



SUSTAINABILITY REPORT 2011

PHOTO CAPTION

Van Hattum en Blankevoort and kws Infra are responsible as part of the Westpoort Consortium for the design and realisation of a 3.3 km long viaduct 10 metres above ground level, straight through the Amsterdam port area. The use of the 'launching girder' was in particular an important consideration for the customer when opting for this consortium, because of the limited nuisance caused to road users. The Westrandweg was designated an 'Aware builders' [Bewuste Bouwers] project in 2011.

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FOREWORD BY THE CHAIRMAN OF THE BOARD OF MANAGEMENT



In 2011, the credit crisis and the euro crisis put economic activities under pressure and this was also true of VolkerWessels' operations. There is considerable uncertainty and that is preventing clients from investing in new projects. At the same time, there is an ongoing worldwide climate and environment crisis to be solved. The limits of our resources are coming into sight and together we will have to collectively find other ways of offering humanity a prosperous future in the long run.

The financial crisis in our opinion is not something that can be viewed separately from the crisis affecting the climate and the environment. We are convinced that financial stimuli are a good way of encouraging sustainable initiatives. If the costs of, for example, pollution were fully expressed in the cost of a product, then free market processes would ensure that the least polluting product would prevail. A financial stimulus would then lead to major steps being taken in the domain of sustainability. However, binding international agreements about setting the pricing of these environmental aspects prove time and again to be unfeasible, even if only because the international interests concerned are very different.

Nevertheless, that is no reason for pessimism. It is also not an excuse for companies to fail to take this subject seriously. VolkerWessels is working on this with an ambitious sustainability strategy, which to a substantial extent relies on clever innovations with which we can make real gains together with our supply chain partners. At the same time we are also realistic: for these innovations we require a healthy business case in terms of business economics. There is, in our opinion, no other choice that can be justified in order to assure the continuity of the company.

That demands creativity when setting up innovations. A good example of this is how we have organised the underground supplies route when working on the North/South line in Amsterdam. With that approach we meet the needs of the local stakeholders by limiting the nuisance and emissions in the city, and through that, we achieved cost savings because we were less often caught up in traffic jams.

Sustainability and corporate profit go hand in hand

In this report you will find more examples of how creativity can lead to solutions that are attractive from the environmental and local perspective as well as from the financial angle. The possibilities for doing so are greater nowadays since market parties are jointly putting mechanisms in place that strengthen the business case for sustainability. When awarding projects governments are looking more and more often at factors other than the price. Community liaison management, restriction of emissions and sustainable innovations are becoming important criteria in calls for tenders. That is good for us, because it offers us opportunities to distinguish ourselves from the rest of the market. But it is also good because it stimulates the sustainability aspect.

A similar sort of stimulus has existed for several years in the form of the CO₂ performance ladder introduced by ProRail. Through this the company stimulates the supplier to run its business in a more sustainable manner by giving a financial reward to the supplier that reduces CO₂ emissions. This instrument has had a substantial impact in the market and its success means that more and more sectors are thinking about other possible uses. We have been involved in the development of the Social Return ladder (see page 45) in the belief that the correct financial mechanisms can initiate small changes. Another promising instrument is the safety performance ladder that is currently being developed. We expect that this instrument will give a positive impulse to further enhancing the safety culture in the construction sector.

In short: Sustainability and corporate profit go hand in hand and if, with the right stimuli, we can help on that front then a great future awaits.

Gerard van de Aast

Chairman of the Board of Management

Amersfoort, March 2012



FOCUSED ON WORKING ON OUR AMBITIONS

VolkerWessels is building a better environment and we are proud of that. Our operations certainly do not, however, go unnoticed and do have an impact on people, environment and society. We do not hide from that fact. On the contrary, we think it is important to make the impact of our activities transparent for our customers, employees and partners.

This is the third year that we have produced a sustainability report, in which we reveal a picture of the challenges and opportunities that we are facing. 'To measure is to know' is a well-known expression and that also applies to the topics in this report. This way, we are able to actually focus on doing something about it. It is obvious that our work involves certain risks, but by measuring our safety culture our insight increases and we can undertake more specific actions to realise our ambitions. In this report you can read about how our policy contributes to attaining our targets. We are doing quite well but realise that improvements are always possible. We are happy to discuss with you any ideas or feedback you may have about our efforts. We cordially invite you to get in touch with us (see page 78).

Dorien Wietsma

Director Corporate Responsibility & Communications





INTRODUCTION




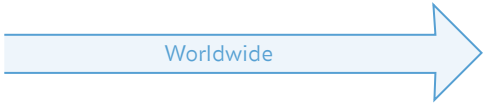
1. INTRODUCTION

1.1 COMPANY PROFILE, ACTIVITIES AND MARKETS

VolkerWessels with approximately 16,000 employees works on homes, work, mobility, energy and telecom. We develop, design, build, finance, and manage works for our stakeholders: customers, employees, shareholders, suppliers and society in the broadest sense. We hold leading positions in certain regions and segments in the Netherlands, the United Kingdom and Canada.

The wishes and requirements of our customers take priority when executing our projects. These projects are delivered worldwide by approximately 125 subsidiary companies of VolkerWessels. We have divided our companies into three market sectors: Construction & Property Development, Infrastructure and Energy & Telecom. We want to be the most profitable company in these sectors. We are a company that maximises opportunities and introduces sustainable innovations, where the best people work honestly, safely and with pleasure because there are good career possibilities and space for entrepreneurship. In short, we are a company that creates value for its stakeholders.

VolkerWessels is active in three sectors and focuses on three countries

	The Netherlands	United Kingdom	Canada/United States
Construction & Property development 	<ul style="list-style-type: none"> - Property development - Industrial construction - Commercial construction - Residential housing construction - Installation technology 	<ul style="list-style-type: none"> - Industrial construction - Commercial construction 	<ul style="list-style-type: none"> - Regional development
Infrastructure 	<ul style="list-style-type: none"> - Civil engineering - Road construction - Railway construction - Traffic and rail technology - Traffic and parking management 	<ul style="list-style-type: none"> - Civil engineering - Road construction - Railway construction 	<ul style="list-style-type: none"> - Civil engineering - Road construction
Energy & Telecom 	<ul style="list-style-type: none"> - Energy networks - Telecom connections (onshore& offshore) - Maritime services 		

1.2 STRATEGY

VolkerWessels strategy model



We assure our long-term continuity by being the most profitable company within our market sectors: Construction & Property development, Infrastructure and Energy & Telecom in the Netherlands, the United Kingdom and Canada. Operational excellence, expansion in the value chain, and market leadership are the three pillars of our strategy. We want to achieve this by providing an optimum result to our customer, with the best people, in a sustainable, sound and safe manner. Within our Business Control Framework we have instigated risk-mitigating measures to ensure the basis and the conditions when executing our strategy. For an explanation of this, see our Annual financial statement, page 71.

We want to provide an optimum result in a sustainable manner

Operational excellence

We want to conduct our operations better, more intelligently, faster and/or more efficiently for our customer and we tackle this from the perspective of quality and efficiency. We keep our quality high by paying attention to and controlling our project management, for example through the training courses given at the VolkerWessels Academy. We are also focusing on re-evaluating the project leader’s role and reducing the costs of failures. Innovations continue to play an important role in how we run our business. Finally we are intensifying internal and external collaboration in part by sharing knowledge in various platforms, meetings and networks. Operational excellence and risk management are inextricably linked to each other. The Board of Management and the Executive Boards of our operating companies are therefore constantly improving the risk management measures. This is a standard agenda item during the quarterly meetings.

Expansion of our position in the value chain

We are expanding our current position in the value chain by adding activities from the core business operations in the field of services, service provision, financing, management and maintenance. At the front end of the value chain, we aim – from a strategic point of view – to secure raw materials. At the rear of the chain, we are building a stronger position in service provision, management and maintenance.

Market leadership

We are striving to attain leading positions in our sectors in the Netherlands, the United Kingdom and Canada. Within all our sectors in the Netherlands (with exception of the energy market) we have already achieved leading positions. With that a further growth to market leadership is not an aim in itself but the focus lies particularly on increasing margins and retaining market share.

The customer

The wishes and requirements of our customers take priority in the strategic choices that we make and in their execution in daily practice. We aim to get to know our customers, to understand how the customer and its market is developing in the longer term and to find out what customers think of the services provided by VolkerWessels. These insights give us important information about how we can become or remain the intended partner in the longer term.

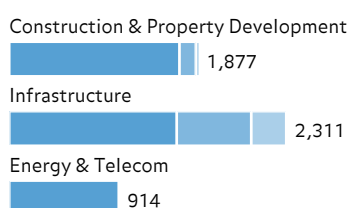
On all topics of our strategy we cooperate closely with our customers such as the national government, local authorities and the private sector, including private customers.

The best people are the basis of our strategy

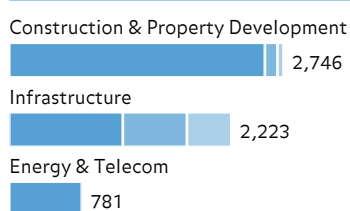
The best people

Our people are the basis of our strategy. They make the difference and we strive to recruit, train and retain the best people. VolkerWessels has a large variety of subsidiary companies that have a relatively large degree of autonomy. The decentralised model stimulates entrepreneurship, because managers and employees themselves feel responsible for their own organisation. This stimulates technological innovations and innovative approaches to the market and society. We give management the room to show their initiative and also offer excellent career development possibilities. Initiatives include, for example, our management development programme, extensive career opportunities at home and abroad and the VolkerWessels Academy.

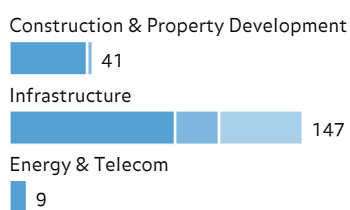
Company income (in millions of euros)



Order book (in millions of euros)



EBITDA (in millions of euros)



- The Netherlands
- UK
- Canada/United States

Conditions: integrity, safety and sustainability

We distinguish three important preconditions for our strategy: integrity, safety and sustainability. Company integrity is strengthened by a clear code of conduct, the whistle-blower scheme, management attention and the training of our confidential counsellors and other employees. Safety requires a proactive safety culture and we are therefore striving to acquire more insight, sharing of knowledge, and the formulation of corporate policy. Last but not least, sustainability is high on our agenda because it is the driver of innovations. We want to add value to the market, our employees, the environment and society and have formulated policy on ten important topics. The conditions of our strategy are fully incorporated in this policy.

A complete overview of our financial achievements can be found in the financial annual report of VolkerWessels, which can be downloaded via www.volkerwessels.com. Our achievements in the social, environmental and societal domains can be found in this sustainability report. We are still publishing separate reports for the year 2011, but we are moving towards an integrated way of reporting our financial and sustainability performances.

1.3 CORPORATE RESPONSIBILITY AT VOLKERWESSELS

Mission

It is our mission to create more value in the economic, social, environmental and social domains and we are convinced that these domains are closely linked to each other. We are able, to a considerable extent, to fulfil this sustainability mission with clever innovations with which we, together with our supply chain partners, can make gains. To achieve success in the field of Corporate Responsibility (CR) we want to link the named domains together and to this end we are cooperating closely with other parties.

The proof that this approach actually works is shown in, for example, the financial stimuli of the CO₂ performance ladder and from numerous innovations in which environmental technology gains are combined with a financially healthy business case. The link also becomes clear in the

1. INTRODUCTION

development of our socially responsible entrepreneurship (see page 60). Here too, there is a win-win situation. There is a verifiable social advantage as well as positive effects for our own employees.

Strategy

Our CR strategy is a direct consequence of the overall strategy of VolkerWessels and is specifically expressed by setting performance indicators in four sub-domains on 10 CR themes. Our strategy has not changed in 2011, but is increasingly becoming more of a central theme in everything that we do.

CR strategy

From its vision of the four sub-domains – market, environment, employees and society – VolkerWessels has formulated 10 themes on which sustainable development will be measured and managed in the coming years.

▼	▼	▼	▼
Market	Employees	Environment	Society
<ul style="list-style-type: none"> - Innovation - Supply chain 	<ul style="list-style-type: none"> - Safety - Integrity - Training & development - Diversity 	<ul style="list-style-type: none"> - CO₂ - Raw materials management 	<ul style="list-style-type: none"> - Community Investment - Public liaison management

Responsibilities

The Board of Management is responsible for attaining the CR goals. The CR director reports to the chairman of the Board, works closely with senior management and supplies the Board of Management with information. The CR Platform plays an advisory role. This platform is composed of (Group) directors and is responsible, under the chairmanship of the chairman of the Board, for matters such as the awarding of the PlanetFit label (the VolkerWessels label for sustainable innovations).

Besides this platform, there are other platforms in the domains of procurement, health and safety, occupational health and working conditions, environment, human resources, communication and integrity, where the sustainability policy is discussed and bolstered. The goal is always to share knowledge and jointly develop (new) policy. The Executive Board members of the operating companies are responsible for the sustainability data from their own company, which is collected by the CR contact person in each company and verified by the controllers.

The participants in the CR platform for 2011 are:

Gerard van de Aast	CEO VolkerWessels
Wendeline Besier	Corporate Responsibility
Laurens Elmendorp	BVGO Nederland
Ron Kas	PCH Dienstengroep
John Knoester	Human Resource Management
John Quist	VolkerWessels Telecom
Rienus de Vries	kws Infra
Dorien Wietsma	Corporate Responsibility & Communications

Transparency

Healthy entrepreneurship means serving the interests of the market, our employees, the environment and the society. We take our responsibility seriously by providing a transparent report of our performances in these areas. An important point is that we want to make the risks and opportunities of our operational management transparent so that we can manage these appropriately in a specific manner.

Strategy development

The year under review saw further implementation and professionalisation of the CR policy that we had developed in 2009. Firstly, in the spring, we had a 'readiness assessment' conducted by an accountant on our sustainability report 2010 to test the reliability of our CR data. This resulted in a number of points for improvement, such as refining definitions in the domain of health & safety and further structuring of the reporting process. These insights were shared with controllers and CR contact persons who then modified their procedures as necessary. We next refined the definitions in our report manual, while keeping the performance indicators intact.

To be able to detect a trend over a longer period, we decided to retain the sub domains and themes with performance indicators that we had defined three years ago. However, we did decide to bring the period of the targets in line with the period of the financial objectives. This means that we now have long-range targets for 2012-2014. We expect that the longer period will enable us to attain firm results because we can take longer to embed the objectives within our companies.

We are increasingly seeing an overlap between the topics of supply chain and materials, and for this reason we have combined these topics in a single chapter 'Supply chain'. We have changed the name of the topics waste (management) to raw material management because that term fits better.

Tailor-made interpretation of CR strategy

There are differences in the way in which our companies handle the CR topics. This has especially to do with the considerable diversity within the group. When executing large infrastructure projects, CO₂ reduction is a major focus within the market, and has been for quite some time, so that customers are now setting strict criteria for our companies. In the United Kingdom we see a lot of attention being given to community liaison management. In the housing sector, there is more focus on separating waste and on the introduction of new sustainable home concepts. This difference between markets becomes apparent in the way we customise our sustainability strategy per sector.

The strategy of our English companies was revised

The CR strategy of the UK companies – VolkerFitzpatrick, VolkerHighways, VolkerRail, VolkerStevin and VolkerLaser – was revised this year by conducting a review of the policy over the previous years. The revised strategy was set up on the basis of market research, best practice in the sector and the strategy of VolkerWessels in the Netherlands.

In the strategy for the UK group, 13 themes have been defined that, with regard to definitions, deviate slightly from those that we use in the Netherlands. These differences are minor.

1.4 STAKEHOLDER DIALOGUE

Success in the construction sector increasingly demands a strong bond with the environment. That can take the form, for example, of a dialogue with local residents or the users of a project, to obtain endorsement for the activities. It can take the form of cooperation with chain partners – suppliers and customers – in order to capitalise on the demands of the market through clever innovations. Maintaining contact with these parties is thus an integral – and daily – part of our work routines.

In 2010, we addressed stakeholder dialogue more explicitly by initiating a series of discussions with relevant parties in order to have a clear idea of what they expect from us. These conversations have been summarised in the sustainability report 2010, where those held with FSC Nederland, MVO Nederland, SamenVoor, Stichting Natuur en Milieu, Bewuste Bouwers, TNO and SITA gave their view of our achievements in terms of sustainability. The dialogue with these external parties was continued in 2011 because our experience teaches us that it provides insights into possibilities for improved policy. It also teaches us which priorities we have to set in reporting on our efforts. Through a study conducted among these stakeholders in 2011, we have better insight into their vision of our strategy. The outcomes of this were discussed in the CR Platform where a stakeholder strategy was decided on: the dialogue with national and provincial governments is mainly conducted locally with our management. At central level, the dialogue with some NGOs is assured through a regular contact, such as with FSC Nederland and Stichting Natuur en Milieu. The exchange of insights acquired in contacts with stakeholders takes place in the CR Platform.

Intensive cooperation with stakeholders is an important factor for success

Internal dialogue with employees takes place in various places in assorted meetings, such as in executive board meetings and programmes run by the VolkerWessels Academy, Jong VolkerWessels, procurement platforms, and employee participation bodies. It was apparent from a strategy meeting of the Board of Management with Jong VolkerWessels that in 2011, sustainability objectives were missing from the corporate strategy. In part as a result of that, work is on-going on incorporating the CR objectives in the corporate strategy, including targets. Furthermore it appeared from the consultation between the chairman of the Board and the Central Works Council (cwc) that the cwc would like to play a larger role in the development of our sustainability policy. This has resulted in the internal dialogue with the cwc being formalised so that we hold discussions on a structured basis about the developments.

Reputation in the construction sector

Dialogue with our colleagues in the construction sector is also important in this context. One of the main challenges in this respect is that the reputation of the construction sector – based on media reports and conversations with journalists – does not do justice to the value that the construction sector creates in society. We regard this as an important point because this misperception is detrimental to our position and because it is more difficult as a result to attract the proper talent. It is important to all construction companies that the sector has a good reputation and we have thus taken the initiative in 2011, to brainstorm on this challenge with 7 large construction companies in the Netherlands. Together we are holding discussions with the trade association Bouwend Nederland and we have decided to present a single front to the labour market. In 2012, these intentions will be turned into real plans.

In short: we regard intensive cooperation with stakeholders as an important factor for success. If we involve them in our activities we are better able to show where our value to society lies. It is an excellent means for bringing about innovations that make the difference in the market. It frequently goes further than a conversation, with concrete plans being made. To give an impression of the nature of these activities, we give some examples from 2011 below.

Joint approach to sustainability of concrete

We have been actively involved since 2011 in an initiative with MVO Nederland [CSR Netherlands] to make the production of concrete sustainable. This has, in the meantime, led to a GreenDeal with the Dutch government.

Share safety ideas

The warning sticker 'Zie je mij, zie ik jou' [If you see me, I see you] – a VolkerWessels initiative to increase safety – also got attention outside VolkerWessels. Companies including Pon Equipment and Cumela Nederland supply the sticker to their members. Also vuko Transport decided to put the stickers on their complete vehicle fleet to draw attention to the driver's blind spot.

Development of Social Return Ladder

VolkerWessels is working together with other construction companies, Rijkswaterstaat, ProRail and Vernieuwing Bouw on the development of the Social Return Ladder to increase the chances of people returning to the labour market who have been unemployed for a long period of time. You can read more about this on page 45.

Stakeholder dialogue about sustainability themes

More and more of our operating companies are tailoring their own CR policy. For example, De Groot Vroomshoop formulated its policy on the basis of interviews with stakeholders, such as suppliers, customers, regulatory agencies and its own employees.

Active contribution by VolkerWessels to Rijkswaterstaat Market Day

We made an active contribution in the project groups of Rijkswaterstaat to their (strategy) agenda 2012 on the topics of 'Sustainability', 'Dynamic Traffic Management and 'Early approach to the market'.

Partnership with Stichting Natuur en Milieu

The regular meetings and strategic collaboration with Stichting Natuur en Milieu, on topics such as electric vehicles and solar energy will be further strengthened and developed in 2012.

1.5 COMMUNICATION

We regard communication about the CR topics named above as essential for improving our policy and inspiring others. Communication is however more than just an annual report. As we described above, we are regularly in contact with internal and external stakeholders. They are constantly invited to give feedback.

In particular internal communications are very important. The Board of Management fulfils an important role by discussing the above-named topics in meetings and also emphasising their importance in newsletters, speeches and other forms of communication. In addition a number of CR performance indicators have been added to the regular management information. As a result of these communications, we can see awareness growing within the Group and spontaneous actions beginning to take place.

We undertake specific actions to reinforce these communications, such as:

- Awarding PlanetFit labels to innovations that contribute to the market offering and to ecological profit.
- The communication concept 'Every initiative counts'. With this we make all initiatives visible that add value to the market, employees, the environment or society. Best practices are made visible on our Internet site, intranet, staff magazines and through other channels.

1.6 ABOUT THIS REPORT

In this report we report on subcontractors and suppliers if, together with them, we have developed innovations. We do not report on their safety or CO₂ performances. This does not mean we do not have any oversight of these matters. Where the CO₂ performance ladder for example

1. INTRODUCTION

requires us to set conditions for subcontractors and suppliers, we do have insight into their footprint. Because this is limited, we have chosen to exclude this from our report.

In addition we decided to include as many results from our companies in the United Kingdom (UK) as possible in this report. With that, the scope of our report has been further broadened. The UK results are explicitly stated in each topic chapter (where applicable).

Scope

The primary target group for this report are stakeholders who are interested in our activities in Europe – mainly the Netherlands and the United Kingdom – where we are developing our activities in a broad domain, spread across several sectors. After an assessment by the Board of Management, the decision was made to explicitly limit the scope to the Netherlands and the United Kingdom, from the conviction that this currently best meets the information wishes of the stakeholders. For that reason, we are not currently reporting on our activities in Canada and the United States. Also the projects that are executed by our foreign companies fall outside the scope of this report. We intend in the future to further expand the scope step by step.

In this report we have included consortia or companies in which we have a controlling interest. Where there is joint control in a consortium these results are not included. This methodology corresponds to that of the financial statements and is in line with the reporting under IFRS, the international standard for financial reporting.

GRI

We conform to the internationally recognised guidelines of the Global Reporting Initiative (GRI) and report on the calendar year 2011 according to level B+.

Data collection

In order to assure data collection in a uniform manner, we have created a reporting manual. For the calculation of our CO₂ footprint, we use the GHG protocol. An overview of our definitions can be found at the end of this report, on page 74.

In 2010, the data management system 'credit360' was used for the first time to collect all sustainability data. With this system, VolkerWessels aims to further improve and professionalise its data collection, validation and analysis.

External Assurance

We have asked KPMG to provide assurance on the reported indicators for the topics supply chain, health & safety, integrity, CO₂ and raw material management. KPMG has verified the data relating to the Netherlands. KPMG conducted a readiness assessment on the 2011 figures from the United Kingdom.

The independent assurance report can be found on page 64. We do this so that our stakeholders such as investors, customers, NGOs and other interested parties can follow our developments and can evaluate our progress. Of course, we also do this for our (current and future) employees so that they get a good insight into the Group in which they work or will be working.

1.7 SUMMARY OF 2011 DATA

In 2011, we measured the key performance indicators (KPIs) on 10 topics. A table is included on the following pages of the KPIs by topic, with the results and targets. Also we indicate here to what extent the 2011 targets have been achieved. This table also provides an insight into our performance over the years 2009, 2010 and 2011.

SUMMARY OF DATA (THE NETHERLANDS)

MARKET

INNOVATION

KPI(S)	2009 DATA	2010 DATA
Percentage of innovations awarded the label 'PlanetFit' compared with the total number of innovations per year.	18% (12 out of 67 innovations)	9% (6 of 69 innovations) <i>34 of 69 innovations contain sustainable elements</i>

SUPPLY CHAIN

KPI(S)	2009 DATA	2010 DATA
Percentage of operating companies that have added CSR clauses to procurement contracts and/or general terms and conditions.	52%	85%
Numbers of produced residential units in which FSC wood and /or PEFC wood is used compared with the total number of delivered residential units.	Qualitative study done into use of FSC wood.	Use of FSC- and PEFC wood firmly anchored in policy with respect to self-developed residential units.

EMPLOYEES

HEALTH AND SAFETY

KPI(S)	2009 DATA	2010 DATA
Percentage of sickness absence (general).	4.19%	4.34%
Percentage of sickness absence as a result of industrial accidents.	0.17%	0.13%
Number of fatal industrial accidents.	2 in the Netherlands, 1 in Canada	1 in the Netherlands
IF (Incident Frequency, accident index – number of industrial accidents per million hours worked).	6.7	8.2
Percentage of employees that fall under a collective employment agreement.	92%	92%

TARGETS

2011 DATA	2010
13.3% (12 out of 90 innovations)	– Maximise the percentage of innovations with 'PlanetFit' label; annual increase of 20% with respect to the total number of innovations per year.
	2011
	– Maximise percentage of innovations with 'PlanetFit' label; annual increase of 20% with respect to the total number of innovations per year. <input checked="" type="checkbox"/>
	2012–2014
	– Annual increase of 20% of the number of innovations with the 'PlanetFit' label. – 10% better EPC performance than the legal standard with the PlusWonen concept.

2011 DATA	2010
87%*	– Increase percentage of operating companies that have added CSR clauses to procurement contracts and/or general terms & conditions to 100%.
22.2% (757 out of the total of 3414 delivered residential units)	– Introduce the Leading Principles further into operational management. – Increase insight into the applicability of FSC wood in own developed houses in 2010. – Investigate possibilities for (re-)use of other relevant material.
	2011
	– Increase percentage of operating companies that have added CSR clauses to procurement contracts and/or general terms & conditions to 100% in 2011. <input type="checkbox"/>
	– Introduce the Leading Principles further into operational management. <input checked="" type="checkbox"/>
	– Increase the number of certified FSC and/or PEFC certified operating companies by 50% in 2011. <input checked="" type="checkbox"/>
	– Map out the percentage self-developed delivered houses in which sustainable wood has been used with the aim of linking a quantified target to that for 2012. <input checked="" type="checkbox"/>
	2012–2014
	– Increase the number of operating companies that have CSR clauses in contracts to 100%. – Introduce the Leading Principles further into operational management. – Develop and introduce the guideline 'Sustainable Procurement'. – Develop a 'code of supply' for suppliers. – Increase the percentage of self-developed homes in which sustainable wood has been used to 50%. – Design a method for sharing knowledge with regard to making concrete and asphalt sustainable.

TARGETS

2011 DATA	2010
4.31%*	– Constantly and continuously develop the safety policy.
0.14%*	– Evaluate and further stimulate safety awareness.
0* ¹	2011
7,7*	– Evaluate the safety culture and initiate improvement activities. <input checked="" type="checkbox"/>
	– Conduct study into safety culture among 20% of all employees. <input checked="" type="checkbox"/>
	– Active collaboration among operating companies to reduce sickness absence. <input checked="" type="checkbox"/>
92%	2012–2014
	– Development of the corporate policy in collaboration with the Safety Advisory Board. – Move up on the safety culture ladder from 3.5 to 4. – Annual discussions held by the BoM with the executive boards about progress on safety improvement goals. – Active collaboration among operating companies to reduce sickness absence.

* Is a component of assurance by KPMG
See the assurance report on page 64.

¹ In accordance with the definition; exclusively employees of VolkerWessels Nederland.

EMPLOYEES CONTINUED >>>

INTEGRITY

KPI(S)	2009 DATA	2010 DATA
Numbers of reports to confidential advisors.	27	28
Number of reports that have led to dismissal.	6	10
Number of reports with suspicion of violation of the Law on Economic Competition.	0	1
Numbers of times that the whistleblower scheme was used.	1	0
Number of employees that took part in integrity workshops.	346	282

TRAINING AND DEVELOPMENT

KPI(S)	2009 DATA	2010 DATA
Numbers of hours of training for construction site employees.	46,249	71,146
Number of hours of training for UTA [executive technical and administrative] employees.	84,680	66,449
Numbers of hours of training for other employees.	136,531	148,864
Total amount spent per employee.	€ 820.00	€ 701.00
Percentage of employees with whom performance and career development are regularly discussed.	63%	65%

DIVERSITY

KPI(S)	2009 DATA	2010 DATA
- Number of men/women per function group, split into construction site, UTA and other employees.	- Construction site employees: men 3,220, women 2 - UTA employees: men 3,090, women 625 - Other employees: men 4,458, women 530	- Construction site employees: men 3,189, women 5 - UTA employees: men 3,054, women 584 - Other employees: men 4,751, women 683
- Employees according to age group and gender.	See bar diagram on page 38 Sustainability Report 2009	See bar diagram on page 43 Sustainability Report 2010
- Percentage of full-time/part-time employees according to gender.	- 95.3% full-time male - 4.7% part-time male - 35.2% full-time women - 64.8% part-time women	- 95% full-time male - 5% part-time male - 42.2% full-time women - 57.8% part-time women
- Percentage of women that took part in Management Development trajectory.	- 6%	8.3%

TARGETS

2011 DATA	2010
21*	- Improve the realisation of and transparency relating to the integrity policy.
5*	2011
0*	- Improve insight into integrity risks. <input type="checkbox"/>
1*	- Increase awareness about integrity. <input type="checkbox"/>
340*	- Acquire insight into the integrity culture. <input type="checkbox"/>
	2012-2014
	- Further develop the policy and define specific improvement activities.
	- Improve insight into integrity risks.
	- Increase awareness about integrity.
	- Acquire insight into the integrity culture.

2011 DATA	2010
56,698	- Sustainability topics are further incorporated into training courses.
63,142	- The number of hours of training with respect to project management is increased by 10%.
140,422	- Increase the percentage of employees with whom performance and career development are discussed annually by 10%.
€ 672.72	2011
66%	- Further develop the collaboration between the VolkerWessels Academy and external parties. <input checked="" type="checkbox"/>
	- Further integrate the sustainability topics in new programmes run by the VolkerWessels Academy. <input checked="" type="checkbox"/>
	- Increase the percentage of employees with whom performance and career development are discussed annually by 10%. <input type="checkbox"/>
	2012-2014
	- Continue the matching of training and development to developments in the sector.
	- Integrate sustainability topics in 100% of the programmes run by the VolkerWessels Academy.
	- Train project management skills in at least 80% of the programmes run by VolkerWessels Academy.
	- Increase the percentage of employees with whom performance and career development are discussed annually to 70%.

2011 DATA	2010
- Construction site employees: men 2,952, women 13	- Increase the number of women taking part in the Management Development course to 20% in 2015.
- UTA (technical and administrative executive level employees): men 3,044, women 550	2011
- Other employees: men 4,966, women 685	- Increase the number of women taking part in the Management Development course to 20% in 2015. <input type="checkbox"/>
- See bar diagram page 44	- Embed the topic diversity in VolkerWessels' HR policy. <input type="checkbox"/>
- 94.5% full-time male	2012-2014
- 5.5% part-time male	- Increase the number of women taking part in the Management Development course to 20% in 2014.
- 34.6% full-time women	- Communicate internally the importance of the topic diversity by means of at least 2 communication channels within VolkerWessels.
- 65.4% part-time women	- Demonstrate the power of diversity by sharing best practices in meetings and in a conference on this topic.
15.8%	- Embed the topic in 3 internal leadership programmes run by the VolkerWessels Academy.

* Is a component of assurance KPMG. See the assurance report on page 64.

SUMMARY OF DATA CONTINUED

ENVIRONMENT

CO₂

KPI(S)	2009 DATA	2010 DATA
Total CO ₂ footprint.	201 kilo tonnes	193 kilo tonnes (on the basis of the CO ₂ conversion factors 2011)

RAW MATERIAL MANAGEMENT

KPI(S)	2009 DATA	2010 DATA
Percentage of construction demolition waste.	57.7%	50%
Total weight of waste according to recycling and processing method (tonnes).	<ul style="list-style-type: none"> - Recycling 20,136 tonnes - Processed 6,480 tonnes - Waste incineration with energy recovery 21,941 tonnes - Waste incineration without energy recovery 738 barrels - Re-use 32,727 tonnes 	<ul style="list-style-type: none"> - Recycling 25,342 tonnes - Waste incineration with energy extraction 16,324 tonnes - Waste incineration without energy recovery 38 tonnes - Reuse 14,571 tonnes
Quantity of hazardous substances collected and processed (kg).	259,839 kg	142,509 KG

SOCIETY

COMMUNITY INVESTMENT

KPI(S)	2009 DATA	2010 DATA
Proportion of amount spent on sponsorship and donations.	<ul style="list-style-type: none"> - 34% sponsorship - 9% donations - 57% relationship marketing 	<ul style="list-style-type: none"> - 89.5% sponsorship - 0.5% donations - <i>Percentage of 'relationship marketing' not measured.</i>
Number of partnerships that VolkerWessels has with civil society organisations.	- 107 (after correction: 28)	28

PUBLIC LIAISON MANAGEMENT

KPI(S)	2009 DATA	2010 DATA
Number of construction sites certified with 'Bewuste Bouwers'.	No quantitative data available.	6

TARGETS	
2011 DATA 181 kilo tonnes*	<p>2010</p> <ul style="list-style-type: none"> - 5% reduction of total CO₂ emissions. <p>2011</p> <ul style="list-style-type: none"> - 5% reduction compared with 2010 measurement of CO₂ footprint in 2012. + <p>2012-2014</p> <ul style="list-style-type: none"> - 5% reduction of CO₂ emission compared with 2011. - (Re-) certification on CO₂ performance ladder: CPD sector step 4, Infrastructure sector step 5.
2011 DATA 43.5%*	<p>2010</p> <ul style="list-style-type: none"> - Increase insight by means of framework agreement with waste processing company. - Increase waste separation by 10%. - Implementation of waste calculator at 50% of the construction companies in 2011, in order to manage the waste streams better. <p>2011</p> <ul style="list-style-type: none"> - Optimisation of waste management in consultation with suppliers. ± - Integration of policy in the sub-sectors materials, waste management and supply chain. + - Implementation of waste calculator at 100% of the construction companies in 2012, in order to be able to manage the waste streams to manage waste streams. - <p>2012-2014</p> <ul style="list-style-type: none"> - Increase waste separation percentage by 10%. - Further coordinate the supply chain (materials) and sustainable raw material management. - Implementation of the waste calculator at 100% of the construction companies. - Reduce packaging waste in consultation with suppliers and create the policy on this basis .
2011 DATA 502,877 kg*	<p>2010</p> <ul style="list-style-type: none"> - Increase insight by means of framework agreement with waste processing company. - Increase waste separation by 10%. - Implementation of waste calculator at 50% of the construction companies in 2011, in order to manage the waste streams better. <p>2011</p> <ul style="list-style-type: none"> - Optimisation of waste management in consultation with suppliers. ± - Integration of policy in the sub-sectors materials, waste management and supply chain. + - Implementation of waste calculator at 100% of the construction companies in 2012, in order to be able to manage the waste streams to manage waste streams. - <p>2012-2014</p> <ul style="list-style-type: none"> - Increase waste separation percentage by 10%. - Further coordinate the supply chain (materials) and sustainable raw material management. - Implementation of the waste calculator at 100% of the construction companies. - Reduce packaging waste in consultation with suppliers and create the policy on this basis .
TARGETS	
2011 DATA - 87.5% sponsorship - 12.5% donations	<p>2010</p> <ul style="list-style-type: none"> - Bring sponsorship and donation policy into line with the core activities and vision of our Group. - Link employees to programmes in and for society. <p>2011</p> <ul style="list-style-type: none"> - Further implement sponsorship and donation policy. + - Further link employees to programmes in and for society. + - Professionalise Socially Involved Entrepreneurship. + <p>2012-2014</p> <ul style="list-style-type: none"> - Increase the number of donations for the benefit of employee initiatives by 10%. - Increase the number of employees that carry out SIE activities in the society in the VolkerWessels Academy by 25%. - Initiate a new project from the VolkerWessels Foundation with Jong VolkerWessels.
34	
2011 DATA 36	<p>2010</p> <ul style="list-style-type: none"> - Internally increase awareness about the importance of proactive communications with the local area and people. <p>2011</p> <ul style="list-style-type: none"> - Internally increase the awareness about the importance of proactive communications with the local area. - 50% of our construction and infrastructure companies participate in the initiative of 'Bewuste Bouwers' in 2012. + <p>2012-2014</p> <ul style="list-style-type: none"> - Embed the topic of public liaison management in 5 internal courses. - Submit at least 50 projects to 'Bewuste Bouwers'.

* Is a component of assurance KPMG. See the assurance report on page 64.



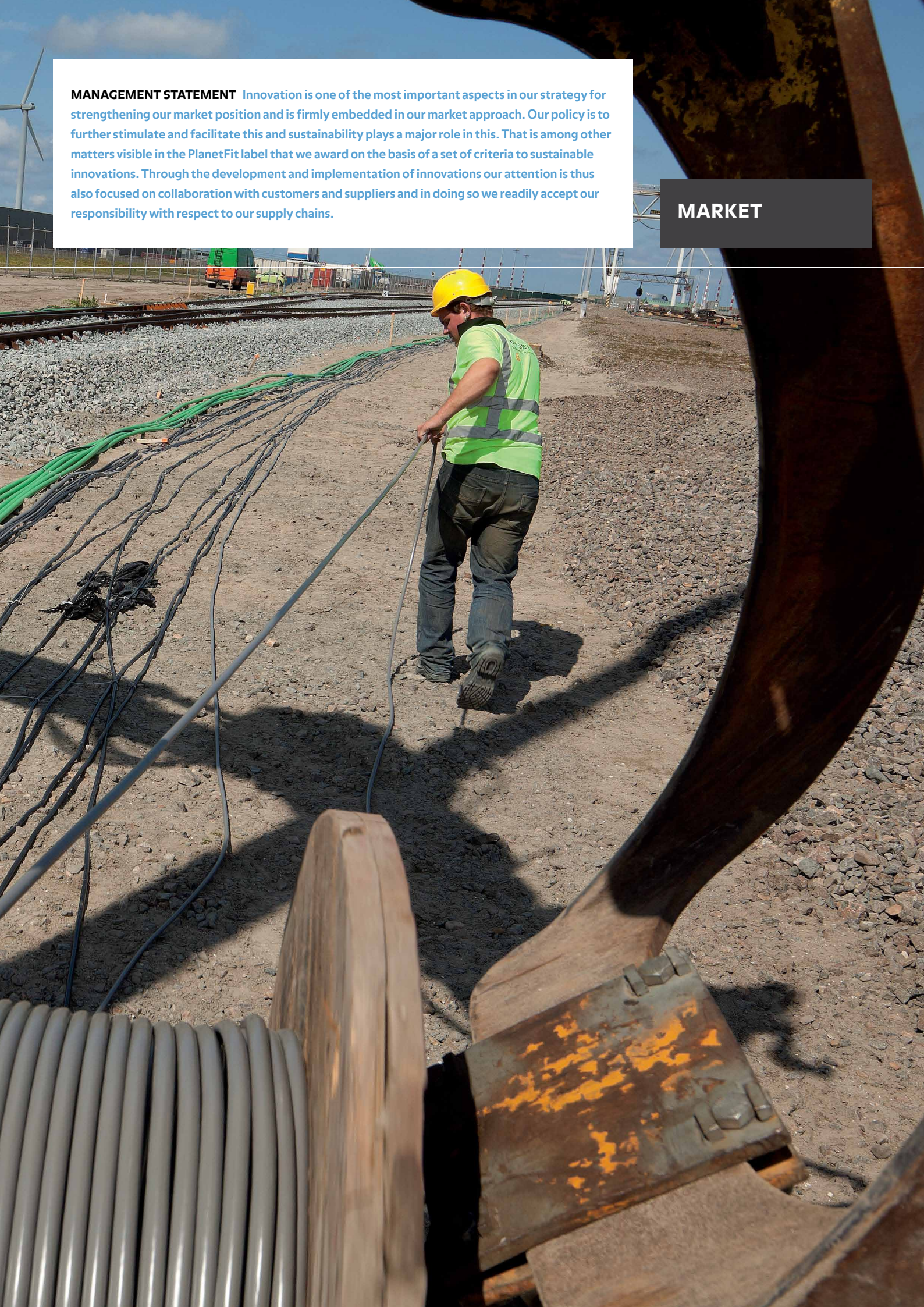
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MANAGEMENT STATEMENT Innovation is one of the most important aspects in our strategy for strengthening our market position and is firmly embedded in our market approach. Our policy is to further stimulate and facilitate this and sustainability plays a major role in this. That is among other matters visible in the PlanetFit label that we award on the basis of a set of criteria to sustainable innovations. Through the development and implementation of innovations our attention is thus also focused on collaboration with customers and suppliers and in doing so we readily accept our responsibility with respect to our supply chains.

MARKET





AUTHORITIES FINDS SOLUTION TOGETHER WITH VIALIS FOR OPEN STANDARDS FOR TRAFFIC MANAGEMENT

Mobility is an important topic in the densely populated Netherlands and the cabinet is committed to better use of the existing infrastructure for vehicle traffic. Dynamic movement management plays an important role, but existing systems do not link well with each other so that the possibilities that they do offer are not being optimally used. A lot of work is going on behind the scenes to find a solution for this.

The Dutch road network is managed by various bodies including Rijkswaterstaat, the provinces and local authorities. To make the best possible use of this road network – and to prevent drivers standing still in traffic jams and thus emitting CO₂ – the solution is to have these managing bodies collaborate seamlessly. Local area-oriented use is thus an important principle in the policy of local, regional and national authorities. A traffic jam on a motorway can be eased, for example, by slightly adjusting the sequence of traffic lights on local access roads. By exchanging the relevant traffic information between systems, the traffic can be constantly monitored at all times at the local area level so that the optimal traffic measures can be put in place. In the ideal world there would be a fully automatic link between the underlying systems for traffic management. A system that regulates the traffic in a city would then ‘talk’ for example with a system that guides motorists to an available parking place. The ideal world does not exist, however, at present because there is a multiplicity of systems, with different information standards and technical specifications. However, work has been in progress for years on that ideal world, from the conviction that standardisation of data is very important to everyone.

In order to see fast progress in mid 2011 Vialis together with automation company Trinité and the Technical University of Delft launched a ‘lever’ to achieve improvement in the short term. This initiative derives from our vision that the use of open information standards – bringing

Prevent motorists standing still in traffic jams and

down the barriers between market parties – offering several possibilities for the next step in traffic management.

emitting CO₂

We have thus started a small core group under the name DTM-Exchange that includes suppliers, experts and customers to rapidly explore the various options. At the time of writing this report, we are optimistic about the chances of success. We have kept the group of parties involved deliberately small in order to ensure momentum, but we are completely transparent towards competitors and other parties by making all documents available online and transferring all results to a neutral platform where any interested party may participate. Collectively we appear to have achieved a breakthrough and after the first results have been handed over. We will continue to spread our enthusiasm to a wider circle.

Road managers face the challenge of thinking in supra-regional terms. They are enthusiastic in the belief that better regional road use is possible. At policy level, work has been carried out in this area for about ten years, and bringing it all into line technically is an important final link in the process.



2.1 INNOVATION

Result 2011

- 13.3% of the total number of innovations were awarded the PlanetFit label (2010: 9%, 2009: 18%)

Sustainability is and remains the driving force behind innovation within VolkerWessels. Innovation of methods and techniques contributes to the sustainability of the world and makes it possible to distinguish ourselves in the market and also make a financial profit. Even in difficult economic times, we remain fully committed to innovations because they are essential to growth in the longer term.

According to the Knowledge and Innovation Agenda (KIA), the Netherlands has to rejoin the top global knowledge-intensive and innovative countries. That is the ambition of the KIA coalition, an alliance of employers and employee associations and organisations from the world of knowledge. We subscribe to this ambition and are constantly seeking to improve our products, concepts or services. Innovation is in the blood of VolkerWessels and fits smoothly into our way of doing business.

This is apparent from the increase in the number of innovations (90 in 2011, compared with 69 in 2010). We believe this is due to our decentralised organisation, in which operating companies enjoy a relatively large amount of autonomy and can show their entrepreneurial spirit by being close to the market. People are trusted to be entrepreneurial and are thus able to introduce innovations into the market with great success. With this it is also normal that we accept that some good ideas just do not seem to make it into the market. That is inherent to innovative entrepreneurship.

Sustainability is an important spur to innovation

Sustainable innovations deserve an extra stimulus within the framework of our sustainability strategy. That is why we have our own PlanetFit label, with which we give sustainable products or concepts more recognition.

The criteria for obtaining the PlanetFit label are clear: minimally one operating company is involved as initiator, it must add value to the environment, there is an market for it, it gives a return in terms of money and it is innovative. In 2011, we have actively drawn attention to the PlanetFit label within VolkerWessels by launching the website www.planetfit.nl in order to further reinforce the stimulus to create innovations.

We thus stimulate a way of working in which there is a continuous search for the combination of sustainability profit and financial profit. To do that successfully, it is essential to maintain close contact with the stakeholders. Their wishes, after all, in part guide the direction of these innovations. One example of this is the development of the HERA dryer in the asphalt production branch (see page 48). This anticipates future legislation of the government, reduces the odour nuisance for local residents and increases the quality of the recycled asphalt for our customer. With this, we are translating the wishes of stakeholders into feasible business cases for innovations. Another example is the work we are doing on the North/South metro line in Amsterdam, we are using the rails that are already laid for most of the logistic activities involved. This reduces the number of traffic movements in Amsterdam and with that also the emissions.

Innovation as a culture within our company is stimulated by the way in which market parties collaborate with us. We regard integrated contracts and invitations to tender in which other criteria than price are considered as very positive in this context. A good example is the construction of the A4 Midden-Delfland. The winning consortium in which we are participating was given the opportunity within the tender to take an innovative approach. The result is that the use of concrete structures will be reduced by compressing a layer of clay. That results not only in a better environment, but also contributes to a considerable financial windfall for the customer and with that for the taxpayer.

The further development of the PlusWonen [Plus Homes] concept deserves a mention here too. This is price-friendly, sustainable manner of building that offers tailored solutions. The houses built according to this concept perform 10% better than the EPC standard, but also an EPC of 0 is possible. In 2011, we put a lot of effort into this. We regard it as important that the effects of new technology are measured in practice. We have therefore, together with a housing corporation, started measuring the sustainability effects of this concept in a project with Passief woningen [Passive Homes] in Nieuwkuijk. After all, sustainability must be more than just a promise.

HIGHLIGHTS OF 2011

- In 2011, we introduced 90 innovations (2010: 69) of which 13% were awarded the PlanetFit sustainability label (9% in 2010). Compared with the total number of innovations per year this represents an increase of 48% of PlanetFit innovations. With that we have easily attained our target of realising an increase of 20% annually.
- In 2011, 12 innovations were awarded the PlanetFit sustainability label. That is twice as many as the previous year.
- The website www.planetfit.nl has been developed where VolkerWessels winners of the 'PlanetFit' label for sustainable development can be found.
- De Groot Vroomshoop Houtbouw together with Dubotechniek, Vaillant and Oranjedak developed a prefab roof concept with solar panels that produce more electricity and hot water.
- Vialis introduced the modern ViTrac traffic regulating automatic system in a stainless steel casing that is being produced sustainably and is less damaging to the environment.
- The concept PlusWonen [Plus Homes] was further developed. An important change is that the Energy Performance Coefficient (EPC) of these houses has been reduced from 0.72 to 0.54. The ambition to perform 10% better than the legal standard is upheld. In the concept, the themes of sustainable material use, sustainable water management, flora and fauna, sustainable collaboration and sustainable raw material management are given more attention.
- Dong Energy, the Danish energy company awarded Visser & Smit Marine Contracting (vsmc) the contract for laying and installing cables for the Anholt Offshore Wind Farm that is under construction in Denmark. The Anholt Offshore Wind Farm will be the largest Danish offshore wind farm with a capacity of 400MW and will supply 4% of the total Danish electricity requirement. Other projects are being executed off the Belgian coast at Zeebrugge, on the Irish Sea (west of Duddon) and in the Baltic Sea (Baltic 2).
- Vialis introduced the ViPark, parking equipment that is fully prepared for integration into the DTM (Dynamic Traffic Management) system. This ensures a better traffic flow and less environmental nuisance by decreasing the number of cars searching for a parking space.
- Veluwezoom Verkerk was the first Dutch construction company to be awarded the Passive Construction Certificate [PassiefBouwenKeur] for the construction of 13 social sector rental homes in Beek.
- VolkerHighways in association with its customers developed the 'Revolving Mast Arm'. This innovative solution minimises the disruption to traffic during maintenance to traffic lights above the roadway.

Ambitions 2012

We wish to be leading in our sector and we work together with our partners to think up clever, sustainable solutions for the market. Every year that will lead to innovative concepts that we make evident with our 'PlanetFit' label.

Targets 2012-2014:

- Annual increase of 20% in the number of innovations with the 'PlanetFit' label.
- 10% better EPC performance than the legal standard with our PlusWonen concept.

Actions that we are launching in 2012:

- Active communications about the 'PlanetFit' label and website.
- Continued development of the PlusWonen concept with more attention to the themes of material use, water management, flora and fauna, and sustainable raw material management.
- Introduction of the PlanetFit label in our operating companies in the United Kingdom.



2.2 SUPPLY CHAIN

Result 2011

- 87% of our companies have procurement contracts and/or general terms & conditions with CSR clauses (2010: 85%, 2009: 52%)
- The number of self-developed homes in which FSC and/or PEFC wood has been used in 2011, is 757
- This is 22,2% of the total number of homes developed by VolkerWessels in 2011

Result UK 2011

- 50% of our UK companies have procurement contracts and/or general conditions with CSR clauses

Intensive cooperation with chain partners will produce innovation and sustainable solutions. As a major construction company, we are in a position where we can give our subcontractors a strong stimulus to be innovative together with us and at the same time to realise financial savings. As a consequence of stronger group-wide collaboration and the sharing of knowledge between our operating companies we can achieve good results with this.

In 2010, the topic 'Materials' was also a focus of our interest in addition to the topic of 'Supply chain'. With the increasing overlap between these two we decided to integrate these topics. The developments relating to materials are now described under 'Supply chain', with interest specifically focused on concrete, asphalt, steel and wood.

The supply chain is a central theme in several targets in the field of sustainability. We see opportunities to involve suppliers and sub-contractors in the implementation of innovations, in reducing our CO₂ emissions, and in assuring the topics of integrity, safety and raw material management. In 2010, an analysis was conducted from which it appeared that the value of the supply chain could be better utilised by having a stronger group-wide focus. A group-wide procurement coordinator was appointed for this purpose at the beginning of 2011. This has led to us collaborating more on procurement and sharing knowledge. Developments in the field of innovations, legislation, safety, health and environment are being shared more actively.

We are focusing our effort expressly on those components where we can really make a difference and where, through this substantial results can be achieved. To get more insight in the impact we have, we have mapped out the most important materials used in our group. From an analysis of our activities, the crucial materials appear to be: concrete, asphalt, steel and wood. See the table on page 31.

Our crucial materials are concrete, asphalt, steel and wood

With respect to our ambitions to reduce the CO₂ emissions we are mainly focusing on supply chain innovation in concrete and asphalt production. Where asphalt production is concerned we invested in the HERA dryer (see page 48) in 2011. Concrete production is also an important source of CO₂ and other emissions and has an impact on bio-diversity and the ecosystem. VolkerWessels has since 2011 been actively engaging resources on this topic in an initiative with MVO Nederland [CSR The Netherlands] and various large construction and concrete companies. This has, in the meantime, led to a GreenDeal with the Dutch government. The CO₂ performance ladder must not remain unmentioned in this connection. This instrument stimulates us to continue to work towards reducing the CO₂ emissions and shows that a financial stimulus is an excellent method of providing a sustainability impulse. Once again, it is only through a chain approach that successful results can be attained.

There is a strong demand for wood throughout the construction sector. To maintain and protect the bio-diversity, unique eco-systems and other ecological and landscape values of woodlands and forests, we are stimulating the use of certified wood through stronger cooperation with chain partners in our 'PlusWoningen' highly energy efficient homes.

We have been a covenant partner for quite a long time of FSC Nederland. Through that we make it known that we are committed to responsible forestry management. In the reporting year there were multiple contacts with FSC Nederland about the use of certified wood. Certification of forestry management gives our customers and us the certainty that the wood does actually come from well-managed forests.

With respect to steel, we take a more passive role. In this area, we are a relatively small player and can only play a stimulating role in the chain to a limited extent.

VolkerWessels is a large concern and we realise more and more that we can have a positive impact in the supply chain. A good example is the construction of the TNT Green Office in accordance with the requirements of LEED.

This working method sets tough criteria in the field of (recyclable) materials, delivery methods and emissions of harmful substances. On this basis, we stipulated our requirements in advance. Only those suppliers who could satisfy these criteria were utilised.

A clause was incorporated in the contracts which, for example, resulted in an exceptionally high waste separation percentage of 99%.

The use of procurement contracts and/or general terms & conditions appears to be an important means for highlighting the sustainability aspect for suppliers. CSR clauses have been included in the contracts and terms & conditions in 87% of our companies, and include the 'Leidende Principes Opdrachtgevend Bouwbedrijf ['Guiding Principles for Contract-awarding Construction Company']. These principles offer the partners involved in the construction process a starting point for professional, honest, socially responsible and transparent actions. The further introduction of these principles in our company remains an important objective. The achievement of a successful final result is therefore considered a joint responsibility. Also in 2012, increasing the number of companies that have CSR clauses in their procurement contracts and/or general terms & conditions continues to be a key goal.

HIGHLIGHTS OF 2011

- The percentage of operating companies that have added CSR clauses to procurement contracts and/or general terms & conditions has increased slightly to 87%. With this we are on the way to achieving our goal of introducing this into all our operating companies.
- The Guiding Principles were further introduced to 147 new employees in the VolkerWessels Introduction Programme.
- The number of certified FSC and/or PEFC certified operating companies has more than doubled (19 in 2011, compared with 8 in 2010). With this, our target of a 50% increase has been easily attained.
- The percentage of self-developed delivered houses in which sustainable wood has been used has been registered (22%). A quantitative target has been linked to an increase in this percentage up to at least 50% in 2014.
- We organised a seminar about the sustainable options where Michael Braungart, co-author with William McDonough of the book 'Cradle to Cradle', gave a passionate speech to the attending architects regarding sustainability and the role of the forestry sector in this.
- Together with other construction companies we signed a declaration from the World Wildlife Fund against the plans of the State Secretary for the Environment to allow Malaysian timber certificates MTCs onto the Dutch market. According to the contractors, the certificate is far from sustainable.
- Pilots were started in which suppliers installed containers of materials on construction sites. Only the actual material use is charged. This leads to lower costs and a reduction in waste.
- For crane work, a rationalisation has been conducted in the market companies, which led to cost savings of 10% and to important sustainability improvements because there are fewer transport movements: a crane in the new supplier network never travels further than 50 km.
- To support the initiative of the Ministry of Infrastructure and Environment, we provided knowledge, expertise and a financial contribution to the programme 'Making the concrete chain sustainable'.
- We concluded a GreenDeal with the government with respect to the chain initiative Sustainable Concrete. VolkerWessels is a sponsor and co-initiator of this.
- VolkerWessels signed the Socially Responsible Procurement and Entrepreneurship manifest and through this undertakes to take environmental and social aspects into account when purchasing products and services.
- In 2011 for the second time, we organised the Infra 'Day of the Buyer' for 80 buyers under the name 'The Voice of Procurement – the way of sustainable competence'.
- VolkerRail UK has 'saved' 149 trees through its efforts to separate and recycle as much paper as possible at its office locations.

Ambitions 2012

Our ambition is to exert influence on the supply chain with respect to social questions and environmental policy.

Targets 2012-2014:

- Increase the number of operating companies that have CSR clauses in contracts to 100%.
- Introduce the Leading Principles further in our operational management.
- Develop and introduce the guideline 'Sustainable Procurement'.
- Develop a 'code of supply' for suppliers.
- Increase the percentage of self-developed homes in which sustainable wood has been used to 50%.
- Design a method for sharing knowledge about making concrete and asphalt sustainable.

Actions that we are launching in 2012 are:

- Pilot with FIRA, a benchmark for testing suppliers on their CSR performances.
- Organisation of a national procurement initiative with the theme of csv (Creating Shared Value).



Table of Core Processes and Raw Materials

	The Netherlands	UK	Canada/US
Construction & property development Industrial construction	Property development Industrial construction Commercial construction Home construction Installation technique	Industrial construction Commercial construction	Regional Development
Core processes	Project development Engineering Realisation of construction project	Engineering Delivery of construction projects	Realisation of constructible areas, Landscaping, Dismantling
Raw materials	Cement, mineral aggregates, steel, wood, stony material	Cement, mineral aggregates, steel, wood, stony material	Cement, mineral aggregates, stony material
Infrastructure	Civil engineering Road construction Railway construction Traffic and rail technology Parking management	Civil engineering Road construction Railway construction	Civil engineering Road construction
Core processes	Engineering project management (delivery and financial aspects) Maintenance	Engineering projects management (delivery and financial aspects) Maintenance	Engineering project management (delivery and financial aspects) Maintenance
Raw materials	Bitumen, cement, mineral aggregates, steel	Bitumen, cement, mineral aggregates, steel	Bitumen, cement, mineral aggregates, steel
Energy and telecom	Energy networks Telecom connections Maritime projects	Energy networks Maritime projects	–
Core processes	Development engineering Construction of energy, infrastructure and data networks Maintenance Dismantling	Development engineering Construction of energy, infrastructure and data networks Maintenance	–
Raw materials	Plastic, steel, cables	Plastic, steel, cables	–



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MANAGEMENT STATEMENT The best people are the foundation of our strategy. We want to reinforce our position in such a way that the best people work for us in a safe, sound and sustainable manner. Employees who are open to development and are willing to share knowledge are the core of our success in the market. Offering a safe working environment with possibilities for developments is thus one of the most important objectives and is actively stimulated by management. We offer excellent facilities to employees so that they can continue to develop and look beyond the boundaries of their own professional domain. We develop a culture in which sharing knowledge is done naturally and where diversity on the work floor contributes to the strength and flexibility of our organisation. In addition, we pursue a no-compromises policy with respect to integrity in our operations.

EMPLOYEES





IMPROVE SAFETY CULTURE WITH CUSTOMISED PROJECT TRAINING

Our customer, Rijkswaterstaat, set strict criteria involving a tight schedule and restriction of nuisance for road users on the project that involved widening of the A1/A6 as part of the Crisis Project Amsterdam. To ensure that safety was not adversely affected, a different approach was required.

The project 'Widening the A1/A6' combined major maintenance with capacity measures such as the construction of peak-hour lanes. The invitation to tender of this crisis project – completed in 2011 – provided for a financial stimulus for ensuring completion of the project as soon as possible and with as little nuisance as possible for road users. Both with respect to the works programme and the traffic nuisance, defined indicators were established which linked to financial bonuses. Keeping to schedule and avoiding traffic nuisance were therefore critical issues.

At the same time safety could not be compromised and it was a real challenge in light of the issues mentioned above. The large number of workers involved in working on this project – both our own employees and subcontractors – was unique. In some cases they were only involved for a very short period in order to ensure as much progress as possible on the project at peak times. It was therefore important to impress the nature of the project, the potential hazards and the working agreements about safety on these workers. However, that had to happen efficiently given the nature of the project.

Inspired by a ProRail initiative – Safe working along the track – the project consortium VolkerInfra A1-A6, which consisted of kws Infra, Vialis, and Van Hattum en Blankevoort, developed a website where every worker could undergo training in a short period in which the basic principles in the field of safety were explained. The training had been focused specifically on the project A1/A6 and concluded with a series of test questions. The employee was only handed a certificate that had to be handed over to the contractor when entering the site once a minimum of 8 out of 10 questions had been correctly answered. Through this, attention to safety was embedded in the work processes in an effective and efficient manner. Moreover safety was also given a lot of attention through a poster campaign and in other ways. These posters show clearly in a provocative manner where the safety risks lie and that safety is everyone's responsibility. The effect was that the approximately 2,500 employees who did the test actively talked about the topic of safety. This fits perfectly into the VolkerWessels-wide policy of raising the safety culture to a more proactive level.

Chris Naus, portfolio manager Crisis Approach Rijkswaterstaat: "Safety is a very important aspect for Rijkswaterstaat. Our experience with VolkerInfra A1-A6 was the safety was high on the agenda. In particular the safety website results ensured we were able to discuss the topic and with that it also became tangible. For example, the continuing focus on safety during the toolbox meetings on the eve of weekend large-scale activities contributed to the continuing development of thinking and acting safely. This also demonstrates the need to consider new approaches to managing safety."

Safety gets the attention of
2,500 employees



3.1 HEALTH & SAFETY

The health and safety of our employees and everyone affected by our activities is a top priority. The work to improve management systems and a culture in which employees actively take responsibility with respect to this topic is a continuous process and one that is high on our agenda.

We are working on building a proactive safety culture

The tragic accident in 2011, on our project in the Grolsch Veste in Enschede, the Netherlands, where we suffered two fatalities among those parties involved was a lowpoint. This accident has had a large emotional impact on the organisation and has made everyone even more aware of the need for an active safety culture. At the time of writing this report the investigation results are not yet known, but one thing is sure: we will do everything possible to firmly embed any learning points that arise from this investigation. Safe working is a basic requirement for healthy and responsible entrepreneurship.

Our goal was, is and remains a 100% safe working environment. At the same time, we also realise that it is not possible to guarantee there will be no accidents. In 2011 there were 188 accidents in the Netherlands that led to time off work. The sickness absence percentage remained virtually the same in 2011 at 4.31% (2010: 4.34%). This is under the national average sickness absence that the Economic Institute of the Construction Sector calculated at 5%. We continue to aim for an improvement by focusing on the prevention of occupational diseases, industrial accidents, sickness and absence of employees, as well as to the reintegration of employees after a period of illness. In line with our target of achieving active collaboration between our operating companies in reducing sickness absence, we are tackling as much as possible at the group level, so that employees can also return to work outside their normal working environment. This fits into our policy on sickness absence in which we focus on a sick employee's abilities and not on their limitations.

An important factor in creating a safe working environment is an organisational culture in which safety is in the genes. The safety performance ladder that is currently being developed by ProRail is a very promising instrument. We expect that this instrument can be an important stimulus with which to strengthen the safety culture throughout the entire construction sector. To determine our own safety culture and to be able to initiate improvement activities, we conducted a survey together with TNO among our employees. A total of 12% of our employees took part in the survey. The results reveals an organisation-wide score of 3.5 on a scale of 5, which indicates that there is space for improvement. The results of this assessment have been fed back to the operating companies and form the input for the policy that will be developed by the Safety Advisory Board [Veiligheids Advies Groep], consisting of executive board members, contents experts, the director for Corporate Responsibility and the Central Safety advisor. This advisory group met three times in 2011, and has formulated strategic policy advice for tackling safety culture.

Important points of interest from the survey are the reinforcement of our own recognisable safety culture and raising the priority of safety. In that context, all operating companies have been asked to develop their own action plan for improving the safety culture that should include three spearhead points. These spearhead points have been discussed with the Board of Management and remain a fixed item on the management agenda.

At a central level we are committed to:

- Supporting and stimulating the development of local action plans.
- Implementing a safety culture module in the VolkerWessels Academy.
- Focusing on good housekeeping at the construction site as proof of a conscious safety culture.

Result 2011

- Sickness absence percentage is **4.31%** (2010: 4.34%, 2009: 4.19%)
- IF of VolkerWessels is **7.7** (2010: 8.2, 2009: 6.7)
- **92%** of the employees fall under a collective employment agreement

Number of lost-time accidents per sector

Construction and Property Development	64	
Infrastructure	93	
Energy and Telecom	31	
VolkerWessels Head Office	0	
VolkerWessels UK	7	

IF-index (VolkerWessels, the Netherlands)

2009	6.7	
2010	8.2	
2011	7.7	

HIGHLIGHTS OF 2011

- In 2011, the safety culture was determined and improvement activities were started.
- A survey into our safety culture was conducted among 1,649 employees (12% of the total number of employees of VolkerWessels in the Netherlands).
- The Central Works Council once again organised a seminar on the subject of safety. This year the main topic was 'Failure to work safely, what are the consequences'.
- In the Master class of our Academy 'Safety Leadership' has become a component with practical assignments.
- Vialis thought up a safe solution that allowed the Zeeburger Tunnel in Amsterdam to be kept open while the lighting was replaced. By placing a container module on a truck with all the necessary supplies, our employees were able to do their work safely and road users were not hindered much by the work being done.
- The safety ideas collected on 2010 were distributed internally and put on intranet.
- Within the operating companies, numerous communications campaigns have taken place to improve safety.
- The item 'Safety' has been added as a standard item to the management agenda and also safety data have been included in the performance indicators that are periodically discussed with the Board of Management.
- Discussion have been held with the Central Works Council (COR) about the safety policy and agreements with them have been formalised as from the autumn of 2011.
- Consultations have been held with safety experts from our UK companies to share insights and exchange best practices.
- VolkerFitzpatrick has gained recognition with its Southwark Waste Project for its dedicated efforts to create a healthy and safe workplace by winning a British Safety Council International Safety Award 2011.

Ambitions 2012

Our ambitions are to offer a good and safe working environment to employees, subcontractors and everyone who has anything to do with our activities. We are striving to improve our safety culture and as a consequence of that to reduce the number of accidents. Also we are also making efforts to lower sickness absence, in part by stimulating the specific approach taking by operating companies that are doing well in this domain.

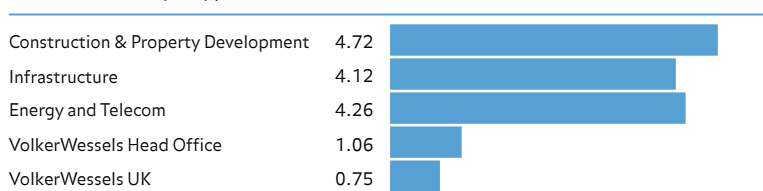
Targets 2012-2014:

- Further development of corporate safety policy in association with the Safety Advisory Board.
- Realisation of improvement on the safety culture ladder from 3.5 to 4.
- Periodic progress discussion on top 3 improvement goals between Board of Management and executive boards.
- Active collaboration among operating companies to reduce sickness absence.

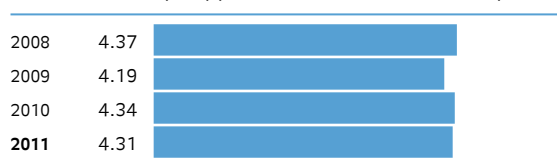
Actions that we are launching in 2012 are:

- Internal communication of the main theme of improvement proposals.
- Structural consultations with the Central Works Council to streamline exchange of ideas.
- Organisation of national safety day.

Sickness absence (in %) per sector



Sickness absence (in %) (VolkerWessels, the Netherlands)



3.2 INTEGRITY

Result 2011

- There were 21 reports made to confidential advisors. (2010: 28, 2009: 27)
- In 5 cases these concerned reports that led to the dismissal of 3 employees.
- A number of reports from 2010 have been concluded. This led in 2011 to 2 dismissals.
- There were no reports of suspicion of violation of the Law on Economic Competition [Wet Economische Mededinging]. (2010: 1, 2009: 0)
- The whistleblower scheme was used once. (2010: 0, 2009: 1)
- In total 340 employees participated in integrity workshops, including in the introduction programme of VolkerWessels. (2010: 282, 2009: 346)

Acting in an honest manner retains the trust of customers, shareholders, subcontractors and others. We adhere to socially accepted standards and values and to laws and rules. Particularly in the acquisition and execution of orders there must be absolutely no discussion about our integrity, even when there is outside pressure.

Integrity is critical to the construction sector. According to the Forum for Construction Industry Clients [Opdrachtgeversforum in de Bouw], a network organisation in which knowledge is shared and new topics are initiated, the construction sector makes an important contribution to economic development. We subscribe to the 'Code of Conduct of the Public Clients' and have included it in our 'Guiding Principles'. The principles are a starting point for Ethical entrepreneurship and are increasingly being propagated in our Group (see page 29). Employees of VolkerWessels conform to commonly accepted social standards and values and to laws and regulations. We expect that all our employees demonstrate an honest attitude, keep to agreements and act with integrity. The integrity policy is aimed at minimizing fraud risks, safeguarding the company reputation and especially accepting our responsibility for making a positive contribution to our employees, the market, the environment and society.

To embed that in the Group we have a code of conduct and a whistleblower scheme. It is important that employees act in an honest manner and are very aware of their exemplary role on this requirement.

We issued a revised code of conduct to all employees at the beginning of 2011. With this we wish to ensure that all employees can act in accordance with the code of conduct and are familiar with matters such as the confidential advisors and the whistleblower scheme. Both the whistleblower scheme and the code of conduct can be seen on our website.

We have also initiated up a system for improving the culture. We are driving a culture in which management actively demonstrates the importance of integrity and this leadership gives direction to our employees. In 2011, we have included integrity' as a fixed item on the management agenda of the quarterly meetings between the Board of Management and the executive boards of the operating companies. In addition we have provided a training course for all compliance officers. As a consequence of this we will set up a steering group to formulate subsequent policy and to define concrete improvement activities.

New code of conduct widely communicated

HIGHLIGHTS OF 2011

- To gain better insight into the integrity risks a programme has been initiated with an external consultant that focuses on organisational culture. In this, the topic 'integrity' is actively considered and as a result, our insight into integrity culture is improved.
- Integrity has also been made a permanent item on the management agenda.
- Awareness about honest entrepreneurship has also been enhanced through a training course for compliance officers in 2011.
- In 2011, all employees received a revised compact version of our code of conduct.

Ambitions 2012

Our ambition is to retain the trust of customers, shareholders, suppliers and others by conforming to socially accepted standards, values, laws and regulations. We wish to remain in the leading group within the sector with respect to integrity.

Targets 2012-2014:

- Further develop the policy and define specific improvement activities.
- Obtain better insight in integrity risks.
- Increase awareness about integrity.
- Acquire insight into the integrity culture.

Actions that we are launching in 2012 are:

- Offering integrity workshops to new employees.
- Stimulating management to play an active role in continuing to discuss the subject with employees.
- Establishing a steering group to make policy with concrete actions.



3.3 TRAINING & DEVELOPMENT

The acquisition and sharing of knowledge and experiences is critically important to the delivery of projects to the full satisfaction of all parties involved. We want to stimulate employees to engage in lifelong learning and open and proactive sharing of knowledge, both within and outside VolkerWessels. We offer them excellent facilities in the knowledge that this contributes to the strength, creativity and flexibility of our organisation.

Stimulating lifelong learning

Our strategy set high demands on the competences of our people, in part because of our focus on operational excellence and expansion of the value chain. We are aware of our impact on the environment and we focus on supply chain collaboration. Increasing amounts of attention are given to project management skills in the training and development of our employees.

The VolkerWessels Academy plays an important role in this. The courses are aimed at the development of management and supporting roles. Other training courses – including technical programmes – are given locally by the operating companies. For the year 2011 objectives were formulated for the VolkerWessels Academy and the report on these is set out in a separate document. Strategic topics such as sustainability are being increasingly further embedded in the training courses. That means we fully meet our target for 2011. In virtually all programmes attention is paid to the topic of safety and integrity is embedded in the introduction course.

To further stimulate the sharing of knowledge, our own VolkerWessels Campus has been built in our new head office in Amersfoort. Sharing knowledge does not stop however at the boundaries of our organisation. The cooperating construction academies, an initiative of VolkerWessels Academy and Rijksprojectacademie are increasingly taking shape. The aim of this collaboration is to achieve modernisation within the construction sector and the development of project management. One important topic for example is our interaction with society. It is increasingly often expected of project managers that they communicate openly and transparently with the various stakeholders. As an extension this we are currently developing new courses: Project management and Tender Management. Both courses last a year and are intended to support our (senior) project managers.

In the context of the development of our employees we have set ourselves the goal of increasing the percentage of employees with whom performance and career development are discussed annually by 10%. At present the percentage has remained stable with respect to the previous year and we are not yet achieving this goal because the definition was not clear enough. Everyone is entitled to such a discussion but about 30% of all employees do not make use of it, which results in the numbers lagging behind. To get a clear picture we have modified the goal.

Result 2011

- Numbers of hours of training for the construction site employees:
56,698 hours
(2010: 71,146 hours, 2009: 46,249 hours)
- Number of hours of training for UTA employees: 63,142 hours
(2010: 66,449 hours, 2009: 84,680 hours)
- Numbers of hours of training for other employees: 140,422 hours.
(2010: 148,864 hours, 2009: 136,531 hours)
- Average numbers of hours of training by employee: 21 hours
(2010: 23.4 hours, 2009: 22.5 hours)
- Per employee € 672.72 was spent on training
(2010: € 701, 2009: € 820)
- 66% of the employees have regularly had a conversation concerning performances and career prospect
(2010: 65%, 2009: 63%)

Result UK 2011

- Numbers of hours of training for the construction site employees:
26,355 hours
- Number of hours of training for UTA employees: 1,161 hours
- Average numbers of hours of training by employee: 19 hours
- Per employee € 227.68 was spent on training

HIGHLIGHTS OF 2011

- There were three meetings with the cooperating construction academies, an initiative of VolkerWessels Academy and the Rijksprojectademie, to further reinforce cooperation and harmonisation in the sector.
- In a considerable proportion of the programmes run by the VolkerWessels Academy various aspects of sustainability have been incorporated.
- The percentage of employees that regularly have a meeting about performance and career prospect remained stable in the last year.
- VolkerWessels was in 10th place in the annual survey conducted by Incompany into employee satisfaction in the largest Dutch organisations, the best placing compared with sector colleagues.
- In 2011 8 training courses were given in the field of leadership and project management in Eureka, Visser & Smit Hanab's expert centre.
- Also VolkerWessels Telecom's Business School organised a number of customized programmes in the field of project management.
- VolkerWessels uk has launched a renewed Academy in 2011. This academy offers courses to all employees in the field of business skills, leadership development and essential courses in technical areas.

Ambitions 2012

Our ambition is to be competitive and distinctive in the market and our VolkerWessels Academy makes a significant contribution to this. Through this, our employees have the best opportunities for development. We want to stimulate lifelong learning and proactive knowledge sharing in our employees.

Targets 2012-2014:

- Continue to match training and development programmes to developments in the sector.
- Incorporate sustainability topics in 100% of the VolkerWessels Academy courses.
- Train project management skills in at least 80% of the programmes run by the VolkerWessels Academy.
- Increase the percentage of employees with whom performance and career development are discussed annually to 70%.

Actions that we are launching in 2012 are:

- Development of a new course in Project Management.
- Development of a Tender Management course.
- Establishing HRM workgroups to improve HR objectives and definitions.

Number of hours of training per job group (the Netherlands)

	2009	2010	2011
Construction site employees	46,249	71,146	56,698
UTA employees	84,680	66,449	63,142
Other employees	136,531	148,864	140,422

Number of course participants of VolkerWessels Academy

2008	966
2009	985
2010	1,065
2011	849

3.4 DIVERSITY

We want to do business with the best people. For this there also needs to be sufficient diversity among our employees. We are committed to a cultural change to make that possible.

Diversity must become something that is commonplace

The success of VolkerWessels is defined by the quality of our people.

This is also one of our strategic principles to have teams with people from different cultural backgrounds as well as with different areas of expertise.

A healthy ratio between men and women is an important success factor because diversity contributes to good ideas, innovative approaches and the

ability to part with convention. We therefore want to have a workforce that truly reflects the diversity of society because this is an important basis for a good business climate. Moreover it makes us attractive on the labour market and in the ongoing desire for talented people, an important argument for taking diversity seriously.

We realise that there is still room for improvement in this area in the entire construction sector and at VolkerWessels in particular. At the same time, we do not believe in an approach in which we set hard goals by defining specific quotas for the proportion of women or foreign employees. We think that targets in this area have an adverse effect and that there is more to be gained from creating a culture in which diversity is commonplace.

This is certainly not easy. We see that it is much more commonplace in the United Kingdom than in the Netherlands and we want take a closer look at these international examples. This way, we can make it clear that everyone can be part of the workforce at VolkerWessels. Women and men, those who are technically and non-technically trained. We want to make the good examples visible in meetings, in internal communications and through other channels. The Board will be paying attention to the importance of diversity in application procedures for the top 200 jobs in our company. We will do this by talking to the management about the candidates and requiring at least two or three cvs from female candidates. Finally we will embed the topic in the VolkerWessels Academy by examining the power of team dynamics and female leadership.

One of the activities that we launched last year was the organisation of a congress for women. It was the intention that we should focus on the labour market, but given the reducing number of job openings in our sector, this congress has been temporarily postponed. In the last quarter of 2011 Statistics Netherlands calculated that there were only 5,200 job openings in the Dutch construction sector, whilst there were still 20,700 jobs available in 2008. This is a substantial decrease of 75% in 3 years. We have shifted our focus for that reason to retaining and developing our female talent. The congress will be organised for this target group.

This however does not mean that we are not actively on the labour market. The Economisch Instituut voor de Bouw (EIB) concluded in the report "Expectations for construction production and employment 2012" that after 2013 there will be a significant economic recovery. For the period 2014-2017 the institute expects there to be a powerful recovery in housing construction. We think that it is important to interest the best people in a career within our group and we start with that process while they are still studying. For this reason we have drawn up a new labour market communication policy in which we aim to attract talented men and women.

Result 2011

– M/F distribution

10,949 men (89.8%) (2010: 88.7%)

1,248 women (10.2%) (2010: 11.3%)

– Numbers of M/F per job group

– Construction site employees:

2,952 men / 13 women

(2010: 3,189 men / 5 women)

– UTA employees:

3,044 men / 550, women

(2010: 3,054 men / 584, women)

– Other employees:

4,966 men / 685, women

(2010: 4,751 men / 683, women)

– 94.5% men full-time

(2010: 95%, 2009: 95.3%)

– 5.5% men part-time

(2010: 5%, 2009: 4.7%)

– 34.6% women full-time

(2010: 42.2%, 2009: 35.2%)

– 65.4% women part-time

(2010: 57.8%, 2009: 64.8%)

– 15.8% of MOL participants were women

(2010: 8.3%, 2009: 6%)

Result UK 2011

– M/F distribution

1,238 men (84.7%)

224 women (15.3%)

– Numbers of M/F per job group

– Construction site employees:

1,063 men / 75 women

– UTA employees:

175 men / 149 women

– 99% men full-time

– 1% men part-time

– 83.5% women full-time

– 16.5% women part-time

HIGHLIGHTS OF 2011

- The Management Development Course of VolkerWessels aims to have a minimum of 20% female participants. In 2011, this percentage was 15.8% (2010: 8.3%, 2009: 6%).
- In the HR Commission it has been agreed that a working group will be set up to develop diversity in a customised format and embed it within the organisation.
- To make our workforce more diverse it has been decided to extend our labour market policy to more universities of applied sciences and universities with various studies.
- Within the context of our labour market policy, we welcomed a group of female secondary school students within the context of 'Girlsday'. They paid a visit to the 2nd Maasvlakte project in Rotterdam so that they could get to know the construction sector and technical training courses.
- In 2011, the topic diversity was discussed in all MTs on the basis of the feedback of the data for 2010. Each MT has examined the opportunities for diversity, but also the threats, such as a decline in the number of female technical students.

Ambitions 2012

Our ambition is to retain the current talent and to strengthen the management teams with talent with supplementary competencies, especially by facilitating highly-educated women within VolkerWessels to continue to develop themselves.

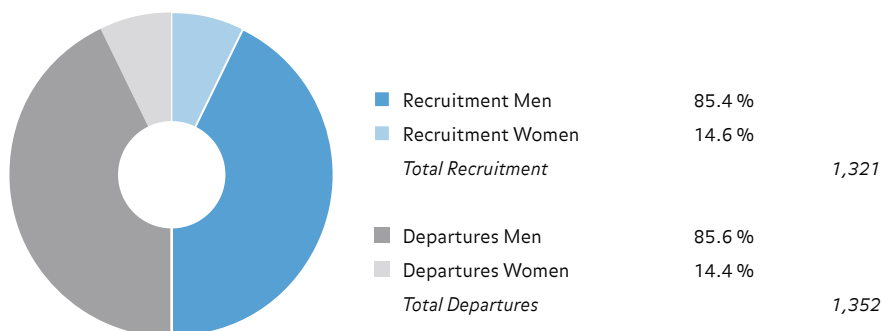
Targets 2012-2014:

- Increase the number of women taking part in the Management Development Course to 20% in 2014.
- Actively communicate internally the importance of the topic diversity via at least 2 communication channels within VolkerWessels.
- Demonstrate the power of diversity by sharing best practices in meetings and in a conference on this topic.
- Embed the topic in 3 internal leadership programmes run by the VolkerWessels Academy.

Actions that we are launching in 2012 are:

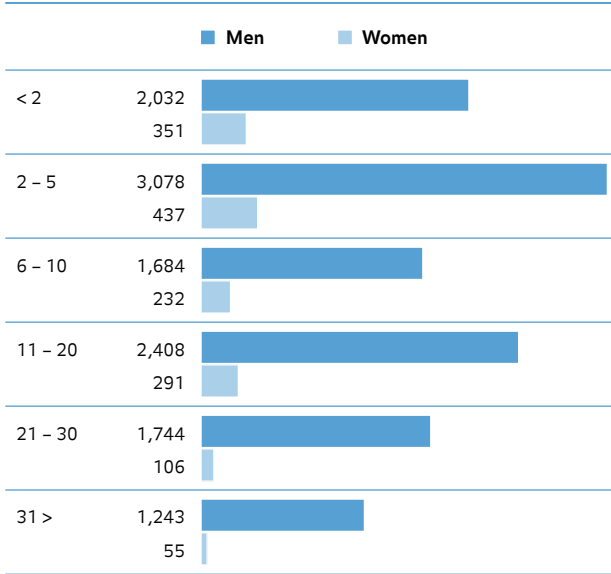
- Communicate the importance of this topic in Network Magazine and on our intranet.
- Inventory of female talent within the organisation.
- Establishment of HR workgroup for the development of policy and anchoring of this topic.

Ratios of recruitment and departures men and women (in %) (VolkerWessels, the Netherlands)

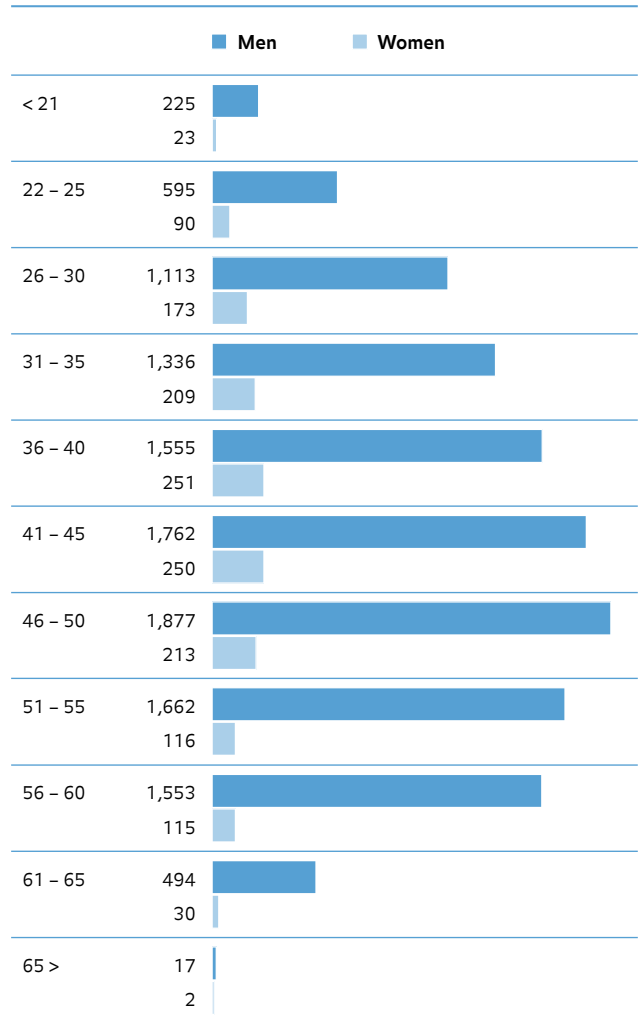


3. EMPLOYEES | DIVERSITY

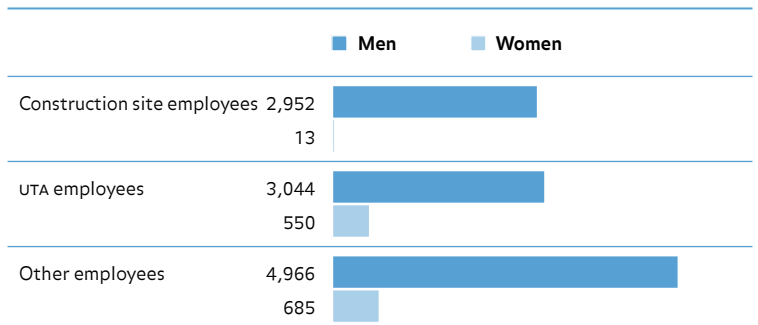
Workforce according to number of years of service (incl. VolkerWessels UK)



Workforce according to age and gender (incl. VolkerWessels UK)



Workforce according to job group and gender (VolkerWessels, the Netherlands)





DIVERSITY THROUGH 'SOCIAL RETURN LADDER': BECAUSE REWARDS WORK BETTER THAN PUNISHMENT

Develop a market stimulus that rewards construction companies financially the more they take responsibility for people who have fallen behind on the labour market. That is the task that VolkerWessels is working on together with other construction companies, customers and Vernieuwing Bouw [Innovation in Construction]. Is a market stimulus like this a Utopia? We are convinced that it is possible to develop an instrument that only results in a win-win situation.

Rewards work better than punishment. That has been proved by the CO₂ performance ladder. Would such a mechanism also work in other areas? That was what VolkerWessels wondered in a discussion about Minister Donner's measure to employ a minimum of 5% unemployed people on projects granted by the State. More and more parties – both customers and construction companies – are becoming convinced that construction companies can be stimulated with a good instrument to hire those who are experiencing difficulty in finding a job.

In the autumn of 2011 a workgroup was started by construction companies, Vernieuwing Bouw, the national government, Rijkswaterstaat and ProRail. The aim was to develop an unambiguous system that measures how well construction companies score with respect to employing the more vulnerable people in society, which activities they undertake to that end, or whether they set hard targets and how well they report on this. All of these factors determine on which level of the Social Return Performance Ladder they find themselves and with that how much of a plus that gives them in invitations to tender.

The great thing about
this method is that there
are only winners

Jacqueline Schlangen, director of Vernieuwing Bouw explains that the great thing about this is that there are only winners: "Construction companies achieve a means of being distinctive and also win in terms of financial advantages. Social responsibility is made tangible through this and that radiates out across the entire organisation. The government profits from the solution of this social problem and also those people in a weaker position on the labour market benefit too".

Between the dream and reality there are, of course, various objections to overcome. We are however convinced that we can solve them and know that we have the support through the enthusiastic participation of colleague construction companies.



MANAGEMENT STATEMENT We are aware that we can substantially reduce the negative impact on the environment, including emissions of CO₂, through increasing awareness, clever technology and techniques, and new concepts. We accept and take responsibility for future generations and want to combat waste as much as possible. This concerns successively our own management, the projects that we develop and/or execute and the activities of parties in the chain. Analyses show that we can achieve positive results by focussing especially on better raw material management, environment-friendly techniques for asphalt production and innovative sustainability concepts in the construction sector. We are therefore investing in those areas and in addition working on raising awareness – both within and outside our organisation – and stimulating ideas for more environmentally-friendly operational management. In that context we have also formulated reduction targets with respect to our CO₂ emissions.

ENVIRONMENT





PIONEERING WORK IN ASPHALT RECYCLING

In the Netherlands, VolkerWessels is the market leader when it comes to asphalt production with 15 plants spread throughout the country. Given that asphalt production is responsible for just over a quarter of the total CO₂ emissions of the group, it is therefore very important when striving to reduce our footprint that we actively seek ways of making improvements in this area of our operations. This will however take years to address fully rather than days. We have been conducting research and running pilots for years. However in 2011, we achieved a breakthrough with an investment worth millions in a new technology for the recycling of asphalt, something we developed ourselves. The HERA System permits a much higher recycling percentage, reduction in the energy used, a higher quality of asphalt, while also offering good business economics potential.

Recycling percentage increased from

50 to 100%

Recycling of asphalt has been standard practice since the 1980s. The conventional drums – that process old asphalt into new asphalt with the addition of a portion of new bitumen – use a lot of energy and are close to the limit of what is possible in the domain of recycling. A new technology – Highly Ecological Recycling Asphalt, in short HERA – capitalizes on this. The big difference is the manner of heating.

The mixture is warmed directly with a covered flame, in the HERA System the asphalt is heated indirectly by means of pipes that pass the heat to the mixture.

It seems like a small difference, but under the surface this represents a fundamentally new way of working. In recent years it has been proven to work in test setups – various setbacks were overcome – and in 2011, the decision was made to invest €3 million in a HERA System in Botlek in Rotterdam, which is expected to recycle approximately 300,000 tonnes of asphalt per year. This will be put into operation in the spring of 2012. The energy use lies approximately 10% lower and by connecting a condensation drum to the front end of the plant, which uses the heat from water vapour released during the process the energy efficiency can be improved further by approximately 25%. A decision about this condensation dryer will be taken once the plant is running successfully.

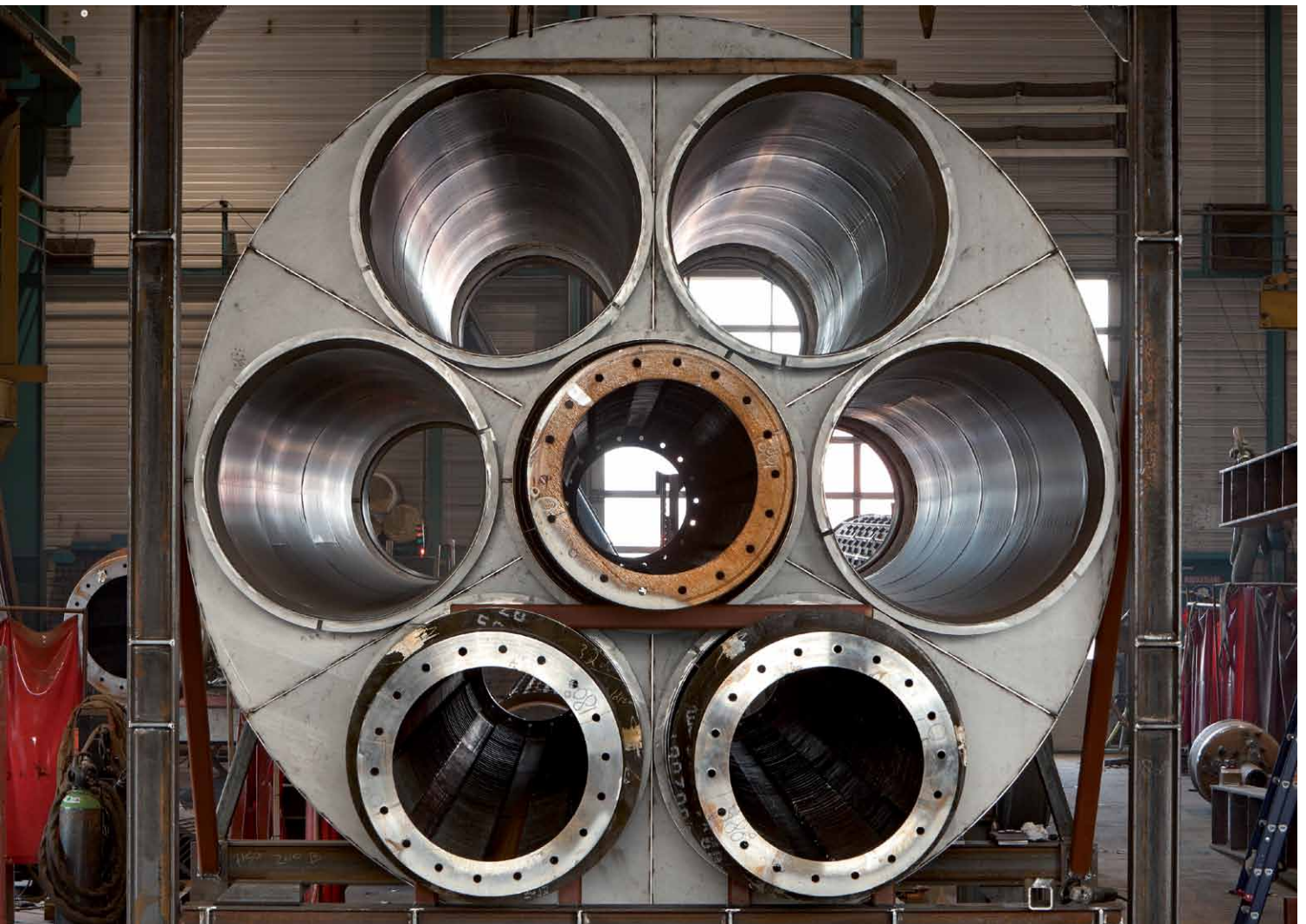
The energy saving aspect is good, but the most attractive aspect lies in improving the recycling percentage. The HERA System substantially reduces the amount of new bitumen added to the mixture because the recycling percentage is raised from approximately 50% to nearly 100%. Bitumen is an important cost component in asphalt production, which is directly linked to the price of oil. Depending on, among other things the price of bitumen, the cost recovery time of the plant – which is more expensive and more robust than a conventional plant – will lie around 4 to 5 years.

Moreover the plant anticipates the stricter emission standards that will be effective as from 2014 for dust, NO_x and SO₂. Considerably fewer bitumen vapours are released by the process, and these are also captured, so that odour emissions from the chimney stack have almost disappeared entirely. Last but not least, the plant produces quality gains. The usual methods for recycling asphalt are almost at their limits because the quality of the bitumen to be recycled is falling substantially – this includes its flexibility. That is slowly becoming a problem now that recycling

has been the norm for dozens of years. With the new method, the reducing quality of the bitumen can be limited with a factor of five. Discussions have been held with Rijkswaterstaat about trial sections to test the asphalt.

VolkerWessels is increasingly involved in integrated contracts. Authorities no longer simply ask for the construction of a road but ask us to enter a bid for the construction and maintenance over several decades. As a contractor we in fact give a guarantee for the longer-term maintenance of a road in good condition and that stimulates us to come up with innovations such as this HERA System. Gains in quality then lead to lower costs for us and with that also to a competition advantage.

We believe in this new technology and we expect that this will be further rolled out in the coming years. With that we make a substantial contribution to reducing our environmental burden.



4.1 CO₂

Result 2011

CO₂ footprint VolkerWessels Netherlands is 181 kilo tonnes (2010: 193 kilo tonnes).

Table 1

CO₂ emission per scope of VolkerWessels in the Netherlands (2011)

Scope	CO ₂ emissions in kilo tonnes
Scope 1:	155.2 kilo tonnes (2010: 166 kilo tonnes)
Scope 2:	19.2 kilo tonnes (2010: 22 kilo tonnes)
Scope 3:	6.4 kilo tonnes (2010: 6 kilo tonnes)

Table 2

CO₂ emissions per sector of VolkerWessels in the Netherlands (2011)

Sector	CO ₂ emissions in kilo tonnes
Construction and Property development	27.3
Infrastructure	122.2
Energy and Telecom	29.3
VolkerWessels Group head office	1.9

Result UK 2011

CO₂ footprint of VolkerWessels UK is 17.9 kilo tonnes (the Defra conversion factors for electricity use and natural gas apply here).

During our activities we use energy and this leads to the emission of environmentally harmful substances. In line with the objectives of the European Union to reduce CO₂ emissions and energy use by 20% in 2020, our ambition is also to steadily reduce our CO₂ footprint. We are working on that – successfully – in a very focused manner by effectively managing this aspect and concentrating on the areas where, with clever innovations, we can make a difference.

The possibilities for reducing the emission of CO₂ can be found in a variety of domains. Thus it is possible to train the driving behaviour of our employees – the result being greater awareness about use and with that also a lower use – or when purchasing hardware to opt for energy-efficient devices. We make the most of these possibilities with numerous examples in operating companies, but the impact of these measures is rather limited in the light of our total footprint, which is caused to a significant extent by high energy use operations such as our asphalt-producing plants. Our sustainability strategy is therefore aimed mainly at making a difference on these high energy activities and at the use of renewable energy sources such as Dutch wind energy. Quick wins are not always possible there and major breakthroughs often take longer to achieve. By consciously opting for wind energy we reduce not only our own CO₂ footprint, but also make a positive contribution to the development of the market for sustainable energy generation.

We are aware that the activities in the entire road construction sector cause environmentally harmful emissions through the production of asphalt. For this reason we are investing in solutions that reduce the negative impact of asphalt production on our environment. We are able, with several technologies, to optimise the recycling of asphalt and therefore minimise material and energy use, for example by producing asphalt at a lower production- and processing temperature. But the HERA dryer is a real breakthrough technology (see page 48). Another example with a major impact is the way in which the quarry in Norway has been constructed. By making optimal use of gravity when transporting stone, mass energy can be generated from this gravitational drop. The energy generated is actually more than is needed for the breaking process and the surplus is provided to the Norwegian electricity grid. VolkerWessels has a participating interest in this quarry, which in fact falls with its figures outside the scope of this sustainability report.

We are working further on CO₂ saving measures, partly stimulated by the CO₂ performance ladder. All our infrastructure companies are on the (highest) level 5 of this ladder and are collaborating more and more in order to continue to work on improvements. For our Construction & Property Development operations, 2011 was an important year. This sector has started this year with the certification on level 3 on the ladder and at the beginning of 2012 will move up to level 4. This has been motivated by the fact that more and more customers are positively rewarding CO₂ reductions when awarding contracts. This proven impact creates awareness and is very important because the search for possibilities must be fully incorporated in our day to day activities. That does not always lead to measurable CO₂ reductions in the figures, but does lead to improvements. A fine example of it is the award of the contract for the A4 Midden-Delfland that we won as a result in part because of innovative techniques that will lead to a substantial saving of several hundreds of millions with respect to the estimated contract amount. One of the components of the approach we take is the use of compressing layers of clay that will result in fewer concrete structures- and with that also fewer CO₂ emissions as a result of the production of concrete. When reducing CO₂ emissions, supply chain management is essential (see section 2.2).

VolkerWessels reduces CO₂ emissions by 6.3%

VolkerWessels' total CO₂ footprint in the Netherlands for the year 2011 was 181 kilo tonnes. That is a reduction of 6.3% (193 kilo tonnes in 2010, on the basis of the CO₂ conversion factors 2011), with which the target set for 2012 has already been achieved. The reduction target for the coming years has once again been set at 5% because we are striving to achieve a continuous reduction of emissions in the future.

CO₂ results per sector

Our operating companies are very diverse and that is also reflected in the varied approach they take to CO₂ reduction. Compared with 2010, the sectors have been reorganised within the group and as a result, the sector 'Supplies and Maritime' no longer exists.

Construction and Property Development The Netherlands

All our construction and property development companies have completed a high impact pathway in 2011, in order to put CO₂ reduction more firmly on the agenda. This has led to the expectation that in May 2012 we will attain level 4 on the CO₂ performance ladder. We are putting this into effect with a view to the trend that the market – including large customers, national and regional authorities – will demand this more and more.

Important initiatives in the continuing drive towards improvement include:

- Organising a knowledge seminar for the executive boards of construction and property development companies on the theme 'Sustainability'.
- Workshop on CO₂ reduction initiatives.
- The drafting of a chain analysis of the VolkerWessels PlusWonen, including brainstorming with our chain parties about reduction possibilities.

Infrastructure The Netherlands

Our infrastructure companies have been giving CO₂ reduction their full attention for several years, which has resulted in almost all our operating companies in that cluster having been certified or recertified at level 5. Vialis attained level 4 and aims to achieve level 5 in the spring of 2012.

Important initiatives in the continuing drive towards improvement include:

- Intense cooperation between companies to have more impact on CO₂ reduction.
- Start of the Green Driver Challenge, a competition to find the most economical lease car driver.
- Launch of the 'Sustainability desk' at VolkerInfra. The desk acts as a centre for knowledge about sustainability, which can then be used optimally for tenders and invitations to tender.

Energy & Telecom

The subject of CO₂ reduction is also increasingly firmly anchored in the operational management in this sector too. Visser & Smit Hanab were certified in 2011, on level 3 of the CO₂ performance ladder. CO₂ reduction is in a number of cases the core of projects that are executed together with customers. One example of it is the exploitation of infrastructure that provides industrial CO₂ to glasshouses. Together with market parties we continue to search for new opportunities and in 2011, this network was further expanded when the bio-ethanol manufacturer Abengoa was added as a source.

VolkerWessels UK

With CO₂ emissions totalling 17.9 kilo tonnes, this year is the first time that our companies in the United Kingdom feature in this sustainability report. The UK footprint however does not yet cover the full scope of their activities but in 2012 work will continue on the further integration of the sustainability performances in the United Kingdom and the Netherlands.

HIGHLIGHTS OF 2011

- The CO₂ reduction goal of 5% in 2012, has been surpassed by achieving a 6.3% reduction. The goal for the coming years has again been set at a 5% reduction.
- The CO₂ footprint of Construction & property development for 2011 has been externally verified in accordance with NEN-ISO 14064-3 with a positive result.
- Prefab site offices are traditionally not energy efficient contractor Stam en De Koning therefore decided to try to do something about this with a practical trial. It proved possible to reduce energy costs by 43% on a complex of eighteen site offices for a home construction project on Strijp S, a former site of Philips in Eindhoven.
- Together with TNO Vialis developed 'EnViVer', an environmental module with which it is possible to calculate precisely in advance what effects traffic measures have on the emission of harmful substances. The first applications in practice show that 10% less emission of harmful substances is possible. Vialis was awarded the PlanetFit certificate for 'EnViVer' by the parent company VolkerWessels.
- Park 20|20, the first 'full service Cradle to Cradle business park' in the Netherlands, in which VolkerWessels is collaborating with Reggeborgh and the Delta Development Group was given a public image in November when the first building – an office for BSH Huishoudapparaten with a surface area of 4000 m², was opened. The basic principle of the park is that all the materials used can be reused without any loss of quality. This sustainable concept combats against waste, pollution and depletion.
- Mourik Groot-Ammer and kws Infra started a collaboration aimed at using their tankers more efficiently and in this way saving energy. Mourik deploys kws Infra for gas and oil deliveries in the Amsterdam region and vice-versa kws Infra Duivendrecht uses Mourik for the delivery region covered by Mourik. This exchange leads to a reduction of the number of kilometres driven.
- The first two Vito e-cell vans – entirely electrically operated Vitos – are running under the VolkerWessels flag. Thanks to their emission-free drive they are pre-eminently suited to use in inner cities.

Ambitions 2012

Our ambitions are to continue to monitor our CO₂ footprint in order to develop initiatives that can be developed which have a major impact on our environmental burden.

Targets 2012-2014:

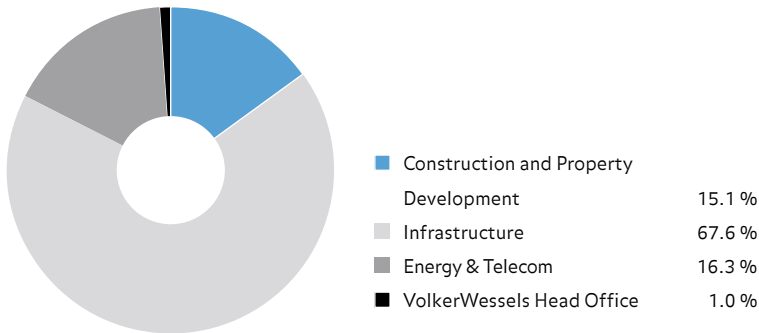
- 5% reduction of CO₂ emission compared with 2011.
- (Re-) certification on the CO₂ performance ladder: construction and property management sector level 4, Infrastructure sector level 5.

Actions that we are launching in 2012 are:

- Continued development of CO₂ management reports.
- Together with supply chain partners take initiatives to bring about CO₂ reductions on our home concepts.
- Stimulate further 'greening' of our energy contracts.

4. ENVIRONMENT | CO₂

CO₂ emissions per sector (VolkerWessels, the Netherlands)



Percentage of CO₂ emissions per scope* (VolkerWessels, the Netherlands)

	2011	2010
Scope 1	85,8%	85,6%
Scope 2	10,6%	11,3%
Scope 3	3,6%	3,1%

* according to GHG protocol

- **Scope 1:** Gas use, fuel for lease vehicles, company cars and material
- **Scope 2:** Electricity and town heating
- **Scope 3:** Air travels, rental cars and business travel declared kms



4.2 RAW MATERIAL MANAGEMENT

Result 2011

- Separation percentage 56.5% (2010: 50%, 2009: 57.7%)
- Raw materials according to re-use and processing method
 - Recycling: 28,646 tonnes = 4.9% (2010: 45%)
 - Waste incineration with energy recovery: 20,512 tonnes = 3.6% (2010: 29%)
 - Re-use: 525,769 tonnes = 91.4% (2010: 25.9%)
 - Dumped: 40 tonnes = 0.1%
- 502,877 KG hazardous substances collected and processed (2010: 142,509 KG, 2009: 259,839 KG)

Dealing with raw materials in an intelligent and sustainable manner demands efforts at both the front – agreements with suppliers – as well as at the rear of the supply chain – use at the site and waste management. In the model of ‘Core processes and explanation of raw materials’ on page 31, we indicated what our efforts at the front of the chain are. In this chapter we discuss the rear end, where it is our ambition to deal efficiently with raw materials and to constantly increase the amount of recycling.

In previous years this topic was called ‘Waste management’. In the meantime it has become more than just that, which is why we have renamed this topic ‘Raw material management’. For a number of raw materials, shortages will become a bigger issue in the future. For other raw materials, their use has an impact on the environment which is substantial. In both cases, the best solution is to manage raw materials in an efficient and intelligent manner. Raw material management is a topic that is important at all stages of a project: during the design, when tendering, when making agreements with suppliers, during execution of the work as well as when planning waste management. In addition our customers are also more frequently setting specific criteria in this domain. As a result of these factors, in 2011, we integrated and harmonised the policy on the materials and supply chain subsectors with the developments around sustainable raw material management.

In many cases it turns out that good raw material management not only makes a positive contribution to the environment, but there are also attractive financial advantages to be gained. One example is the waste calculator, a tool that provides more insight in the costs, the differences in raw materials streams and the reduction of the environmental burden that can be achieved by better waste separation. The use of the calculator in recent years has proved to be very beneficial. The next step is that we will integrate this tool into existing IT systems. In addition to this, we will actively share innovations and best practices in the group and to make the knowledge more readily available.

One of our targets is to reduce packaging waste and pallets. By working at the front end to achieve good agreements, it is possible to make great improvements here. In 2012, the topic will be discussed with suppliers and our procurement people and objectives will be formulated for the coming years. We are striving to attain 100% reuse of waste pallets.

The largest waste stream is formed by rubble. This has been 100% reused for many years. As for the other waste streams, we are able, with waste processor SITA – with which we have agreed an umbrella contract that covers the majority of our work – as a partner, to recycle or reuse an increasingly larger portion of the waste. Directly connected to this, the tonnage that is processed into energy via an incineration plant has thus fallen.

Our waste separation percentage has further increased to 56,5%

Raw material management requires that boundaries are constantly being shifted on the basis of new insights and/or developments in the market.

In the coming years our efforts will focus on introducing the life cycle analysis (LCA) at product level and the use of ‘new’ sustainable materials (such as biobased materials). BREEAM, as well as LEED, an assessment method

for defining the sustainability performance of buildings play an important role with respect to improved raw material management. In the coming years we expect a further increase, if only because the total number of projects requested at DGBC that will be constructed under BREEAM has increased exponentially. For 2012 there have been more than 220 applications submitted with a total usable surface area of 1,000,000 m.². We are committed to further advancement of knowledge on BREEAM within the operating companies to stimulate the use of this certification. In these cases what is important is to do this in relation with our policy for the supply chain.

HIGHLIGHTS OF 2011

- Thanks to robust agreements with suppliers further waste management efficiencies were achieved which resulted in a higher separation percentage.
- Our separation percentage has increased to 56.5% (2010: 50% and in 2009, :42.3%). This lies well above the national average for the construction sector that is around 50% .
- We have begun to implement an integrated policy on raw material management, materials and supply chain through intensive harmonisation.
- The waste calculator has been further introduced in our construction companies. Next year measurements will be taken to determine whether the aim of full implementation has been attained.
- The BREEM certification is winning ground in the construction sector and that can also be seen in our projects. In 2011, there were 10 BREEAM projects, including the building for FOX BSH, the building on Park 20|20 and Student Housing in Zwolle.
- VolkerWessels UK has continues to seek a 25% year on year reduction in non-hazardous waste sent to landfill.

Ambitions 2012

Our ambition is to reduce the use of the virgin raw materials and to achieve as much re-use of materials as possible. Where that is not possible, we are attempting to separate raw materials streams so that processing them has a minimum impact on the environment.

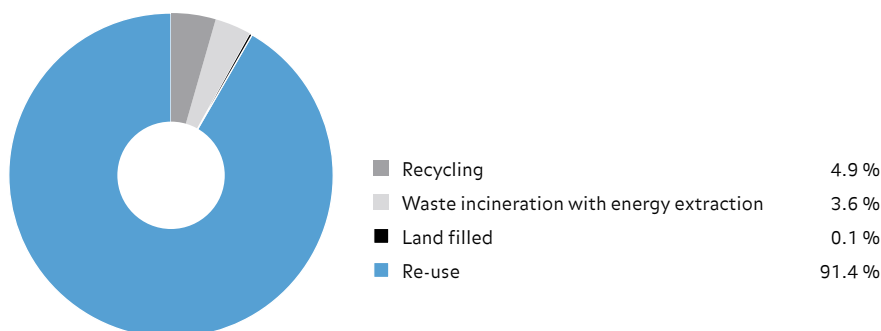
Targets 2012-2014:

- Increase waste separation percentage by 10%.
- Further harmonise the supply chain (materials) and sustainable raw material management subsectors.
- Implementation of the waste calculator in 100% of the construction companies.
- Reduce packaging waste in consultation with suppliers and create a policy based on this.

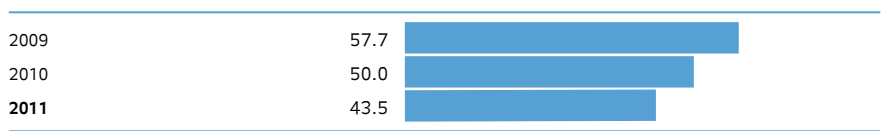
Actions that we are launching in 2012 are:

- More active sharing of innovations and best practices in the domain and the knowledge present to be made more easily available.
- Develop group-wide procurement agreements on packaging material and packaging clauses.
- Encourage suppliers to reuse their empty pallets.

Raw material according to reuse and processing method (in %)



Percentage of rest-waste stream in construction and demolition waste







MANAGEMENT STATEMENT We are part of society and it is appropriate that we engage with all parties in that society. We seek to minimise our adverse impacts and commit to open and honest communication with the communities in which we work. Social connection not only plays a role in our projects but also in the commitment to social initiatives. We show social involvement through our sponsorship and donation policy, where the active involvement of our employees is a key feature.

SOCIETY



DISABLED AND SICK CHILDREN ALSO DESERVE ACCESS TO SPORT FACILITIES

The Ronald McDonald Centre in Amsterdam, a sport centre which is unique in its type, had its first complete year of operation in 2011. It is a sports centre where disabled and chronically sick children have the opportunity to take part in sports and it is thus complementary to the well-known Ronald McDonald Houses, Living Rooms and Holidays.

VolkerWessels built the centre, supported the project financially and convinced other parties to also make a contribution. The centre offers various facilities including two swimming pools, a sports hall, an athletic track, football fields, a fitness room, and a dojo. It was a huge success in

its first full operational year in 2011 after opening in December 2010. Marc van den Tweel, director of the Ronald McDonald Kinderfonds: "It is fantastic to see the enthusiasm of the children. They think it's really great and come to us from all over the region. We have to watch out that we don't grow too quickly, because certainly with the target group that we are aiming for, we want to expand in a controlled way and ensure that we have everything operationally in good order. For us too this is all new, and we've learned a lot in the first year."

Without VolkerWessels the centre would never have come about

According to van den Tweel the role played by VolkerWessels was vital in getting the project completed. "Without VolkerWessels this centre would just never have been created, at least not in this form and size, there's nothing like it in Western Europe. When the plans were being developed, VolkerWessels gave its full support, by contributing financially, taking on the job of building it and then by getting the suppliers to participate as well. With this resolute approach there was trust and the whole thing certainly got moving. The local council decided for example to make the site available to us for a symbolic amount in rent. We are really very happy that VolkerWessels has helped us and it is for me a proof that this company does not shy away from its social responsibility. What I think is good too is that it's about making a contribution that follows naturally from VolkerWessels' construction activities. A company that is making a community investment has to do that in a structured way in our view. Not a little bit here and there, but it has to conduct a consistent policy that is appropriate to its own core activities."



RONALD McDONALD
KINDERFONDS



5.1 COMMUNITY INVESTMENT

Result 2011

- VolkerWessels has 34 partnerships (2010: 28, 2009: 28)
- The number of donations to charities to which our employees are linked is increasing. In 2011, 87.5% of the total budget was spent on sponsorship and 12.5% on donations (compared with 89.5% sponsorship and 10.5% donations in 2010).
- Of the course participants in the VolkerWessels Academy, 25.5% (217 out of 849) rolled their sleeves up in partnership with the Stichting Samen voor Zeist, as part of the programmes run by the VolkerWessels Academy.

Under the motto 'Every initiative counts', we demonstrate our social involvement. The policy includes sponsorship and donations in combination with making our employees available in terms of work and thought power.

The sponsorship and donation policy is a natural extension of the main activities of our concern. An important underlying principle of this policy – under the name 'Every initiative counts' – is that we stimulate the active social involvement of employees. Employees who actively give their time to a social organisation can apply for a financial contribution from the group. We choose consciously for a link between the donation of financial resources and the active involvement of our employees because we assume that a social commitment makes a positive contribution to their personal development and that they, through this reward, feel a greater bond with our company.

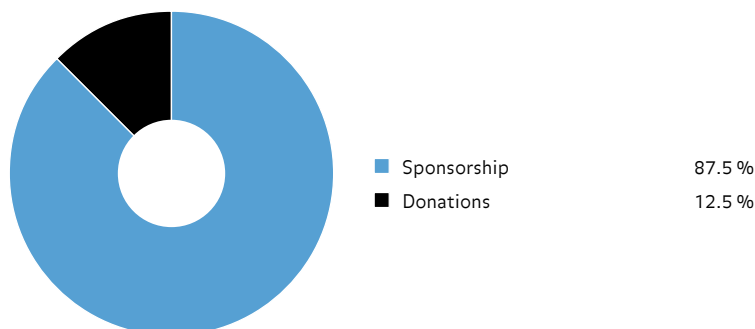
In 2011, we aligned our donations to good causes with this new policy. A number of partnerships have been ratified like that with 'Jet-Net', 'IMC Weekendschool' and 'Samen voor Betrokken Ondernemen' where financial support is always linked to our own commitment. At group level we have supported six charities and rewarded innumerable own initiatives with active commitment of our employees. This focus appeared successful. This year employees were able, thanks to this policy, to proudly cycle up Alped'Huez for a good cause and wells were dug in Africa.

The Jong VolkerWessels Foundation fits smoothly into this policy. The aim of this foundation is to allow employees by means of financial and non-financial support to make an active contribution to a self-chosen social goal. In 2012, Jong VolkerWessels will start a new project following the completion in 2011 of a project in Armenia. A renovated youth centre called the 'Rainbow Child Center' was opened in Nor Nork, one of the poorest districts of the Armenian capital Yerevan. This centre offers aid to children by offering language, sports and cultural lessons and homework guidance.

Increase of 44% participation of employees in CSR activities

There is also room in the courses we run in the VolkerWessels Academy for corporate social responsibility (CSR). We started a few years with CSR projects in the Netherlands during the introduction programme for new employees. In 2011, we have extended these activities to the courses for more senior management and in the coming year CSR activities will be planned into the executive board workshops.

Community investment



HIGHLIGHTS OF 2011

- In 2011, the sponsorship and donation policy was discussed in the various management teams and further implemented.
- The CSR projects in the VolkerWessels Academy involved 217 employees rolling up their sleeves for society. This is an increase of 44% in comparison to the previous year (150 in 2010).
- In consultation between the NGO 'Samen voor Betrokken Ondernemen' we have further professionalised the CSR projects and introduced them in programmes for our more senior management.
- In 2011, six charities were supported VolkerWessels: MSF Holland, Dutch Cancer Society, Salvation Army, Dutch Heart Foundation, NSGG [Dutch Foundation for the Disabled Child], Stichting Welzijn Gehandicapten Nederland [Dutch Foundation for the Well-being of Disabled Persons].
- As a partner of IMC Weekendschool Rotterdam, we once again welcomed 25 students who came to find out about the construction industry during a lesson on the 'Calypso' construction project in Rotterdam.
- Within the context of our strategic partnership with JetNet (Young people and Technology Network), Van Hattum en Blankevoort gave 4 guest lessons at the Minkema College in Woerden with the aim of making young people enthusiastic about studying one of the exact sciences.
- Wessels Zeist and VolkerWessels Telecom got on their skates during the Winter Time Challenge run by the 'Stichting Spieren voor Spieren'.
- VolkerWessels sponsored the Solar Team Twente so they could be as well prepared as possible and race as fast as possible with their innovative solar-powered car from the north to the south of Australia.
- As a newcomer in the Amersfoort district of Vathorst, VolkerWessels has linked its name to the youth teams of the local football club 'Voor Ons Plezier' [For Our Pleasure] (VOP).
- Jong VolkerWessels opened the renovated youth centre 'Rainbow Child Center' in Armenia. This centre offers support to children by offering language, sports and cultural lessons and homework guidance. A six-strong project group led the way from making the drawings and finding a local contractor, to applying for grants and searching for sponsors.
- VolkerWessels Telecom | Network Solutions put its efforts this year into several regional initiatives. One example was the construction of a log cabin for the Winterfair in Oosterhuizen. The purpose of the fair is to collect sponsor money for social projects for the elderly, young people and people who are intellectually challenged. The log cabin was designed by students of the roc Apeldoorn and the materials were made available by Ufkes Apeldoorn. Volker Stevin Materieel was responsible for all electrical matters and the lighting. The actual construction of the log cabin was done by the students of Bouw Starters, a cooperative of the construction companies in the region that aims to train craftsmen for the construction sector. Gerben Roseboom was the leader of this initiative and enthusiastically reports, "The Winter Fair far exceeded all expectations. At least 10,000 visitors enjoyed the day to the full. As an important sponsor we had a lot of positive responses and if it's up to the enthusiastic visitors, there will be a repeat next year."

Ambitions 2012

Our ambition is at a strategic level to direct community investment and to link our investment in the society as much as possible to initiatives by employees, where our activities are directly a natural extension of the core activities of our group.

Targets 2012-2014:

- Increase the number of donations for the benefit of employee initiatives by 10% (70% sponsorship versus 30% donations).
- Increase the number of employees that carry out CSR activities in the society in the VolkerWessels Academy by 25%.
- Initiate a new project from within the Jong VolkerWessels Foundation with Jong VolkerWessels.

Actions that we are launching in 2012 are:

- Communicate internally about sponsorship and donation policy.
- Consultation with the board of Jong VolkerWessels about a new CSR project.

5.2 PUBLIC LIAISON MANAGEMENT

Limiting the nuisance and negative impact and taking account of the interests of (local) parties are of major importance when demonstrating our social value. More and more customers make high demands in this area and that leads to further professionalisation of public liaison management. We are not merely doing so because customers are asking for this but also for intrinsic motives.

Our projects have effects on the immediate vicinity and particularly when large infrastructure projects and/or public contracts are involved; the parties concerned watch critically over our shoulder. We then, almost by definition, have to deal with a broad spectrum of interests, varying from limiting the noise nuisance and measures to limit traffic flow to attention for ecological aspects and establishing good conditions – licenses, pipelines etc.

Good contact with our surroundings is becoming increasingly important

Public liaison management covers a wide range of topics and is growing in importance. This has to do, among other matters, with the trend that in particular bigger customers are setting increasingly stricter criteria for the way in which the local environment is handled during the construction process. A number of them translate this into tender procedures in which good attention to these aspects gives an advantage at the award stage. This mechanism has led to the fact that attention to public liaison management is growing throughout the construction sector.

Result 2011

- 36 building sites certified with 'Bewuste Bouwers' [Conscious Builders] (2010: 6)

The term MEAT – 'most economically advantageous tender' – is in this respect relevant. With an invitation to tender it is not only the price that plays a role but other (qualitative) criteria as well such as public orientation, sustainability and/or project management. When tendering on such projects, it is very important to present a good well-considered plan in which all elements of public liaison management are translated into concrete actions. The contractor who, with the most knowledge and experience, can make a good plan is financially rewarded for doing so.

Result UK 2011

- 51 building sites certified according to the 'Considerate Constructor Scheme'

This incentive has led in recent years to a further professionalisation of public liaison management. For 2011 we combined our knowledge and experience within our infrastructure companies in a specialist public liaison management group. This group – part of VolkerInfra – offers support to operating companies, stimulates the mutual exchange of knowledge – in the case of construction consortia also with external parties – and by means of the deployment of public liaison managers actually shapes the public liaison management on projects. For other sectors of our organisation, in principle the same challenges exist but the fulfilment of public liaison management is more of a local matter for the operating companies.

The actual work requires a tailor-made job, because no two projects are the same. An ability to empathise is therefore essential, as well as sharing (specialist) knowledge and creativity. In the one case it may be necessary to take into account the breeding seasons of birds, in another case it might be desirable to offer local residents a few days in a hotel because noise or vibration nuisance is inevitable. Innovative methods of working also play a role. Thus we are working on the construction of the Westrandweg in Amsterdam with a machine that makes it possible to install beams without hindering the traffic on the existing road.

We are striving to embed public liaison management ever more firmly in daily practice and see that awareness of it is growing. More and more contractors notice that thinking proactively about public liaison management not only leads to more support from within society but also to fewer delays. What we then see is a combination of social interest and well-understood self interest.

The opening of the Sustainability Desk within VolkerInfra, where the application of sustainable techniques is stimulated, also fits into the professionalisation of this field. It is also worth mentioning the efforts made by the sustainability co-ordinators – who monitor whether sustainability initiatives have been achieved – and a computer system that supports public liaison management.

In the last year regular consultations with communication professionals from our companies have resulted in useful exchanges of ideas, experiences and best practices. The 'Aware Builders' [Bewuste Bouwers] initiative also deserves a mention in this context. VolkerWessels are one of the initiators of this foundation that aims to improve the relationship of construction sites with their surroundings by upholding strict standards for that. In 2011, a lot of experience was gained with this approach and the concept has been introduced throughout the organisation. The goal is to take this approach to the execution of all integrated projects in 2012. A transparent complaints procedure is naturally part of this process. Through our corporate website we received a total of 18 complaints in 2011. The target is to resolve these satisfactorily within 24 hours.

HIGHLIGHTS OF 2011

- The importance of proactive communications with the local area is being further increased in our training course 'Public liaison management for participants in the project management programme'.
- In 2011 a substantial proportion of our construction and infrastructure companies participated in the initiative of 'Aware Builders' [Bewuste Bouwers]. Because the system of Aware Builders has been changed in the course of 2011 from certification per company to certification by project we have reformulated our target. It is no longer about the number of companies that participate in the initiative, but the number of projects that receive the certificate.
- One of the supports for the Westrandweg was screwed in over the goods railway line in 2011. Screwing in the column with cross-girders weighing 1000 tonnes was the fourth in a series of seven for the Westrandweg and had never been carried out on this scale previously. Using this technique meant substantially less disruption for goods train traffic heading for the Port of Amsterdam.
- VolkerWessels has been involved in the development of the Social Return ladder, an instrument that stimulates companies to take responsibility for people who have been unemployed for a long period returning to the labour market (see page 45).
- In 2011, we received a total of 18 complaints each of which was solved within 24 hours.

Ambitions 2012

Our ambition is to have a good relations in the community surrounding our sites so that our projects can be implemented in the best possible way, both for the local area and for ourselves.

Targets 2012-2014:

- Embed the topic of public liaison management in 5 internal courses.
- Submit at least 50 projects to 'Aware Builders' [Bewuste Bouwers].

Actions that we are launching in 2012 are:

- Sharing best practices concerning the 'Aware Builders' [Bewuste Bouwers] initiative.
- Development of programmes for tender- and public liaison managers.

To the readers of the Koninklijke Volker Wessels Stevin nv Sustainability Report 2011.

Introduction

We have been engaged by the Board of Management of Koninklijke Volker Wessels Stevin nv (further referred to as 'VolkerWessels') to provide assurance on the selected indicators for the Dutch activities in the VolkerWessels Sustainability Report 2011. The Board of Management is responsible for the preparation of the Sustainability Report, of which the selected indicators, and the identification of material issues. Our responsibility is to provide assurance on the selected indicators in the Sustainability Report.

Our engagement was designed to provide limited assurance on whether the indicators for the themes supply chain, health and safety, integrity, CO₂ and raw material management for the Dutch activities, referred to as (*) on pages 16-21 in the Sustainability Report, are in all material respects, presented in accordance with the reporting criteria.

Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of data and are less extensive than those for a reasonable level of assurance.

Reporting criteria

VolkerWessels applies the internal reporting criteria for reporting on the indicators, as detailed in the chapter 'About this Report'. We believe that these criteria are suitable in view of the purpose of our assurance engagement.

Assurance-standards

We conducted our engagement in accordance with the Standard 3410N 'Assurance Engagements for sustainability reports' of the Koninklijk Nederlands Instituut van Registeraccountants. The Standard 3410N requires, amongst others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to understand sustainability information, identify and collect the thereto related assurance-information, and that they comply with the requirements of the Code of Ethics for Professional Accountants from the International Federation of Accountants to ensure their independence.

Procedures

Our procedures with respect to the selected indicators in the Sustainability Report included the following:

- to conduct interviews with relevant staff who are responsible for reviewing and reporting the selected indicators;
- to review the systems and processes for information management, internal control and processing of the information on the selected indicators;
- to visit three locations in The Netherlands to review the selected indicators;
- to review internal and external documentation to determine whether the information on selected indicators in the Sustainability Report is supported by sufficient evidence;
- to analyse the reported indicators.

Conclusion

Based on our procedures for limited assurance, nothing came to our attention which indicates that the selected indicators for the Dutch activities, referred to as (*) on pages 16-21 in the Sustainability Report, are not, in all material respects, fairly stated in accordance with the reporting criteria.

Comparative data not examined

No assurance engagement has been conducted on the comparative data for 2010 and 2009 of the selected indicators in the Sustainability Report. Consequently, we do not provide any assurance on the comparative data included in the Sustainability Report.

Commentary

Without affecting the conclusions presented above, we would like to draw the readers' attention to the following:

At the Corporate level VolkerWessels has developed key performance indicators (KPIs) for both internal and external reporting purposes. Some of these KPIs (e.g. on CO₂ and raw material management) do not perfectly align with the prime control of the individual businesses.

We recommend VolkerWessels to consult the individual businesses to further tailor the KPIs if needed.

Amstelveen, 26 March 2012

KPMG Sustainability,
Part of KPMG Advisory N.V.

W.J. Bartels RA, *partner*





APPENDICES

APPENDIX GRI G3.1 OVERVIEW

STRATEGY AND ANALYSIS

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
1.1	Statement from the most senior decision-maker of the organisation.		4-5, 9-12
1.2	Description of key impacts, risks, and opportunities.	 	1-66 71-72

ORGANISATION PROFILE

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
2.1	Name of the organisation.		
2.2	Primary brands, products, and/or services.		8
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures.		8
2.4	Location of organisation's headquarters.		
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.		8
2.6	Nature of ownership and legal form.		73
2.7	Sales markets (geographic spread, sectors served and types of clients or beneficiaries).	 	8 14, 47-65
2.8	Scale of the reporting organisation.		14-15
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	 	14-15 35
2.10	Awards received in the reporting period.		27, 37, 41

REPORT PARAMETERS

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.		15
3.2	Date of most recent previous report (if any).		
3.3	Reporting cycle (annual, biennial, etc.)		15
3.4	Contact point for questions.		78
3.5	Process for defining report content.		10-15
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).		14-15
3.7	State any specific limitations on the scope or boundary of the report.		14-15
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.		14-15
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.		15
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).		50
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.		12, 14-15
3.12	Table identifying the location of the Standard Disclosures in the report.		68-73
3.13	Policy and current practice with regard to seeking external assurance for the report.		15

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<input type="checkbox"/> Not reported		<input type="checkbox" value="N / A"/> Not applicable

GOVERNANCE, COMMITMENTS, AND ENGAGEMENT

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	<input type="checkbox" value="> >"/>	20-22, 73-76
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	<input type="checkbox" value="> >"/> <input type="checkbox" value="> > >"/>	73-76
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	<input type="checkbox" value="N / A"/>	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	<input type="checkbox" value="> >"/>	22
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives.	<input type="checkbox" value="> >"/>	73-76
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	<input type="checkbox" value="> >"/> <input type="checkbox" value="> > >"/>	73-76
4.7	Process for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	<input type="checkbox" value="> >"/> <input type="checkbox" value="> > >"/>	73-76
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	<input checked="" type="checkbox"/>	9-12, 38-39
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	<input checked="" type="checkbox"/>	11
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	<input type="checkbox" value="> > >"/>	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	<input type="checkbox" value="> >"/>	66-72
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	<input checked="" type="checkbox"/> <input type="checkbox" value="> > >"/>	1-66
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations.	<input checked="" type="checkbox"/>	1-66
4.14	List of stakeholder groups engaged by the organisation.	<input checked="" type="checkbox"/>	12-14
4.15	Basis for identification and selection of stakeholders with whom to engage.	<input checked="" type="checkbox"/>	12-14
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	<input checked="" type="checkbox"/>	12-14
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	<input checked="" type="checkbox"/>	12-14

ENVIRONMENTAL

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
EN1	Materials used by weight or volume.	<input type="checkbox"/>	31
EN2	Percentage of materials used that are recycled input materials.	<input type="checkbox"/>	
EN3	Direct energy consumption by primary energy source.	<input checked="" type="checkbox"/>	50-53

ENVIRONMENTAL CONTINUED >>>

ENVIRONMENTAL CONTINUED >>>

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
EN4	Indirect energy consumption by primary source.	<input checked="" type="checkbox"/>	50-53
EN5	Energy saved due to conservation and efficiency improvements.	<input checked="" type="checkbox"/>	48-53
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	<input checked="" type="checkbox"/>	48-53
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	<input checked="" type="checkbox"/>	50-53
EN8	Total water withdrawal by source.	<input type="checkbox"/>	
EN9	Water sources significantly affected by withdrawal of water.	<input type="checkbox"/>	
EN10	Percentage and total volume of water recycled and reused.	<input type="checkbox"/>	
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	<input type="checkbox"/>	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	<input type="checkbox"/>	
EN13	Habitats protected or restored.	<input type="checkbox"/>	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	<input type="checkbox"/>	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	<input type="checkbox"/>	
EN16	Total direct and indirect greenhouse gas emissions by weight.	<input checked="" type="checkbox"/>	50-53
EN17	Other relevant indirect greenhouse gas emissions by weight.	<input checked="" type="checkbox"/>	50-53
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<input checked="" type="checkbox"/>	48-53
EN19	Emissions of ozone-depleting substances by weight.	<input type="checkbox"/>	
EN20	NO _x , SO _x and other significant air emissions by type and weight.	<input type="checkbox"/>	
EN21	Total water discharge by quality and destination.	<input type="checkbox"/>	
EN22	Total weight of waste by type and disposal method.	<input checked="" type="checkbox"/>	54-55
EN23	Total number and volume of significant spills.	<input type="checkbox"/>	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	<input type="checkbox"/>	54
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	<input type="checkbox"/>	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	<input type="checkbox"/>	27-29, 48-55
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	<input type="checkbox"/>	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	<input type="checkbox"/>	
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	<input type="checkbox"/>	
EN30	Total environmental protection expenditures and investments by type.	<input type="checkbox"/>	

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<input type="checkbox"/> Not reported		<input type="checkbox"/> N / A Not applicable

SOCIAL: HUMAN RIGHTS

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
HR1	Percentage and total number of significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening.	<input type="checkbox"/>	28-29
HR2	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening and actions taken.	<input type="checkbox"/> > > >	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	<input type="checkbox"/> > > >	
HR4	Total number of incidents of discrimination and corrective actions taken.	<input type="checkbox"/>	
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	<input type="checkbox"/>	
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	<input type="checkbox"/>	
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	<input type="checkbox"/>	
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	<input type="checkbox"/>	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	<input type="checkbox"/>	
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	<input type="checkbox"/>	
HR11	Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms.	<input type="checkbox"/>	

SOCIAL: LABOR PRACTICES AND DECENT WORK

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
LA1	Total workforce by employment type, employment contract, and region broken down by gender.	<input checked="" type="checkbox"/>	42-44
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	<input type="checkbox"/>	43
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	<input type="checkbox"/> N / A	
LA4	Percentage of employees covered by collective bargaining agreements.	<input checked="" type="checkbox"/>	36
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	<input type="checkbox"/>	
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	<input type="checkbox"/>	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and gender.	<input checked="" type="checkbox"/>	36-37
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	<input type="checkbox"/>	36-37
LA9	Health and safety topics covered in formal agreements with trade unions.	<input type="checkbox"/>	
LA10	Average hours of training per year per employee by gender and by employee category.	<input checked="" type="checkbox"/>	40-41

SOCIAL: LABOR PRACTICES AND DECENT WORK CONTINUED >>>

SOCIAL: LABOR PRACTICES AND DECENT WORK CONTINUED >>>

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	<input checked="" type="checkbox"/>	40-41
LA12	Percentage of employees receiving regular performance and career development reviews by gender.	<input checked="" type="checkbox"/>	40
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	<input checked="" type="checkbox"/> > >	20-21 42-44
LA14	Ratio of basic salary of men to women by employee category.	<input type="checkbox"/>	
LA15	Return to work and retention rates after parental leave, by gender.	<input type="checkbox"/>	

SOCIAL: SOCIETY

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	<input checked="" type="checkbox"/>	45, 60-63
SO2	Percentage and total number of business units analysed for risks related to corruption.	<input type="checkbox"/>	
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures.	<input checked="" type="checkbox"/>	38-39
SO4	Actions taken in response to incidents of corruption.	<input checked="" type="checkbox"/>	38-39
SO5	Public policy positions and participation in public policy development and lobbying.	<input type="checkbox"/>	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	<input type="checkbox"/> N / A	
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	<input type="checkbox"/>	*
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	<input type="checkbox"/> N / A	
SO9	Operations with significant potential or actual negative impacts on local communities.	<input type="checkbox"/>	48-49
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	<input type="checkbox"/>	48-49, 52, 62-63

SOCIAL: PRODUCT RESPONSIBILITY

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	<input type="checkbox"/>	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle by type of outcomes.	<input type="checkbox"/> N / A	
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	<input type="checkbox"/>	

* In 2011 there are 4 legal actions related to competition and/or antitrust law

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<input type="checkbox"/> Not reported		<input type="checkbox" value="N / A"/> Not applicable

PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	<input type="checkbox" value="N / A"/>	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	<input type="checkbox"/>	63
		<input type="checkbox" value="> >"/>	70
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	<input type="checkbox"/>	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	<input checked="" type="checkbox"/>	**
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	<input checked="" type="checkbox"/>	**
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	<input type="checkbox" value="N / A"/>	

ECONOMIC

PROFILE	DESCRIPTION	LEVEL OF REPORTING	PAGE
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	<input type="checkbox" value="> >"/>	
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	<input type="checkbox" value="> >"/>	72
EC3	Coverage of the organisation's defined benefit plan obligations.	<input type="checkbox" value="> >"/>	78, 80-85
EC4	Significant financial assistance received from government.	<input type="checkbox"/>	
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	<input type="checkbox"/>	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	<input type="checkbox"/>	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	<input type="checkbox"/>	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	<input checked="" type="checkbox"/>	58-63
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	<input type="checkbox" value="> >"/>	

** No cases known

DEFINITIONS

Number of hours worked	The total number of hours worked by VolkerWessels employees (excl. third parties). The hours worked are calculated on the basis of the following formula: average number of FTEs x 260 (workable days) x 8.
Number of sickness absence days as a result of accidents	The total number of calendar days of absence as a result of an industrial accident.
General purchasing terms & conditions	Are the general provisions in which the terms & conditions under which VolkerWessels purchases products and/or services from its suppliers are established. These terms & conditions are declared applicable as far as possible when concluding agreements with other parties.
Asbestos / Asbestos containing materials (ACMS)	A fibrous mineral, used historically in buildings and structures due to its physical properties of resistance to fire, heat and chemical damage.
Company waste	Waste that is removed from our office locations.
Industrial accident	An accident caused by or while carrying out paid work, except for accidents that take place while commuting. This concerns both lost-time accidents and accidents without lost time at work. <i>N.B. Accidents during business journeys do however fall under industrial accidents.</i>
Lost-time accident	An industrial accident in which the person involved (VolkerWessels employee) is unable to resume work at least on the following calendar day because of the injury.
Concrete residue	Concrete residue that has hardened. Also concrete blocks larger than 60 cm and reinforced with steel are classified as concrete residue.
'Aware Builders [Bewuste Bouwers]'	A certification that give an impulse to the relationship between construction sites and their local area. The certificate stimulates good communication with the community around construction sites and makes the professionalism on construction sites visible. The initiators of 'Aware Builders' are VolkerWessels, bam, Ballast Nedam and Strukton.
Bitumen	A residue from oil refining that is used as the 'glue' in asphalt and is often used to make roofs watertight. Is free of other waste products (< 5% other substances).
Construction and demolition waste (Netherlands)	Consists of the unsorted fraction of raw materials, which are left over from operations on a construction or demolition project. A sorting process still has to be conducted on this fraction, through which pure raw materials are obtained which are directly useable by the end processor.
Construction site employee	A person employed by a VolkerWessels operating company, including persons who have been engaged from another VolkerWessels operating company and trainees (persons who are undergoing work experience and/or who are being trained), who perform activities at a construction site (or a similar work location). The collective employment agreement for the construction industry applies to this employee and satisfies the definition such as stated in Article 88 paragraph 7 of the aforementioned collective employment agreement.
BREEAM (Building Research Establishment Environmental Assessment Method)	Assessment method for determining the sustainability performances of buildings. BREEAM sets a standard for a sustainable building and then indicates what the performance level is of the building examined. The aim is to analyse buildings and give them a sustainability label (pass, good, very good, excellent and outstanding).
CPD	An abbreviation indicating the sector 'Construction & Property Development' within VolkerWessels.
Carbon footprint	The total quantity of greenhouse gas that is emitted in a certain period, in this case, by VolkerWessels.
CO₂	A gas that is, among other things, emitted by burning fossil fuels (fuels such as coal and products made from crude oil). CO ₂ is the gas that to a large extent contributes to the greenhouse effect.
Conversion factor	The conversion factor is different for each energy flow and for each fuel. The CO ₂ emissions are calculated using this. The conversion factor used by VolkerWessels in 2011, is based on the CO ₂ performance ladder manual from the SKAO (version 23-06-2011).
CR platform	Internal advisory board of VolkerWessels in the domains of our Corporate Responsibility policy.
DGBC (Dutch Green Building Council)	The DGBC develops and manages the certifications for the assessment of Dutch buildings and areas on their sustainability performances.
Fatal industrial accident	An industrial accident that immediately or within 30 days after the accident leads to the death of the person involved.

Definitions continued >>>

DEFINITIONS

Sustainability clauses	Are defined as provisions that are related to core values such as social responsibility (for example human rights, working conditions, integrity, transparency and sustainability/impact on the environment).
DTM (Dynamical Traffic Management)	A collective name for automated real-time measures to regulate traffic.
Homes developed and delivered by us	Are homes that have already been delivered and which the operating company has actually developed in-house (under own management).
EPC (Energy Performance Coefficient)	The unit in which the EPN (Energy Performance Norm) is expressed. The EPC for new homes has been tightened as of 1 January 2011 from 0.8 to 0.6. An EPC equal to 0 is theoretically energy-neutral.
Foil	Very thin sheet material that is mainly used for packaging and for insulation. At the waste processors the so-called 'clean foils' are collected as polyethylenes in separate foil containers.
FSC wood	Wood with the FSC certificate of the Forest Stewardship Council. This indicates that the wood comes from a forest that has been independently assessed by the FSC organisation as a well-managed forest according to standards for environment, social circumstances and economy.
Hazardous (chemical) waste	That part of the total waste of a construction site or office that is hazardous to human beings, animals or the environment and is classified as such according to the legislation. For example; silicone gun cartridges, aerosols, PU foam, adhesive cans with residues, empty paint tins, but also waste oil and batteries are classified as hazardous waste.
Plaster	A soft, white mineral that is much used as a inhibitor in Portland cement, as a core in building boards etc. Plaster boards and aerated concrete bricks are collected in separate containers by waste processors.
GreenHouse Gas (GHG) protocol	Forms the international basis for reporting on CO ₂ emissions.
GRI (Global Reporting Initiative)	Internationally recognised standard for sustainability reporting.
Raw materials management	Represents the way in which we as a group wish to deal with our raw material streams. Reducing and separating our rest fractions, so that it can be optimally reused by us or another party is the priority.
HERA (Highly Ecological Recycling Asphalt)	A new technology for recycling asphalt developed by kws Infra.
Wood A	Clean unpainted or non-impregnated wood that is not polluted with other waste products.
Wood B	Pure wood or hardboard that may be painted and fitted with hinges and locks. Also clean concrete plywood, chipboard and plasticised wood sorts fall into this category. The following waste products do not constitute Wood B: waste products, trees and shrubs, impregnated wood sorts, fibreboards, softboard and mdf.
Incident Frequency (IF)	The number of lost-time (or fatal) accidents multiplied by one million (hour) divided by the number of working hours.
Innovation	Is the development of a new or improved product, concept or service. The innovation is for both the company and the market for which it is intended, innovative. A sustainable innovation moreover adds value to the environment and within VolkerWessels is awarded the distinguishing label 'PlanetFit'.
LEED (Leadership in Energy and Environmental Design)	Originally an American appraisal method for determining the sustainability of (the design of) a building, home and residential area.
Metals	Are indicated as Ferrous and Non-Ferrous. Ferrous are iron and all alloys on the basis of iron. Non-Ferrous are the other metals (for example aluminium, gold, copper, zinc, tin, etc.).
Community Liaison Management	Activities that are directed towards the local community in which external parties are involved and recognised, such as residents, road users, companies, media, environmental movements, etc.
Accident	A suddenly occurring, undesired and unforeseen event, in which the effect of an external cause leads to physical injury and in which there is no wilful violence or food poisoning (definition in accordance with Statistics Netherlands).
Other employees	Are employees with an employment contract to which the collective labour agreement for the construction industry does not apply.

Definitions continued >>>

DEFINITIONS

Paper and cardboard	Wastefractions that occur in offices and when processing paper and cardboard (for example paper and packaging). This fraction must not be polluted by other rest fractions and is removed as such by the processor from offices.
PEFC Wood	Wood/paper from the Programme for the Endorsement of Forest Certification (PEFC) that contributes to the promotion of sustainable forest management.
PlanetFit	Is the label that stands for sustainable, innovative solutions of VolkerWessels. A product, concept or service is 'PlanetFit' if it adds demonstrable value to the market and the environment. It must therefore be financially profitable, but also demonstrably reduce the (negative) impact on the environment. An innovation is only 'PlanetFit' after formal testing by the cr platform and through that has obtained a PlanetFit certificate for the relevant innovation.
PlusWonen	A house built under the 'PlusWonen' label, which stands for the sustainable construction concept developed by VolkerWessels (www.pluswonen.nl).
(PlusWoning) Rubble	Mortar and concrete residue that has hardened. Also tiles, other stone-like materials with a mixture of at most 10% lime-sand stone is permitted. The following rest fractions do not constitute rubble: asphalt, rubble from the petrochemical industry, plaster, aerated cement and cellular concrete block waste, rubble from chimneys and other polluted rubble.
Waste fraction	The part of the waste flow from individuals, institutions and companies that remains after all useful and recyclable waste streams have been removed from the main stream. Within VolkerWessels the rest fraction is that part that remains after the usual raw materials (for example, (concrete) granulate, metal, paper, cardboard, sand and wood) have been removed from the main stream.
Separation percentage	Indicates which percentage of the total construction and demolition waste is separated during the collection and processing of the waste (on location).
SKAO	The abbreviation for the Stichting Klimaatvriendelijk Aanbesteden en Ondernemen [Foundation for Climate-friendly Tendering and Entrepreneurship]. This foundation is responsible for all matters concerning the CO ₂ performance ladder, namely the use, the further development, the management of the certification scheme and expansion of participating sectors.
Rock wool/glass wool	Heat-insulating material for insulating walls, floors, roofs and inner walls in the construction sector. Both types of wool are collected in the same container by the waste processor.
UTA employees	A person employed by a VolkerWessels operating company, including persons who have been engaged from another VolkerWessels operating company and trainees (persons who are undergoing workexperience and/or are being trained), who perform work outside the construction site. UTA stands for executive technical and administrative.
Health & Safety	Relates to the aim of providing a safe and healthy work place and -environment for employees, subcontractors and everyone who is involved in our (construction) operations.
Processing method	The manner in which the rest fraction is processed into a new raw material or energy.
Sand / Minerals	A rest fraction that only applies within the (SITA) contract on the basis of contract agreements above 1000 tonnes and with the addition of a clean ground declaration. Otherwise this raw material is considered as a commercial flow and 100% reused within the frameworks of the present laws and legislation.
Sickness absence percentage	Indicates which part of the capacity for work has been lost in a certain period because of sickness absences. It is the most commonly used measure for typifying the sickness absence within an organisation. VolkerWessels uses the definition of Statistics Netherlands in this context.
Sickness absence percentage as a result of accidents	The total number of calendar days of absence as a result of an accident/potential number of available calendar days x 100.

PHOTOGRAPHY ACKNOWLEDGEMENTS

1. INTRODUCTION (P. 67)

Visser & Smit Marine Contracting (vsmc) – Walney Offshore Wind Farms,
United Kingdom

The construction of the cable network between the shore and a wind farm in the Irish Sea. This network is being laid by vsmc with the aid of the Stemat Spirit, VolkerWessels's cable-laying ship.

2. MARKET (P. 22-23)

Volker Stevin Kabelwerken Railinfra (vskr) – Construction of a cable infrastructure on the Maasvlakte, Rotterdam

vskr is a specialist in the field of construction and maintenance of underground cables and laying of pipeline infrastructure in the direct vicinity of the railway line. This job is taking place on the Maasvlakte in Rotterdam.

3. EMPLOYEES (P. 32-33)

kws Infra – safety sticker 'Zie je mij, zie ik jou' [If you see me, I see you]

Crane driver Chris van Dijk with his winning warning sticker 'If you see me, I see you'. With the simple message 'If you see me, I see you' every passer-by's attention is drawn to the fact that he needs to have eye contact with the driver. This reduces the risk of a collision, not only for construction site employees; also for cyclists and pedestrians.

4. ENVIRONMENT (P. 46-47)

IBB Kondor – Park 20 I 20, Hoofddorp

Park 20|20 is the first 'full service Cradle to Cradle business park' in the Netherlands.

IBB Kondor together with group partners in 2011 delivered the new headquarters of BSH Huishoudapparaten.

Work is currently in full swing on Park 20 I 20 on two office buildings and a pavilion.

5. SOCIETY (P. 56- 57)

Sponsorship of youth teams of Football Club vop, Amersfoort Vathorst

All youth teams of the Football Club 'Voor Ons Plezier' (vop) in Amersfoort Vathorst will be wearing new shirts bearing the name VolkerWessels as from the season 2011-2012.

6. APPENDICES (P. 66-67)

The VolkerWessels Huis, Amersfoort

Twelve subsidiaries collaborated on the construction of the new, sustainable Group headquarters in Amersfoort. With six floors, approximately 4,800 m² floor space, a twin-deck underground garage and a solid wooden staircase that sweeps upwards drawing the eye. Innovatively constructed with sustainability built into its appearance. Easily accessed. A real home for all operating companies.



**Corporate Responsibility,
Every initiative counts!**

With this third VolkerWessels sustainability report we hope we have given you a good idea about our sustainability performances and our progress since 2009. We shall be continuing our efforts in the future in order to make a positive contribution to our market, employees, the environment and society.

We gladly invite you to think along with us on this topic. We are open to your questions, comments or suggestions on our sustainability policy or this sustainability report. You can reach us via our e-mail address cr@volkerwessels.com. Thank you in advance for your response.

Yours sincerely,

Wendeline Besier and Dorien Wietsma
VolkerWessels Corporate Responsibility

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AVAILABILITY

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In case of textual contradictions, the Dutch version shall prevail.

This sustainability report is available on www.volkerwessels.com





EACH INITIATIVE COUNTS