canada**	0				
United States**	0				

## Employees (continued)

	2014	2013	2012	2011	2010
<b>IF figure (Incident Frequency rate)*</b>					
VolkerWessels**	5.2				
The Netherlands	5.2	7.2	8.0	10.1	8.7
United Kingdom	3.7	4.9	5.6		
Canada**	9.0				
United States**	4.2				
Employees covered by a collective labour agreement	87%	89.2%	90.2%	92.0%	92.0%
<b>Integrity</b>					
<b>Number of reports to a confidential counsellor*</b>					
The Netherlands	49	50	30	21	28
United Kingdom	8	13	20		
Number of reports that led to dismissal*	16	10	6	5	10
Number of reports of suspected contravention of the Economic Competition Act*	1	0	0	0	1
<b>Use of the whistleblowing scheme*</b>					
The Netherlands	3	1	0	1	0
United Kingdom	3	2	0		
Number of employees participating in integrity workshops, including the VolkerWessels introductory programme and other meetings*	1,798	462	502	340	282
<b>Training and Development</b>					
<b>Number of hours' training for construction site employees</b>					
The Netherlands	42,508	38,473	45,215	56,698	71,146
United Kingdom	24,209	45,578	46,691		
<b>Number of hours' training for construction support employees</b>					
The Netherlands	76,029	66,780	81,628	63,142	66,449
United Kingdom	2,064	6,935	8,712		
<b>Number of hours' training for other employees</b>					
The Netherlands	142,590	134,768	133,216	140,422	148,864
United Kingdom	503	521	1,316		
<b>Average number of hours' training per employee</b>					
The Netherlands	23	21	22	21	23
United Kingdom	12	24	29		
<b>Amount spent on training per employee (in euros)</b>					
The Netherlands	693	783	760	673	701
United Kingdom	416	608	448		
<b>Percentage of employees receiving regular performance and career development reviews</b>					
The Netherlands	73%	73%	73%	66%	65%
United Kingdom	47%	46%	64%		
Number of course participants at VolkerWessels Academy	199	573	706	849	1,065

## Employees (continued)

	2014	2013	2012	2011	2010
<b>Diversity</b>					
<b>Number of male/female employees per job group</b>					
The Netherlands	10,254/1,226	10,061/1,094	10,357/1,265	10,962/1,248	10,994/1,272
Construction site employees	2,013/32	2,313/1	2,641/7	2,952/13	3,189/5
Construction support employees:	2,277/458	2,764/508	2,834/542	3,044/550	3,054/584
Other employees	5,963/736	4,984/585	4,882/716	4,966/685	4,751/683
United Kingdom	1,808/411	1,810/370	1,640/330		
Construction site employees	637/15	1,510/113	1,254/47		
Construction support employees:	1,083/373	238/252	326/278		
Other employees	88/23	62/5	60/5		
<b>Workforce by age and sex (male/female) (including United Kingdom)</b>					
<21	78/17	136/21	115/28	225/23	
22-25	453/93	528/96	581/96	595/90	
26-30	995/177	1,122/181	1,091/183	1,113/173	
31-35	2,395/224	1,313/254	1,306/256	1,336/209	
36-40	1,236/203	1,442/228	1,493/238	1,555/251	
41-45	1,618/263	1,772/286	1,765/295	1,762/250	
46-50	1,682/175	1,863/213	1,866/222	1,877/213	
51-55	1,649/129	1,726/137	1,669/126	1,662/116	
56-60	1,512/78	1,524/102	1,507/108	1,553/155	
61-65	650/47	636/52	581/40	494/30	
65>	19/6	32/4	23/4	17/2	
<b>Percentage full-time / part-time by sex (M/F)</b>					
The Netherlands					
Male full-time/part-time	93.0%/7.0%	94.1%/5.9%	94.4%/5.6%		95.0%/5.0%
Female full time/part time	32.3%/67.7%	33.1%/66.9%	33.1%/66.9%		42.2%/57.8%
United Kingdom					
Male full-time/part-time	99.0%/1.0%	98.1%/1.9%	99.5%/0.5%		
Female full time/part time	81.4%/18.6%	81.1%/18.9%	82.1%/17.9%		
<b>Percentage of women participating in the Management Development Course (MDC)</b>					
	3.1%	12.9%	10.0%	15.8%	8.3%
<b>Percentage by sex of new hires and resignations (Netherlands)</b>					
Male new hires	83.9%	84.3%	79.9%	85.4%	
Female new hires	16.1%	15.7%	20.1%	14.6%	
Males resigning	85.8%	85.5%	86.8%	85.6%	
Females resigning	14.2%	14.5%	14.2%	14.4%	
<b>Workforce by years in service and sex (M/F) (including UK)</b>					
< 2	2,060/444	1,806/390	1,705/381	2,032/351	
2-5	2,300/425	2,521/424	2,884/451	3,078/437	
6-10	2,212/293	2,147/258	1,885/257	1,684/232	
11-20	2,194/306	2,449/332	2,474/340	2,408/291	
21-30	2,145/109	1,864/110	1,779/109	1,744/106	
31>	1,156/55	1,307/60	1,270/57	1,243/55	

## Environment

	2014	2013	2012	2011	2010
<b>CO<sub>2</sub> and energy</b>					
<b>CO<sub>2</sub> emissions per GHG scope (kilotonnes)</b>					
The Netherlands*	159.0	183.3	182.8	180.8	194.0
Scope 1	149.3	164.3	156.9	155.2	166.0
Scope 2	9.7	14.0	20.1	19.2	22.0
Scope 3		5.0			
United Kingdom*	24.3	24.5	21.7		
Scope 1	19.1	17.5	16.4		
Scope 2	5.3	1.6	1.2		
Scope 3		5.0	4.1		
<b>CO<sub>2</sub> emissions per sector</b>					
Construction and Property Development	18.3	22.1	25.5	27.3	
Infrastructure	107.1	124.3	125.9	122.2	
Energy & Telecom	33.6	35.9	30.4	29.3	
VolkerWessels group head office	0.1	1.0	1.0	1.9	
<b>CO<sub>2</sub> emissions per source</b>					
Transport	36.9%	52.6%	52.1%		
Asphalt production facility	19.0%	29.2%	29.7%		
Buildings	3%	7.6%	7.6%		
Projects	41.1%	10.6%	10.6%		
<b>Raw Materials Management</b>					
Separation percentage in construction and demolition waste*	67.6%	70.9%	57.0%	56.5%	50.0%
<b>Total weight of waste (tonnes)*</b>					
The Netherlands	60,633	107,466	80,472		
United Kingdom	344,225	577,205	609,523		
<b>Volume of hazardous materials collected and processed (kg)*</b>					
The Netherlands	541,485	649,248	625,447	502,877	142,509
United Kingdom	9,422,009	20,321,359	11,026,757		

## Community

	2014	2013	2012	2011	2010
<b>Community Investment</b>					
Proportion of money spent on sponsorships and donations	16.2%	15.3%	12%	12.5%	10.5%
<b>Number of partnerships with community organisations</b>					
The Netherlands	21	29	39	34	28
United Kingdom	5	5	2		
<b>Public Liaison Management</b>					
Number of construction sites with 'Bewuste Bouwers' endorsement	138	98	72	36	6
Projects certified according to the 'Considerate Constructors Scheme' in the United Kingdom	61	47	50		

\* KPMG has granted assurance for these values.

\*\* Exception: KPMG has not provided any assurance on this, CAN and US were added for the first time.

\*\*\* One of these two fatal accidents occurred at a subcontractor.

# Definitions

<b>Absenteeism percentage</b>	Percentage of the workforce lost through sickness absence in a specific period. It is the most common measure of sickness absence in an organisation. VolkerWessels calculates this according to the method employed in the VCA guideline.
<b>Amount of absenteeism due to accidents</b>	Total number of working days lost due to an accident at work.
<b>Bewuste Bouwers (Considerate Constructors)</b>	A quality mark that enhances the relationship between construction sites and local residents and businesses. The quality mark encourages good communication with the local community and is a visual symbol of the professionalism of a construction site.
<b>Biodiversity</b>	Biodiversity is the variety of life forms within an ecosystem or even on the entire planet.
<b>BREEAM (Building Research Establishment Environmental Assessment Method)</b>	A method of assessing the sustainability performance of buildings. BREEAM sets a standard for sustainable construction and awards a performance level to a building following an inspection. The aim is to analyse buildings and award them a sustainability label (pass, good, very good, excellent or outstanding).
<b>BVGO (Construction and Property Development)</b>	Abbreviation for the 'Construction and Property Development' sector at VolkerWessels.
<b>Carbon footprint</b>	The total amount of greenhouse gases emitted in a specific period.
<b>CO<sub>2</sub></b>	A gas that is emitted as a result of the combustion of fossil fuels (fuels such as coal and petroleum-based products). CO <sub>2</sub> is the gas that is largely responsible for the greenhouse effect.
<b>Construction and demolition waste</b>	The ungraded fraction of raw materials arising during construction or demolition work. This fraction still needs to be graded to release pure raw materials that can be immediately used by the end processor.
<b>Conversion factor</b>	Method used to calculate the CO <sub>2</sub> emissions from fuel use. The conversion factor for each energy stream and each fuel differs. The conversion factors used by VolkerWessels in 2014 are based on those defined in the CO <sub>2</sub> Performance Ladder for the situation in the Netherlands. The conversion factors of the CO <sub>2</sub> Performance Ladder were also used for CO <sub>2</sub> emissions in the United Kingdom, except for electricity and natural gas. In these cases, the DEFRA conversion factors were used in order to better reflect the situation in the United Kingdom.
<b>CSR</b>	Corporate Social Responsibility
<b>CSR clauses</b>	Provisions relating to core values such as corporate social responsibility (e.g. human rights, working conditions, integrity, transparency and sustainability/environmental impact).
<b>CSR platform</b>	Internal body at VolkerWessels that advises on our Corporate Social Responsibility policy.
<b>ETA employees (Executive Technical Administrative employees)</b>	Personnel employed by a VolkerWessels operating company, including people seconded from another VolkerWessels operating company and interns (people on work experience and/or in training) who undertake work away from the building site.
<b>Fatal accident</b>	An accident at work resulting in the death of the VolkerWessels or hired employee involved, either immediately or within 30 calendar days of the accident.
<b>FSC wood</b>	Wood certified with the FSC label by the Forest Stewardship Council. This certifies that the wood originates from a forest that was independently rated by FSC as a well-managed forest in accordance with environmental, social and economic standards.
<b>General terms and conditions of purchase</b>	General provisions setting out the conditions under which VolkerWessels buys products and/or services from its suppliers. Wherever possible, these terms and conditions are declared applicable when entering into agreements with other parties.

<b>Greenhouse Gas (GHG) protocol</b>	The international basis for reporting on CO <sub>2</sub> emissions.
<b>GRI (Global Reporting Initiative)</b>	Internationally recognised standard for sustainability reporting.
<b>HERA SYSTEM (Highly Ecological Recycling Asphalt)</b>	New technology for recycling asphalt, developed by kws Infra.
<b>HR</b>	Human Resources (department).
<b>Incident Frequency (IF)</b>	Number of accidents resulting in lost time (or death) multiplied by 1 million (hours) divided by the number of hours worked. VolkerWessels employs the scc definition.
<b>Innovation</b>	Development of a new or improved product, concept or service. An innovation introduces new ideas for both the company and the market for which it is intended, meaning that it adds value for society. A sustainable innovation also adds value for the environment, and at VolkerWessels we indicate this by awarding it the PlanetFit label.
<b>Lost time accident</b>	If an accident results in absenteeism of more than one day, we speak of an accident resulting in absence. The day of the accident does not count.
<b>NGO (non-governmental organisation)</b>	An organisation that is independent of the government and pursues social aims.
<b>Number of hours worked</b>	Total number of hours worked by VolkerWessels employees, including hired employees. The number of hours worked will be calculated, updated or can be calculated in proportion to the actual workforce and a correction of the absenteeism. This means that holidays, public holidays and weekends are not included. If the number of hours worked is not updated, the calculation may be based on 1,600 per full time FTE.
<b>Other employees</b>	Employees with an employment contract to which the CLA for the Construction industry does not apply. Directors often fall into this category.
<b>PEFC WOOD</b>	Wood and paper from the Programme for the Endorsement of Forest Certification (PEFC) that contributes to the promotion of sustainable forest management.
<b>Percentage of absenteeism due to accidents</b>	The total number of workdays lost due to an accident /potential number of available workdays x 100.
<b>PlanetFit</b>	A label that stands for sustainable, innovative solutions from VolkerWessels. A product, concept or service is 'PlanetFit' if it demonstrably adds value to the market and the environment. It should therefore be financially viable but must also demonstrably reduce the negative impact on the environment. An innovation is only 'PlanetFit' after being formally tested by the CR platform and being awarded a PlanetFit certificate ( <a href="http://www.planetfit.nl">www.planetfit.nl</a> ).
<b>Public Liaison Management</b>	Actions aimed at the environment in which external parties such as residents, road users, businesses, media, environmental movements, etc. are involved and consulted.
<b>Raw Materials Management</b>	The method by which we, as a group, aim to deal with our raw materials streams. We give priority to reducing and separating our residual waste streams so that they can be reused as effectively as possible by us or another party.
<b>Residual waste stream</b>	The part of the waste stream from private individuals, institutions and businesses that remains after all usable and recyclable waste streams have been removed from the main stream. At VolkerWessels, the residual waste stream is what remains after the accessible raw materials (e.g. concrete granulate, metals, paper, cardboard, sand and wood) have been removed from the main stream.

<b>scc (Safety Checklist Contractors) Scope 1, 2, 3 (GHG Protocol)</b>	Safety Guideline. Scope 1 – Direct emissions from our own organisation, e.g. from our own gas use and our vehicle fleet. Scope 2 – Indirect emissions arising from the generation of the electricity used by the organisation, such as emissions from the power stations that supply this electricity. Scope 3 – Other indirect emissions. These arise as a consequence of the organisation’s activities, but come from sources that are not owned or managed by the organisation itself. Examples include emissions from the production of purchased materials, waste processing and the use of the work, service or supply offered or sold by the company. VolkerWessels primarily reports emissions from flights.
<b>Site personnel</b>	Personnel employed by a VolkerWessels operating company, including people seconded from another VolkerWessels operating company and interns (people on work experience and/or in training) who undertake work on a construction site or similar work location. These employees are subject to the collective labour agreement (CLA) for the construction industry and meet the definition in article 88(7) of this CAO.
<b>SKAO (Stichting Klimaatvriendelijk Aanbesteden en Ondernemen = Independent Foundation for Climate Friendly Procurement and Business)</b>	This foundation is responsible for all aspects of the CO <sub>2</sub> performance ladder, namely the use, ongoing development and management of the certification scheme and the expansion of participating sectors.
<b>Social Return</b>	VolkerWessels understands Social Return to mean every effort in connection with its business operations or realisation of its projects that enable people with a work disability or those who are distanced from the labour market to participate in the labour market.
<b>Waste separation percentage</b>	Percentage of the total construction and demolition waste that is separated in the collection and processing of the waste (on site).



The passage for small animals at the N302 in Harderwijk. It allows small animals to safely cross the road. The application of a grid prevents larger animals such as wild boars and deers from coming on the public road.

# Colophon

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## **Composition**

VolkerWessels | Corporate Social Responsibility  
Primum bv, Amersfoort  
Domani bv, Weesp

## **Images**

Rindert van den Toren  
Edwin Westhoff  
Geertjan Cornelissen (picture by Mascha vd Heuvel)

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- The Dutch version is available as a PDF at [www.volkerwessels.com](http://www.volkerwessels.com)
- In case of textual contradictions, the Dutch version shall prevail.
- The financial Annual Report is available at <http://www.volkerwessels.com/nl/financieel/jaarverslag-2014>

