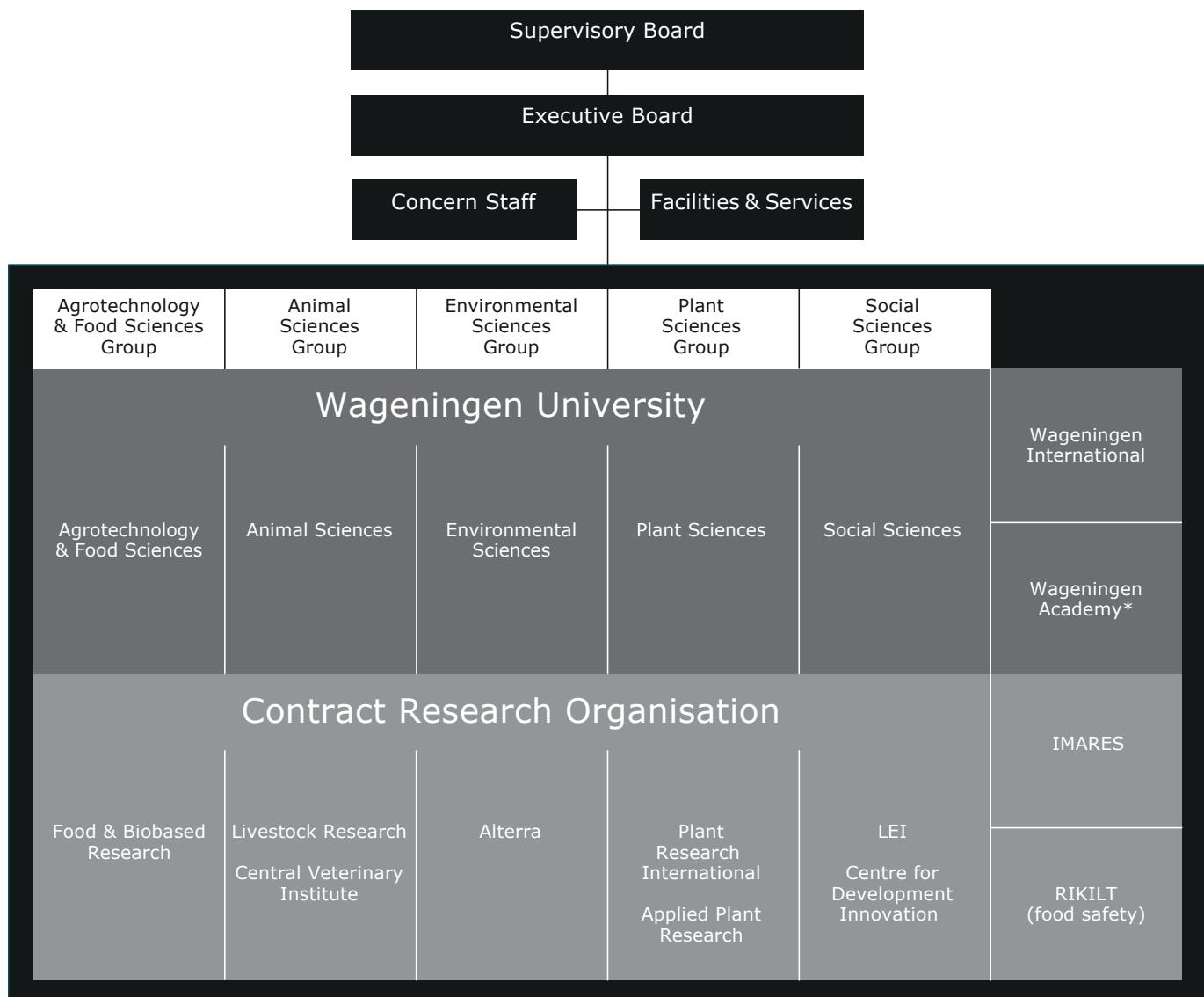




---

# Annual report 2012



\* Formerly Wageningen Business School (until 2013)

---

# Table of Contents

|  |          |
|--|----------|
| <b>Letter from the Chairman</b>  | <b>3</b> |
| <b>Executive Board and Supervisory Board</b>                               | <b>5</b> |
| <b>1 Report of the Supervisory Board</b>                                   | <b>6</b> |
| 1.1 Audit Committee  | 7        |
| 1.2 Appointments and Remuneration Committee                                | 7        |
| 1.3 Independence and Compliance  | 8        |
| 1.4 Composition of the Supervisory Board                                   | 8        |
| <b>2 Report of the Executive Board</b>                                     | <b>9</b> |
| 2.1 Key Figures  | 9        |
| 2.1.1 Key Figures Wageningen University                                    | 9        |
| 2.1.2 Key Figures DLO Research Foundation                                  | 10       |
| 2.1.3 Key Figures Sustainability   | 10       |
| 2.2 Profile and Policy   | 10       |
| 2.2.1 Wageningen UR  | 10       |
| 2.2.2 Wageningen University  | 11       |
| 2.2.3 DLO Research Foundation  | 13       |
| 2.2.4 Governance   | 13       |
| 2.2.5 Participational Structure  | 14       |
| 2.2.6 Internationalisation   | 14       |
| 2.3 Mission, Vision and Strategy   | 16       |
| 2.3.1 Mission and Vision   | 16       |
| 2.3.2 Core Areas   | 17       |
| 2.3.3 Progress of Strategic Plan   | 17       |
| 2.3.4 Progress of Wageningen University Profile and Performance Agreements | 18       |
| 2.3.5 Knowledge Circulation and Valorisation                               | 20       |
| 2.3.6 Sustainability   | 21       |
| 2.3.7 Information and Communication Technology                             | 23       |
| 2.4 Core Activities  | 24       |
| 2.4.1 Wageningen University  | 24       |
| 2.4.2 DLO Research Foundation  | 26       |
| 2.5 In Dialogue with the World   | 26       |
| 2.5.1 Stakeholders   | 26       |
| 2.5.2 Stakeholder Dialogue   | 27       |
| 2.5.3 Dialogues in 2012 – Looking Ahead to 2013                            | 28       |
| 2.6 People   | 29       |
| 2.6.1 Employees  | 29       |
| 2.6.2 Students   | 32       |
| 2.6.3 Complaints and Appeals   | 36       |
| 2.6.4 Facilities and Services  | 37       |
| 2.7 Planet   | 37       |
| 2.7.1 Research and Education   | 38       |
| 2.7.2 Management Operations  | 39       |
| 2.8 Profit   | 43       |
| 2.8.1 Economic Performance Indicators                                      | 43       |
| 2.9 Suppliers and Supply Chain Responsibility                              | 47       |
| 2.9.1 Sustainable Procurement Policy                                       | 47       |
| 2.9.2 Implementation of Policy   | 47       |
| 2.9.3 Results for 2012 – Looking Ahead to 2013                             | 47       |
| 2.9.4 Link to Wageningen UR Research                                       | 48       |

---

|                    |  |            |
|--------------------|--|------------|
| 2.10               | Compliance   | 48         |
| 2.10.1             | Fair Dealings  | 48         |
| 2.10.2             | Human Rights   | 48         |
| 2.10.3             | Safety and Environment                               | 49         |
| 2.10.4             | Other Standards and Guidelines                       | 49         |
| 2.10.5             | Compliance Framework for 2012                        | 49         |
| 2.10.6             | Risk Management and Internal Control                 | 49         |
| 2.10.7             | Quality Assurance within Wageningen University       | 51         |
| 2.10.8             | Quality Assurance within the DLO Research Foundation | 51         |
| 2.10.9             | Scientific Integrity and Ethics                      | 52         |
| <b>3</b>           | <b>Annual Financial Report</b>                       | <b>53</b>  |
| 3.1                | Wageningen University                                | 53         |
| 3.1.1              | Wageningen University Financial Statement            | 53         |
| 3.1.1              | Supplementary Information                            | 77         |
| 3.1.2              | Appendices   | 79         |
| 3.2                | DLO Research Foundation Financial Report             | 83         |
| 3.2.1              | DLO Financial Statement                              | 83         |
| 3.2.2              | Supplementary Information                            | 116        |
| 3.2.3              | Appendices   | 118        |
| 3.3                | Remuneration   | 121        |
| <b>4</b>           | <b>Scope of the report</b>                           | <b>123</b> |
| 4.1                | Organisational demarcation                           | 123        |
| 4.2                | Value chains   | 123        |
| 4.3                | Materiality Assessment                               | 124        |
| <b>Appendix 1A</b> | <b>Education at Wageningen University</b>            | <b>125</b> |
| <b>Appendix 2</b>  | <b>Social Year Report</b>                            | <b>131</b> |
| <b>Appendix 3A</b> | <b>Work for Third Parties by Executive Board</b>     | <b>137</b> |
| <b>Appendix 3B</b> | <b>Work for third parties – Supervisory Board</b>    | <b>139</b> |
| <b>Appendix 4</b>  | <b>GRI index</b>                                     | <b>141</b> |

---

# Letter from the Chairman

Despite the ongoing financial crisis, 2012 saw Wageningen UR perform well financially. We maintained our strong position within leading sectors and were awarded a large number of projects. A good example of this is Breed4Food, a livestock breeding initiative with the intent of further establishing the initiative on campus. In addition, funding for the first PhD projects was obtained from NWO leading sector funds, including a major protein initiative on food and biobased products.

With pressure on public finances, it is especially crucial that we are able to fund more applied research projects from the procurement market. This also helps strengthen the economy and increase employment in the Netherlands. A good example of this is the application of modern techniques to increase the shelf life of freshly squeezed juices. The manufacturer involved in the project is currently building a production plant that will operate entirely in accordance with the method developed. In addition, our approach draws international attention that provides opportunities in the international procurement market. Important achievements in Chile have led to the launch of the Wageningen UR-Chile International Center of Excellence in the area of food and agribusiness – a wonderful foundation for further activities in Latin America. Major, new initiatives in close cooperation with Dutch industry are also under way or in the planning phases in Africa, China, Saudi Arabia and Turkey.

In 2012, Wageningen University was voted the best university in the Netherlands in the Guidebook to Higher Education and we have increased the distance between ourselves and second place.

Wageningen is also the first university in the Netherlands to receive institutional accreditation for our quality of research and education *and* management, with special mention being given to our international position. Not only is this very good news, it results in a rapidly and ever increasing influx of new students: thus, a solid foundation for the future of our university. But this large influx places increasing pressure on staff work load and the availability of buildings and facilities. In terms of work load, we have managed to absorb the influx smoothly, without compromising quality. All this is thanks in no small part to the unwavering commitment of our lecturers and professors. In terms of facilities, the second academic building (Orion) on the Wageningen Campus was rapidly erected, its highest point having been completed at the end of the year. Orion will officially be put to use next academic year. Additionally, both the Department of Animal Sciences and the Head Office moved on campus last year. The renovated IMARES housing facility in IJmuiden was opened and the Dairy Campus in Leeuwarden continued to take strides towards being the national training centre for dairy farming.

In 2012, Wageningen UR also said farewell to the Van Hall Larenstein University of Applied Sciences. The latter institute expressed insufficient support for a continued collaboration. The unbundling still requires effective unbundling of management, the necessary time and attention of which shall continue to take place in 2013. The underlying point is that the basic process should proceed without let or hindrance.

According to the Transparency Benchmark, Wageningen University is, since last year, the most transparent university in regard to sustainability. An organisation such as Wageningen UR, which is active in the green domain and whose motto is "For Quality of Life," must also strive to implement new discoveries in sustainable development. Our annual reports will, from now on, be comprehensive. This is the first Wageningen UR Annual Report to amalgamate the sustainability, social and financial reports. That Wageningen UR is the European Secretariat of the globally-operating Sustainability Consortium demonstrates that our knowledge in the field of sustainability continued to be acknowledged and recognised by leading international actors in 2012.

We face an enormous challenge in responsibly feeding eight billion people in 2025 and nine billion in 2050, while focusing on the environment, climate, biodiversity and animal welfare. This is the subject of significant discussion in 2012 both within and without Wageningen UR. It is important that this issue continue to be on the agenda and be discussed. The strong feelings this engenders are understandable. All of this requires that we not lose sight of our role and mission as a knowledge institution, which is to feed the debate with factual information that is based on thorough research. That is what we stand for, whether or not it works to our advantage.

---

Overall, 2012 was another excellent year for Wageningen UR. We offer our sincere thanks to both students and faculty for their contribution to this success and to our shareholders and donors who made it all possible.

Sincerely,

*Dr Aalt Dijkhuizen  
Chairman of the Executive Board*

---

# Executive Board and Supervisory Board

The Wageningen University and Research Centre (Wageningen UR) is made up of the Wageningen University (WU) and the Dienst Landbouwkundig Onderzoek (DLO Research Foundation). At the end of 2012, the Executive Board and Supervisory Board were comprised as follows:

## **Executive Board**

Dr A. A. Dijkhuizen (Chair)

Prof. M. J. Kropff, Ph.D. (Vice Chair, Rector Magnificus Wageningen University)

Dr IJ. J. H. Breukink (Board Member)

The Executive Board of each institution (WU and DLO and, until 9 November, VHL) comprises the same members.

## **Supervisory Board**

Ms M. de Boer (Chair)

Dr J. J. van Duijn (Vice Chair)

Dr L. B. A. M. G. Van Depoele

Ms J. R. H. Maij-Weggen

Dr B. J. Marttin MBA

The Supervisory Board of each institution (WU and DLO and, until 2 November, VHL) comprises the same members.

Refer to Appendix 3a for an overview of Executive Board position descriptions.

Please visit [www.wageningenur.nl/nl/Over-Wageningen-UR/Bestuur.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Bestuur.htm) for Supervisory Board Rules, position, rotation schedule and profile descriptions. For a list of functions and positions held by the members of the Supervisory Board, refer to Appendix 3b.

---

# 1 Report of the Supervisory Board

In 2012, the Supervisory Board held six regular meetings and one special meeting. The Chairman of the Supervisory Board held regular informal meetings with the Chairman of the Executive Board. The Board also held regular meetings with the participational structure. In addition, the special trust held one meeting with the participational structure. The Supervisory Board convened on several occasions without the attendance of the Executive Board.

A major topic of discussion in 2012 was the state of affairs surrounding Van Hall Larenstein, with the central question being what would have to change for VHL to successfully operate within the Wageningen UR consortium. In January 2012, based on a future vision ('The Inviting Prospect') developed by the management team and the VHL Board, a large majority of VHL staff had confidence in the development of VHL's strategy within the Wageningen UR consortium. Under the Board's direction, a carefully devised development plan was prepared, focusing on the continued partnership. Although a fruitful process, the plan did not lead to the envisaged support among VHL staff for the partnership to continue. In the end, nearly fifty per cent of staff members voted against the partnership in June 2012. Before this, the participational structure had already indicated that they were against the continued partnership. On this basis, the VHL Executive Board concluded there was insufficient support from staff and the participational structure to justify a continuation of the partnership, despite the fruitful results that had been reached in the preceding months following intense discussions.

Following this, Van Hall Larenstein's Executive Board, with the support of the Supervisory Board, expressed its intention to unbundle Van Hall Larenstein from Wageningen UR. To prepare for the unbundling, the Supervisory Board appointed an external consultant to handle the new administrative structure of the VHL University of Applied Sciences.

On 2 November 2012, Secretary of State Mr Bleker appointed a new Supervisory Board for VHL at the request of the Supervisory Board. At the request of VHL's Executive Board, the new Supervisory Board appointed a new Executive Board on 9 November 2012. The unbundling of Van Hall Larenstein from Wageningen UR was thus complete.

Preparations are in full swing for the unbundling of support processes. The basic objectives are the continuity of both organisations and the minimisation of unbundling costs. The final decisions on the unbundling of support processes are expected in mid-2013. Where possible and appropriate, the partnership between Van Hall Larenstein and Wageningen UR will continue in the primary process.

Following a positive recommendation by the Audit Committee, the Supervisory Board approved the Wageningen UR 2011 Annual Report, which included the financial reports of DLO, VHL and WU. The Supervisory Board requested the Executive Board to undertake the auditor's recommendations. The Board consulted with the auditor as to both the 2011 financial statements and the 2012 half-year interim results.

The Supervisory Board received periodical reports from management regarding the financial condition of the organisation. The Board approved several decisions concerning inter-university cooperation and the award of joint degrees. In addition, the Board re-examined property risks and once again discussed the property portfolio and valorisation of assets.

The Board also discussed the progress of the 2011-2014 Strategic Plan's focal points. The Board is aware that increasing turnover for the DLO institutes in the market place will continue to remain a challenge in the coming years. The educational focal points, improved academic returns (enrolment-graduation ratios) and a better system to measure quality fit well with the performance agreements prepared by Wageningen University and endorsed by the Ministry for the 2013-2015 period.

---

In June 2012, the Accreditation Organisation of the Netherlands and Flanders (NVAO) awarded Wageningen University the special 'internationalisation' distinction in addition to the institutional accreditation. The Supervisory Board was a leading voice during the accreditation process. This is the first time that this relatively new distinction has been awarded to an institute. The NVAO determined that internationalisation was fully incorporated into the university's vision and policy and its quality assurance and decision-making process.

Based on the positive recommendation of the Audit Committee, the Supervisory Board approved the 2013 budget of Wageningen University and the DLO Research Foundation.

## 1.1 Audit Committee

The Audit Committee convened for three regular meetings and one special meeting in 2012 to discuss the 2011 Annual Report and the findings of the audit. The Audit Committee agreed with a number of the auditor's specific recommendations and advised the Supervisory Board to approve Wageningen UR's 2011 Annual Report, which included the Annual Accounts of the DLO Research Foundation, the VHL University of Applied Sciences and Wageningen University, and to implement the auditor's recommendations.

The Audit Committee also discussed Wageningen University's 2012-2018 multi-year projections; an important tool in the strategic decision-making process. Developments in the area of cash management were also on the agenda, as were discussions on information provision and ICT services within Wageningen UR.

In 2012, the Audit Committee discussed management reports, which included financial reporting. The Committee recommended the Board approve the 2013 budgets of the DLO and Wageningen University.

Finally, the Audit Committee examined the VHL third quarter balance sheet carried out by the auditor regarding the unbundling of VHL from Wageningen UR.

## 1.2 Appointments and Remuneration Committee

In 2012, the Appointments and Remuneration Committee discussed filling the vacant positions left open on the Supervisory Board created by the resignations of Ms Maij-Weggen, Mr Van Duijn and Mr Van Depoele on 31 December 2012. The Committee recommended candidates to the Ministry of Economic Affairs, Agriculture and Innovation. On 1 January 2013, the following members were appointed to Wageningen University's Supervisory Board: Mr L.C. Bruggeman, Mr S. Korver, and Mr H.E. Waalkens. On that date, Mr M.J. Cohen was added to Wageningen University's Supervisory Board, in anticipation of his appointment as member and Chair of the Board on 1 September 2013.

As of 1 January 2013, the following members have been appointed to the DLO Research Foundation Supervisory Board: Mr L.C. Bruggeman, Mr R.P. Smith RA, and Mr H.E. Waalkens. On that date, Mr M.J. Cohen was added to Wageningen University's Supervisory Board, in anticipation of his appointment as member and Chair of the Board on 1 September 2013.

The Appointments and Remuneration Committee and members of the Supervisory Board conducted the annual performance review in which the focus was on both the preceding period and the future one.

The Committee also advised the Supervisory Board on the remuneration of supervisors in response to the Act on the Standardisation of the Remuneration of Senior Executives (WNT) and the rules on the VAT treatment of members of supervisory boards that was modified on 1 July 2012. Information on the 2012 remuneration of Board members, both Executive and Supervisory, is contained in Chapter 3 of this Annual Report.

## 1.3 Independence and Compliance

The Supervisory Board ensures that Board members are independent. In the Board's opinion, the Supervisory Board is independent in both composition and performance in accordance with the requirements of Wageningen UR's Corporate Governance Code.

The Supervisory Board is responsible for compliance with legislation and applicable regulatory requirements and for managing the risks associated with the activities of the institution. The Executive Board reports on and discusses internal risk management and control systems with the Supervisory Board and the Audit Committee.

For applicable information on the Supervisory Board, see [www.wageningenur.nl/nl/Over-Wageningen-UR/Bestuur.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Bestuur.htm):

- Wageningen UR Supervisory Board Regulations.
- Wageningen UR Supervisory Board Profile.

## 1.4 Composition of the Supervisory Board

In 2012, the Supervisory Board was comprised as follows:

Ms M. de Boer, Chair (1939)

Member of the Board since September 2005; Member of the Appointments and Remuneration Committee. Ms de Boer's term of office will expire on 1 September 2013, at which point she will not be eligible for reappointment due to the provisions of the Board's rotation schedule. Ms de Boer has held various public posts.

Mr J. J. van Duijn, Vice Chair (1943)

Member of the Board since September 2004; Member of the Audit Committee. Mr van Duijn's term of office expired on 1 September 2012, at which point he was not be eligible for reappointment due to the provisions of the Board's rotation schedule. Following the unbundling of Van Hall Larenstein from Wageningen UR, Mr van Duijn was invited to stay and was reappointed until 1 January 2013. Mr van Duijn is a former member of the Executive Board of the Robeco Groep.

Mr L. B. A. M. G. van Depoele (1939)

Member of the Board since 1 May 2008; Member of the Appointments and Remuneration Committee. Mr van Depoele's term of office expired on 1 September 2012. Although he was eligible for reappointment under the Board's rotation schedule, he opted to step down. Following the unbundling of Van Hall Larenstein from Wageningen UR, Mr van Duijn was invited to stay and reappointed until 1 January 2013. Mr van Depoele is the former head of Rural Development at the European Commission's Directorate-General for Agriculture and Rural Development.

Mr B. J. Marttin MBA (1965)

Member of the Board since 1 July 2011; Chair of the Audit Committee. Mr Marttin's term of office will expire on 1 July 2015, at which point he will be eligible for reappointment under the Board's rotation schedule. Mr Marttin is a member of the Executive Board of Rabobank Netherlands.

Ms J. R. H. Maij-Weggen (1943)

Member of the Board since September 2004; Chair of the Appointments and Remuneration Committee. Ms Maij-Weggen's term of office expired on 1 September 2012, at which point she was not eligible for reappointment under the Board's rotation schedule. Following the unbundling of Van Hall Larenstein from Wageningen UR, Ms Maij-Weggen was invited to stay and reappointed until 1 January 2013. Ms Maij-Weggen has held various public posts.

*On behalf of the Supervisory Board*

*Margreeth de Boer (Chair)*

---

## 2 Report of the Executive Board

### 2.1 Key Figures

#### 2.1.1 Key Figures Wageningen University

| Amounts in € Millions                      | 2012  | 2011  | 2010  | 2009  |
|--|-------|-------|-------|-------|
| Direct Government Funding                  | 166.0 | 163.1 | 159.5 | 161.2 |
| Tuition and Tuition Fees                   | 21.0  | 19.1  | 16.1  | 13.8  |
| 2nd Flow of Funds (indirect gov't funding) | 23.9  | 22.6  | 20.9  | 17.9  |
| 3rd Flow of Funds (external funding)       | 81.5  | 73.9  | 74.7  | 71.5  |
| Investments                                | 37.4  | 64.2  | 18.5  | 18.6  |
| Average Workforce WU (expressed in FTE)    | 2,640 | 2,580 | 2,545 | 2,475 |
| Number of Graduates                        | 2,246 | 1,624 | 1,584 | 1,495 |
| Number of Doctorates                       | 229   | 196   | 205   | 196   |
| Net Result (in € thousands)                | 5,197 | 4,666 | 6,222 | 9,590 |
| <hr/>                                      |       |       |       |       |
| Assets WU                                  |       |       |       |       |
| Capital in Fixed Assets                    | 247.6 | 233.6 | 192.9 | 190.9 |
| Equity Capital                             | 153.6 | 148.4 | 142.7 | 136.4 |
| Total Capital                              | 366.1 | 367.6 | 349.7 | 329.1 |
| Solvency Ratio                             | 42.0% | 40.4% | 40.8% | 41.5% |
| <hr/>                                      |       |       |       |       |
| Liquidity WU                               |       |       |       |       |
| Bank Account and Cash                      | 53.3  | 70.6  | 101.7 | 83.7  |
| Current Ratio                              | 0.7   | 0.7   | 0.9   | 0.9   |

Amounts in € thousands

## 2.1.2 Key Figures DLO Research Foundation

| Amounts in € Millions                | 2012      | 2011      | 2010      | 2009      |
|--------------------------------------|-----------|-----------|-----------|-----------|
| Turnover                             | 343.4     | 352.5     | 357.7     | 351.4     |
| EZ turnover share 1                  | 43%       | 46%       | 48%       | 48%       |
| Investments in Land and Buildings    | 26.0      | 7.3       | 19.3      | 29.9      |
| Investments in other Tangible Assets | 3.4       | 5.9       | 6.6       | 8.6       |
| Average Workforce (total FTE)        | 2,634 FTE | 2,691 FTE | 2,766 FTE | 2,827 FTE |
| Net Result (in € thousands)          | 6,208     | 9,279     | 10,576    | 10,780    |
| Assets DLO                           |           |           |           |           |
| Capital in Fixed Assets              | 393.1     | 394.5     | 411.6     | 423.5     |
| Equity Capital                       | 295.4     | 289.2     | 280.0     | 269.4     |
| Total Capital                        | 575.5     | 581.9     | 578.2     | 576.6     |
| Solvency Ratio                       | 51.3%     | 49.7%     | 48.4%     | 46.7%     |
| Liquidity DLO                        |           |           |           |           |
| Bank Account and Cash                | 82.9      | 66.0      | 53.9      | 44.1      |
| Current Ratio                        | 1.2       | 1.2       | 1.2       | 1.1       |

Amounts in € thousands

## 2.1.3 Key Figures Sustainability

|   | 2012   |
|---|--|
| CO <sub>2</sub> footprint                   | 41.7 ktonnes CO <sub>2</sub>                 |
| CO <sub>2</sub> reduction compared to 2005  | 71%  |
| Quantity of renewable electricity purchased | 100% wind energy with SMK certification mark |
| Quantity of wind energy generated           | 65m kWh                                      |
| Sustainable procurement                     | 97%  |

## 2.2 Profile and Policy

### 2.2.1 Wageningen UR

Wageningen UR is the consortium of Wageningen University and the DLO Research Foundation. Up until November 2012, VHL also formed part of this consortium. The association is organised into five Science Groups. These Science Groups are the organisational, substantive and administrative tool that, by combining forces, help achieve greater effectiveness and quality of research and education. Each Science Group consists of a Wageningen University department that is organisationally integrated with one or more application-oriented DLO Research Foundation institutes. However, the administrative, financial and legal separation of the organisations is ensured. The matrix of the Science Groups with the Educational Institute, the research schools and programme leaders that operate across Wageningen UR ensure that interdisciplinarity and demand management are achieved.

A number of components are not linked to a Science Group. RIKILT carries out legal research tasks on safe and wholesome food. Wageningen Business School (which will be renamed the Wageningen Academy in 2013) organises training courses for professionals from industry and government. IMARES

1 EZ turnover consists of revenue from the Ministry of Economic Affairs, Agriculture and Innovation in accordance with the funding scheme plus additional project funding (contracted research). The total Ministry turnover relates to the total overall turnover.

---

focuses on strategic and applied marine ecological research and Wageningen International is the contact point for all of Wageningen UR's international activities.

Since November 2012, VHL is no longer part of Wageningen UR. In 2011, a survey was conducted at VHL to determine whether there was support for the continued cooperation with Wageningen UR. At the end of 2011, the 'Inviting Prospect' was presented by management and the management team. This report provided relevant starting points from which to increase support for a continued partnership and, above all, to realise the added value of this cooperative endeavour. An initial survey to determine support was carried out in January 2012. The outcome was that the majority of employees supported further development of the Inviting Prospect.

This further development was led by management and the management team and a sound development plan was prepared with the support of many VHL staff members and other sections within Wageningen UR. A second survey was subsequently conducted in June to determine support among VHL staff. Unfortunately, the survey results did not evince a decisive yes. Nearly fifty per cent of VHL staff voted against the continued partnership. Prior to the survey, the participational councils let it be known that they wished to terminate the partnership and wanted the University of Applied Sciences to continue as an independent institution.

On this basis, the Executive Board concluded that there was insufficient support among both the participational councils and VHL staff for the partnership to continue. In June, VHL expressed its intention to appoint its own Executive Board. Since the Executive Boards of Wageningen University, DLO Research Foundation and VHL University of Applied Sciences consists of the same members, it was also determined that preparations for the unbundling of VHL from Wageningen UR would take place.

On 2 November 2012, a new Supervisory Board was appointed for VHL, which then appointed a new Executive Board on 9 November 2012. With the appointment of a new Board, the administrative unbundling of VHL from Wageningen UR was complete. In consultation with the new VHL Executive Board, the next steps in the unbundling process were put in motion. It is expected that the entire unbundling plan will be ready by mid-2013 and the unbundling process with regard to staff and support services will be carried out in phases.

Wageningen University and the DLO Research Foundation are independent legal entities. In terms of content, the objectives and activities of the separate legal entities are aligned both at the strategic and tactical levels within the Wageningen UR cooperative arrangement. There is cooperation between certain operational management components, however, there is no management or policy-dependent relationship with respect to each other. Individual organisational resources may not be used for any purpose other than to realise the objectives and perform the basic functions of these organisations. For this reason, the separate legal entities publish a consolidated financial report for their group. Wageningen UR as a whole does not publish a consolidated annual account.

## 2.2.2 Wageningen University

Wageningen University offers academic Bachelor's, Master's and PhD programmes and carries out fundamental research in life sciences and natural resources. Research is carried out at our graduate schools. Lecturers participate in both research and education at the university and work closely with sister institutions at home and abroad.

Interest in programmes offered at Wageningen University increased further in 2012. Bachelor programme intake (first-year higher education) increased by 10%; Master programme intake by 23%. To a large extent, this is due to a significant increase in internal intake (from 489 to 731, or 49%). This increase may be largely explained by the introduction of long-term student measures and is of an incidental nature. Lateral entrants (HBO graduates, students with a foreign degree and Bachelor graduates from other Dutch universities) also increased: 9, 11 and 13% respectively.

For eight years running, Wageningen University has been voted the best university in the Netherlands. The 2013 University Guidebook, issued on 4 December 2012 by the Centre for Higher Education Information (CHOI), placed the university at number 1, as it did in the seven previous editions: "Many of Wageningen's programmes are among the best that Dutch universities have to offer."

---

The recycling of waste stream is the scope of research with new anaerobic microorganisms for which the European Research Council (ERC) made available an Advanced Research Grant of €2.5 million to researcher Fons Stams, a professor holding a personal Chair at the Laboratory of Microbiology.

In 2012, the Wageningen University Fund (WUF) Teacher of the Year Award was awarded to Frits Claassen, Decision Science lecturer from the Social Sciences Group.

On 6 August in Buenos Aires, Argentina, the Mauro Martignoni Prize was awarded to Wageningen young researcher Stineke van Houte. She received the highest award for PhD students from the Society of Invertebrate Pathology for her research into the remarkable behavioural changes in insects that are infected with a virus. The award was accompanied by a one thousand dollar cash prize.

Professor Ewout Frankema received an ERC starting grant. His research questions include: How has Africa always been poorer than the rest of the world? To what extent has the 'everyday' African benefited from the increase in trade and investment during the colonial period and the recent period since 2000? And to what extent has economic growth in Africa been hampered by structural geographical/ecological characteristics or persistent institutional shortcomings?

Professor Marten Scheffer, professor of Aquatic Ecology and Water Quality Management, was selected as a member of The Royal Netherlands Academy of Arts and Sciences (KNAW). The KNAW is the forum, conscience and voice of science in the Netherlands. It derives its authority from the quality of its members. As an independent organisation, the Academy safeguards the quality and interests of science and scholarship and advises the Dutch government. It is also responsible for seventeen internationally renowned institutes, such as the NIOO.

Foundation Day 2012 was called "Science for New Frontiers." Speakers included Prof. Martien Cohen Stuart (Professor of Physical Chemistry and Colloid Science at Wageningen University), Prof. Bertil Andersson (Chairman of the European Science Foundation and President of the Nanyang Technological University), Dr Dolf Weijers (member of the KNAW Young Academy) and Prof. Martin Kropff (Rector Magnificus Wageningen University).

The theme for Academic Year 2012-2013 was "Future Challenges." Speakers included Dr Aalt Dijkhuizen (Chairman of the Executive Board at Wageningen UR), Dr Ellis Rubinstein (President of the New York Academy of Sciences), Dr Loek Hermans (member of the Senate, former Minister of Education and leading figure in the Dutch horticultural sector) and Dr Martin Scholten (Managing Director of the Animal Sciences Group and Imares Wageningen UR).

## **Quantitative Data**

### *Research Scale and Research Productivity*

The scale of direct government funding for education and research in 2012 was €187 million. Indirect government funding, or the second flow of funds, which comes mainly from the Netherlands Organisation for Scientific Research (NWO), amounted to €23.9m. Included here is research project staff recruited through the NWO Innovation Impulse programme. The award of three Veni grants and five Vidi grants in 2012 brought the total number of laureates to 45 Venis, 25 Vidis and six Vicis. External funding, or the third flow of funds, amounted to €81.5m. The number of scientific publications was 3,796.

### *PhDs*

Wageningen University prizes itself on its graduate schools which ensure a challenging curriculum designed to seize all opportunities to bring their PhD students to the highest possible level. That this has been a success is evidenced by, among others, the positive assessments of external reviews (visitations) and the re-accreditation of the graduate schools. The number of PhD students to whom Second Phase Education Funding has been allocated, per graduate school, is shown in the table below. Participation in Second Phase Education (TFO) for PhD students increased again, as it did in recent years. The number of participating doctoral students in 2012 was 212.

---

*Number of PhD students to whom TFO funding has been allocated, per graduate school for years 2007-2012*

| Year | EPS   | PE&RC | VLAG  | WIAS  | WIMEK | WASS  | Total |
|------|-------|-------|-------|-------|-------|-------|-------|
| 2007 | 102   | 173   | 195   | 86    | 95    | 161   | 812   |
| 2008 | 130   | 201.5 | 232   | 102.5 | 117   | 178   | 961   |
| 2009 | 166.5 | 207.5 | 252   | 120.5 | 129.5 | 191   | 1067  |
| 2010 | 157.5 | 202   | 264   | 125   | 138.5 | 216   | 1103  |
| 2011 | 173.5 | 200.5 | 309   | 130.5 | 156.5 | 235   | 1205  |
| 2012 | 168   | 234   | 311.5 | 133.5 | 184.5 | 244.5 | 1276  |

EPS: Experimental Plant Sciences; WASS: Wageningen School of Social Sciences; PE&RC: The C.T. de Wit Graduate School Production Ecology & Resource Conservation, The Graduate School VLAG (Nutrition, Food Technology, Agrobiotechnology and Health Sciences); WIAS: Wageningen Institute of Animal Sciences; WIMEK: Wageningen Institute for Environment and Climate Research

*Internal Research Doctorates*

In 2012, the graduate schools had access to a budget of approximately €2m for the recruitment of PhD students and post-docs on future-oriented themes. Part of this funding was reserved for additional PhD students or post-docs to work under the direction of Veni or Vidi laureates.

*Quantitative Data*

The number of doctorates increased from 196 in 2011 to 229 in 2012, of which 125 (55%) were women. A total of 113 PhD students completed their prior education (university degree, Master's) outside the Netherlands.

In 148 cases (65%), doctorates were awarded to non-Dutch students.

As previously noted, the number of PhD students with a Training and Supervision Plan (TSP) once again increased. A beneficial effect on the PhD yield can also be expected from this development.

### 2.2.3 DLO Research Foundation

Research within the DLO Research Foundation consists in part of programmes funded by the Ministry of Economic Affairs: Knowledge Base Research (KB); Policy Support Research (BO); and Statutory Research Tasks (WOT). In 2012, a fourth component was added: research for the Agro & Food and Horticulture & Plant Breeding sectors. In the autumn of 2011, the Ministry of Economic Affairs made €51 million available for the DLO Research Foundation 2012 budget (part Policy Support research, part Knowledge Base Research) for research allocated within these leading sectors. Both the allocation of resources as well as the substantive agenda of the sectors mentioned had an impact on the programming for 2012.

Knowledge Base Research focuses on the knowledge needs in the medium term of the Ministry of Economic Affairs, industry, non-governmental organisations (NGOs), other governments and Wageningen UR. The budget for the Knowledge Base Research is also used for additional investments. The Policy Support Research and Statutory Research Tasks focus on current policy issues and/or support the Ministry of Economic Affairs in the area of legislation. Thematic clusters/themes are undertaken within KB, BO and WOT. There exists a particular programming and accountability cycle for these three types of programmes with the Ministry of Economic Affairs. The results are communicated through, among others, the online Knowledge Newsletter, e-news and [www.wageningenur.nl/nl/Onderzoek-Resultaten/Projecten-EZ.htm](http://www.wageningenur.nl/nl/Onderzoek-Resultaten/Projecten-EZ.htm).

### 2.2.4 Governance

The Wageningen UR Corporate Governance Code consists of the most relevant and appropriate principles from the HBO Governance Branch Code, Good Governance Code for Universities 2007 and the Dutch Corporate Governance Code. When more than one principle can be used, the strictest one is applicable. Wageningen UR strives for transparency in how it manages the organisation on manners and mutual rights and obligations. To this end, a Memorandum of Understanding on Corporate Social Responsibility was prepared. This Memorandum of Understanding, the corporate governance structure, various complaints regulations, Wageningen UR Research Position Statement, the Integrity Code and

## 2.2.5      Participational Structure

The participational structure is an important partner for the Executive Board and organisational directors and serves as a link in policy development. Each Science Group has one Joint Works Council for Wageningen University and DLO staff that operates within the Science Group. In addition, Wageningen UR has a separate Works Council for Corporate Staff, Facilities and Services, IMARES and RIKILT. Above these works councils is one Wageningen UR Central Works Council (COR) consisting of members that have been elected by and from among the members of the works councils. The Student Council (SR) and the Joint Meeting (GV) are participational bodies of the university. The GV consists of members of the (Central) Works Council complemented by a number of directly elected Wageningen University employees and members of the Student Council (SR).

The Central Works Councils operate within the WUR Council. This is a collaboration of the participational bodies consisting of delegates from the formal bodies. Meetings with the executive take place in the Joint WUR Council. However, the WUR Council has no powers; the original rights of the various participational bodies are maintained.

## 2.2.6      Internationalisation

In 2012, Wageningen UR further developed its strategy for international cooperation. The strategy aims to increase the amount of funded research and education activities with international partners.

In particular, the document 'Internationalisation at Wageningen University' was prepared to acquire the special 'international' distinction with the institutional accreditation of Wageningen University. The Accreditation Organisation of the Netherlands and Flanders (NVAO) granted Wageningen University the distinction in 2012 – the first institution ever to be granted such a distinction – at the same time as it awarded WU institutional accreditation. The NVAO determined that internationalisation was fully incorporated into the university's vision and policy and its quality assurance and decision-making process.

### **Activities at the International Level**

Wageningen UR's international activities in 2012 covered a range of projects in various fields, from smaller projects to multi-million euro projects, in more than 110 countries worldwide.

Three types of countries were distinguished: 'priority countries', for which a proactive approach is necessary; 'focus countries', where a reactive approach is sufficient; and countries where activities are not actively supported at the corporate level.

In **Africa**, Ethiopia and Ghana were the priority countries, while Mali and Mozambique were the focus countries. In Ethiopia especially many initiatives were undertaken. The strategic partnership with the AGRA Foundation (Alliance for a Green Revolution in Africa), AGRINATURA and RUFORUM (Regional Universities Forum for capacity building in Eastern and Southern Africa) continued. Special attention was paid to supporting the TEAM Africa Initiative (Tertiary Agricultural Education in Africa). A final workshop was organised in Wageningen in collaboration with the World Bank, among others.

In **Asia**, China, India and South Korea were the priority countries, while Indonesia, Malaysia, Thailand and Vietnam were the focus countries. A Memorandum of Understanding (MoU) was signed between the Beijing Metropolitan Agriculture Bureau (BMAB) and Greenport Holland International. The objective of this cooperation is to achieve a substantial increase in agricultural and horticultural production in the city of Beijing. In this regard, Wageningen UR collaborates extensively with the Dutch business community.

Ties with India and South Korea were further strengthened and cooperative projects prepared.

**Europe** is Wageningen UR's home market. In 2012, Wageningen UR was successful in the Seventh Framework Programme (FP7) in research and development. Wageningen UR submitted 28 projects as

coordinator on Theme Two 'Agriculture, Food, Fisheries and Biotechnology'. Of these, 14 were awarded a score of 50%, three times higher than the EU average. Furthermore, the EU approved 19 research projects for which Wageningen UR was one of the partners. In addition, work continued on European networks such as the Joint Programming Initiative (JPI), the Climate KIC and Food KIC (Knowledge and Innovation Community).

In 2012, special attention was paid to Turkey. Meetings and discussions on the topic of supporting the establishment of a faculty of agriculture were held with a private company and cooperation with the Turkish government was strengthened.

In **Eastern Europe**, Russia was the priority country and Ukraine was the focus country. In 2012, activities continued and were expanded.

In **Latin America**, Brazil and Chile were the priority countries, while Argentina, Colombia and Mexico were the focus countries. Highlights in 2012 included the setting up of the regional office for Latin America in Chile as well as the official opening of the International Centre of Excellence in the Food Sciences - Wageningen UR Chile, led by Wageningen UR. Chilean companies, knowledge institutions and the national government conduct research on sustainably produced food in the Centre of Excellence.

In the **industrialised world**, the United States was a priority country, while Canada, Japan and New Zealand were the focus countries. The Memorandum of Understanding between UC Davis and Wageningen was further expanded in 2012 during a 'matchmaking visit' of professors to UC Davis. A joint collaborative fund was also set up to support promising initiatives in the start-up phase.

Despite further budget reductions, Wageningen UR was relatively successful in the NUFFIC programme in 2012. Projects within the NICHE programme were established in Benin, Bangladesh, Kenya, South Sudan and Rwanda. The number of allocated NFP fellowships for graduate students increased in 2012 from 90 to 159. In addition, 25 PhD scholarships were awarded. The number of scholarships for short degree programmes increased from 350 in 2011 to over 600 in 2012.

Three new programmes were launched in 2012 within the INREF programme (the Wageningen University Interdisciplinary Research and Education Fund): BESTTuna (11 PhD students); Oil palm (9 PhD students); and Panama disease (7 PhD students). The funding for these programmes came from the Wageningen UR INREF funding and other organisations.

## **Students**

On reference date 1 October 2012, the percentage of non-Dutch undergraduates (Bachelor's) was 6% of the total number of undergraduates (240 of a total 3,833 students). Approximately 80% of these students are German and follow Dutch programmes. Approximately 42% of Master's (graduate) students are of non-Dutch nationality (1,560 of 3,701), from 96 different nationalities. The main countries of origin of foreign Master's students are China (331), Germany (123), Greece (118), Ethiopia (97) and Indonesia (85).

All Master's degree programmes are taught in English and are open to Dutch and non-Dutch students alike.

| Nationality of foreign undergraduate and graduate students at Wageningen University (total number enrolled excl. exchange students) | Reference Date 1 Oct. 2012 |
|---|----------------------------|
| EEA countries   | 830                        |
| Rest of Europe  | 13                         |
| Africa  | 220                        |
| Asia  | 604                        |
| North and South America   | 130                        |
| Oceania   | 3                          |
| <b>Total</b>  | <b>1,800</b>               |

*Erasmus Mundus* is a valuable programme for Wageningen University to give further content to our international partnerships and joint Master's and PhD programmes. In 2012, an advisory committee

---

supported and monitored the quality of proposals submitted for initiatives within the Erasmus Mundus programme. In 2012, five proposals for joint Master's Degree programmes and five for joint PhD Degree programmes were submitted. Due to the very limited number of programmes accepted and the large number of proposals, none of the joint programmes submitted were selected. Wageningen University currently participates in five joint Master's Degree programmes and two joint PhD Degree programmes. Three proposals for Erasmus Mundus partnership programmes were also submitted, focusing on the mobility of staff and students. Two of these cases involved a renewal; both were accepted. Wageningen University currently participates in three Erasmus Mundus partnership programmes.

*International Student Barometer (ISB, Autumn 2012)*

At the end of 2012, we took part in another international comparative survey (International Student Barometer, or ISB) which examines the level of satisfaction with Wageningen University's support services, the quality of education, the learning and living experience and facilities. Whilst satisfaction was already high, it further increased in 2012.

Improvement measures that were taken based on 2011 results were effective, particularly with respect to the reception and social embedding of international students.

Wageningen University's rankings were as follows: number 1 of 10 in the Netherlands; number 4 of 36 in Europe; and number 13 of 188 worldwide.

*International Exchange Students*

In 2012, the ratio between incoming and outgoing students continued to pose a concern. New agreements with universities that are also useful for outgoing students have only just been concluded. In addition to agreements with universities in the U.S. and Canada, and Massey University (New Zealand), Stellenbosch University (South Africa) and Universidad de Chile (Chile), a number of exchange agreements will begin in 2013.

During the annual study abroad fair, international exchange students promoted their own university, Erasmus coordinators participated in the minor markets, the AID-information market and Course Information Sessions.

The number of outgoing students increased from 195 (as of 1 March 2012: 180 in the EU market, 15 outside Europe) to 235 (as of 5 March 2013: 213 in the EU market, 22 outside Europe). The shortage of partner universities means growth outside the EU is slow. This is a point that will be tackled in the coming year.

To find the ratio between incoming and outgoing students, the number of incoming students is deliberately kept the same: 364 students in 2011-2012 and 357 in 2012-2013.

The level of incoming students was high (quality, substantive connection) and they achieved good academic results. The social reception of incoming students has evolved and IxESN plays an important role in this regard. The IxESN buddy system changed from one-on-one consultations to group support. Student arrival proceeded smoothly; students were very pleased with the personal guidance they received from Erasmus Coordinators and were very satisfied with the form and content of the range of courses offered and increasingly transferred to regular Wageningen University study programmes.

Housing shortages continued to cause problems, threatening students' decisions to study at Wageningen. This mainly concerns American and non-European exchange students, which consequently limits the number of available spots for WU students at partner universities outside Europe. There were significantly more requests for contract students with scholarships (Science without Borders programme). Unfortunately, only a very small number of these students were able to be accepted due to limited housing.

## 2.3 Mission, Vision and Strategy

### 2.3.1 Mission and Vision

Wageningen UR is an international research and knowledge centre whose mission is to explore the potential of nature and improve the quality of life. Its goal is to become, by 2020, the foremost research institute in Europe and leading worldwide partner in the Healthy Food and Living Environment domain. Wageningen University must therefore maintain both its ranking as one of the world's

---

foremost research centres as well as its leading position in the National Student Benchmark Survey. The application-oriented research institutes of the DLO Research Foundation will, by 2020, establish themselves as the preferred partner in the development of 'green knowledge' and sustainable innovations. Their significant background in science, their user-oriented approach and their strong position in the 'Golden Triangle' will enable the DLO Research Foundation to accomplish this goal.

### 2.3.2 Core Areas

Wageningen UR's domain is Healthy Food and Living Environment and consists of three core areas:

- Nutrition and Food Production

This area consists of the production and supply side of the food chain and includes sustainable agriculture and horticulture (including floriculture), fisheries and aquaculture, food safety, nutrition and health, international food chains and networks, health and welfare, and the use of biomass in the context of a biobased economy.

- Living Environments

This area includes nature, landscape, biodiversity, land use, climate change, ocean and water management and the various competing claims on space.

- Health, Lifestyle and Living Conditions

This area pertains to the impact of human choice on health, food and living conditions. Behaviour as a consumer, citizen or recreational participant, attitudes towards risk-taking and uncertainty, the perception of quality and safety, working and living conditions in the agri-food sector and the importance of food security, especially in least-developed countries.

### 2.3.3 Progress of Strategic Plan

The Strategic Plan identifies five key issues: (1) strengthening the market position of the application-oriented research institutes; (2) the further development of research themes identified in the previous Strategic Plan; (3) greater emphasis on excellence in both research and education; (4) Wageningen UR's commitment to a strengthened position both regionally and nationally and expansion of alliances with leading international universities and research institutes; and (5) improving its own sustainable organisation and management.

Wageningen UR has a clear profile that yields results and is recognised and acknowledged by both students and target groups. The number of enrolments has grown steadily in recent years, the quality and scope of research has improved, buildings and facilities have been renovated and the organisation is in a healthy financial position. The Healthy Food and Living Environment domain and the core areas of food, water, a healthy environment, climate change and renewable energy resources have become ever more important issues globally. We are therefore choosing to proceed with vigour, both nationally and internationally.

In order to achieve the objectives set out in Wageningen UR's Strategic Plan 2011-2014, determined forward steps must be taken during this planning period. Our goals are therefore far-reaching and careful planning must be carried out. Progress, including which of the Plan's objectives were implemented, is evaluated on an annual basis. When it comes to priorities, our motto – that not everything can be done at once, but what we do, we do well – ensures quality in execution. Wageningen UR continues to carefully monitor the environment and, where necessary, change its activities and structure to fit demands.

#### Results Achieved in 2012

- 2012 saw the launch of the following investment themes from the 2011-2014 Strategic Plan:
- Sustainable and Smart Food Supply
- Customised 'Protein' Nutrition
- Triple P@Sea
- Biorefinery
- Systems Biology
- Informational Governance

---

- Complex Adaptive Systems  
In 2012, a research plan was drawn up for each research theme formulating the various objectives. In addition to contributing to the objective of increasing market sales, other key focus points were strengthening interdisciplinary collaboration within Wageningen UR and the connection of research and education.
- Further Development of Wageningen Campus  
In 2012, several more buildings were put to use, such as Carus for the Animal Sciences Group. Orion, Wageningen's second education building, will be set up for use by mid-2013. Proposals were put forth for the establishment of facility sharing, the future use of the campus and housing start-ups/spin outs.
- More Effective and Less Expensive Operation of the Participational Structure  
Too little progress has been made on this issue. To give this issue a boost, a brainstorming session was held in 2012 for the participational structure and executives. The brainstorming yielded a number of action points that will be developed in 2013 and should lead to concrete improvements.
- Improved System for Measuring Educational Quality  
In 2012, proposals were drawn up to use course evaluations, rewarding educational quality and a system to improve quality and reward innovative and engaging education. In 2013, these proposals will be elaborated into concrete policy proposals and/or procedures.
- Improving Academic Achievement  
The working group made recommendations for examination resit policies, including the roster of examinations scheduled by the Executive Board and submitted to the Student Council. The proposals suggested that resits be clustered and that, in terms of the roster, they fit into the programmes in such a way that examinations could also be held in the evenings relative to the use of space. The proposals were discussed with the Student Council and the Student Council approved the proposals.
- More Market Turnover for DLO Research Institutes  
Subjects explored in this study included improving customer focus, strengthening and expanding best practices and development of international sponsors. Turnover for 2012 showed positive results (as of 2012, 11 million euros of the 50 million euro target increase was achieved). However, turnover also suggested there remains much to be done. Its position must be strengthened within Wageningen UR, and more particularly, within the research institutes. A common market approach should be utilised and it should be from the perspective of the customer.
- Shared Service Centres (evaluation, further development)  
An evaluation of existing SSCs demonstrated that the Wageningen UR SSC model functions well. However, it was evident that clear choices need to be made regarding the activities that are bundled in an SSC and the position of an SSC needs to be clearly defined. In 2013, the position of one of the SSCs was analysed and steps were taken to establish an SSC for financial processes.

#### 2.3.4 Progress of Wageningen University Profile and Performance Agreements

In 2012, the institutions of higher education documented their profile and performance agreements with the Ministry of Education, Culture and Science. In November 2012, Wageningen University's performance agreements were signed, in this instance by our very own Minister of Economic Affairs. To assist the Ministers' decision-making, all performance agreements were reviewed by the Higher Education Review Committee and Wageningen plans received a rating of 'very good.' This high rating also led to the provision of additional resources for the years 2013 to 2015.

The performance agreements focused on education, research and valorisation, include objectives to be achieved by 2015. Should this prove not to be the case, a 7% reduction in the government budget will result. There are a number of mandatory indicators, particularly in the field of education, but for most agreements, Wageningen University has defined the objectives to be met. The performance agreements were only formalised at the end of 2012, but the first steps to achieve the objectives by 2015 have already been set in motion.

#### **Education**

The three main objectives for education are increasing academic results, increasing the proportion of lecturers with a Basic Qualification in Education (BKO) and the realisation of an honours programme

---

for outstanding students. The enrolment-graduation ratio has already seen an upward trend due in part to the (now withdrawn) 'langstudeerde' (students who take too long to complete their studies) measure and the implementation of the 'harde knip' (hard and fast cut off or clean break) (*i.e.*, students could begin their MSc only once they have completed their BSc). A working group is currently considering additional measures such as detecting and adjusting bottleneck courses and the introduction of binding study recommendations. Our education policy in the coming years will also emphasise Master's degree programmes. WU is exploring the possibility of introducing study tracks that are tied to professional skills (*e.g.*, education, policy, research, entrepreneurship) and are designed to strengthen the social embedding of the Master's degree programmes within Wageningen. To increase the number of lecturers with a BKO, additional capacity has been budgeted for and more courses organised. Another working group is preparing the launch of an honours programme for outstanding students for academic year 2013-2014.

### **Research**

The research objectives may be separated into two distinct issues: improving the position and performance of PhD students and post-docs and enhancing the quality of our research. The first issue involves increasing the number of PhD students with a Training and Supervision Plan, diminishing the duration of the PhD programme and enhancing the Talents and Topics programmes. In this respect, WU is already well on its way. The second issue involves objectives such as increasing the number of tenure track staff, increasing the share of NWO and European grants, maintaining the number of publications in top journals and improving the placement in the Shanghai ranking. WU understands that it is not easy to influence all indicators; global and national competition is high.

### **Valorisation**

There are not many quantitative performance indicators for valorisation. This is mainly about the development of strategy and policy and strengthening the valorisation infrastructure. In 2012, the Guidelines on 'Dealing with IP (Intellectual Property) within Wageningen UR' were established. Furthermore, the NGI Valorisation Board issued its opinion on the valorisation policy. In 2013, this opinion will be used as input for the preparation of the knowledge valorisation action plan as outlined in the performance agreements.

### **Personnel and Organisation**

In Human Resources, Wageningen University aims to increase the percentage of Result and Development meetings from 65% in 2011 to 85% in 2015. Another objective involves the percentage of overhead staff positions. The aim is to keep that percentage below 20%; in 2011, the percentage was 19%, which decreased slightly to 18% in 2012. The intent is also to increase the percentage of international staff at the university.

## Progress Overview of Profile and Performance Agreements

|  | Baseline Measurement<br>2011                   | Measurement 2012                              | Goals 2015  |
|--|--|---|---|
| <b>Education</b>   |  |   |   |
| First-year failure rate for Bachelor's   | 14%  | 13%   | < 20%   |
| First-year Bachelor's student switch   | 3.5%   | 2.2%  | < 8%  |
| Bachelor's Degree after four years   | 62%  | 67%   | 75%   |
| Master's Degree after three years  | 90%  | 89%   | 90%   |
| NSE score 4 or 5 for programme   | 88%  | 89%   | > 85%   |
| Peer-reviewed courses  | -  | -   | 50%   |
| Programmes with more than 12 contact hours   | 100%   | 100%  | 100%  |
| Lecturers with a BKO   | 29.8%  | 30.2%   | 45%   |
| English language Master's programmes   | 100%   | 100%  | 100%  |
| English language Bachelor's programmes   | 1  | 1   | 1   |
| Minors (English)   | 58 (35)  | 57  | > 55  |
| % Bachelor's students with courses abroad  | 8%   | 7%  | 12%   |
| ECTS label and Diploma Supplement label  | Yes  | Yes   | Yes   |
| Distance learning programmes   | 0  | Prep phase                                    | 2   |
| Honours programme  | 0  | Prep phase                                    | Start in 2013,<br>accredited/<br>approved in 2015 |
| <b>Research</b>  |  |   |   |
| PhDs with a TSP  | 97%  | 97%   | > 90%   |
| Median duration PhD  | 4.88   | 4.79  | 4.8   |
| Graduate schools with a Topics & Talents programme   | 3  | 3   | 6   |
| Tenure track staff members   | 91   | 116   | 105   |
| VENI, VIDI and VICI grants in 2011-2014 planning period  | 30 (2007-2010)                                 | 14 (2011+2012)                                | 32  |
| ERC grants in planning period (starting and advanced) as % of grants awarded to Dutch universities | 3.9% starting<br>9% advanced<br>(2009/'10/'11) | 3.1% starting<br>6.1% advanced<br>(2011/2012) | > 4%  |
| Publications in journals with Impact Factor>20 (rolling three-year average)                        | 20   | 21  | 20  |
| Ranking in Shanghai Life Sciences  | 36   | 40  | Top 35  |
| <b>Valorisation</b>  |  |   |   |
| Students in courses focused on entrepreneurship  | 60   | 90  | 2011 + 10%  |
| <b>Other</b>   |  |   |   |
| % R&D meetings   | 65%  | 71%   | 85%   |
| % Overhead   | 19%  | 18%   | < 20%   |
| Increase international staff   | 19%  | 20%   | Increase  |

### 2.3.5 Knowledge Circulation and Valorisation

In 2012, Wageningen UR actively pressed for the circulation and valorisation of knowledge by:

- Making research results available via the library, Kennis Online, METIS and other online databases and via a large number of (targeted) Websites. 2012 saw the complete overhaul of the Wageningen UR website and thematic papers are now available online;
- Presenting research results at theme-based events and business cafés, implementing joint projects with potential users in top technological institutes (such as the Food & Nutrition Delta, Green Genetics TTI and the Wetsus centre, in which the business community also participates), professional networks and lectures;
- Participating in the agri-food, horticulture and raw materials industries, through public-private financed partnerships and programmes. In 2012, demand from these leading sectors resulted in about 65 new public-private funded projects and programmes that will be implemented in 2013;

---

- Participating in Food Valley, focusing on developing a cluster of research, education and innovative business expertise in areas surrounding Wageningen UR (regional perspective) but also to link Wageningen UR with industries on a national level (national and network perspectives). An example is our participation in the Food Valley Knowledge Portal, for which students execute real-life projects for SMEs as part of the educational curriculum;
- Participating in activities in regional hotspots. In its Strategic Plan, Wageningen UR chose the Southwest Delta and Dairy Campus in North Holland;
- Protecting intellectual property rights of research results so as to ensure commercial value;
- Encouraging and supporting researchers who wish to start businesses which Wageningen UR would like to participate in (spin outs). Wageningen UR's entrepreneurial initiative, called 'Start Life', offers, *inter alia*, facilities and services for such entrepreneurs;
- In 2012, activities continued to attract knowledge intensive businesses to set up shop on campus. In addition, work continued on 'Impulse' as a meeting place between Wageningen UR and the business community;
- Facility sharing: CAT-Agrifood offers businesses access to the advanced research facilities of Wageningen UR ([www.wageningenur.nl/en/Expertise-Services/Facilities/CATAgroFood-3.htm](http://www.wageningenur.nl/en/Expertise-Services/Facilities/CATAgroFood-3.htm));
- Education, training and courses within the cooperative network of the Green Knowledge Cooperation (GKC) institutions. The joint programmes of the GKC bring professors and researchers together to exchange knowledge and jointly develop new teaching aids and materials. Connections to the labour market are being actively sought through these programmes.
- Wageningen UR's valorisation policy was assessed in 2012 by the NGI Valorisation Board. The Board was of the opinion that, while it had great potential, attention was required to formulate a valorisation policy and the valorisation infrastructure need be strengthened.

### **Wageningen Business School (WBS)**

In the spring of 2012, the Executive Board gave the WBS the task of drafting a business plan outlining its vision for the future. 'WBS2.0' sets out the objective of being Wageningen UR's course portal for 'Healthy Food and Living Environment.' As a knowledge broker, WBS2.0 connects market demand to the supply of knowledge and thereby places the customer in the central focus. WBS2.0 ensures the high-quality organisation of courses and events and focuses on the business community, the public sector and public-private entities.

In the second half of 2012, the new working method was successfully implemented. Courses such as Risk Management, Food Law and Intellectual Property in Seed Business were well attended. The number of company programmes also increased.

A new core organisation was set up for intensive account management and stakeholder management, with a programme manager for each Science Group. The repositioning of the WBS requires a new image, a new name and new campus location. These issues are on the 2013 agenda. The following is the new name that was selected for the WCS: Wageningen Academy.

#### **2.3.6 Sustainability**

Sustainability is an important pillar in the primary process of research and education. This is reflected in Wageningen UR's vision and mission, the latter of which is 'To explore the potential of nature to improve the quality of life.' Our ambition is to be, by 2020, the central knowledge institute in Europe in the Healthy Food and Living Environment domain and a leading partner worldwide. In short, Wageningen UR stands for sustainability.

The impact, risks and opportunities that Wageningen UR sees in the field of sustainability are set out in the Wageningen UR 2011-2014 Strategic Plan, available at [www.wageningenur.nl/nl/Over-Wageningen-UR/Strategisch-plan.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Strategisch-plan.htm).

### **The road to a more sustainable business**

Research conducted by PricewaterhouseCoopers in 2008 demonstrated that, while sustainability was certainly present within Wageningen UR, it was further developed in the primary process of education and research than it was in the area of operations management.

---

For Wageningen UR, this was an opportunity to reflect on its aim and strategy for a more sustainable management system. The starting point was to achieve a balance in the current social, environmental and economic needs without compromising future needs. The aim was called 'voorlopen' ('leading' - see [www.wageningenur.nl/nl/Over-Wageningen-UR/Duurzaamheid.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Duurzaamheid.htm)). In short, this means that Wageningen UR must support and promote comprehensive sustainability in all of its operations. For this reason, sustainability must be a natural part of the decision-making process and the concept of proven technology should apply to this goal.

The aim of 'voorlopen' was translated in the 'Despatch Towards a More Sustainable Management' plan into the following fields: buildings and energy, procurement, mobility, catering, waste, education and research, and sustainable employee. Implementation of this plan took place during the 2010-2012 period. This resulted in various actions during 2012 which were outlined in the 2012 Environmental Report available at [www.wageningenur.nl/nl/Over-Wageningen-UR/Duurzaamheid.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Duurzaamheid.htm). A large number of the plan's formulated actions have already been enacted in the organisation. Actions which have not yet been enacted will be initiated and carried out in 2013. This also applies to those actions which were newly formulated during the 2010-2012 period.

In addition to the implemented actions, the following results were achieved: an energy management system, the launch of the Green Office Wageningen by students, the incorporation of the present sustainability report into the annual report, and the drafting of the Corporate Social Responsibility (CSR) declaration of intent available at [www.wageningenur.nl/nl/Over-Wageningen-UR/Corporate-Governance.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Corporate-Governance.htm).

2012 results signalled that the end goal of more effective management operations was successfully reached.

### **Show it! Increasing Sustainability 2013-2014**

Now that sustainability has been properly incorporated and secured in both education and research and management operations, the time is ripe for the next phase: 'Show it!' (see [www.wageningenur.nl/nl/Over-Wageningen-UR/Duurzaamheid.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Duurzaamheid.htm)). Central to this phase are the concepts of transparency ('show us how you are doing') and cooperation. The integration between education, research and management will be tackled and communicated in the coming years. Expected outcomes include a CSR declaration, the drafting and monitoring of key performance indicators, and discussing dilemmas and challenges across Wageningen UR through a Sustainability Group.

### **Sustainability Responsibilities**

Each and every individual who works or studies at Wageningen UR is responsible for implementing sustainability within Wageningen UR. Sustainability is represented in the 20 BSc and 28 MSc degree programmes, the PhD programme and the Lifelong Learning programme. Independent research also has a sustainable component. Improvements to Wageningen UR's sustainable development may be followed at [www.wageningenur.nl/#Nieuws](http://www.wageningenur.nl/#Nieuws).

The focus in 2012 was on completing and securing Wageningen UR's prior objectives within the organisation's management operations. The owners of several actions as well as the sustainable policy representative were involved in the proper implementation and enactment of the formulated actions. There was also a Task Force which functioned as a booster. The Task Force reported to the Steering Committee (soundboard). The Steering Committee then gave account to the Executive Board and Board of Directors. Both the Task Force (executive) and the Steering Committee (policy setting) consisted of a cross section of Wageningen UR management stakeholders.

At the end of 2012, the process to more sustainable management operations was concluded and the Task Force disbanded. Responsibility for the sustainable management of operations has been assigned to line management. 'Show it!' will be managed by the director of Facilities and Services. Ultimate responsibility lies with the portfolio manager of the Executive Board. A Sustainability Group assesses the approach and any progress made in sustainability. The Sustainability Group is accountable to both the Executive Board and the Board of Directors.

### 2.3.7 Information and Communication Technology

Wageningen UR's objectives regarding Information and Communication Technology are outlined in its 2011-2014 IT Road Map.

2012 saw another increase in the number of students and PhD candidates. This increase has implications for both facility-based services and virtually all education support services. In addition, changes were made to the Student Information System (SIS) pursuant to the Higher Education and Research Act (WHW). Some important developments were:

- Changes in the SIS for the graduation process ('Dagelijks afstuderen'). This permits students to be alerted as to their graduation status, in accordance with new legislation.
- Implementation of the 'Harde Knip' (hard and fast cut off) in work processes and support software, which clearly separates Bachelor's and Master's degree courses.
- Preparations for the implementation of the "Blackboard Mobile Learn" app for students and lecturers in the following academic year. The app allows students (and lecturers) to access educational information and materials available on Blackboard through a Smartphone.
- The popularity of the EDUexam service increases with the rise in student numbers. The focus in 2012 was on optimising cooperation throughout the operations and support chain.
- As part of a 'Digitaal toetsen' (digital tests) SURF tender, Wageningen UR competed for a grant to develop a 'Secure Test Environment'. This would allow students to take exams in an environment fully customised for exam-ready PCs. This was very positively received during the SURF Education Days.
- A new version of PROMIS has been issued. Not only does this handle the registration of PhD candidates at Wageningen UR but helps PhD candidates remain on track throughout the entire PhD by facilitating, among other things, management information.
- 2012 also saw the launch of a programme that will result in the replacement of the current SIS system by 2014 (WU).

Wageningen UR's visibility was increased in 2012 by the introduction of the new Wageningen UR Internet platform. This development also contributed to a software infrastructure (service layer) which makes information accessible through Apps.

Accessing scientific publications from the digital library was further facilitated in 2012.

Proper functioning ICT services for students significantly contribute to students' positive opinion of Wageningen UR. As a result, Wageningen UR has invested in these ICT services in collaboration with market entities such as Idealis.

Flexibility in working concepts (any time, any place and The New Work) has implications for the ICT needs of workers. As a result, the Tele12 project (telephony) was achieved in 2012, resulting in considerable cost reduction and flexibility.

In addition, a vision was developed to access the network and information using one's own devices (Bring Your Own Device), an issue closely linked to the information security policy endorsed in 2012. This policy provided data classification and a security services road map. This road map strengthened identity and access management.

Data facilities and a fast and solid Wageningen UR network are the backbone of cooperation. To strengthen internal cooperation, MyPortal was prepared for launch in 2012.

Strong information provision requires cohesion, both in terms of technology and policy. For this reason, the IT governance model (reconciliation model) was strengthened in 2012. The architecture board was put in place and the tactical and operational coordination between system owners, users and support has been further enhanced.

---

## 2.4 Core Activities

### 2.4.1 Wageningen University

#### **Research**

##### *Wageningen University Research Policy*

During the 2011-2014 planning period, the following social issues will be invested in further:

- Sustainable and Smarter Food Supplies;
- Customised Nutrition;
- Coast and Sea;
- Biorefining;

and the following scientific issues:

- Systems Biology;
- Information, Behaviour and Management Practices;
- Adaptability of complex systems.

Wageningen University research is carried out in chair groups. Every chair group, supervised by a professor, focuses on its own area of expertise. All 93 chair groups conduct research in the Health Food and Living Environment domain.

#### *Graduate Schools*

Wageningen University is the lead organisation of six graduate schools. These graduate schools are brought together under an umbrella organisation: Wageningen Graduate Schools.

Wageningen Graduate Schools:

- Experimental Plant Sciences (EPS)
- Wageningen School of Social Sciences (WASS)
- The C.T. de Wit Graduate School Production Ecology & Resource Conservation (PE&RC)
- The VLAG Graduate School (Nutrition, Food Technology, Agrobiotechnology and Health Sciences)
- Wageningen Institute of Animal Sciences (WIAS)
- Wageningen Institute for Environment and Climate Research (WIMEK) part of the SENSE national research school

Other holdings in graduate schools with different lead organisation:

- Research School for Resource Studies for Development (CERES)
- Graduate School on Process Technology (OSPT)
- Research Institute and Research School for Economic and Social History (N.W. Posthumus Institute)
- Graduate School of Polymer Science and Technology (PTN)
- Research School Biodiversity
- Graduate Research School of Science, Technology and Modern Culture (WTMC)
- Graduate Research School Biotechnological Sciences Delft Leiden (BSDL)
- Dutch Institute of Systems and Control (DISC)
- Inter-university Centre for Educational Research (ICO)

The graduate schools have three main tasks:

- Coordinating a coherent research programme for the university within the graduate schools' mission
- Monitoring, surveillance and promotion of the quality and progress of academic research (PhD candidates, post-docs and researchers)
- Developing, facilitating and coordinating postgraduate education

Researchers, post-docs and PhD candidates participate in one graduate school. The graduate schools are accredited by The Royal Netherlands Academy of Arts and Sciences (KNAW) and are therefore subject to quality controls.

---

## Education

### Programmes

In Academic Year 2011-2012, the programmes offered to the approximately 7,500 students consisted of 18 Dutch language Bachelor's degree programmes, one English language Bachelor's programme (Tourism) and 27 English language Master's degree programmes in Life Sciences, Social Sciences and Environmental Sciences (see Annex 1A, Table 1). Education is multidisciplinary and highly international in character, both in terms of the curriculum and the student population. Of BSc intake, 5.5% came from abroad. Of MSc intake, this figure was 41.3% (Academic Year 2012-2013).

Although the *langstudeerde* (long-term student) measure was once again abolished in September, the penalty had a positive effect on graduation rates in 2012. Whether and how the announced elimination of the basic study grant, the introduction of a 'social loan system' and the introduction of the 'harde knip' will affect academic behaviour and graduation rates will be made clear in 2013.

The examination resit policy was critically assessed and resulted in the decision to limit the resit periods to twice per year (February and August). The number of resits will remain unlimited.

Further discussion centred on the length of the Master's degree in Social Sciences and the intent to maintain it at two years. Further consultation on this issue will take place with the Ministry. In addition, a research Master's degree in social sciences has now become a topical issue. The NWO does not seem to be accepting PhD candidates in the social sciences who have not completed a research Master's degree.

### Academic Progress Rates and Academic Yields

Tables 6 and 7 of Annex 1 indicate, respectively, graduate student (Master's degrees) yields (for the period 2008-2010) and undergraduate student (Bachelor's degrees) yields (for the period 2007-2009).

Graduate student yields were fairly stable, with approximately 60% graduating after two years and 90% after three years. Maintaining this high level will be challenging particularly since the introduction of the 'harde knip' may impose a burden. Undergraduate student yields (after four years) have been rising. The last period for which yields can be measured (2009) indicates that undergraduate student yields is now 67%. The '*langstudeerde*' measure had a positive boost on academic yields, although this is a one-off given that the measure has once again been withdrawn. Nevertheless, a better study environment and introduction of the 'harde knip' (i.e., students may begin their MSc only once they have completed their BSc) will ensure further rise in yields. The performance agreements set out an undergraduate target yield of 75% after four years and a graduate target yield of 90% after three years.

---

## 2.4.2 DLO Research Foundation

### Research

Knowledge-based research is divided into seven subjects:

- Global food security
- Sustainable food supply chains
- Green raw materials and the biobased economy
- Sustainable development of the green-blue space
- Healthy and safe food
- Transition, innovation and behaviour
- Technology development

Policy Support Research is incorporated into two programmes:

- Nature, landscape and countryside
- Agri

The legal research tasks have been incorporated into two institutes and four programme units.

Institutes for Legal Research Tasks:

- RIKILT – Institute of Food Safety
- CVI – Central Veterinary Institute

Four Programme Units for Legal Research Tasks:

- WOT Nature and the Environment (NMP)
- Centre for Genetic Resources, the Netherlands (GCN)
- Centre for Economic Information (CEI)
- Centre for Fisheries Research (CVO)

Research in the Agri- & Food Business and Horticulture & Raw Materials sectors is conducted within the Top Consortia for Knowledge and Innovation (TKI), which have been set up within these two leading sectors. Programming is carried out based on demand within the 'golden triangle' (industry, government and knowledge institutes), in which industry leads. This demand leads to public-private partnerships (PPPs) at the project and programme level. In 2012, DLO incorporated the first PPPs which had been drawn up at the end of 2011 into the programming. The leading sectors then issued a call for tenders for 2013 programming. This required DLO to release approximately 25% of its budget available for leading sectors at the end of 2012. The selection process resulted in about 65 new PPPs to be implemented in 2013 and – in addition to public funds from the Ministry of Economic Affairs – will include the full participation of the business community.

An increasing share of DLO research is funded by other parties, such as the private market, the EU and other governments. Substantively, this research falls within the three related core areas: Nutrition and Food Production, Living Environment and Health, Lifestyle and Living Conditions.

## 2.5 In Dialogue with the World

'The world's population will grow to eight billion by 2025 and nine billion by 2050. With a further increase in wealth, the demand for food will double and our diet will shift to more reliance on animal protein. The key question for the future is how to ensure food security in a sustainable manner. More people means an increased demand on land and resources and greater pressure on the environment, nature and climate. This presents an enormous challenge that requires breakthroughs in knowledge and technology and cooperation with partners in government, the business community and NGOs.'

### 2.5.1 Stakeholders

Stakeholders are individuals or groups who have an interest in one or more activities or decisions of an organisation. Wageningen UR has classified its stakeholders into various groups based on ISO 26000:

---

- Customers and partners in government, industry, NGOs and knowledge institutes both in the Netherlands and internationally
- Government authorities
- Funding sources
- Suppliers
- Citizens
- Media
- Employees
- Students
- Alumni
- Donors

## 2.5.2 Stakeholder Dialogue

Wageningen UR regularly assesses – at various levels within and without the organisation – its policies and plans with stakeholders and engages their views on the progress of education, research and organisational development. The frequency and nature of the dialogues depend on the type of dialogue. Examples of these dialogues are briefly described below:

- Many research programmes involve several stakeholders at once in order to engender broad support. Representatives from industry, government and research (the golden triangle) and civil society organisations participate in the development of the programmes.
- An important means of cooperation for Wageningen UR is what takes place inside the golden triangle; cooperation between government, industry and knowledge institutes, now mainly organised within designated leading sectors.

In putting together the research agendas of the leading sectors, the Ministry carried out several rounds of consultations in close cooperation with Wageningen UR. Brainstorming sessions and knowledge groups were organised during which the business community was able to indicate which issues should be high on the agenda. These consultations resulted in the completion of research agendas based on specific themes within the leading sectors for which the Topconsortia for Knowledge and Innovation (TKIs) could commence work. The TKIs streamline cooperative projects which are then carried out by research organisations. For each leading sector, entrepreneurs, researchers and the government reach agreements that are drafted into innovation contracts. The TKIs ensure that knowledge and manpower are properly deployed.

For all nine designated leading sectors, Human Capital Agendas (HCAs) are established to better connect education to the labour market to further develop current staff members. Government and the leading sectors invest in, for example, MBO Centres for Innovative Practices and HBO Centres of Expertise. As a Centre of Excellence, Wageningen University is a mainstay for HBO Centres of Expertise. These are far-reaching partnerships between schools and businesses.

- Executive Board members regularly visit Wageningen UR's various campuses across the Netherlands to learn about developments within various research programmes. Executive Board members also personally interact with staff members during, for example, breakfasts which are held several times a year and for which all employees who wish to discuss various issues with the Board are invited to join. In addition, all new employees are met and introduced into the organisation.
- The following non-exhaustive issues were discussed with the participational structure in 2012:
  - Wageningen University Institutional Accreditation
  - Profile and Performance Agreements with Wageningen University Government
  - Results of the 2012 Employee Monitor, as well as corporate culture and behaviour within Wageningen UR
  - Possible consequences to DLO research institutes as a result of the policy of leading sectors

---

- In addition to annually recurring matters such as the revision of Education and Examination Regulations, pricing policy and the Wageningen University Student Charter, discussions also took place between the Rector Magnificus and the Student Council about the potential impact of government measures on studying in general and on Wageningen University students in particular.

### 2.5.3 Dialogues in 2012 – Looking Ahead to 2013

Several stakeholder dialogues took place in 2012.

A few examples:

- International Student Housing

Before deciding to create more dormitories, Wageningen UR consulted local authorities, housing associations, Idealis (student housing facility) and private investors.

- Leading Sector Policy

The leading sector budget is drawn up following consultations with appropriate stakeholders and met with funds from the business community.

An innovation contract forms the basis of a public-private partnership (PPP). The PPPs in which Wageningen UR participates are available for viewing at [www.wageningenur.nl/nl/Onderzoek-Resultaten/Topsectoren.htm](http://www.wageningenur.nl/nl/Onderzoek-Resultaten/Topsectoren.htm).

- Participation in Food Valley

Wageningen UR supports regional businesses in the agrifood sector in the region with research and knowledge. Last year, the Ede and Wageningen municipalities, the province of Gelderland and Wageningen UR combined efforts within the Food Valley Foundation to connect the World Food Centre Nederland to the region.

- Transparency of Animal Research at Wageningen UR

Regular consultations take place with Nederland Proefdiervrij (Dutch Society for the Replacement of Animal Testing) on developments in animal testing.

- Wageningen Campus Development

Orion, the new education building, was designed in close cooperation with its future users. Impulse, the meeting and debate centre was finished in 2012 and has quickly developed into an inspiring and vibrant meeting place. The connection between knowledge and business breeds innovation.

- Knowledge for Green Education

Through our participation in the Green Knowledge network, Wageningen UR is working on providing access to knowledge resources for education and the public at large.

Wageningen UR also has its own programme, called WURKS (Wageningen UR Knowledge Sharing), which focuses on promoting the use of Wageningen University's and Wageningen UR's research institutes' (DLO) knowledge in other green education (VMBO, MBO, HBO, post-initial education) (see [www.wageningenur.nl/nl/Onderwijs-Opleidingen/WURKS.htm](http://www.wageningenur.nl/nl/Onderwijs-Opleidingen/WURKS.htm).)

- Stakeholders Involved in Interactive Design

In collaboration with stakeholders, such as agricultural entrepreneurs and Animal Welfare, new livestock sustainable production concepts were designed that take animal welfare into account. Many new agri-breeding systems are based on the Reflexive Interaction (RIO) paradigm, a method still under development (see [www.wageningenur.nl/nl/show/Stakeholders-betrokken-bij-interactief-ontwerpen.htm](http://www.wageningenur.nl/nl/show/Stakeholders-betrokken-bij-interactief-ontwerpen.htm)).

- Discussions also took place internationally, which resulted in a cooperative venture with UC Davis, the Sustainability Consortium, the establishment of the Centre of Excellence in Chile and an MoU with the mayor of Beijing.

---

## 2.6 People

### 2.6.1 Employees

#### **2.6.1.1 Human Resource (HR) in Strategic Plans**

Wageningen UR's HR policy is inextricably linked to the organisation's objective to contribute to the quality of life by being the leading European research institute in the Healthy Food and Living Environment domain. Optimising the quality of both employees and management remains an important issue. Wageningen UR's HR policy for 2012 mainly focused on the further development of the Career Progression Policy for Academic Staff, internationalisation (including labour market communication), talent development and the further implementation of the new HR workflow management system (ESS/MSS). The organisation also focused on developing expertise to increase market turnover.

#### *Career Progression Policy for Academic Staff/Tenure Track*

The Career Progression Policy for Academic Staff, also known as Tenure Track, provides career prospects to scientists at the university. These career prospects allow them to move from an Assistant Professor 2 (UD2) position to a professorship in twelve years. The goal is to attract and retain outstanding scientists by providing them with attractive career prospects. This career policy was assessed in 2012. Approximately 90 academic staff members participated in this career path and it appears that new staff members deliberately and consciously elected Wageningen due to the prospects offered. Finally, there was a noticeable increase in the quality and quantity of scientific publications.

#### *Internationalisation*

In 2012, employees engaged in the support of immigration procedures for new employees were housed in a Shared Service Centre called International Advice & Support, now based at a single location. Its purpose is to increase knowledge exchange and guarantee staff replacement in the event of absence.

#### *Talent Development*

One of Wageningen UR's core values is Room for Talent and Growth. This means that Wageningen UR offers ample development opportunities to all of its employees. Required employment conditions are WU's Educational Facilities Regulations, DLO's Training Incentive Scheme and the agreement that the organisation commits 2% of the payroll to training and development.

Wageningen UR's intent is to use available resources as efficiently as possible. Strategic staff plans provide insight into the needs of the organisation, including those in the long-term. Examining an inventory of existing qualities, knowledge and competencies as well as an assessment of employee development needs and capabilities make it possible to identify the gaps that need to be bridged. During R&D meetings, employees' desired development objectives were emphatically discussed. It is a question of personal and professional development, but also of career development, mobility and flexibility. Employees are expected to take responsibility for their own employability; the organisation facilitates them in this as much as possible.

#### Concrete programmes provided:

- Young Talent programme: a new programme whose target group is talented young staff that are, more or less, under the age of 35. The programme may be characterised as a leadership expedition and is the result of the legacy of High Performance Organisations (HPO) among others.
- Talent Development Programme, 'Leading change' 2012: the third embodiment of the programme, mostly devoted to leadership development, change management and organisational development as specifically requested by the Executive Board.
- Development Assessment and Development Programme for Wageningen University academic staff and particularly Tenure Track participants. The development of personal skills and competencies is central to this programme.
- Preparations began in 2012 for a programme focused on the certification of project leaders and project managers. The certification process will be implemented in 2013.

---

- With an increasing amount of programmes, Insights Discovery is used as an analytical instrument and method for both personal and team development.

In addition to the programmes mentioned, courses and training are offered at the Educational Staff Development Wageningen Graduate School, Wageningen Business School, Wageningen In'to Languages and the Library.

#### *ESS/MSS*

The Employee Self Service System and the Employer Self Service System (ESS/MSS) were launched in 2011. The objective was to reduce HR processes and administrative workload. The system currently handles registration of absenteeism and statements. 2013 will see this extended to registration of leaves of absence within all organisational divisions.

#### **2.6.1.2 Collective Labour Agreement (CAO) Developments**

At the end of 2012, negotiations resulted in a new Collective Labour Agreement for Dutch Universities (CAO NU) applicable to Wageningen University. This CAO's term runs from 1 January 2011 to 1 January 2014. The salary increase is 1% on 1 January 2013 and 1% on 1 September 2013. The discontinued Senior Staff Scheme and amendments to the Supplementary Benefit regulations take effect on 1 January 2014. Many of the agreement's measures are aimed at promoting sustainable employability and work guidance and assistance in the event of this resulting in both personal and organisational development, for example.

In January 2012, the CAO for the DLO Research Foundation was concluded with a term running from 1 April 2011 to 1 April 2013. The Collective Labour Agreement includes a salary increase of 1.5% in July 2011, which was implemented by a contingent payment in March 2012. There was also a salary increase of 1.5% on 1 July 2012. The Senior Staff Scheme was also discontinued in the DLO CAO with a transitional arrangement having been agreed to. Key points of this Collective Labour Agreement are also sustainable employability and a life stage-oriented HR policy.

#### **2.6.1.3 Health and Welfare**

##### *Healthy Lifestyle and Absenteeism*

Wageningen UR applies an integrated approach to its health and welfare policies that incorporates industrial medicine, corporate welfare, labour and organisational theory and human resources. In so doing, Wageningen UR actively promotes a healthy lifestyle for its employees. In collaboration with services provided by the De Bongerd Sports Centre (SCB), Wageningen UR emphasises workplace health promotion courses for employees.

There was also considerable interest in the health programme MyBalance. In 2012, the programme was offered to staff members from one of the Science Groups and to Corporate Staff and approximately 40% of staff members took part. MyBalance offers employees a fairly complete understanding of their physical and mental well-being. Questionnaire and test results are discussed with an independent counsellor, and, upon request, a tailored action plan may be prepared which can often be carried out under supervision within the organisation. The entire process is managed by the employee and privacy of information is guaranteed.

In addition, appropriate absenteeism policies (both preventive and curative) continue to be necessary. The employer must maintain contact with staff during the latter's period of absenteeism and the employer and staff member concerned must jointly take all necessary actions to effect the prompt return to work of the staff member.

Particular attention is paid to employees who are sent abroad. They are provided with all necessary preventive vaccinations. In consultation with organisations such as the Vaccination Centre, aftercare is also provided to staff members upon their return to the Netherlands.

In a number of cases (9 in 2012), mediation was initiated for (imminent) long-term absences, eight cases of which resulted in favourable outcomes.

---

### Absenteeism Data

|                         | 2010 | 2011 | 2012 |
|-------------------------|------|------|------|
| DLO Research Foundation | 3.7  | 3.4  | 3.5  |
| Wageningen University   | 3.5  | 3.6  | 3.4  |

For several years now, overall absenteeism rates have remained relatively low. After a marked decline in DLO absenteeism rates in 2011, 2012 saw a slight increase of 0.1 per cent in absenteeism rates. At WU, the opposite was true. After a (slight) increase in absenteeism rates in 2011, 2012 saw a decrease of 0.2 per cent. For a more detailed explanation of absenteeism, see Annex 2 of the Annual Social Report.

### *Corporate Welfare (Social Services) (BMW)*

The provision of methodological assistance to employees and groups of employees is the foundation of BMW's work. Key tasks are assistance, advice and consultation, contributions to policy development, and prevention and information provision.

#### Prevention and Information Provision

A large majority of requests for assistance have to do with work stress and exhaustion, and the recognition and prevention thereof. Much attention was paid to the prevention of work stress. BMW organised 16 workshops in 2012, three of which were for 70 PhD candidates and addressed stress and the recognition and management thereof, one team session about stress management, six workshops on the direction of your career (two on transactional analysis in Communication; two on making career decisions: difficult or fun?; and two on non-violent communication), two workshops on professional communication at work and one workshop on interviewing for PhD candidates.

In 2012, BMW was involved in organisational issues, including preparations for the Inquiry Committee on Culture and Codes of Conduct.

#### Summary of Main Client Data

The number of new registrations remained pretty much the same between 2011 and 2012 (322 new registrations in 2012, or 5.4% of the total workforce). The total number of staff members (i.e., those who had registered in 2011 and were still being assisted in 2012) who made use of Corporate Social Services in 2012 was 453, representing 7.7% of Wageningen UR's total workforce (compared to 8.3% in 2011). (Note: this latter figure includes VHL) Proportional numbers of newly-registered clients came from all divisions of the organisation. The requests for assistance related to work stress and exhaustion (29%, previously 39%), problems with colleagues (24%, previously 24%), mobility and reorganisation (22%, previously 14%) and personal problems (11%, previously 12%). As in previous years, the majority of BMW clients (84%) completed treatment within six consultations.

Of the clients who utilised the services to deal with their problems in a timely and adequate manner, 78% avoided the need for sick leave. As a result, Wageningen UR's preventive targets were achieved.

### *Wageningen UR Confidential Counsellor (does not include VHL)*

In 2012, the WU Confidential Counsellor (WU, DLO Research Foundation) received a total of 56 reports about undesirable behaviour: 48 from employees and eight from students. This led to one formal complaint. Two-thirds of reports were made by women.

### *Preventive Medical Research (PMO) and Risk Inventory and Evaluation (RI&E)*

The Risk Inventory and Evaluation (RI&E) is designed to track and evaluate potential exposure to risk factors. The RI&E includes an action plan which itself includes preventive measures to reduce risks to an acceptable level. In a number of cases, a more detailed RI&E is required, for example, when working with hazardous materials.

In addition to measures arising from the RI&E, PMOs (Periodiek Medisch Onderzoek; periodic medical examinations) ensure that health risks are detected early and that appropriate preventive measures are taken and adhered to. In 2011, the programme and database which support the implementation of PMOs and vaccination were successfully tested. In collaboration with the organisational units, this programme was redesigned to include an operational workflow management system.

---

Health and Safety in Laboratory Work falls under the PMO as do required vaccinations if research is conducted abroad.

#### **2.6.1.4 Employee Monitor**

Employee satisfaction is evaluated every two years (the Employee Monitor). The goal is to measure how Wageningen UR employees feel about work-related issues such as leadership, the participational structure, communication, workplace atmosphere and workload. This permits necessary adjustments to be made through policy changes or targeted actions.

The response rate in 2012 was 51%, representing another increase to previous years' response rates (47% in 2010 and 41% in 2008). Results revealed that, in general, employees feel a strong connection to their current position, their organisational unit and Wageningen UR. One of the main motivating factors for working at Wageningen UR is work content. Employees rated their immediate supervisors' leadership style positively. Although this positive perception shifted the greater the distance between staff and management, nevertheless, results were slightly higher in 2012 than they were in 2010.

With respect to workplace atmosphere, more specific attention to unwelcome behaviour is required. This was operationalised in the Employee Monitor in five closed questions and one open question. The most common form of unwelcome behaviour reported is harassment.

An important action in response to this outcome was the setting up an independent Confidential Committee on Corporate Culture and Manners. Employees who experience unwelcome behaviour can share their experiences in absolute anonymity with the Committee. Based on research it conducts, the Committee issues recommendations for the organisation to better handle and prevent unwelcome behaviour.

Employee Monitor workload results reveal that slightly more than half of employees feel workload is too high. However, employees described their work situation as positive.

Following the previous Monitor, additional actions will be organised later on to achieve successful outcomes in designated areas of improvements.

#### **2.6.1.5 Security**

Wageningen UR has outsourced security. Security providers abide by the policies and procedures for human rights that Wageningen UR employs. Security providers deploy only those employees in possession of a Security Guard Diploma, First Aid/CPR Diploma and a BHV+ Diploma (Emergency Response).

### **2.6.2 Students**

#### **2.6.2.1 Student Recruitment**

##### *General*

The new [www.wageningenUR.nl](http://www.wageningenUR.nl) website was launched in 2012 and is an important tool for, among other things, recruiting students both nationally and internationally. Improving our online visibility was a priority and platforms such as Facebook and Twitter were employed. By the end of 2012, Wageningen UR had more than 10,000 Facebook "fans."

##### *National*

Participation of prospective students in information activities increased by 10%. This represents a market-based development as the number of participants in activities also increased at other universities, both for Bachelor's and Master's degree programmes.

---

### *International*

The international recruitment campaign was revamped in 2012. Under the heading 'Get the most out of ...', the main fields from Wageningen's domain of knowledge came into sharp focus.

The growing importance of database marketing (follow-ups, focus on conversion, 1-on-1 communication) means that traditional classifications of recruitment activities per region are no longer in use; geographical borders do not apply to online recruitment.

Existing activities continued both within and without Europe. In Europe, representatives were given a greater role in visiting fairs and universities. The model used was one that has already been successfully applied in non-EU countries.

Outside Europe, market research was conducted and networks were built in Kenya, Nigeria and South Africa. This region was selected in response to the decreasing number of students from Africa. Markets in Canada and the U.S. were further explored.

#### **2.6.2.2 Reception of Students**

Student reception and services is mostly handled by the Student Services Centre (SSC). The SSC consists of three teams:

- Student Administration: admission, enrolment, registration, graduation
- International Office: reception and administrative assistance for international students
- Student Counselling: student counselling and welfare

The twelfth instalment of the popular Infopoint was held during the summer of 2012. Senior international senior students helped new international students quickly find their way in Wageningen. Staff were also active in the reception of international (Erasmus) exchange students.

International student intake was slightly higher in 2012 than it was in 2011. The number of self-paying students showed a slight increase. Applications for admission to a Master's degree programme at Wageningen University decreased in 2012 compared to 2011 numbers, to about 6,500 applications.

In 2012, Wageningen UR focused on a number of IT projects in order to provide the best possible services to students:

- The majority of attention was focused on revamping the Student Information System. Following a tender offer, iTEducation was purchased
- Improving the content and accessibility of the Question and Answer application
- Contributions to the Internet and MyPortal

#### **2.6.2.3 Student Services and Facilities**

To promote successful academic progress, Wageningen University provides its students with counselling services from both student advisers and student deans. The university and all its student and non-student organisations are active in creating a compelling academic environment and comfortable living atmosphere. Wageningen University attaches great importance to this and supports many of these organisations.

##### *Academic Counselling*

An increase in the number of students led to the further expansion of counselling services in 2012. The professionalisation programme for student advisers was further elaborated. Emphasis was on guiding/coaching students in planning their studies. There were also workshops on the impact of the introduction of the 'harde knip' and related Hardship Clause.

##### *Student Counselling*

In 2012, Student Counselling services included four student deans (3.3 FTE) and three psychologists (1.7 FTE). An external dean and external psychologist were hired for assistance in a number of courses.

---

#### Student Deans

In 2012, a total of 1,469 meetings and interviews were held with 996 students. These numbers are comparable with 2011 numbers. Over a fifth of these meetings concerned studying with a disability. A large share of the meetings had to do with academic progress, falling behind and extending or delaying graduation.

During 2012, in cooperation with the Network of Academic Advisers, a pilot training in academic skills within three programmes was conducted. The first ever workshop on culture shock was offered to international students and the training in academic skills and workshop on reverse culture shock were extended.

#### Student Psychological Services

In 2012, 571 students scheduled one or more appointments with a student psychologist. The total number of new registrations was 505. This represents another slight increase to previous numbers. In total, 1,172 appointments took place. The number of follow-up appointments did not increase. This is due to targeted training programmes that focus on those problem groups that are most common. In addition, serious issues were referred more quickly to first and second line services.

In 2012, 23 students were referred to an anxiety reduction training programme, administered by an external psychologist.

The 'Schuitgroepen' for students undergoing motivational, academic pace and/or graduation-related problems were re-initiated on four occasions. A total of 52 students were eligible to participate.

For students experiencing stress problems, mild depression and/or anxiety, the Full Life programme was developed in collaboration with Indigo. A total of 34 students were referred.

#### *Student Medical Services*

In 2011, Student Medical Services were outsourced to General Medical Practice Van der Duin & Van Dinther in Wageningen. This practice is specifically designed for students and provides the university a one-day a week general medical service for Wageningen University students registered in Wageningen.

#### *Other Services*

Students seeking accommodation may rent a room or apartment through the private market, the Help Desk or the Idealis housing organisation. Idealis rents out approximately 4,500 rooms in 14 complexes at various locations in Wageningen. In 2012, Wageningen UR was able to accommodate international students in nearly 1,200 Idealis rooms and over 750 private units. In recent years, temporary housing units managed by SSC have been created specifically for international students. The final housing project, Beringhem in Bennekom, became available in the summer of 2012. The August-September 2012 peak was entirely absorbed in private housing units in the former barracks in Ede. Not a single group was forced to live in caravan and holiday parks, which had been the case in the past.

The De Bongerd Sports Centre (SCB) is a multi-functional sports centre with extensive indoor and outdoor facilities where all Wageningen UR students and staff can exercise at discounted prices. In 2012, the new gym was introduced and its capacity doubled. Small group lessons such as Running Classes and FunXtion circuit training are also offered. The new Dance Studio and Bike Studio mean there is yet more room for group lessons. Virtual indoor cycling classes were on offer in the Dance Studio. Sixty-five various sports were included in the sports programme.

The Wageningen University Thymos Sports Foundation (SWU Thymos) promotes sports and physical activity by organising sporting events and competitions. It also represents the interests of individual sport students as well as the leaders of the 20 student sport associations. In 2012, the number of students involved in sports increased and sport associations and attendance at sporting events grew. A new successful event was the Olympics, a sporting event where athletes represented their countries in a variety of sports and games.

#### **2.6.2.4 Financial Support**

The Wageningen University provides a variety of financial aid to students:

---

1. FOS: Financial Support for Students that provides funding in cases where studies are delayed as a result of circumstances beyond the student's control, such as force majeure, athletics or approved administrative activities;
2. WU funding for students following a two-year Master's degree programme in Social Sciences *who are entitled to Dutch student funding (MCS, MDR, MID, and MME students)*;
3. Wageningen University Fellowship Programme, scholarships/grants/tuition waivers for non-EEA students;
4. Emergency Student Funding.

Fourteen non-EEA students and 428 EEA students took advantage of FOS funding to the amounts of €43,635 and €516,365 respectively. Of the total 442 funded students, 80% were eligible as a result of approved administrative activities including membership in the Student Council or on the board of an academic or student association. The other 20% were funded due to force majeure.

No non-EEA student used WU funding. This, of course, is due to the requirement that the student receiving this funding must be entitled to Dutch funding. Only under very special circumstances is a non-EEA student entitled to receive WU funding (e.g., refugees).

As for the Wageningen University Fellowship Programme, only non-EEA students are eligible. In 2012, 33 full tuition scholarships were awarded to students demonstrating outstanding academic abilities (€360,000) and 405 tuition fee waivers due to institutional cooperative programmes or agreements with donors (€894,000).

One (EEA) student availed himself of Emergency Funding in 2012, receiving a one-time grant due to unforeseen circumstances and costs not attributable to the student him/herself.

#### *Overview of Wageningen Financial Support*

| Arrangement               | Number of Students |     |       | Amount (€) |         |           |
|---------------------------|--------------------|-----|-------|------------|---------|-----------|
|                           | non-EEA            | EEA | total | non-EEA    | EEA     | total     |
| FOS                       | 14                 | 428 | 442   | 43,635     | 516,365 | 560,000   |
| WU Funding                | –                  | 119 | 119   | 419        | –       | 419       |
| WU Fellowship Programme   | 438                | –   | 438   | 1,254,000  | –       | 1,254,000 |
| Emergency Student Funding | 0                  | 1   | 1     | 0          | 700     | 700       |

#### **2.6.2.5 Alumni Relations and Fundraising**

Wageningen University has a network of over 35,000 alumni, including PhD alumni, spread across some 100 countries. The Alumni and Funds Department, in close cooperation with the KLV Alumni Network, maintains relationships with alumni by keeping them up-to-date on Wageningen UR trends and developments, creating meeting platforms on Wageningen UR's online alumni page and LinkedIn and organising events both at home and abroad.

In 2012, regional alumni meetings were organised in the Netherlands in association with the KLV and existing regional alumni boards in northern and eastern Holland, The Hague and surrounding areas and Utrecht and surrounding areas. International alumni meetings were also held in Ethiopia and China.

Reunions organised in 2012 for 25 and 50 year anniversary alumni were very well attended. The Wageningen Ambassadors Alumni Network counted 45 at the end of 2012.

Two regular meetings were scheduled, and multiple small group sessions, such as a meeting for new members and discussions with the Fundraising Committee that the 'Food for Thought' fund raising campaign helped give shape to. In addition, a programme for all Wageningen University alumni was developed for the Jubilee in 2013.

With the goal of raising private funds for Wageningen UR to conduct research in developing solutions for the world's food problem, the 'Food for Thought' fund raising campaign was launched at the end of 2010. The campaign consisted of nine ground-breaking projects. By the end of 2012, the amount of donations received and pledged totalled more than €9 million.

---

Actions have been taken to preserve the Malus and Pyrus collections in the Belmonte arboretum and the Anne van den Ban Fund that provides scholarships to international students. In addition, under the auspices of the Wageningen University Fund, the Alumni and Funds Department carried out the project management for 20 Designated Funds.

The annual awards are funded by the Wageningen University Fund (WUF) and in 2012 the following awards were given: WUF-KLV Thesis Awards, the Teacher of the Year Award, and the Diës Award (a Research Award in 2012). New in 2012 was the Mansholt Business Award for Sustainable Entrepreneurship, an amalgamation of the former WUF Business Award and the Mansholt Award. The purpose of the award is to demonstrate that Wageningen University alumni and entrepreneurs directly linked to Wageningen University actively contribute to sustainable entrepreneurship through their significant international, social influence. In association with StartLife, the award is awarded to a successful entrepreneur who operates his/her company in an inspiring and sustainable manner. The winner for 2012 was Jan Hadders, owner of Dacom.

### 2.6.3 Complaints and Appeals

#### **Wageningen UR**

##### *Wageningen UR Complaints Committee for Undesirable Behaviour*

In 2012, one complaint of unwelcome behaviour was submitted pursuant to the Regulations Governing Unwelcome Behaviour and the Wageningen Code of Conduct for Scientific Practice by six complainants. The complaint was found to be unfounded under the Wageningen Code of Conduct for Scientific Practice.

The complaint was partially upheld under Wageningen UR's Regulations Governing Unwelcome Behaviour.

#### **Wageningen University**

##### *Advisory Committee on Appeals and Objections*

The Advisory Committee on Appeals and Objections (AWB Chapters 6 and 7, CAO-NU) received 16 appeals in 2012, two of which were withdrawn. Two appeals were declared unfounded, nine are still pending and three were held inadmissible.

Three appeals initiated in 2011 were finalised in 2012. One appeal was withdrawn, one declared unfounded and a third, founded in part and unfounded in part. In response to dismissals of prior complaints in 2011 and 2012, one was declared valid on appeal while the other was withdrawn. Finally, one appeal from 2011 and one from 2012 are still pending.

##### *National Complaints Committee for Job Classifications*

The National Complaints Committee for Job Classifications received no complaints in 2012.

##### *Advisory Committee on Disputes*

In 2012, the Advisory Committee on Disputes (GAC) received 28 objections and one petition that was referred to the Student Service Centre. Of the objections, thirteen were based on a decision from the Regulations for Student Financial Assistance, eight on a decision from the Subsidy Scheme for vaccinations and travel-related costs for internships and theses, six on the long-term student penalty and one on a disciplinary measure. In thirteen cases, the Executive Board agreed with the objection so the GAC was not required to render its opinion. In one case, the petitioner, after being heard by the GAC, accepted the decision. In anticipation of the amendment which would result in the repeal of the long-term student measure, effective retroactively as of 1 September 2012, issuance of opinions by the Committee on objections were suspended. In the remaining eight cases, the GAC advised the Executive Board to find the objections unfounded.

##### *Examinations Appeals Board*

Nine appeals were filed with the Examinations Appeals Board (EAB) in 2012. Four appeals were directed against a particular assessment. Three appeals were directed against a decision not to admit the appellant to an MSc programme. The two remaining appeals were directed against decisions

---

concerning the result of an examination respective to obtaining a degree in an old programme. In three cases, the appellants accepted the decision after examining the detailed justification thereof. Two appeals were amicably settled so the EAB did not consider the substantive details of the appeal. Three appeals were declared unfounded by the EAB after arguments were heard. One appeal, after the parties were heard by the EAB, resulted in settlement negotiations taking place between the parties. Pending the outcome, the EAB has suspended any further hearings of the appeal.

#### **DLO Research Foundation**

##### *DLO Research Foundation Grievance Committee for the Individual Right of Complaint*

The Grievance Committee for the Individual Right of Complaint (CAO DLO) handled four grievances in 2012. One grievance was upheld in part and declared unfounded in part, two grievances were withdrawn and one is still pending.

##### *DLO Complaints Committee for Job Classifications*

The DLO Complaints Committee for Job Classifications did not handle any complaints in 2012.

#### **2.6.4 Facilities and Services**

Wageningen UR was also able to reduce costs and improve efficiency in 2012. Where relevant, savings have already been passed on to 2013 rates or will be passed on to 2014 rates.

In the 2011 Dutch Student Survey (NSE), Wageningen University's facilities, with the exception of its dining facilities, scored significantly higher than the national average. Catering services were re-procured in 2012. User needs were inventoried and included in the tender. Wageningen UR strives to remain in the top three regarding its facilities in future NSE surveys including quality and support or education spaces and study areas, ICT facilities, digital learning environment, sports facilities and dining facilities.

The 2012 customer satisfaction survey indicates that employees are satisfied with the facilities and services Wageningen UR offers. They scored an average of 7.4, 0.3 points higher than in 2010 and 0.1 points higher than Wageningen UR's 2014 target. The target values for user satisfaction reflect the balance that Wageningen UR intends to achieve between user needs and a socially responsible business (including cost effectiveness). Three product groups remain behind the Wageningen UR 2014 targets: hot drink vending machines, Intranet information, and telephone choice. An action plan has been prepared to improve these over the coming period. Compared to similar institutions, Wageningen UR's traditional facility product groups scored nearly 0.8 points higher.

## **2.7 Planet**

Wageningen UR's Code of Integrity states the following: "Wageningen UR recognises the direct and indirect consequences of its activities. In light of its commitment to the sustainable development of prosperity and welfare, Wageningen UR is committed to a responsible approach to nature, the environment and animal welfare. This starting point, as well as the potential for application, applies to both its own operations and to the activities it undertakes." The Code of Integrity, as well as other codes, are included in Wageningen UR's framework, see [infra 1.14](#).

Details of the implementation are set out in the Wageningen UR 2011-2014 Strategic Plan, see [www.wageningenur.nl/nl/Over-Wageningen-UR/Strategisch-plan.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Strategisch-plan.htm).

The Annual Report – pursuant to the materiality assessment – looks at relevant and material issues. A summary of the quantitative results obtained are shown in the table below.

---

## Summary of 2012 operations 'Planet' results.

| Component/Issue                | Goal                             | Achieved in 2012  |
|--------------------------------|----------------------------------|---|
| <b>Facilities and Services</b> |                                  |   |
| Energy                         | 2% reduction per year            | 1.6% reduction  |
|                                | Renewable energy procurement     | 100% procurement of green wind energy with SMK certification            |
|                                | Renewable energy production      | 65 million kWh wind energy  |
| Waste                          | Reduce paper waste               | 40% with respect to 2011  |
| CO <sub>2</sub> Footprint      | Reduction with 2010 as base year | 41.3ktonne CO <sub>2</sub> , reduction of 43% with respect to base year |
| Buildings                      | GreenCalc standard 215           | New education building Orion 480  |
|                                | Carrying out of student housing  | 226 rooms   |
| Procurement (see 2.9)          | 50% sustainable procurement      | 97% sustainable procurement   |

### 2.7.1 Research and Education

Sustainability and biodiversity are key components of many of Wageningen UR's research and education programmes. The domain within which Wageningen UR is active (healthy food and living environment) is divided into two subdomains: 'food production' focuses on sustainable food production with minimal impact on the environment, climate and biodiversity; 'living environment' focuses more specifically on the impact of climate change on landscapes and biodiversity conservation ([www.wageningenur.nl/nl/Over-Wageningen-UR/domein.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/domein.htm)).

Sustainability plays a major role in all of the Strategic Plan's investment themes, as it does in tailored nutrition which is entirely focused on shifting products in the protein chain (protein transition). In addition to social themes, the Strategic Plan includes a number of scientific themes. Within informational governance, local communities are provided with information to help them manage their common resources.

In addition to strengthening the international position of the Netherlands and increasing knowledge intensity, the leading-industry policy includes the contribution these leading sectors make towards centrally solving social issues. Sustainability and biodiversity therefore form an important dimension of the research that takes place within the leading sectors. Public-private partnerships (PPPs) that optimally contribute to sustainability and biodiversity are mainly found in the *Agrifood*, *Horticulture & Raw Materials* programmes, and the intersecting *Biobased Economy* theme.

The second Rutte Cabinet continues to support the leading sector policy and, through the Netherlands Organisation for Scientific Research (NWO), made €275 million available for programmatic research. In addition, the government granted the NWO €100 million for fundamental and applied research, a one-time grant of €50 million for research within the leading sectors and an additional €150 million to strengthen fundamental research (knowledge development).

The EU has made €50 billion available for research within the Seventh Framework Programme for Research and Technology. This programme will run until 2013 and will then be followed by Horizon 2020. The programme aims to strengthen European industry and international competitiveness. The EU recognises that global issues such as sustainable resource management, climate change and infectious diseases are often a driving force behind research and innovation and through its policy, supports research to address these issues.

Not only does Wageningen examine climate change, but it also works towards discovering the causes and solutions for mitigating the effects of climate change on nature, agriculture and humankind. Examples of this research are available for viewing under Climate & Water at [www.wageningenur.nl/nl/Onderzoek-Resultaten/Themas/Thema-Klimaat-en-water.htm](http://www.wageningenur.nl/nl/Onderzoek-Resultaten/Themas/Thema-Klimaat-en-water.htm). Programmes related to climate research can be found at [www.wageningenur.nl/nl/Onderwijs-Opleidingen/Studiekiezers-bachelor/Iets-studeren-met/Klimaatverandering.htm](http://www.wageningenur.nl/nl/Onderwijs-Opleidingen/Studiekiezers-bachelor/Iets-studeren-met/Klimaatverandering.htm).

Biodiversity is examined from various angles, including genetic, species; and ecosystems. Wageningen UR is active in all of these areas, both nationally and internationally. Examples of research and programmes in biodiversity are available at [www.wageningenur.nl/nl/Onderzoek-Resultaten/Themas/Thema-Natuur-en-landschap/Biodiversiteit.htm](http://www.wageningenur.nl/nl/Onderzoek-Resultaten/Themas/Thema-Natuur-en-landschap/Biodiversiteit.htm)

## 2.7.2 Management Operations

Wageningen University's and the DLO Research Foundation's management operations are interrelated; it is difficult to distinguish Wageningen University's products or services from DLO's. For this reason, the management operations of Wageningen UR as a whole are reported.

The material (environmental) results are outlined in this Annual Report. More detailed environmental results and matters are reported in the 2012 Environmental Annual Report, available for viewing at [www.wageningenur.nl/nl/Over-Wageningen-UR/Duurzaamheid.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Duurzaamheid.htm).

The Environmental Annual Report is prepared annually for various authorities in the Netherlands as stipulated in the environmental permit.

Wageningen UR's environmental policy focuses on meeting minimum requirements to comply with applicable laws and regulations as well as prior objectives for its management operations. Objectives for 2012 were:

- to comply with the requirements of environmental permits;
- to implement the action plan 'Despatch towards more Sustainable Management Operations.'

Results of environmental aspects of energy, biodiversity, mobility, CO<sub>2</sub> footprint and housing for 2012 are outlined below.

### Energy

Wageningen UR's energy efficiency complied with Multiannual Agreement 3 (MJA3), see [www.agentschapnl.nl/content/convenanttekst-meerjarenafspraak-energie-efficiency-2001-%E2%80%93-2020-mja3](http://www.agentschapnl.nl/content/convenanttekst-meerjarenafspraak-energie-efficiency-2001-%E2%80%93-2020-mja3).

Wageningen UR's 2012 energy consumption is outlined in the following table.

*Direct and indirect energy consumption for Wageningen UR in 2012.*

| Energy consumption | Electricity (kWh) | Gas (Nm <sup>3</sup> ) | GJ      | Tonnes of CO <sub>2</sub> |
|--------------------|-------------------|------------------------|---------|---------------------------|
| 2005               | 59,581,768        | 11,031,812             | 886,033 | 53,598                    |
| 2010               | 59,522,471        | 9,720,625              | 844,550 | 53,447                    |
| 2011               | 58,986,867        | 8,103,014              | 788,522 | 15,400                    |
| 2012               | 59,559,676        | 8,324,624              | 799,511 | 15,806                    |

| Energy consumption in comparison to 2005 | Electricity | Gas  | GJ   | Tonnes of CO <sub>2</sub> |
|--|-------------|------|------|---------------------------|
| 2005                                     | 100%        | 100% | 100% | 100%                      |
| 2010                                     | 100%        | 88%  | 95%  | 100%                      |
| 2011                                     | 99%         | 73%  | 89%  | 29%                       |
| 2012                                     | 100%        | 75%  | 90%  | 29%                       |

| Surface area (in m <sup>2</sup> ) | 2012    | 2011    | 2010    | 2005    |
|-----------------------------------|---------|---------|---------|---------|
| Total                             | 495,857 | 474,020 | 473,978 | 241,839 |

| Specific consumption                           | 2011     | 2011     | 2010     |
|--|----------|----------|----------|
| GJ/m <sup>2</sup>                              | 1.6124   | 1.6635   | 1.7818   |
| Natural gas (Nm <sup>3</sup> /m <sup>2</sup> ) | 16.7784  | 17.0942  | 20.5086  |
| Electricity (kWh/m <sup>2</sup> )              | 120.1146 | 124.4396 | 125.5807 |

Overall, a 0.7% energy reduction was achieved in 2012 compared to 2011. This includes climate corrections, namely, cooling and heating. Without climate corrections, a 2.6% increase in energy occurred. The 2% required energy reduction compared with 2011 figures was therefore not achieved in 2012. This was a result of Wageningen UR's expanding its surface area which resulted in a doubling of its occupancy, the increase in the number of students and associated energy consumption, and the commissioning and utilisation of new buildings.

Heat and cold (thermal) storage worked better in 2012 than it did in 2011, resulting in 0.9% renewable heat. A good balance between the charging and discharging of cold and heat in the ground was achieved.

In 2012, a 71% reduction in CO<sub>2</sub> was achieved with 2005 as the base year.

The reduction is due to the reduction in gas replaced by the procurement of SWK certified green wind energy.

In addition to the results and conclusions of the data, the following results from the MJA were achieved:

- Cost-effective measures were taken pursuant to Wageningen UR's approved 2008-2012 EEP, including the optimising the operation of installations.
- Approved 2013-2016 EEP, with an estimated savings of 9%.
- Systematic energy management.
- Energy incentives regime.
- Measures taken in the context of supply chain efficiency and renewable energy. This includes measures such as the operation of wind turbines, the solar meadow, the centre for sustainable management and Combined Bio Heat and Power. The focus of these activities is Acrres in Lelystad and Nij Bosma in Goutum;
- In 2012, the owner and organisational units involved implemented Phase 2 of the energy efficiency feasibility study on Wageningen North Campus, where the greenhouses are located.

## **Waste**

Wageningen UR has three main streams of waste: industrial waste, paper waste, and hazardous waste. The amount of waste over the past three years is outlined in the table below.

*Amount of waste in kg produced by Wageningen UR in 2010, 2011 and 2012.*

| Mainstream Waste | 2012*     | 2011      | 2010      |
|------------------|-----------|-----------|-----------|
| Industrial Waste | 1,577,791 | 1,493,394 | 1,063,279 |
| Paper            | 286,325   | 477,197   | 350,032   |
| Hazardous Waste  | 248,876   | 223,593   | 191,380   |
| Total            | 2,112,445 | 2,194,724 | 1,604,691 |

Compared to 2011, the amount of waste decreased slightly in 2012. When factoring in the departure of VHL (111 kt) from the participational consortium, the amount of waste generated remained virtually unchanged compared to 2011 amounts. Compared to 2010, the amount of waste increased, which is accounted for by (nearly all) locations being included in 2011 and 2012 results.

Industrial waste was monitored according to the following parameters: cost/tonne, waste weight/m<sup>3</sup>, reducing waste costs, transport, and separation percentage. Although much effort was put into separating waste by the scanning of industrial waste and separate collection of plastics at some locations, this did not lead to lower waste production.

The amount of paper waste decreased by 40% in 2012 compared to 2011, excluding the 22 tonnes of paper waste produced by VHL. One explanation for the large decrease is the increase in digital works. An example of this is the paper reduction in Actio following the introduction of the New Work (Nieuwe Werken) in late 2011. The amount of paper waste for the years 2009 to 2012 was respectively 15, 19, 21 and 8 tonnes.

Forum, the education building on the Wageningen Campus, had 16 different waste streams: confidential paper; vending cups; cartridges; data carriers; electronics; foil; organic waste; glass; wood; cardboard; plastic packaging; paper & cardboard; PET; polystyrene; residual (non-recoverable) waste; and scrap material. Through the separation of these wastes, large quantities of raw materials may be made suitable for re-use.

*Distribution of waste from Wageningen Campus education building Forum.*

| Waste Streams       | 2012 | 2011 | 2010 |
|---------------------|------|------|------|
| Residual Waste      | 44%  | 45%  | 45%  |
| Paper and Cardboard | 36%  | 43%  | 40%  |
| Organic Waste       | 9%   | 5%   | 5%   |
| Plastics            | 4%   | 3%   | 3%   |
| Hazardous Waste     | 1%   | 1%   | 0%   |
| Other               | 6%   | 3%   | 7%   |
| Total               | 100% | 100% | 100% |

There were no major changes in 2012 in the distribution of waste compared to 2011 and 2010. Forum's waste separation efforts paid off: Forum's share of waste (44%) was significantly lower than the Wageningen Campus average (65%).

### **Biodiversity**

In 2012, Wageningen UR held about 2,434 hectares of surface soil. Biodiversity sits high on the Wageningen UR agenda as reflected in Wageningen UR's domain description. Wageningen UR takes its responsibility towards biodiversity issues seriously, including for its Wageningen Campus.

Wageningen Campus consists of a 67.5-hectare area; it borders the city of Wageningen on the south and west and forms part of the municipality. In the south, Wageningen Campus borders the 'Blue Mountains' park. To the east is an area where Wageningen UR-related knowledge institutions and businesses may establish themselves. This is also where the Grintbeek flows. The Grintbeek forms part of the ecological water system of the Wageningen Campus and the environment. North of Wageningen Campus is Binnenveld, a cultural landscape and sanctuary that is enclosed within the 'De Grift' nature reserve (see also [www.wageningenur.nl/nl/Expertises-Dienstverlening/Faciliteiten/Wageningen-Campus/Natuur.htm](http://www.wageningenur.nl/nl/Expertises-Dienstverlening/Faciliteiten/Wageningen-Campus/Natuur.htm)).

Everything that lives, grows and flourishes is welcome on the Wageningen Campus, so long as it does not lead to unsafe situations for users or damage buildings or grounds. Moreover, it may not impact the Wageningen Campus' professional reputation or impede the fulfilment of its main function, which is to provide opportunities for research and education in the life sciences and related activities. The purpose and structure of the Wageningen Campus were developed in consultation with the province, the municipality of Wageningen, municipal partnerships in the region ('Food Valley'), Wageningen UR directors and management, Wageningen UR-related businesses and various interest groups.

More than half of the Wageningen Campus site has a social function (ca. 36 ha). Approximately three-quarters of the campus focuses on education while the remaining quarter is designated a 'mixed' function (the southern strip). Slightly less than half (47%) of the land is made up of greenery, resting areas, hiking trails and cycling paths. It consists of green, grassy areas interspersed with well-managed grass and flower meadows. The lawns and upper recess, reinforced and drained area for festivals, are intended for entertainment and events.

Groups of trees and shrubs are scattered throughout the area. The area is also characterised by linear structures, such as avenues of oaks and hedges along the parking grounds. This fits in with the cultural landscape of Binnenveld. There are five large ponds whose main function is the storage and entry into circulation of clean (seepage) water within the ecological water system of the Wageningen municipality.

In the west of the Wageningen Campus is an approximately 2.5-hectare wood whose function is environmental. An approximately one-hectare ecological garden lies in the northeast, around one of

---

the five large ponds. The rough grass, the trees and thickets make up the ecological corridors that enable animals that use Wageningen Campus to forage and roam between habitats. There are no naturally occurring or present species on the Wageningen Campus that are on the Red List of endangered plants and animals.

In 2012, there were a number of building activities on the Wageningen Campus. Wageningen UR recognises the impact these activities have on biodiversity and the environment and takes mitigating measures. Extensive conservation and preservation measures are applied where possible to enhance biodiversity. To tackle pests, Wageningen UR uses a prevention system based on Integrated Pest Management (IPM) guidelines. Before replanting, for example, in new construction or after (required) tree felling, criteria are prepared for the selection of vegetation so as to achieve a variety that is attractive to both humans and wildlife.

### **CO<sub>2</sub> Footprint**

The CO<sub>2</sub> footprint for 2012 was similar to that for 2011 and 2010 and calculated by the independent engineering firm DHV. The footprints provide Wageningen UR insight into the leakage of coolants, the direct and indirect emissions of hazardous gases, livestock and land use. The CO<sub>2</sub> footprints and trends have made Wageningen UR aware of its CO<sub>2</sub> emissions and what it can do to reduce them.

The inventory was carried out in accordance with ISO 14064-1, based on the 'Greenhouse Protocol.' The analysis was carried out in accordance with the CO<sub>2</sub> Performance Ladder, Version 2.0. Agricultural land and livestock emissions were taken into account when calculating Wageningen UR's emissions in particular.

2010 was the base year for the CO<sub>2</sub> footprint. Our CO<sub>2</sub> footprint results are presented in the table below.

*Wageningen UR's CO<sub>2</sub> footprint in 2010, 2011 and 2012.*

| Year | CO <sub>2</sub> emissions in kilotons |
|------|---------------------------------------|
| 2010 | 73.2                                  |
| 2011 | 41.6                                  |
| 2012 | 41.7                                  |

Results indicate that the CO<sub>2</sub> footprint for 2012 was almost equal to that for 2011.

VHL's share of the CO<sub>2</sub> footprint was 1.4 kilotons of CO<sub>2</sub>. In 2012, DLO and WU emitted an additional 1.5 kilotons of CO<sub>2</sub>. The major changes with respect to 2011 were higher energy consumption and more work-related kilometres travelled. This was offset by a lower amount of paper waste.

At Wageningen UR, the sources that most contribute to greenhouse gas emissions are buildings, agricultural land, commuting and work-related air travel (for CO<sub>2</sub> emissions breakdowns per source and for management operations, see the Environmental Annual Report). The health, safety and environment departments of each organisational unit – along with the organisational unit itself – will designate focal points and take measures to further reduce CO<sub>2</sub> emissions.

Wageningen UR contributes to reducing CO<sub>2</sub> emissions through its windmill farm in Lelystad, waste separation and the deploying of combined bio heat and power to deliver green gas to residential areas and by planting trees to offset its air travel.

### **Corporate Housing**

Given the growth in the number of students and the desire to focus on research and education, the decision was taken to concentrate on buildings on the Wageningen Campus. The completion of proposed facilities and the achievement of related efficiency measures will enable Wageningen University to increase its number of students to 10,000.

Phase 2 of the Strategic Plan for New Construction consists of the following projects:

- Preparations, procurement and execution of second Orion education building;

---

- Preparations for renovations and new construction projects for the AFSG: Atrium renovations, building new connecting building, and planning preparations for new construction Helix
- Implementation of the second phase of the Wageningen Campus Infrastructure Plan

Upon completion of the Strategic Plan for New Construction, the following buildings and sites became surplus to requirements and were sold:

- Kortenoord Complex (sold: 2007; final pricing: 2011);
- Dreijen Botanical Centre.

Plans also been prepared for the redevelopment of Born-Oost, Dreijen, Duivendaal and the Animal Sciences Group practical centres.

The new Development Plan for Campus Plaza was developed in 2012. Campus Plaza is a student housing and amenities project that will incorporate amenities such as a compact supermarket, coffee bar and nursery.

In addition to the projects of the Strategic Plan for New Construction, the following construction projects were also developed and carried out in 2012:

- Completed construction of student housing in the former Maurits Barracks in Ede;
- Completed construction of student and visiting staff housing in the former Beringhem nursing home in Bennekom;
- Planning preparations for the Duivendaal student housing in Wageningen;
- Planning preparations and implementation of Impulse on the Wageningen Campus;
- Planning preparations and implementation of In Between, a new joint entrance for Gaia and Lumen in conjunction with the ISRIC World Soil Museum;
- Planning preparations for housing the Computechnion and Data Centre in or near the Actio building;
- Preparations for the re-accommodation of ISRIC with a new shared entrance to Gaia and Lumen;
- Planning preparations for Nexus, the new exchange building;
- Expanding the University Sports Centre with a larger fitness room. This extension was built with durable larch wood for which larch trees were planted on the Campus as compensation;
- Site preparation and clean-up of the Southern Strip to ready it for external businesses and their targeted acquisition;
- Planning preparations for construction and renovation projects for the Animal Sciences Group in Lelystad;
- Planning preparations for two wind turbines in Lelystad;
- Planning preparations for the IMARES housing in Den Helder and Yerseke.

The following housing-related actions were also undertaken in 2012:

- A number of studies and measures relating to sustainable construction and energy efficiency;
- New education building Orion obtained a GreenCalc score of 480. This is far above the 215 standard set by Wageningen UR;
- The new AFSG building Helix obtained a GreenCalc score of 520. The score was achieved based on connecting to a heat and cold storage system, application of concrete core activation and heat recovery among others. These Measures, along with the generating of wind energy, contributed to Wageningen UR becoming one of the Netherlands' most sustainable centres for excellence;
- Various fire safety measures related to the user permit;
- Condition-dependent systematic maintenance, taking into account the status and future plans of the buildings (retention, sale or demolition).

## 2.8 Profit

### 2.8.1 Economic Performance Indicators

Wageningen UR is a non-profit entity. Positive profit results may be used to carry out the organisation's social objectives, such as conducting research and education, supporting spin-offs and establishing partnerships (see [www.wageningenur.nl/nl/Over-Wageningen-UR/Kennisvalorisatie.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Kennisvalorisatie.htm)).

The progress of economic performance indicators was reported on in Wageningen University's and DLO's 2012 Annual Financial Statements (Chapter 3).

### Direct Economic Value

The table below shows key financial figures for Wageningen UR divided between its two legal entities, Wageningen University and the DLO Research Foundation. For more details and substantiation of these indicators, see Chapter 3, Annual Financial Statement.

*Key figures – Wageningen UR.*

|   | 2012  | 2011  | 2010  | 2014 Target |
|---|-------|-------|-------|-------------|
| DLO turnover excl. EZ and matching market   | 96.1  | 87.5  | 84.8  | 135         |
| Net Margin DLO in % sales incl. incidentals | 1.8%  | 2.6%  | 3.0%  |             |
| Net Margin DLO in % sales excl. incidentals | 3.2%  | 3.4%  | 3.3%  | 3%          |
| Solvency as percentage of total assets      |       |       |       |             |
| DLO   | 51.2% | 49.7% | 48.4% | >45%        |
| WU  | 42.0% | 40.4% | 40.8% | >35%        |
| Reduction in working capital <sup>1)</sup>  | 3.3%  |       |       | 2%          |

<sup>1)</sup> Average working capital over four years (excl. liquidity and long-term debt repayment obligations) decreased from – 16.4% to –19.7%

Amounts \* € millions

The financial implications and other risks and opportunities of Wageningen UR's activities as a result of climate change under its 'voorlopen' ('leading') ambition include:

- Applying GreenCalc index for new construction and renovations, with 180 lower level and 215 target level;
- Energy incentives for departments;
- 97% sustainable procurement;
- Buying Guarantees of Origin for green wind power for all electricity consumed;
- Exploring the possibilities of a 'private' CO<sub>2</sub> compensation fund to compensate for business-related air travel.

Wageningen University and DLO's pension insurance contracts were concluded with ABP.

The pension scheme is in line with average earnings and indexed if the pension fund's coverage ratio allows. On 31 December 2012, the ABP pension fund had a 96% coverage rate. In 2012, pension contributions increased and indexation linked to wage developments did not take place.

Compared to the end of 2011, the coverage ratio improved by a mere 2%. Based on the recovery plan, a coverage ratio of 98.5% was foreseen on 31 December 2012. The actual coverage ratio on 31 December 2012 was 2.5% lower.

Due to ABP's low coverage ratio on 31 December 2012, the ABP Board will likely decide over the course of 2013 to lower participants' pensions by 0.5% on 1 April. This will apply to both participants accumulating their pensions (or who have already accumulated their pensions) and retirees. In line with the recovery plan, the ABP coverage ratio by year-end 2013 must be 104.3%. Based on current knowledge and data, the ABP Board will enact a further pension reduction in 2014.

Wageningen UR receives government funding. The amounts of these contributions are shown in the table below.

*Overview of government funding – Wageningen UR.*

| Legal entity          | Share                    | Benefits   | Government contribution |
|-----------------------|--------------------------|------------|-------------------------|
| Wageningen University | Central Government grant | 166        | 166                     |
|                       | 2nd & 3rd flow of funds  | 105        | 24                      |
|                       | Tuition and course fees  | 21         |                         |
|                       | Other benefits           | 23         |                         |
| DLO                   | EZ (Ministry) funding    | 136        | 136                     |
|                       | Contract research        | 155        | -                       |
|                       | Other benefits           | 52         |                         |
| <b>Total</b>          |                          | <b>658</b> | <b>326</b>              |

\*in € millions

Funding from the central Government at Wageningen University consists of a government grant for research and education, the second flow of funds for research and a grant from the Ministry of Economic Affairs (EZ) for programme funding based on the DLO subsidy scheme.

Wageningen UR is awarded an approximately €1.5 million annual Research and Development Act (WBSO) grant. This is passed on to businesses financed by the research project subsidy either directly or in the form of lower rates.

In 2012, Wageningen UR received investment grants from the provinces and government to invest in equipment and lab facilities. Wageningen University receives common agricultural subsidies for its testing facilities.

**Indirect Economic Value**

Wageningen UR contributes to the quality of life not only through research but also by contributing to the quality of the environment surrounding its branches. This is accomplished by such actions as investing in an attractive campus, opening its Arboreta to Wageningen residents and co-organising the Food4You festival.

At the national level, Wageningen University contributes non-commercially to the spread of knowledge with the Science Shop, the beta fulcrum and food education programmes for primary schools.

**Market Presence**

In the table below, salaries are calculated to reflect full-time (FT) salaries. As a result, the significant differences in gross salary are comparable.

December 2012 gross salaries are applied as the base period.

Wageningen University includes approximately 700 PhD candidates. These employees are engaged in scientific research for a period of several years. These staff members are provided with separate funding and salaries. Given the size of this group – which is limited almost exclusively to Wageningen University – figures are significantly affected, and this particular staff group is usually disregarded in HRM-related cost equations. For completeness, PhDs have been included in the tables below.

*Salary structure for Wageningen UR, including PhD candidates, calculated at full-time salary (FT) with December 2012 as base period.*

| <b>Legal entity</b>   | <b>FT salary class</b>  |                         |                         |                         |                         |                         |                          |
|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|
|                       | <b>1,000-<br/>2,000</b> | <b>2,001-<br/>3,000</b> | <b>3,001-<br/>4,000</b> | <b>4,001-<br/>5,000</b> | <b>5,001-<br/>6,000</b> | <b>6,001-<br/>8,000</b> | <b>8,001-<br/>20,000</b> |
| DLO                   | 13                      | 638                     | 804                     | 702                     | 592                     | 118                     | 12                       |
| Wageningen University | 56                      | 1391                    | 724                     | 523                     | 217                     | 87                      | 42                       |
| <b>Total</b>          | <b>69</b>               | <b>2029</b>             | <b>1528</b>             | <b>1225</b>             | <b>809</b>              | <b>205</b>              | <b>54</b>                |

#### *Differences in Entities*

The differences in Wageningen UR's respective legal entities' salary structures are due to a number of factors. The number of PhD students whose salaries fall in the €2,001- €3,000 FT salary class explains Wageningen University's higher rates in this salary class. The higher numbers at Wageningen University in the €8,001- €20,000 class is due to professors, who are almost exclusively employed at the university. A final factor is the difference in the entities' respective collective labour agreements. The monthly salaries on which these tables are based are slightly higher at the DLO Research Foundation than they are at Wageningen University. Wageningen University, however, has a higher year-end bonus rate (8.3% vs. 3%).

*Wageningen UR salary structure in percentages, including PhD candidates, calculated at FT salary with December 2012 as base period.*

| <b>Legal entity</b>   | <b>FT salary class</b>  |                         |                         |                         |                         |                         |                          |
|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|
|                       | <b>1,000-<br/>2,000</b> | <b>2,001-<br/>3,000</b> | <b>3,001-<br/>4,000</b> | <b>4,001-<br/>5,000</b> | <b>5,001-<br/>6,000</b> | <b>6,001-<br/>8,000</b> | <b>8,001-<br/>20,000</b> |
| DLO                   | 0.5%                    | 22.2%                   | 27.9%                   | 24.4%                   | 20.5%                   | 4.1%                    | 0.4%                     |
| Wageningen University | 1.8%                    | 45.8%                   | 23.8%                   | 17.2%                   | 7.1%                    | 2.9%                    | 1.4%                     |
| <b>Total</b>          | <b>1.2%</b>             | <b>34.3%</b>            | <b>25.8%</b>            | <b>20.7%</b>            | <b>13.6%</b>            | <b>3.5%</b>             | <b>0.9%</b>              |

#### *Recruiting Senior Management*

Wageningen UR's Recruitment and Selection Procedures apply to all Wageningen University and DLO employees.

The following principles are applied:

- The Code established by the Dutch Association for Personnel Management & Organisation Development was applied to recruitment and selection;
- Transfer candidates retained their priority position;
- All vacancies that were not filled from the reassignment candidate round were then opened for recruitment of both internal and external candidates;
- In the event of several suitable candidates, internal candidates were given preference.

#### *Recruiting Higher Management*

Two processes were used in the recruitment of higher management. The first regular recruitment process entailed publishing the vacancy on various media. The second process involved shortlisting candidates. Shortlisted candidates were actively approached. Shortlisted candidates typically have a proven track record in the field for which they are being recruited.

#### *Regional Relationships*

Wageningen UR does not specifically recruit employees from the region. This is true for all manner of positions. Quality is central to the recruitment process. For this reason, candidates are recruited from across the Netherlands. Candidates are recruited from around the world for research positions. This of course means the international employee will settle in the Wageningen region.

Wageningen UR is currently unable to produce figures indicating the amount of employees recruited from the region.

## 2.9 Suppliers and Supply Chain Responsibility

Wageningen UR has an organisation-wide procurement policy that applies to suppliers and supply chain responsibility. All procurements are subject to the General Conditions of Procurement. Separate conditions of purchase apply to services, products and supplies. All procurement-related documents are transparent and available for viewing at [www.wageningenur.nl/nl/Over-Wageningen-UR/Facilitair-Bedrijf-1/FBInkoop-1.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Facilitair-Bedrijf-1/FBInkoop-1.htm).

Wageningen UR recognises fundamental principles of human rights in its procurement policy and requires all of its suppliers to uphold these principles. Wageningen UR only works with suppliers and parties who comply with the spirit of Wageningen UR's Code of Integrity (see 1.3).

### 2.9.1 Sustainable Procurement Policy

Wageningen UR has had its own sustainable procurement policy since January 2008. This is documented in the *Addendum to the Sustainable Procurement Policy*. In this respect, Wageningen UR complies with AgentschapNL's (Ministry for Economic Affairs) sustainability criteria.

*Sustainable procurement is defined as follows:*

"The application of environmental and social considerations throughout all phases of the procurement process, ultimately leading to the effective delivery of products, services or works that comply with these environmental and social considerations."

Wageningen UR recognises that regionalising procurement can contribute to sustainability. The closing of cycles, reducing transport distance of people and materials, promoting social cohesion and well-being, reducing regional unemployment and congestion and strengthening the regional economy are all heavily considered issues.

### 2.9.2 Implementation of Policy

Procurement is managed through a sustainable, cost-effective and reliable procurement process and facilitates a customer-friendly and efficient ordering system. Communication having to do with suppliers, supply chain responsibility and procurements takes place through buyers and the Procurement News digital newsletter. Wageningen UR works closely with other universities through the University Procurement Platform.

Sustainability criteria established by AgentschapNL are incorporated into all tendering processes as agenda points and laid out in the final reports. When these criteria entail no additional costs or other restrictions, they are also incorporated into newly contracted agreements. The internal ordering party may also opt to incorporate additional sustainability criteria into the tendering process.

Wageningen UR's procurement process is entirely digital. Ordering and billing are digitised by the Electronic Ordering System (EBS). Orders are sent digitally. Suppliers are encouraged to send their invoices digitally. The large number of digitised orders and invoices means considerably less paper, toner cartridges and postal transport.

### 2.9.3 Results for 2012 – Looking Ahead to 2013

A total of 33 procurement projects were completed with a total value of €35.7 million. AgentschapNL's sustainability criteria applied to eleven procurement projects with a total value of €13.5 million. In seven procurement projects, these criteria were actually applied in a combined contract with a value of €13.1 million.

Wageningen UR assessed the sustainability percentage of its procurement. The Ministry of Infrastructure and the Environment commissioned the KPMG to carry out a sustainable procurement monitor for 2010 and sustainability scans for 2011 and 2012 were performed. Both the monitor and sustainability scans were based on sustainability criteria and product groups such as those prepared

---

by AgentschapNL and adopted by the Ministry of Infrastructure and the Environment. The monitor indicated that sustainable procurement was 71% in 2010. Our sustainability scan of completed procurement projects indicates sustainable procurement of 100% for 2011 and 97% for 2012. These three results are well above the 50% national target levels.

The biannual sustainable procurement monitor of the Dutch Central Government for 2012 will be available in May 2013 and is therefore not included in the 2012 Annual Report.

Developments in 2012 included the further implementation of digital procurement tool Negometrix, the introduction of the 'Best Value Procurement' method as the standard procurement method, a preliminary study on performance-based procurement and exploring the potential for more regional procurement. Furthermore, the Sustainability Panel was set up to involve internal engagements and expertise in sustainability considerations of procurement.

In 2013, Wageningen UR will implement the new Procurement Law.

#### 2.9.4 Link to Wageningen UR Research

Suppliers and supply chain responsibility was also a focus area for Wageningen UR research in 2012, evidenced by the 'Sustainable Procurement Criteria' project, for example. This project focused on developing a model for Sustainable Procurement Criteria applicable to various product categories. For more information, see [www.wageningenur.nl/nl/project/Criteria-duurzame-inkoop.htm](http://www.wageningenur.nl/nl/project/Criteria-duurzame-inkoop.htm).

### 2.10 Compliance

Wageningen UR complies with its own codes and with laws and regulations that are applicable to public sector organisations.

Wageningen UR continues to apply the Precautionary Principle. Countless considerations are made on a daily basis concerning accepting new students and staff, conducting research and publishing research results.

The Dutch Corporate Governance Code, the HBO Sector Code of Governance and the Good Governance Code for Universities require organisations to publicise their governance codes and make available any governance code-related documentation. Codes applicable to Wageningen UR are available at [www.wageningenur.nl/nl/Over-Wageningen-UR/Corporate-Governance.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Corporate-Governance.htm).

#### 2.10.1 Fair Dealings

The following policies and procedures are observed in 'fair dealings':

- CAO (universities/DLO): Art. 1.14/3.5 (secondary activities) and 1.15/3.6 (personal benefits);
- Implementing Regulations on ancillary activities;
- Wageningen UR research positioning;
- Paragraph 3 in the Collective Labour Agreement on patents and copyrights;
- Patents and Inventions Regulations;
- Wageningen UR Sustainable Procurement Policy, see 1.8.

#### 2.10.2 Human Rights

The following policies and procedures are observed in relation to human rights:

- Corporate Governance, see [www.wageningenur.nl/nl/Over-Wageningen-UR/Corporate-Governance.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Corporate-Governance.htm);
- Wageningen's Code of Conduct for Scientific Practice;
- Wageningen UR Code of Integrity;
- Complaints protocols for undesirable behaviour and whistle-blowers.
- The Precautionary Principle;
- Guidelines to working in a multicultural setting.

### 2.10.3 Safety and Environment

For safety and environment, compliance with current legislation and regulations at least is required of Wageningen UR.

Our Working Conditions Policy is based on the Health and Safety Catalogue for Dutch Universities (VSNU). These apply to both WU and DLO. The objective is to create optimum working conditions so as to ensure the safety and health of both students and staff, thereby promoting their well-being to the highest degree possible.

Under environmental legislation, actions including reports are completed for various authorities, such as the 2012 Environmental Annual Report and the 2012 Radiation Report.

### 2.10.4 Other Standards and Guidelines

Wageningen UR focuses on externally developed charters including the following standards and guidelines:

- ISO 14001 (environmental management system), ISO 14064-1 (CO2 footprint), ISO 26000 (CSR declaration), ISO 26025, and ISO 26043 (laboratories);
- Health and Safety Catalogue for Dutch Universities (VSNU), applicable to both WU and DLO;
- Covenant on Multi-annual Environment Agreements;
- AgentschapNL Covenant on Sustainable Procurement;
- Animal Testing Transparency Code;
- Dutch Corporate Governance Code.

### 2.10.5 Compliance Framework for 2012

No significant fines or sanctions were levied in 2012 for environmental offenses, anti-competitive behaviour, monopoly and anti-trust practices or other violations of the law.

Various environment-related and non-statutory internal and external audits are conducted within Wageningen UR. Non-statutory audits are conducted for quality assurance, such as ISO 14001, ISO 17025, ISO 17043, ISO 9001 and the ISO 26000 declaration.

The Annual Environment Report and Annual Environment Plan were approved by various authorities.

External assurance processes occur annually through WU's and DLO's financial reporting, see Chapter 5. This assurance process also includes an assessment of the Annual Report in general, which incorporates sustainability considerations.

### 2.10.6 Risk Management and Internal Control

#### **Strategic Risk Objectives**

Wageningen UR's strategic objectives for a four year period are laid out in its 2011-2014 Strategic Plan. Strategic priorities are established and monitored annually and targets and project teams are set for each priority. Related risks are managed through periodic progress reports submitted to the Executive Board.

In 2012, the Science Groups prepared a strategic risk assessment, which was used as input in budget discussions. Important developments were discussed during monthly meetings between organisational unit management councils and the Executive Board.

#### **Operational Risks**

In order to implement the proposed policy, Wageningen UR took management measures to separate functions, process design and procedures and controls to ensure proper functioning. In regard to this, a planning and control cycle is an effective tool in steering both management and directors.

Wageningen UR's Planning and Control Cycle includes the following:

- Annually drawing up a framework letter (multi-annual framework; defines tasks for upcoming financial year);
- Annual budget statement for each unit;

---

- Quarterly balance sheet reports, risk assessments and progress reports;
- Monitoring financial and liquidity developments monthly per organisational unit and department (Early Warning System). These reports are an integral part of monthly discussions between the Executive Board and management councils;
- The Budget Allocation and Project System (BAPS) was implemented for the Ministry of Economic Affairs' project budgets. BAPS is used to inform cluster leaders and financial departments about the depletion of the Ministry's project budgets;
- A Post Calculation of FY2011 was conducted, including a cost-price analysis for every business unit. Deviations from previous years were declared and disclosed. The post calculation was certified by the auditor.

Wageningen UR's Interest Rates Committee convenes quarterly. This Committee is managed by the Executive Board and assesses the liquidity management of the previous quarter. It also outlines the policy and procedure for depositing surplus liquidity in the coming quarter in accordance with Treasury regulations.

In 2012, efforts were made to improve the internal control of the organisation's financial operations under the remit of the Financial Accounting and Internal Control Department. This department not only focuses on the drafting of guidelines, but also independently monitors compliance with these guidelines by the decentralised units. Important issues in 2012 were:

- Improving the processes for obtaining project audit reports by standardising files and work processes with stronger direction from the Group. Phase 2 of this project began in 2012, with the main focus being to strengthen project controllers' knowledge and strengthen the first line of support by the decentralised project coordinators. These points were implemented successfully;
- Building a workflow system ('IC-Risk') for better management of operations and risk reporting mechanisms and better documentation of the control processes;
- Improving knowledge of financial staff through the 'Finance School.' In 2012, 16 courses were offered and attended by 337 course participants;
- Digitising information flows, which permits information to be recorded once in a controlled and uniform manner. 2012 saw improvements to the digitising of the invoicing system for business trips abroad (within the 'MyTravel' system) and domestic claims (within ADP's 'ESS/MSS' system) and project management and time sheets ('MyProjects');
- Research on introducing a new financial administrative system;
- Research into the pros and cons of a shared service centre for financial administration. This led to the decision to gradually introduce a Shared Service Centre Finance, eventually contributing to more opportunities for the introduction of systematic internal controls.

### **Risk Committee**

In 2011, Wageningen UR's Risk Committee was formed in much the same way as its Interest Rates Committee. The Risk Committee's role is to advise the Executive Board on risk management and control of Wageningen UR's main assessed risks. The Committee was formed by the Management Portfolio Holder (Chair), Directors of Corporate Governance & Legal Services and Finance & Control, the Internal Control Compliance Officer and team leader and subject experts who participate in meetings. The Risk Committee convened once in 2012. At this meeting, the strategic risk assessment of the decentralised units and risk liability matching were discussed. A statement was also prepared on the positioning of research. This statement guaranteed independence of research in particular.

### **Looking Ahead to 2013**

Government budget cuts, the increasingly stringent conditions and controls of our major contributors and real estate developments will continue to increase Wageningen UR's risk profile in the coming years. Further development of the risk management process (with line management playing an important role) and the supporting departments is therefore needed. At the same time, one of the objectives of the Strategic Plan is to make support processes more efficient and cost-effective so as to free up funds to concentrate on primary tasks. In this context, the major focus areas for 2013 are the implementation of the 'IC Risk' for the financial, HR and student processes, the procurement of a financial administrative system and the development of a number of smaller steps from the Shared Service Centre Finance project plan approved by the Executive Board.

---

## 2.10.7 Quality Assurance within Wageningen University

### **Research**

Research at Wageningen University is carried out in a graduate school. All graduate schools, for which Wageningen is the secretariat, are accredited by the Accreditation Commission of Graduate Schools of the Royal Netherlands Academy of Arts and Sciences (ECOS-KNAW). This accreditation is for a six year period.

Research-based site audits at Wageningen University are part of the national audit scheme wherein every university must undergo a site audit once every six years. Midterm evaluations are also conducted. These site audits are carried out pursuant to a Standard Evaluation Protocol (SEP) developed and adopted by the Royal Netherlands Academy of Arts and Sciences (KNAW), the Netherlands Organisation of Scientific Research (NWO) and the Association of Dutch Universities (VSNU).

Wageningen University's site audits are conducted with the graduate school as the leading unit. All Wageningen graduate schools and all chair groups were inspected in mid-2009, with the exception of WIMEK-SENSE, which was inspected in 2007. All graduate schools underwent a midterm inspection in 2012, with the exception of WIMEK, which underwent a midterm audit in 2010. Each graduate school's International Advisory Board wished to serve as a sounding-board during these midterm audits and they were all very pleased with the development of the groups.

### **Education**

#### *Internal*

The results of the annual evaluation of undergraduate first-years were very positive. The first-years gave their programme an average rating of 4.0 on a scale of 1 to 5. 80% of students positively assessed their first year.

Evaluations of Bachelor's and Master's graduates were also very positive. Of Bachelor's graduates, 76% would choose the same programme again, 82% of Master's graduates would recommend potential students to complete their Master's degree at Wageningen.

Electronic survey responses ranged from satisfactory to good. The response rate was slightly lower in previous years because of compatibility issues with new browsers. This year, performance of the evaluation software was greatly improved, which led to an increase in electronic survey response rates. Surveys may now also be filled out by Smartphones and other portable devices. Evaluations yielded satisfactory and timely feedback for programme directors, professors and chair holders.

#### *External*

In 2012, the Accreditation Organisation of the Netherlands and Flanders (NVAO) carried out an institutional quality assurance assessment of Wageningen University. In February, the Audit Committee visited the university and, on 31 May, a recommendation was drafted for the NVAO. On 2 July, the NVAO issued a favourable institutional quality assurance assessment and granted the institution the special 'internationalisation' distinction. In the period from April to July, the QANU assessment panels visited 13 Bachelor's and 22 Master's degree programmes. All 35 programme ratings ranged from satisfactory to good. Based on the assessment reports, these 35 programmes submitted their applications for accreditation by the NVAO in December.

## 2.10.8 Quality Assurance within the DLO Research Foundation

The evaluations of the DLO Research Foundation's various research centres are a mandatory component of the agreements between the Ministry of Economic Affairs and the DLO Research Foundation. These evaluations have been incorporated into the DLO Research Foundation Funding Regulations. The evaluations are conducted on the basis of an evaluation protocol which is derived from the Standard Evaluation Protocol for universities (SEP). The institutes or their business units are evaluated in terms of their scientific quality, socio-economic impact, research management and viability. The Statutory Research Task institutes' performance of statutory tasks is also assessed. Along with an action plan based on the recommendations of peer committees, the site reports are submitted to the Ministry.

---

In 2012, Alterra (the contract research division of the Environmental Sciences Group), PPO/PRI (the contract research division of the Plant Sciences Group) and the WOT RIKILT Institute (Institute of Food Safety) were inspected by an international committee of peers. The committees issued a very favourable assessment of the scientific quality of all institutes, but also identified a number of key issues. The main one was that institutes should reposition themselves given shrinking budgets and declining public funding for certain areas of research.

Both the assessment report and Action Plan were sent to the Ministry.

#### 2.10.9 Scientific Integrity and Ethics

Within Wageningen UR, the responsibility for maintaining scientific integrity lies with all those involved in scientific education and research.

The principles that all scientists should adhere to are laid out in the Code of Conduct for Scientific Practice: accuracy, reliability, verifiability, impartiality, and independence.

Prevention policies were adopted in connection with the VSNU in 2012 and with the support of Wageningen UR in order to prevent violations of scientific integrity. Thereafter, scientific staff indicated they would uphold the Code of Conduct for Scientific Practice from the very start of their appointment. A framework for a national model complaints system was also established in connection with the VSNU. This window model streamlines the university regulations into core issues. Wageningen UR will employ this window model to set up its own complaints handling procedure. Elements of this complaints procedure are the appointment of confidential counsellors and the setting up of a committee for scientific integrity. Wageningen UR's scientific integrity complaints handling procedure, which includes the setting up of a committee for scientific integrity, will be introduced in 2013. Pending the establishment of this committee, the Executive Board will set up an ad hoc committee to provide advice on complaints relating to scientific integrity.

To handle questions and complaints about scientific integrity, two confidential counsellors for scientific integrity were appointed on 15 March 2012. Where possible, the counsellor will attempt to mediate or otherwise amicably resolve the complaint. He or she may also advise the complainant to submit an official complaint to the Executive Board.

In 2012, the Executive Board received three scientific integrity-related complaints, one of which was declared admissible. The complaint was then found to be unfounded by the Ad Hoc Committee. The complainant subsequently turned to the National Board for Scientific Integrity (LOWI), which found in Wageningen UR's favour.

All complaints that have been lodged and declared admissible since 2005 have been made anonymous and published on the VSNU website.

Wageningen UR has an Ethics Committee, whose mandate is overarching. The Committee's mandate includes the following non-exhaustive list:

- Reviewing/revising the Code of Conduct for Scientific Practice;
- Ethics in research programming;
- Ethical paragraph in EU applications;
- Ethics in Education
- Intellectual Property Rights
- Data management

The Ethics Committee submitted a written opinion to the Executive Board of its review of the Code of Conduct for Scientific Practice and Data Management.

There are also two ethics committees on animal experimentation (WU and DLO), a Medical Ethical Committee and a Social Sciences Ethical Committee. These committees draft their own annual reports.

# 3 Annual Financial Report

## 3.1 Wageningen University

### 3.1.1 Wageningen University Financial Statement

#### **Development of Results**

Wageningen University recorded a positive result of €5.2 million in 2012, an improvement of €0.5 million in comparison with the 2011 result of €4.7 million. This consists of a loss of €1.3 million which originated from the departments and an improvement of €1.8 million from the central divisions.

|  | 2012        | 2011       |
|--|-------------|------------|
| Departments  | 1.1         | 2.4        |
| Facilities & Services, Corporate Staff and Executive Board                                 | 8.9         | 5.9        |
| <b>Normalised operating result</b>   | <b>10.0</b> | <b>8.3</b> |
| Incidental results   | -4.4        | -2.5       |
| Addition to the appropriated reserve for project costs in later years                      | -0.4        | -1.1       |
| <b>Operating result based on the Ministry of Education, Culture and Science guidelines</b> | <b>5.2</b>  | <b>4.7</b> |

\*Amounts in € millions

The departments achieved a positive annual result of €1.1 million, a decrease of 1.3 million compared to 2011. The lower result was principally caused by the Plant Sciences (€ -0.6 million) and Social Sciences (€ -0.5 million) and Animal sciences and aquaculture (€ -0.4 million) departments. This decrease was caused by rising costs as a result of rising student numbers, which will only lead to increasing returns in later years. The operating result of the central departments is € +8.9 million. This is €3.0 million higher than in 2011, due to lower central staff costs and through decreased use of strategic resources reserved centrally.

In addition, the Executive Board has processed a number of incidental result entries (€ -4.4 million). €3.0 million was written off the balance. An additional €0.7 million of personnel provisions was allocated.

#### Note:

Pursuant to regulations, direct government funding is calculated as income. Income related to project costs that will be incurred in later years is calculated as income in the review year and a write-down in later years. The distortion this causes is neutralised via the appropriated reserve. In accordance with this approach, €0.4 million of the result was extracted from this appropriated reserve in 2012, which was offset by additions in previous years.

In 2012, figures show that income increased. Direct government funding from the Ministry of Economic Affairs amounted to €164.3 million (an increase of €3.3 million compared to 2011). Mutations in direct government funding were caused by enrolled students, degrees and PhD components, to a total of €5.8 million, a wage and price adjustment of €1.0 million, a decrease through an implemented efficiency budget cut on research of €3.7 million and other assets to the amount of €0.2 million. Income from work for third parties rose 9% to €105.5 million. This income consists of government funding, which grew 6% to 23.9 million, and contracted research, which increased 10% to 81.5 million. Turnover increased for all departments and all client groups.

Staff charges totalled €181.6 million in 2012, an increase of €7.3 million compared to 2011 figures. This increase was due to higher staffing position (60 FTE), a 1% salary cost increase per FTE and an increase of the on-charged costs of FB and CS+ by €1.0 million.

## Balance Developments

In 2012, Wageningen University's liquidity decreased from €70.6 million to €53.3 million. Factors that explain this decrease are as follows:

|  | Amount          |
|--|-----------------|
| Result   | + 5.2           |
| Increase in fixed assets (investments minus write-downs) | -/- 14.0        |
| Decrease in short-term debt and receivables              | -/- 7.0         |
| Decrease in long-term debt                               | -/- 0.8         |
| <b>Total</b>   | <b>-/- 17.3</b> |

\*Amounts in € millions

The increase of fixed assets is due to considerable investments in the Campus. In 2012, these investments were able to be financed through the available liquid assets.

The decrease in short-term debt is principally a result of repayment of outstanding debt (31-12-2011) to the DLO Research Foundation.

Total liquidity (€53.3 million) includes prepayments of €120 million, of which €6.2 million are funds to be passed on to partners. These funds, to be passed on to partners, were received because Wageningen University is the lead party in a number of consortia. These funds will be passed on to the partners in 2013.

Wageningen University's solvency ratio was 42.0% on 31 December 2012 compared to 40.4% in 2011. This deterioration was due to increased short-term debt resulting from prepaid subsidies, advance project payments and a higher debt to the DLO Research Foundation.

## 2013 Prospects

### *Development of Results*

Wageningen University budgeted a result of € -5.0 million for 2013, rendering the result significantly lower than in 2012. This decreased result was principally caused by a cost increase though the commissioning of the Orion building (€ -4.6 million cost increase), higher costs of education due to rising number of students and PhD supervision (€ -2.3 on balance) combined with delayed government funding, rising expenditure for strategic activities (IPOP, INREF, PhD candidates and Postdocs) compared to the 2012 expenditures (€ -1.4 million) and finally rising tax expenses (particularly VAT € -0.9 million).

Wageningen University does not expect capital gains or losses from the overvaluation of fixed assets in 2013.

The budgeted negative result for 2013 shows a more optimistic result than in the original multi-year estimate, thanks to improved results in recent years. The deficit was consciously taken into account at the time, due to additional new construction and advance funding regarding an increase in student enrolment.

### *Turnover Developments*

The budgeted turnover for 2013 is €308.8 million. This decrease compared to 2012 is caused by an expected decrease in contracted research of €6.8 million.

The staffing position is expected to increase by approximately 60 FTE.

### *Balance Developments*

Wageningen University will invest €46.9 million in 2013, €24.8 million of which will be invested in the Wageningen Campus buildings, i.e., the new study area (Orion Building) and the new Agrotechnology and Sciences Group building. In addition, €6.8 million will be invested in the IT network and €6.6 million in equipment, principally through CAT-Agrofood.

## Annual Accounts

### Consolidated Balance Sheet

After allocation of net result

|                                | 31-12-2012     | 31-12-2011     |
|--------------------------------|----------------|----------------|
| <b>ASSETS</b>                  |                |                |
| <b>FIXED ASSETS</b>            |                |                |
| 1  Intangible fixed assets     | 96             | 0              |
| 2  Tangible fixed assets       | 247,103        | 233,370        |
| 3  Financial assets            | 385            | 218            |
| <b>Total fixed assets</b>      | <b>247,584</b> | <b>233,588</b> |
| <b>CURRENT ASSETS</b>          |                |                |
| 4  Stocks                      | 51             | 95             |
| 5  Receivables and prepayments | 65,176         | 63,327         |
| 6  Cash in bank and in hand    | 53,285         | 70,596         |
| <b>Total current assets</b>    | <b>118,512</b> | <b>134,018</b> |
| <b>TOTAL ASSETS</b>            | <b>366,096</b> | <b>367,606</b> |
| <b>LIABILITIES</b>             |                |                |
| <b>INTERNAL CAPITAL</b>        |                |                |
| General reserve                | 146,340        | 140,719        |
| Appropriated results           | 7,281          | 7,705          |
| 7  INTERNAL CAPITAL            | <b>153,621</b> | <b>148,424</b> |
| 8  PROVISIONS                  | 18,150         | 18,305         |
| 9  LONG-TERM DEBT              | 19,958         | 20,765         |
| 10  SHORT-TERM DEBT            | 174,367        | 180,112        |
| <b>TOTAL LIABILITIES</b>       | <b>366,096</b> | <b>367,606</b> |

\* Amounts in € thousands

## Consolidated Profit and Loss Statement

|    |   | Actual 2012    | Budget 2012    | Actual 2011    |
|----|---|----------------|----------------|----------------|
| 11 | INCOME  |                |                |                |
|    | Direct government funding, Ministry of Economic Affairs | 166,002        | 163,300        | 163,070        |
|    | Other contributions and subsidies                       | 57             | 0              | 255            |
|    | Tuition and course and examination fees                 | 20,980         | 21,600         | 19,108         |
|    | Income from work for third parties                      | 105,482        | 104,300        | 96,495         |
|    | Other income  | 22,666         | 28,000         | 25,545         |
|    | <b>TOTAL INCOME</b>                                     | <b>315,187</b> | <b>317,200</b> | <b>304,473</b> |
|    | EXPENDITURES  |                |                |                |
| 12 | Personnel costs   | 181,618        | 183,400        | 174,316        |
| 13 | Depreciation  | 23,406         | 20,100         | 23,651         |
| 14 | Accommodation/Housing costs                             | 25,661         | 30,000         | 24,651         |
| 15 | General costs   | 35,446         | 35,400         | 35,094         |
| 16 | Specific costs  | 43,775         | 46,600         | 43,523         |
|    | <b>TOTAL EXPENDITURES</b>                               | <b>309,906</b> | <b>315,500</b> | <b>301,235</b> |
|    | OPERATING RESULT  | 5,281          | 1,700          | 3,238          |
| 17 | Financial income and expenditures                       | -120           | -400           | 1,308          |
|    | <b>RESULT FROM ORDINARY</b>                             |                |                |                |
|    | <b>ACTIVITIES BEFORE TAX</b>                            | <b>5,161</b>   | <b>1,300</b>   | <b>4,546</b>   |
| 18 | Result from participating interests                     | 36             | 0              | 119            |
|    | <b>RESULT FROM ORDINARY</b>                             |                |                |                |
|    | <b>ACTIVITIES AFTER TAX</b>                             | <b>5,197</b>   | <b>1,300</b>   | <b>4,665</b>   |
|    | Third-party share                                       | 0              | 0              | 0              |
|    | Essential income and expenditure                        | 0              | 0              | 0              |
|    | <b>NET RESULT</b>                                       | <b>5,197</b>   | <b>1,300</b>   | <b>4,665</b>   |

\* Amounts in € thousands

## Consolidated Cash Flow Statement

|  | Actual 2012    | Actual 2011    |
|--|----------------|----------------|
| <b>OPERATIONAL ACTIVITIES</b>                                  |                |                |
| Net result   | 5,197          | 4,665          |
| Depreciation   | 23,406         | 23,651         |
|  | <b>28,603</b>  | <b>28,316</b>  |
| Changes in provisions  | -155           | -2,160         |
| Changes in stocks/inventory                                    | 44             | 5              |
| Changes in current assets                                      | -1,849         | -8,303         |
| Changes in current liabilities                                 | -5,745         | 14,351         |
| Income from non-consolidated companies/participating interests | -36            | -119           |
|  | <b>-7,741</b>  | <b>3,774</b>   |
| <b>Operational activity cash flow</b>                          | <b>20,862</b>  | <b>32,090</b>  |
| <b>INVESTMENT ACTIVITIES</b>                                   |                |                |
| Investments in intangible fixed assets                         | -100           | 0              |
| Investments in buildings and land                              | -25,104        | -53,702        |
| Investments in other tangible assets                           | -13,207        | -14,597        |
| Investments in participating interests and members' capital    | -131           | -15            |
| Divestments in fixed assets                                    | 1,176          | 4,079          |
| <b>Investment activity cash flow</b>                           | <b>-37,366</b> | <b>-64,235</b> |
| <b>FINANCING ACTIVITIES</b>                                    |                |                |
| Changes in long-term receivables                               | 0              | 0              |
| Changes in other long-term debt                                | -807           | 1,084          |
| Movements in equity  |                |                |
| <b>Financing activity cash flow</b>                            | <b>-807</b>    | <b>1,084</b>   |
| <b>CASH FLOW</b>   | <b>-17,311</b> | <b>-31,061</b> |
| <b>CHANGES IN LIQUIDITY</b>                                    |                |                |
| Balance of liquidity on 1 January                              | 70,596         | 101,657        |
| Balance of liquidity on 31 December                            | 53,285         | 70,596         |
| <b>Changes in liquid assets</b>                                | <b>-17,311</b> | <b>-31,061</b> |

\* Amounts in € thousands

---

## **Measurement Basis (Principles of Valuation)**

The annual accounts were prepared and adopted by the Executive Board on 4 April 2013.

### *Overview*

Wageningen University's annual accounts were prepared on the basis of the following principles of valuation. Any departure from these principles of valuation is stated under the relevant financial information. The figures for the previous financial year accord with the figures in the annual accounts of the relevant year. Variances may arise as a result of corrections or shifts within the balance sheet. Variances of relevant significance are indicated in the annual accounts.

### *General Accounting Principles for the Preparation of Annual Accounts*

Wageningen University is part of a group that also comprises WU Holding, ISRIC Foundation and Restaurant van de Toekomst Foundation.

The annual accounts are prepared on the basis of earlier costs. Unless otherwise stated, assets and liabilities are calculated at nominal value.

Monetary assets and liabilities in foreign currency are converted at the exchange rate on the balance sheet date. Exchange rate differences are included in the profit and loss statement. Revenues and expenses in foreign currency are included in the profit and loss statement at the exchange rate on the date of settlement.

The annual accounts were prepared in accordance with Annual Accounts Regulations for Educational Institutions (*Regeling Jaarverslaggeving Onderwijs*), 17 December 2007, the Netherlands Civil Code, Book 2, Title 9 and the *Richtlijnen voor de Jaarverslaggeving* (Guidelines for Annual Reporting, RJ).

### *Use of Estimates*

The preparation of the annual accounts calls for evaluations, estimates and assumptions by the board that affect the application of accounting principles and the reported value of fixed assets and obligations and of income and expenses. The actual outcomes will deviate from these estimates. The estimates and underlying assumptions are evaluated continually. Estimate adjustments are included in the period during which this adjustment is made and in future periods affected by this adjustment.

The most important entries on the basis of estimates are:

- Valuation and useful life of fixed assets
- Provisions of receivables and projects
- Provisions
- Claims

### *Structural changes*

As of 2012 the Research and Development (R&D) tax credit grants are processed in the year in which the working hours eligible for subsidy are carried out. Up to the 2011 annual accounts the grant was processed in the year in which it was received. As a result of this change, equity was raised by €1.1 million as of 31 December, 2011, and short-term debt was reduced by the same amount. No adjustments were made to the comparative figures on the results account, as these do not affect the figures in any real way.

### **Consolidation**

The consolidation incorporates the annual accounts of the institution, its group companies and other organisations over which the institution exercises dominant control (pursuant to the actual situation) or central management. The group companies are legal entities directly or indirectly controlled by the institution given that the institution possesses the majority of the voting rights or can control the financial and operational activities in some other manner. Also taken into account are potential voting rights that may be exercised directly on the balance sheet date.

The annual accounts of group companies and other legal entities controlled or centrally managed by the institution are included in the consolidation (see 2.1.7 Consolidation). Third party shares with respect to internal capital and the group result are reported separately.

---

### Consolidation Circle

The following companies are consolidated in the annual accounts:

|                                    | Registered Office | % in 2011 | % in 2012 |
|------------------------------------|-------------------|-----------|-----------|
| Wageningen Universiteit Holding BV | Wageningen        | 100       | 100       |
| ISRIC                              | Wageningen        |           |           |
| Restaurant van de Toekomst         | Wageningen        |           |           |

Participating interests are valued at acquisition cost or net asset value (NAV):

|                                 | Registered Office | % in 2011 | % in 2012 |
|---------------------------------|-------------------|-----------|-----------|
| CAN-iT BV                       | Wageningen        | 51        | 51        |
| Ceradis BV                      | Wageningen        | 50        | 50        |
| Bio Product BV                  | Wageningen        | 25        | 25        |
| Green Dino BV                   | Wageningen        | 11        | 11        |
| Nexxus Holding BV <sup>1)</sup> | Wageningen        | 100       | -         |

<sup>1)</sup> Nexxus Holding BV was liquidated in 2012

---

## Accounting Policies for Asset and Liability Valuation

### *Research and Development Costs*

Research costs are included in the profit and loss statement.

### *Intangible Fixed Assets*

Development costs, patents and licences, software, goodwill and production rights are not capitalised unless they are purchased from third parties or the production costs can be reliably established. In addition, the intangible fixed asset must be capable of generating future economic benefits. Intangible fixed assets are valued at acquisition or production cost. Amortisation is applied in proportion to the realisation of the forecast revenue in five years. When a reliable determination of revenue realisation is not possible, the straight line method is used. Pursuant to statutory obligations, a statutory reserve is maintained for the capitalised amount of development costs. Write-downs as a result of sustainable depreciation, sale, loss or withdrawal are listed separately.

### *Tangible Fixed Assets*

Tangible fixed assets are valued at acquisition price or production cost, deducting accumulated depreciation. Depreciation is applied using the straight line method on the basis of the estimated useful life and the residual value. Depreciation is proportionally applied in the year of purchase for assets other than buildings. The depreciation on buildings brought into use before 1 July in a given year is applied on 1 January of that year. The depreciation on buildings brought into use after 1 July in a given year is applied on 1 January of the following year.

Tangible fixed assets under construction or on order are valued at acquisition price or for the amount that has been invoiced to the company by third parties. Investments of less than €5,000 are charged directly to the profit and loss statement.

Depreciation of the various groups of items is as follows:

|  | Component | Depreciation |
|--|-----------|--------------|
| Land/Work in progress  |           | 0%           |
| Land layout and infrastructure   |           | 60 years     |
| Buildings  |           |              |
| Shell  |           | 60 years     |
| Fittings   |           | 30 years     |
| Fixtures/furnishings   |           | 15 years     |
| Greenhouses, sheds, sundry buildings/structures  |           | 15 years     |
| Machinery and equipment:   |           |              |
| Office furniture/plant and machines/inventory of restaurant facilities/fibre optic network/other machinery and equipment |           | 10 years     |
| Laboratory equipment/audiovisual equipment/vehicles/PR and information material  |           | 5 years      |
| Automation equipment including software (hardware for networks)  |           | 5 years      |
| Automation equipment including software (other hardware)   |           | 3 years      |

Acquired investment subsidies and amounts from externally financed projects are deducted from the capitalised amount in the year of purchase. Subsidies received for the assets required for the primary process, such as teaching buildings, are shown as liabilities under debt and are released during the useful life of the asset.

The institution carries out an evaluation on each balance sheet date to determine whether there are indications that a fixed asset can be subject to write-down. Should there be any such indications then the realisable value of the asset is determined. When the realisable value of the individual asset cannot be determined, then the realisable value of the cash flow generating unit to which the asset belongs is determined. A write-down is applicable when the book value of an asset is higher than the realisable value, where the realisable value is the higher of the market value or of the business value.

---

When it is determined that a write-down that was included in the past no longer exists or has decreased, then the increased book value of the asset is set no higher than the book value that would have been determined without the application of a write-down of that asset.

Fixed assets that are no longer usable for the primary activities are not depreciated. Divested fixed assets are valued on the basis of the net realisable value or lower book value. The net realisable value is set on the basis of the market prices pertaining to the expected future use of the fixed asset. Write-downs or write-offs due to a permanent decline in value, divestment, loss or decommissioning of an asset are reported separately.

#### *Financial fixed assets*

Participating interests and members' capital over which the institution exerts a significant influence on the business and financial policy are valued at net asset value. This value is determined on the basis of the group's accounting policies for valuation and the determination of the result.

Participating interests and members' capital over which the institution does not exert a significant influence on the business and financial policy are valued at acquisition cost. The valuation of these assets takes into account any permanent decline in value, where relevant.

#### *Stocks/Inventory*

This item is comprised of the trading stock, finished product, livestock and stock of harvested agricultural produce. The trading stock and finished product are valued according to the FIFO method at the acquisition cost or production cost increased by a margin for the indirect costs.

The stock of harvested agricultural produce is not valued.

The value of unmarketable stock or stock with a lower market value is decreased accordingly.

#### *Receivables and Prepayments*

Receivables are valued at nominal value less, where relevant, a provision for uncollectible debts.

#### *Work in Progress*

Work in progress for third parties is valued at the cost of direct material use and labour, increased by a margin for indirect costs. Invoiced instalments and forecast losses on projects are deducted from this balance. The allocation of the result is determined in proportion to the progress in (the proportion of the realised costs for) that project. The work in progress entry, including processed terms, is included under short-term receivables if the balance is positive and prepayments if this balance is negative.

#### *Securities*

Securities are valued at acquisition cost (FIFO method) or lower market value.

#### *Internal capital*

Wageningen University does not distinguish between private and public capital.

- General Reserve

This reserve is credited with the operating result in any year in which the result is not allocated to a specific use.

- Appropriated Reserve

Two appropriated reserves are formed within the equity capital at corporate level:

- The innovation fund

- Reserve for projects to be carried out in future.

#### *Provisions*

The provisions are valued at nominal value, with the exception of the personnel provisions formed on the basis of RJ 271. The determination of the amount of the obligations takes account of future indexation and price increases. The amount of the provision included in the annual accounts is the best estimate of the amount that will be required to settle the relevant obligations and losses at balance sheet date.

---

*Provisions are formed for:*

- legally enforceable or actual obligations that exist at balance sheet date;
- the settlement of obligations that will probably require an outflow of funds; and
- obligations when a reliable estimate can be made of those obligations.

*Provision for Unemployment Insurance Obligations*

The provision for unemployment insurance obligations covers existing unemployment insurance obligations at balance sheet date and anticipated future expenditures relating to staff who have already left employment and staff employed under a temporary employment contract arising from the 'own risk' borne by the organisation.

*Provision for Disability Insurance Act/Resumption of Work (Partially Disabled Persons) Act Obligations*

The provision for Disability Insurance Act/Resumption of Work (Partially Disabled Persons) Act obligations covers the anticipated Disability Insurance Act/Resumption of Work (Partially Disabled Persons) Act obligations at balance sheet date arising from the 'own risk' borne by the organisation.

*Other Personnel Provisions – Service Bonuses*

The forecast obligation arising from future service bonuses is determined on the basis of previous information and withdrawals are made on the basis of realisation. The present value is determined on the basis of the prevailing market rate of interest for Wageningen University.

*Other Personnel Provisions – Pensions*

The pension insurance has been taken out with ABP. No obligations other than the payment of pension contributions arise from a defined contribution pension scheme. The pension contributions are included as personnel costs when they become payable. Prepaid pension contributions are included as prepayments to the extent they will be reimbursed by the pension fund or credited to pension contributions due in the future.

The pension plans are in line with the average salary pension plan and are indexed if the coverage of the pension fund allows. On 31 December 2012 the ABP pension fund had 96% coverage. In 2012 the pension premiums were raised and no indexing in line with wage developments took place.

Compared to late 2011, 2012 shows an improvement of the coverage of a mere 2%. On the basis of the recovery plan the estimated coverage on 31 December 2012 was 98.5%. The actual coverage on 31 December 2012 was 2.5% lower.

- Due to the low coverage of the ABP on 31 December 2012 the ABP board will probably decide during
- the course of 2013 to lower pensions of all participants by about 0.5%. This will apply to both
- participants who are accumulating pension (or who have accumulated pension) as retirees.
- Pursuant to the recovery plan, the ABP coverage will be 104.5% by late 2013. The ABP board, on the basis of current knowledge and information, will take a further reduction of pension premiums into account in 2014.
- On the balance sheet date there is no obligation to supplement this deficit, as no provisions have been made in this respect.

*Provision for Reorganisation Costs*

This provision was formed to cover anticipated costs incurred as a result of decisions made and announced within the organisation that relate to current and intended reorganisations.

*Provision for Product and Contract Risks*

This provision covers the cost of loss-making contracts, guarantees and claims arising from services and products delivered to third parties.

*Long-term debt*

Long-term debt are liabilities due in a year or more.

*Short-term debt*

Short-term debt is shown in the current liabilities portion of the balance sheet.

---

### *Financial Instruments*

Wageningen University uses derived financial instruments such as interest rate swaps to cover risks resulting from interest rate fluctuations. Such financial instruments are valued at cost price at first valuation. Ineffective interest rate swaps are displayed as loss if they result in negative results.

Hedgings are processed according to cost price hedge accounting, provided the following conditions are met:

- general hedge strategy, how the hedge relationships fit in with the risk management objectives and expectations regarding the effectiveness of these hedge relationships, have been documented;
- hedge instruments used in each hedge relationship and hedged positions have been documented;
- ineffectiveness has been processed in the profit and loss statement.

Cost price hedging is terminated if:

- the hedge instrument expires, is sold, terminated or executed;
- the hedge relationship no longer meets the hedging criteria.

### **Accounting Policies To Determine Income and Expenditures**

#### *Overview*

Proceeds and costs are included as business income and expenditures that can be allocated to the relevant financial year or activity, irrespective of whether they have resulted in receipts and expenses during the annual accounts period.

Proceeds are included in the year in which the goods were delivered or the services were provided to clients. Losses and risk arising before the end of the financial year are taken into account to the extent that they are known before the preparation of the annual accounts.

#### *Direct Government Funding and Other Payments*

Direct government funding is included as income in the year in which the funding is received. Other payments are credited to the result in the year in which the project is carried out and the costs are incurred.

#### *Tuition and Course Fees*

The statutory tuition fees and institution tuition fees are to be allocated to the accounts of the year are included under tuition fees. The payments for post-graduate courses are included under course fees.

#### *Income from Third Party Contracted Research/Work*

The proceeds from contract activities are included under income from third party contracted research/work item. The income is determined on the basis of the direct costs increased by a margin for indirect costs to a maximum of the rate to be paid by the provider of finance. Results are taken in proportion to the progress in the project.

### **Accounting Principles for Liquidity (Cash Flow) Statement Preparation**

The cash flow statement was prepared using the indirect method.

## Notes on the Balance Sheet

### 1 INTANGIBLE FIXED ASSETS

|                                 | Patents and Licenses | Total     |
|---------------------------------|----------------------|-----------|
| Book value on 31-12-2011        | 0                    | 0         |
| Investments                     | 96                   | 96        |
| Decommissioning                 | 0                    | 0         |
| Divestments                     | 4                    | 4         |
| Write-downs                     | 0                    | 0         |
| <b>Book value on 31-12-2012</b> | <b>92</b>            | <b>92</b> |

|                                 |           |           |
|---------------------------------|-----------|-----------|
| Acquisition value on 31-12-2011 | 0         | 0         |
| Acquisitions 2012               | 96        | 96        |
| Accumulated depreciation        | 4         | 4         |
| Accumulated write-downs         | 0         | 0         |
| <b>Book value on 31-12-2012</b> | <b>92</b> | <b>92</b> |

### 2 TANGIBLE FIXED ASSETS

|                                 | Land          | Buildings      | Equipment and Inventory | Work in Progress | Assets Not Used for the Primary Process | Total          |
|---------------------------------|---------------|----------------|-------------------------|------------------|---|----------------|
| Book value on 31-12-2011        | 13,388        | 116,218        | 27,203                  | 64,221           | 12,340                                  | 233,370        |
| Investments                     | 0             | 40,059         | 13,207                  | -14,955          | 0                                       | 38,311         |
| Decommissioning                 | -2,936        | -7,952         | 0                       | 0                | 10,888                                  | 0              |
| Divestments*                    | 16            | 0              | 1,160                   | 0                | 0                                       | 1,176          |
| Depreciation                    | 65            | 10,566         | 9,168                   | 0                | 0                                       | 19,799         |
| Write-downs                     | 0             | 3,603          | 0                       | 0                | 0                                       | 3,603          |
| <b>Book value on 31-12-2012</b> | <b>10,371</b> | <b>134,156</b> | <b>30,082</b>           | <b>49,266</b>    | <b>23,228</b>                           | <b>247,103</b> |

|                                       |               |                |                |               |               |                |
|---------------------------------------|---------------|----------------|----------------|---------------|---------------|----------------|
| Acquisition value on 31-12-2011       | 26,076        | 233,401        | 97,979         | 64,221        | 42,639        | 464,316        |
| Acquisitions 2012                     | 0             | 40,059         | 13,207         | -14,955       | 0             | 38,311         |
| Decommissioning                       | -3,703        | -19,270        | 0              | 0             | 22,973        | 0              |
| Acquisition value of divestments 2012 | 23            | 6,011          | 3,826          | 0             | 0             | 9,860          |
| <b>Acquisition value 31-12-2012</b>   | <b>22,350</b> | <b>248,179</b> | <b>107,360</b> | <b>49,266</b> | <b>65,612</b> | <b>492,767</b> |

|                              |               |                |               |               |               |                |
|------------------------------|---------------|----------------|---------------|---------------|---------------|----------------|
| Accumulated depreciation     | 11,979        | 100,639        | 77,278        | 0             | 40,956        | 230,852        |
| Accumulated write-downs      | 0             | 13,384         | 0             | 0             | 1,428         | 14,812         |
| <b>Book value 31-12-2012</b> | <b>10,371</b> | <b>134,156</b> | <b>30,082</b> | <b>49,266</b> | <b>23,228</b> | <b>247,103</b> |

\* Divestments of which:

|                          |           |          |              |          |          |              |
|--------------------------|-----------|----------|--------------|----------|----------|--------------|
| - Acquisition price      | 23        | 6,011    | 3,826        | 0        | 0        | 9,860        |
| - Depreciation           | 7         | 6,011    | 2,666        | 0        | 0        | 8,684        |
| <b>Total divestments</b> | <b>16</b> | <b>0</b> | <b>1,160</b> | <b>0</b> | <b>0</b> | <b>1,176</b> |

\* Amounts in € thousands

Wageningen University is carrying out an extensive new construction programme. In 2012, investment took place in new accommodation for the Department of Animal Sciences and in the new education building Orion. The testing facilities for the Department of Animal Sciences and Centre for Small Experimental Animals were inaugurated in spring 2012. Orion will be inaugurated mid-2013. Of the €19.8 million depreciation, €10.6 million relates to regular depreciation of buildings and infrastructure and €9.2 million to equipment and inventory.

Wageningen UR concluded an agreement for the sale of the Kortenoord complex with Bouwfonds MAB Ontwikkeling BV. The relevant assets have been delivered. The definitive selling price of the first subplan was established in 2011. Assets with a book value of €3.4 million have been fully settled. The definitive selling price of the other subplans will be determined on the basis of the development planning for the land. Because Wageningen University is the economic owner of the assets, the assets are included in the balance sheet at a book value of €16.9 million. Deposits received for subplans 2 to 4 totalling €3.7 million (including interest) is included under short-term debt. The old Zodiac building and the Ossekamps were decommissioned in 2011.

Wageningen University's real estate is insured for €350.4 million (reference date 1-6-2012). The value for the purposes of the Valuation of Immovable Property Act was set at €157.1 million (reference date 1-1-2011).

### 3 FINANCIAL FIXED ASSETS

|  | 31-12-2012 | 31-12-2011 |
|--|------------|------------|
| Participating interests in group companies | 220        | 65         |
| Other participating interests              | 24         | 24         |
| Members' capital                           | 141        | 129        |
| Other receivables                          | 0          | 0          |
| <b>Total financial fixed assets</b>        | <b>385</b> | <b>218</b> |

\* Amounts in € thousands

#### Breakdown of the participating interests in group companies item

| Description                  | Book value<br>31-12-2011 | Investment/divestment | Other changes <sup>1)</sup> | Book value<br>31-12-2012 |
|------------------------------|--------------------------|-----------------------|-----------------------------|--------------------------|
| Ceradis                      | 0                        | 125                   | 0                           | 125                      |
| Biopredict                   | 65                       | 0                     | 30                          | 95                       |
| Nexus                        | 0                        | -2                    | 2                           | 0                        |
| CanIT                        | 0                        | 0                     | 0                           | 0                        |
| <b>Total group companies</b> | <b>65</b>                | <b>123</b>            | <b>32</b>                   | <b>220</b>               |

<sup>1)</sup> The other changes are related to the appreciation of the participation in 2012

#### Breakdown of the other participating interests item

| Description                                | Book value<br>31-12-2011 | Investment/divestment | Other changes | Book value<br>31-12-2012 |
|--|--------------------------|-----------------------|---------------|--------------------------|
| Green Dino BV                              | 0                        | 0                     | 0             | 0                        |
| KLV Professional Match BV <sup>1)</sup>    | 0                        | -4                    | 4             | 0                        |
| ICG  | 20                       | 0                     | 0             | 20                       |
| Other participating interests              | 4                        | 0                     | 0             | 4                        |
| <b>Total other participating interests</b> | <b>24</b>                | <b>-4</b>             | <b>4</b>      | <b>24</b>                |

<sup>2)</sup> Other movements/changes are the result of 2012 holdings.

#### Specification of Members' Capital

| Description                      | Book value<br>31-12-2011 | Increase  | Decrease | Book value<br>31-12-2012 |
|----------------------------------|--------------------------|-----------|----------|--------------------------|
| Members' Capital Friesland Foods | 107                      | 12        | 0        | 119                      |
| Avebe                            | 8                        | 0         | 1        | 7                        |
| CSM/Cosun                        | 14                       | 1         | 0        | 15                       |
| <b>Total of Members' Capital</b> | <b>129</b>               | <b>13</b> | <b>1</b> | <b>141</b>               |

\* Amounts in € thousands

#### 4 STOCKS/INVENTORY

|                                     | 31-12-2012 | 31-12-2011 |
|-------------------------------------|------------|------------|
| Trading stock                       | 5          | 51         |
| Livestock                           | 46         | 45         |
| Less: Provision for unmarketability | 0          | -1         |
| <b>TOTAL STOCKS/INVENTORY</b>       | <b>51</b>  | <b>95</b>  |

\* Amounts in € thousands

#### 5 RECEIVABLES AND PREPAYMENTS

|   | 31-12-2012    | 31-12-2011    |
|---|---------------|---------------|
| Payables  | 18,460        | 19,586        |
| Accounts receivable from affiliated parties           | 0             | 400           |
| Less Provision for possible uncollectible receivables | -790          | -670          |
| <b>Total accounts receivable</b>                      | <b>17,670</b> | <b>19,316</b> |
|   |               |               |
| Projects in progress                                  |               |               |
| Cost of work carried out for third parties            | 338,025       | 299,465       |
| Less invoiced instalments                             | 343,820       | 304,543       |
| <b>Third party orders</b>                             | <b>-5,795</b> | <b>-5,078</b> |
|   |               |               |
| Less anticipated losses                               | -3,811        | -4,102        |
| Included under short-term debt                        | 43,370        | 40,466        |
| <b>Total third party orders</b>                       | <b>33,764</b> | <b>31,286</b> |
|   |               |               |
| Advances  | 1,926         | 1,864         |
| VAT to be received                                    | 2,446         | 2,298         |
| Receivables from other affiliated parties             | 744           | 1,356         |
| Receivables from students                             | 1,575         | 1,490         |
| Prepayments   | 6,198         | 5,008         |
| Other   | 853           | 710           |
| <b>Total advances and prepayments</b>                 | <b>13,742</b> | <b>12,726</b> |
| <b>Total receivables and accruals</b>                 | <b>65,176</b> | <b>63,328</b> |

\* Amounts in € thousands

The receivables from affiliated parties relate to the DLO Research Foundation. The receivables from affiliated parties concern VHL. As of 2012 the receivables for VHL are included under the normal receivables.

#### 6 LIQUID ASSETS

|                                | 31-12-2012    | 31-12-2011    |
|--------------------------------|---------------|---------------|
| Cash in hand                   | 20            | 30            |
| Deposits                       | 10,000        | 0             |
| Bank (incl. balancing entries) | 43,265        | 70,566        |
| <b>Total liquid assets</b>     | <b>53,285</b> | <b>70,596</b> |

\* Amounts in € thousands

|  | Amounts* €1.0 million | Budget       | Actual      | Variance from budget |
|--|-----------------------|--------------|-------------|----------------------|
| Result                                       | 1.3                   | 5.2          | 3.9         |                      |
| Depreciation                                 | 20.1                  | 23.4         | 3.3         |                      |
| Decrease in provisions                       | -0.6                  | -0.2         | 0.4         |                      |
| Changes in inventories                       | 0.0                   | 0.0          | 0.0         |                      |
| Changes in current assets                    | -1.8                  | -1.8         | 0.0         |                      |
| Changes in current liabilities               | -16.9                 | -5.7         | 11.2        |                      |
| Income from participants                     | 0.0                   | 0.0          | 0.0         |                      |
| <b>Cash flow from operational activities</b> | <b>2.1</b>            | <b>20.9</b>  | <b>18.8</b> |                      |
| Cash flow from investment activities         | -41.9                 | -37.4        | 4.5         |                      |
| Cash flow from financing activities          | -0.6                  | -0.8         | -0.2        |                      |
| <b>Cash flow 2012</b>                        | <b>-40.4</b>          | <b>-17.3</b> | <b>23.1</b> |                      |
| <b>Liquidity on January 2012</b>             | <b>59.7</b>           | <b>70.6</b>  | <b>10.9</b> |                      |
| <b>Liquidity on 31 December 2012</b>         | <b>19.3</b>           | <b>53.3</b>  | <b>34.0</b> |                      |

### Operational Activities

Depreciation is €3.3 million above budget, due to the write-down on the value of buildings.

The improvement in the working capital compared to the budget is due to the cost settlement of phase 2 of Kortenoord planned for 2012, which was already carried out in 2011.

### Investment Activities

The actual cash flow from investment activities is €4.5 million below budget. This is a result of lower disinvestment due to the early completion of phase 2 for Kortenoord (€15.1 million) and lower investments in buildings, longer lead times than estimated and a shift to later years (€18.5 million).

### Financing Activities

The cash flow from financing activities is lower than budgeted, as a larger part of the equalisation account for equipment subsidies has been used.

## 7 INTERNAL CAPITAL

|                                      | Balance on<br>31-12-2011 | Result       | Other changes | Balance on<br>31-12-2012 |
|--------------------------------------|--------------------------|--------------|---------------|--------------------------|
| General reserve                      | 140,719                  | 5,621        | 0             | 146,340                  |
| <i>Appropriated reserves:</i>        |                          |              |               |                          |
| Innovation reserve                   | 3,900                    | 0            | 0             | 3,900                    |
| Projects to be carried out in future | 3,805                    | -424         | 0             | 3,381                    |
| <b>Total internal capital</b>        | <b>148,424</b>           | <b>5,197</b> | <b>0</b>      | <b>153,621</b>           |

\* Amount in € thousands

For internal capital as of 31-12-2011, the effects of the structural changes to the Promotion of Research and Development Act to the amount of €1.1 million have been incorporated.

The earmarked reserve relates to the innovation fund of €3.9 million and the reserve for projects yet to be carried out of €3.4 million. €0.4 million was withdrawn from the latter reserve in 2011.

## 8 PROVISIONS

|                                      | Balance on<br>31-12-2011 | Addition     | Withdrawal   | Release    | Balance on<br>31-12-2012 |
|--------------------------------------|--------------------------|--------------|--------------|------------|--------------------------|
| Unemployment insurance obligations   | 7,888                    | 2,486        | 1,574        | 129        | 8,671                    |
| Disability Insurance Act obligations | 839                      | 8            | 135          | 0          | 712                      |
| Other personnel provisions           | 2,357                    | 186          | 264          | 0          | 2,279                    |
| Restructuring/reorganisation costs   | 6,596                    | 841          | 1,233        | 523        | 5,681                    |
| Provisions, other                    | 625                      | 425          | 121          | 122        | 807                      |
| <b>Total provisions</b>              | <b>18,305</b>            | <b>3,946</b> | <b>3,327</b> | <b>774</b> | <b>18,150</b>            |

\* Amounts in € thousands

|   | 31-12-2012    | 31-12-2011    |
|---|---------------|---------------|
| Specification of the term of the provisions           |               |               |
| Short term (expires by no later than 31-12-2013)      | 8,272         | 7,610         |
| Long term (expires between 31-12-2013 and 31-12-2017) | 6,182         | 5,171         |
| Long term (expires after 31-12-2017)                  | 3,696         | 5,524         |
| <b>Total provisions</b>                               | <b>18,150</b> | <b>18,305</b> |

\* Amounts in € thousands

### Unemployment Insurance Obligations

The provision for unemployment insurance obligations was established to cover the existing unemployment insurance obligations at balance sheet date and anticipated future expenditure relating to staff who have already left employment and staff employed with a temporary employment contract. €2,486,000 was added to the provision in 2012, and €129,000 was released.

### Disability Insurance Act Obligations

The provision for Disability Insurance Act obligations was established to cover anticipated future Disability Insurance Act and Resumption of Work Partially Disabled Workers Act benefits. In 2009, Wageningen University decided to bear the risk associated with the Resumption of Work Partially Disabled Workers Act. A provision of €712,000 has been established for the current benefits.

### Other Personnel Provisions

The other personnel provisions include a provision for future obligations regarding service anniversary bonuses.

### Reorganisation Costs

The reorganisation cost provision has been established for anticipated costs relating to reorganisations implemented earlier. In 2012, additions were made to the provision for reorganisations implemented earlier in view of the expenditure that is continuing for longer than had previously been expected.

### Other Provisions

The other provisions relate to claims third parties have addressed against Wageningen University.

## 9 LONG-TERM DEBT

|  | Balance on<br>31-12-2011 | Increase in debt | Decrease in debt | Balance on<br>31-12-2012 |
|--|--------------------------|------------------|------------------|--------------------------|
| Other long-term debt                           | 15,928                   | 0                | 230              | 15,698                   |
| Equalisation of long-term investment subsidies | 4,837                    | 0                | 577              | 4,260                    |
| <b>Total long-term debt</b>                    | <b>20,765</b>            | <b>0</b>         | <b>807</b>       | <b>19,958</b>            |

\* Amounts in € thousands

Summary of long-term debt:

| Description             | Total (k€)    | Interest | Term     | Accumulated repayment (k€) | Long term > 1 year (k€) | Short term < 1 year (k€) |
|-------------------------|---------------|----------|----------|----------------------------|-------------------------|--------------------------|
| ABN Amro Bank           | 15,000        | 4.9%     | 10 years | 0                          | 15,000                  | 0                        |
| Rabobank Vallei en Rijn | 2,000         | 4.4%     | 10 years | 1,200                      | 600                     | 200                      |
| Rabobank Vallei en Rijn | 300           | 4.4%     | 10 years | 172                        | 98                      | 30                       |
| <b>Total</b>            | <b>17,300</b> |          |          | <b>1,372</b>               | <b>15,698</b>           | <b>230</b>               |

\* Amounts in € thousands

All long-term debt have a remaining term of more than five years.

10 SHORT-TERM DEBT

|  | 31-12-2012     | 31-12-2011     |
|--|----------------|----------------|
| Advance payments from third parties          | 119,994        | 109,870        |
| Debts to suppliers                           | 12,042         | 14,341         |
| Debts to suppliers of affiliated parties     |                |                |
| Taxation payable                             | 8,050          | 7,801          |
| Pensions payable                             | 2,466          | 2,229          |
| Payables to other affiliated parties         | 2,207          | 16,638         |
| Payables to the Ministry of Economic Affairs | 4,770          | 4,367          |
| Deferred liabilities                         | 9,248          | 9,922          |
| Other  | 15,590         | 14,944         |
| <b>Total short-term debt</b>                 | <b>174,367</b> | <b>180,112</b> |

\* Amounts in € thousands

Advance payments from third parties increased by €10.1 million in 2012 compared to 2011, in part due to deposits received on third party funding contracts.

The other short-term debt item primarily relates to the employees' accrued holiday allowances and leave.

Debts to other affiliated parties concern the DLO Research Foundation.

**Obligations and rights not included in the balance sheet**

*Long-term financial obligations*

List of obligations entered into relating to rental, operational lease and similar agreements:

| Description           | Total obligations | Expiring in 2013 | Expiring between 2014 and 2017 | Expiring after 2017 |
|-----------------------|-------------------|------------------|--------------------------------|---------------------|
| Lease obligations     | 76                | 33               | 43                             |                     |
| Insurance             | 617               | 277              | 340                            |                     |
| Maintenance contracts | 667               | 667              |                                |                     |
| Energy supplies       | 9,903             | 5,567            | 4,336                          |                     |
| Investments           | 12,632            | 12,632           |                                |                     |
| <b>Total</b>          | <b>23,895</b>     | <b>19,176</b>    | <b>4,719</b>                   |                     |

\* Amounts in € thousands

Within the Strategic Building Plan, Wageningen University received bank guarantees from third parties totalling €2.6 million.

Wageningen University issued bank guarantees on Restaurant van de Toekomst Foundation's loan totalling €1.0 million.

## Interest Rate Instruments

The following interest rate instruments were acquired:

| Instrument         | Volume in millions | Starting date | Finishing date |
|--------------------|--------------------|---------------|----------------|
| Interest rate swap | 10.0               | 03-01-2005    | 02-01-2017     |
| Interest rate swap | 7.0                | 03-01-2005    | 04-01-2016     |

The value of the swaps on 31-12-2012 was +/- €3.0 million. The swaps are intended to hedge interest risks of the long-term loan of €15 million. The value of the non-effective portion of the swaps has been included in the 2012 result. The non-effective portion of the swaps has been set on the basis of the total volumes minus the current loans and their expected rollout. Wageningen University does not have a margin requirement. The provider of the swaps has the right to terminate swap provision if the bank deems them to be speculative in nature.

## Affiliated Parties

Wageningen University has the following participating interests, held either directly or indirectly via Wageningen Universiteit Holding BV:

|                                       | Registered office | Activity code | Internal capital 31-12-2012 | Actual, 2012  |      | Article 2:403 of the Netherlands Civil Code | Participating interest in 2012 | Consolidation |
|---------------------------------------|-------------------|---------------|-----------------------------|---------------|------|---|--------------------------------|---------------|
|                                       |                   |               |                             | 2012          | 2012 |   |                                |               |
| Wageningen Universiteit Holding BV    | Wageningen        | 4             | -432                        | 36            |      | Y   | 100%                           | 100%          |
| CAN-iT BV                             | Wageningen        | 4             | 202 <sup>1)</sup>           | Not available |      | N   | 35%                            | 0%            |
| Ceradis BV                            | Wageningen        | 4             | -184 <sup>1)</sup>          | Not available |      | N   | 27%                            | 0%            |
| Bio Product BV                        |                   | 4             | 284 <sup>1)</sup>           | Not available |      | N   | 25%                            | 0%            |
| Green Dino BV                         | Wageningen        | 4             | -63 <sup>1)</sup>           | Not available |      | N   | 11%                            | 0%            |
| KLV Professional Match BV             | Wageningen        | 4             | Not available               | Not available |      | N   | 5%                             | 0%            |
| ISRIC                                 | Wageningen        | 2             | 517                         | 92            |      |   |                                | 100%          |
| Restaurant van de Toekomst Foundation | Wageningen        | 2             | -29                         | 18            |      |   |                                | 100%          |

\* Amounts in € thousands

<sup>1)</sup> Internal capital on 31-12-2012, result for 2012 unknown.

The annual accounts of Wageningen Universiteit Holding BV, the ISRIC Foundation and the Restaurant van de Toekomst Foundation are consolidated in these annual accounts.

Pursuant to its terms of reference, Wageningen University takes part in a number of foundations and appoints or elects one or more members of the board to these foundations or is involved in these foundations in some other manner. Consolidation of the foundations that satisfy the substantial interest criteria would not have had a material effect on Wageningen University's result or balance sheet total.

The DLO Research Foundation and Wageningen University form the Wageningen UR alliance. The corporate departments and the Facilities department were merged within the scope of this alliance. The units' individual costs are charged to the participants in Wageningen UR in proportion to their use.

In 2012 the personnel-based collaboration of the Executive Board and Advisory Board with the Van Hall Larenstein University of Applied Sciences was terminated. In 2013 agreements will be made regarding this demerger. No provisions have yet been included in the Wageningen University annual accounts for a possible settlement of previously charged costs, nor for the claiming of demerger costs by Van Hall Larenstein from the remaining parties in the Wageningen UR alliance.

## Notes to the Profit and Loss Statement

### 11 INCOME

|   | Actual 2012    | Actual 2011    |
|---|----------------|----------------|
| <b>DIRECT GOVERNMENT FUNDING</b>                        |                |                |
| Direct government funding, Ministry of Economic Affairs | 164,253        | 160,914        |
| Other subsidies, Ministry of Economic Affairs           | 1,749          | 2,156          |
| <b>TOTAL DIRECT GOVERNMENT FUNDING</b>                  | <b>166,002</b> | <b>163,070</b> |
| <b>OTHER CONTRIBUTIONS AND SUBSIDIES</b>                |                |                |
|   | 57             | 255            |
| <b>TUITION AND COURSE FEES</b>                          |                |                |
| Tuition and examination fees                            | 19,218         | 16,973         |
| Course fees   | 1,762          | 2,135          |
| <b>TOTAL TUITION AND COURSE FEES</b>                    | <b>20,980</b>  | <b>19,108</b>  |
| <b>INCOME FROM WORK FOR THIRD PARTIES</b>               |                |                |
| Revenue from work for third parties                     | 106,198        | 95,418         |
| Movement in work in progress                            | -716           | 1,077          |
| <b>TOTAL INCOME FROM WORK FOR THIRD PARTIES</b>         | <b>105,482</b> | <b>96,495</b>  |
| <b>OTHER INCOME</b>                                     |                |                |
| Sales and use of facilities                             | 463            | 483            |
| Rental income   | 4,577          | 3,501          |
| Secondments   | 603            | 588            |
| Sale of land and buildings                              | 354            | 3,970          |
| Other income  | 16,669         | 17,003         |
| <b>TOTAL OTHER INCOME</b>                               | <b>22,666</b>  | <b>25,545</b>  |
| <b>TOTAL INCOME</b>                                     | <b>315,187</b> | <b>304,473</b> |

\* Amounts in € thousands

Income increased in 2012. Direct government funding from the Ministry of Economic Affairs increased by €3.3 million to €164.3 million. This mutation in government funding was due to a rise in the number of enrolled students, degrees and PhD to a total of €5.8 million, a wage and price adjustment of €1.0 million and a decrease in other components of €0.2 million due to an implemented efficiency cut on research.

Income from work commissioned by third parties increased by 9% to €105.5 million. This income is comprised of income from research funding, which increased by 6% to €23.9 million, and from contract research, which increased by 10% to €81.5 million. Turnover for all departments and client groups increased.

Tuition fees increased compared to 2011 due to the increased number of students.

Annex 3 contains a specification of the work commissioned by third parties by type of financier and type of turnover.

The other income includes costs passed on to the Van Hall Larenstein University of Applied Sciences (€4.7 million) and the Green Knowledge Cooperative (€2.2 million), direct proceeds from the service labs (€1.0 million) and proceeds from the Sport cards (€0.6 million).

## EXPENDITURES

### 12 PERSONNEL COSTS

|  | Actual 2012    | Actual 2011    |
|--|----------------|----------------|
| Gross wages and salaries                                       | 167,885        | 161,370        |
| Temporary employees and contracted personnel                   | 5,991          | 5,643          |
| Other personnel costs  | 5,191          | 5,309          |
| Addition to provision for unemployment insurance obligations   | 2,357          | 1,245          |
| Addition to provision for Disability Insurance Act obligations | 8              | 623            |
| Addition to other personnel provisions                         | 186            | 126            |
| <b>Total personnel costs</b>                                   | <b>181,618</b> | <b>174,316</b> |

\* Amounts in € thousands

The gross wages and salaries item includes pension contributions totalling €18.6 million, social security charges totalling €6.3 million and the employee contribution to the national Health Insurance premium of €7.5 million. The staffing level increased from 2,580 FTE to 2,640 FTE in 2012. The average payroll total per FTE increased by 1.0%. Additionally, a larger portion of the costs of Facilities and Services and Corporate Staff were charged to Wageningen University.

In 2012, Wageningen University expended €0.4 million (2011: €0.4 million) on salary costs and reimbursements for the members of the Executive Board and €30,000 (2011: €36,000) for members of the Supervisory Board. The members of the Executive Board also form the Executive Board of the DLO Research Foundation. A further explanation of the salary costs of the Executive Board and Supervisory Board is enclosed in Section 3.4.

The members of the Supervisory Board also form the Supervisory Board of the DLO Research Foundation.

### 13 DEPRECIATION

|                           | Actual 2012   | Actual 2011   |
|---------------------------|---------------|---------------|
| Tangible fixed assets     | 19,803        | 16,561        |
| Write-downs               | 3,603         | 7,090         |
| <b>Total depreciation</b> | <b>23,406</b> | <b>23,651</b> |

\* Amount in € thousands

In 2012, a special write-down of €3.6 million was included in connection with divested buildings and terrains as a result of developments in the property market that have resulted in a decrease of the market value of the complexes.

### 14 ACCOMMODATION EXPENDITURE

|                                  | Actual 2012   | Actual 2011   |
|----------------------------------|---------------|---------------|
| Rent                             | 9,349         | 8,847         |
| Insurance                        | 298           | 299           |
| Maintenance                      | 3,840         | 4,415         |
| Utilities (including water)      | 5,435         | 5,159         |
| Cleaning costs                   | 2,352         | 2,281         |
| Levies                           | 860           | 765           |
| Other accommodation costs        | 3,527         | 2,885         |
| <b>Total accommodation costs</b> | <b>25,661</b> | <b>24,651</b> |

\* Amounts in € thousands

A number of Wageningen University's chair groups are accommodated in DLO buildings: Wageningen University paid €9.3 million in rent in 2012 for the use of part of these buildings.

## 15 GENERAL COSTS

|   | Actual 2012   | Actual 2011   |
|---|---------------|---------------|
| Other equipment costs                       | 8,562         | 7,872         |
| Other general costs                         | 26,262        | 28,580        |
| <hr/>                                       |               |               |
| Additions to the provisions:                |               |               |
| Reorganisation costs                        | 319           | -1,630        |
| Product and/or contractual risks            | 0             | 690           |
| Provisions, other                           | 303           | -418          |
| <b>Total addition to general provisions</b> | <b>622</b>    | <b>-1,358</b> |
| <b>Total general costs</b>                  | <b>35,446</b> | <b>35,094</b> |

\* Amount in € thousands

The other general costs included office expenses (€3.4 million), travelling and accommodation expenses (€8.2 million), representation costs/PR activities/student recruitment (€2.6 million), literature supplies (€4.0 million), non-recoverable VAT (€5.7 million) and catering costs (€1.4 million).

The other general costs item included the following auditor's costs:

|                                |           |
|--------------------------------|-----------|
| A Audit of the annual accounts | € 80,000  |
| B Other auditing activities    | € 245,000 |
| C Advisory work                | € 54,000  |

## 16 SPECIFIC COSTS

|                                    | Actual 2012   | Actual 2011   |
|------------------------------------|---------------|---------------|
| Specific costs                     | 14,334        | 14,724        |
| Services provided by third parties | 20,485        | 19,551        |
| Contributions and subsidies        | 8,956         | 9,247         |
| <b>Total specific costs</b>        | <b>43,775</b> | <b>43,522</b> |

\* Amount in € thousands

## 17 FINANCIAL INCOME AND EXPENDITURES

|  | Actual 2012 | Actual 2011  |
|--|-------------|--------------|
| Financial income                               | 1,103       | 1,844        |
| Financial expenditures                         | -1,223      | -536         |
| <b>Total financial income and expenditures</b> | <b>-120</b> | <b>1,308</b> |

\* Amount in € thousands

The financial income relates to the interest received on the cash at bank in the financial year. Interest income decreased in 2012 due to the decrease in liquid assets.

The financial expenditure relates, in particular, to the long-term debt to ABN Amro. There was a further expenditure in 2012, relating to the non-effective portion of the applied interest instruments.

## 18 RESULT FROM PARTICIPATING INTERESTS

|  | Actual 2012 | Actual 2011 |
|--|-------------|-------------|
| Bio Product BV                                   | 30          | 115         |
| Nexxus Holding BV                                | 2           | 0           |
| Other participating interests                    | 4           | 4           |
| <b>Total result from participating interests</b> | <b>36</b>   | <b>119</b>  |

\* Amount in € thousands

## Separate Financial Statements

### SEPARATE BALANCE SHEET

|                             | 31-12-2012     | 31-12-2011     |
|-----------------------------|----------------|----------------|
| <b>ASSETS</b>               |                |                |
| <b>FIXED ASSETS</b>         |                |                |
| Intangible fixed assets     | 96             | 0              |
| Tangible fixed assets       | 247,092        | 233,369        |
| Financial fixed assets      | -287           | -336           |
| <b>Total fixed assets</b>   | <b>246,901</b> | <b>233,033</b> |
| <b>CURRENT ASSETS</b>       |                |                |
| Stocks                      | 51             | 95             |
| Receivables and prepayments | 63,880         | 61,853         |
| Cash at bank and in hand    | 52,245         | 69,415         |
| <b>Total current assets</b> | <b>116,176</b> | <b>131,363</b> |
| <b>TOTAL ASSETS</b>         | <b>363,077</b> | <b>364,396</b> |
| <b>LIABILITIES</b>          |                |                |
| <b>INTERNAL CAPITAL</b>     | 153,132        | 148,045        |
| <b>PROVISIONS</b>           | 17,967         | 18,012         |
| <b>LONG-TERM DEBT</b>       | 19,260         | 19,837         |
| <b>SHORT-TERM DEBT</b>      | 172,718        | 178,502        |
| <b>TOTAL LIABILITIES</b>    | <b>363,077</b> | <b>364,396</b> |

\* Amount in € thousands

The separate balance sheet does not incorporate ISRIC information, Restaurant van de Toekomst information or WU Holding BV information. This balance sheet incorporates Wageningen University's receivables from ISRIC and WU Holding BV. The internal capital varies from the internal capital included in the consolidated balance sheet by an amount totalling €488,000. This variance relates to ISRIC (€517,000) and Restaurant van de Toekomst (€- 29,000). Obligations not included in the balance sheet are equal to those in the consolidated account.

## SEPARATE PROFIT AND LOSS STATEMENT

|   | Actual 2012    | Actual 2011    |
|---|----------------|----------------|
| <b>INCOME</b>   |                |                |
| Direct government funding, Ministry of Economic Affairs | 164,785        | 162,086        |
| Tuition, course and examination fees                    | 20,980         | 19,108         |
| Income from work for third parties                      | 104,741        | 95,544         |
| Other income  | 22,571         | 25,486         |
| <b>Total income</b>                                     | <b>313,077</b> | <b>302,224</b> |
| <b>EXPENDITURES</b>                                     |                |                |
| Personnel costs   | 180,255        | 172,976        |
| Depreciation  | 23,403         | 23,650         |
| Housing costs   | 25,433         | 24,510         |
| General costs   | 35,231         | 34,791         |
| Specific costs  | 43,572         | 43,078         |
| <b>Total expenditures</b>                               | <b>307,894</b> | <b>299,005</b> |
| <b>OPERATING RESULT</b>                                 | <b>5,183</b>   | <b>3,219</b>   |
| Financial income and expenditures                       | -132           | 1,305          |
| <b>RESULT FROM ORDINARY ACTIVITIES BEFORE TAX</b>       | <b>5,051</b>   | <b>4,524</b>   |
| Taxation on ordinary activities                         | 0              | 0              |
| Result from participating interests                     | 36             | 93             |
| <b>RESULT FROM ORDINARY ACTIVITIES AFTER TAX</b>        | <b>5,087</b>   | <b>4,617</b>   |
| Third-party share                                       | 0              | 0              |
| Exceptional income and expenditure                      | 0              | 0              |
| <b>NET RESULT</b>                                       | <b>5,087</b>   | <b>4,617</b>   |

\* Amount in € thousands

The €164.8 million direct government funding from the Ministry of Economic Affairs does not include the €1.3 million direct government funding from ISRIC. In 2011, WU Holding BV recorded a result of €36,000, ISRIC, €92,000 and the Restaurant van de Toekomst, €18,000.

### Notes to the Separate Annual Accounts

Given the relatively minor deviations of the financial data between the company and consolidated annual accounts of Wageningen University as of 31 December 2012, notes on the company balance sheet and profit and loss account can be found as part of the notes on the consolidated balance sheet and profit and loss account.

| FINANCIAL FIXED ASSETS                     | 31-12-2012  | 31-12-2011  |
|--|-------------|-------------|
| Participating interests in group companies | -432        | -468        |
| Members' capital                           | 141         | 128         |
| Other receivables                          | 4           | 4           |
| <b>Total financial fixed assets</b>        | <b>-287</b> | <b>-336</b> |

\* Amount in € thousands

---

Breakdown of the participating interests in group companies item

| Description                  | Book value<br>31-12-2011 | Investment/div<br>estment | Other<br>changes <sup>1)</sup> | Book value<br>31-12-2012 |
|------------------------------|--------------------------|---------------------------|--------------------------------|--------------------------|
| WU-Holding                   | -468                     | 0                         | 36                             | -432                     |
| <b>Total group companies</b> | <b>-468</b>              | <b>0</b>                  | <b>36</b>                      | <b>-432</b>              |

\* Amount in € thousands

<sup>1)</sup> The other changes are related to the appreciation of the participation in 2012

### 3.1.1 Supplementary Information

#### **Post Balance Sheet Events**

There were no post balance sheet events that gave rise to the adjustment of or notification in the annual accounts.

#### **Processing of results**

The 2012 result has been added to the internal capital.

| Result appropriation  |              |
|---|--------------|
| General reserve   | 5.621        |
| Reserve appropriation for Projects to be carried out in future. | -424         |
| <b>Total internal capital</b>                                   | <b>5.197</b> |

#### **Independent auditor's report**

##### *Report on the financial statements*

We have audited the accompanying financial statements 2012 of Wageningen University, Wageningen (page 58 to 81 and page 84), which comprise the consolidated and company balance sheet as of December 31, 2011, the consolidated and company profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

##### *Management's responsibility*

The Wageningen University Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the annual report, both in accordance with the 'Regeling jaarverslaggeving onderwijs' (Annual report regulations for education). Management is also responsible for financial accuracy of the income, expenditures and changes in balance sheet items. This means that these amounts should be in accordance with appropriate rules and regulations. Furthermore, management is responsible for such internal control as it deems necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

##### *Auditor's responsibility*

Our responsibility is to draw a conclusion on these financial statements based on our audit as meant in section 2.9, paragraph 3 of 'Wet op het hoger onderwijs en wetenschappelijk onderzoek'. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and 'Onderwijscontroleprotocol OCW/EL&I 2011'. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to Wageningen University's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Wageningen University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the evidence we have obtained during this audit is sufficient and appropriate to provide a basis for our conclusion regarding this audit.

---

*Opinion with respect to the financial statements*

In our opinion, the financial statements give a true and fair view of the financial position of Wageningen University as at December 31, 2012 and of its result for the year then ended in accordance with 'Regeling jaarverslaggeving onderwijs'. Furthermore, we are of the opinion that the income, expenditures, and movements in balance sheet items meet the requirements of financial accuracy. This means that these amounts are in accordance with applicable rules and regulations, as mentioned in section 2.3.1 of 'Referentiekader van het onderwijscontroleprotocol OCW/EL&I 2011'.

*Report on other legal requirements*

Pursuant to the legal requirements under Section 2:393 sub 5 of e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the annual report, to the extent we can assess, is consistent with applicable rules and regulations concerning financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Arnhem, 21 May 2013

Ernst & Young Accountants LLP

w.g. F. de Bruijn RA

---

### 3.1.2 Appendices

#### **Appendix 1 Clarifications**

##### *Outsourcing of one or more Components of CROHO Registered Study Programmes to a Private Organisation (+ costs)*

Wageningen University does not outsource activities in the sense referred to above. Any outside expertise contracted for teaching (for example, as a consequence of the earlier 'division of duties & concentration' operations) is contracted from sister higher education institutions and not from private institutions.

##### *Customised Programmes for Companies/Organisations*

Wageningen University does not provide any customised programmes for companies and/or organisations in the form of CROHO registered courses leading to a certificate. Customisation in the form of post-initial courses is provided under the Wageningen UR umbrella by the Centre for Development and Innovation (CDI) and Wageningen Business School (WBS).

##### *Personnel Registered for Initial Study Programmes*

Once again, in 2012 Wageningen University had a large number of students who were simultaneously appointed members of staff of the university or members of staff who were also enrolled as students. The names of these persons are known. These persons include student assistants and students with a part-time job for a limited number of hours.

None of these 'staff students' are following one of the university's initial study programmes within the scope of the education and training of WU personnel. Consequently, the university has not paid the tuition fees for any member of staff.

##### *Allocation of Direct Government Funding to Private Activities*

Wageningen University allocates funds to the following private activities:

- Post-initial education relating to establishing new study programmes and transferring knowledge to society;
- Student facilities such as sports facilities and training activities;
- Student accommodation for international M.Sc. students. Although the provision of student accommodation is not one of the university's primary duties, the acute accommodation needs nevertheless resulted in the Executive Board's 2009 decision to invest in temporary accommodation for international students. In 2012 Wageningen University invested €1.1 million in housing complexes in Wageningen, Bennekom and Ede. The Supervisory Board agreed to this, in light of the state of Wageningen's housing market, as it particularly relates to students. Housing is rented at fair market value prices. The objective is to achieve break-even operations with these investments.

## Appendix 2 Staffing Position (FTE)

### Average Staffing Position

|   | 2012           | 2011           |
|---|----------------|----------------|
| <b>FACULTY</b>  |                |                |
| Academic staff:   |                |                |
| Professor   | 97.5           | 98.2           |
| Associate professor   | 146.4          | 146.7          |
| Assistant professor   | 280.8          | 270.7          |
| Researchers   | 275.9          | 263.4          |
| Lecturers and other academic staff                          | 50.0           | 45.0           |
| Ph.D. candidates  | 704.8          | 649.5          |
| <b>TOTAL ACADEMIC STAFF</b>                                 | <b>1,555.4</b> | <b>1,473.5</b> |
| Support and administrative staff:                           |                |                |
| Job grade 13 and above                                      | 16.4           | 19.4           |
| Job grade 9 to 12   | 215.4          | 222.5          |
| Lower than 9  | 356.8          | 360.5          |
| <b>TOTAL SUPPORT AND ADMINISTRATIVE STAFF</b>               | <b>588.6</b>   | <b>602.4</b>   |
| <b>TOTAL FACULTY</b>  | <b>2,144.0</b> | <b>2,075.9</b> |
| <b>GENERAL SERVICES</b>                                     |                |                |
| Job grade 13 and above <sup>2</sup>                         | 44.8           | 43.4           |
| Job grade 9 to 12   | 213.4          | 211.5          |
| Lower than 9  | 205.0          | 207.3          |
| <b>TOTAL GENERAL SERVICES</b>                               | <b>463.2</b>   | <b>462.2</b>   |
| TOTAL number of staff with a Wageningen University contract | 2,607.2        | 2,538.1        |
| On-charged staff with a DLO contract                        | 32.3           | 41.9           |
| <b>Total staffing position</b>                              | <b>2,639.5</b> | <b>2,580.0</b> |

<sup>2</sup> Staff not assigned a job grade are included in the group with an equivalent salary.

---

### **Appendix 3 Work Commissioned by Third Parties by Type of Financier and Turnover**

#### *Specification of Proceeds by Client*

|                                      | <b>Actual 2012</b> | <b>Actual 2011</b> |
|--------------------------------------|--------------------|--------------------|
| Research funding                     | 23,949             | 22,566             |
| Government                           | 9,712              | 8,789              |
| Other Dutch government agencies      | 20,986             | 18,932             |
| Business community                   | 14,067             | 11,752             |
| European Union                       | 18,611             | 15,374             |
| Foreign government and public sector | 2,665              | 2,365              |
| Collection-box funds                 | 618                | 446                |
| DLO Research Foundation              | 5,101              | 5,182              |
| Other                                | 9,773              | 11,089             |
| <b>Total proceeds by client</b>      | <b>105,482</b>     | <b>96,495</b>      |

\* Amounts in € thousands

## Appendix 4 Target Funding and Deferred Liabilities to the Ministry of Economic Affairs

| Project Description  | Decision                         | Awarded amount    | Balance          | Received         | Expenditure 2012 | Expenditure      | Balance          |
|--|----------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
|  |                                  |                   |                  | 31-12-2011       | Incl. 2012       | Incl. 2012       |                  |
| <b>G2-A Target funding expiring on 31-12-2012</b>                  |                                  |                   |                  |                  |                  |                  |                  |
| WURKS 2009-2010  | TRCDK 2009/2029 d.d. 24-11-2009  | 1,864,332         | 622,972          | 1,864,332        | 622,972          | 1,864,332        | 0                |
| Professionalisation and Teachers 2009-2012                         | TRCDK 2009/2239                  | 920,000           | 209,131          | 736,000          | 209,131          | 736,000          | 0                |
| Teaching academics   | TRCDKI 2010/2195 d.d. 13-12-2010 | 625,000           | 379,374          | 520,000          | 379,374          | 520,000          | 0                |
| Total target funding expiring by 31-12-2012                        |                                  | 3,409,332         | 1,211,477        | 3,120,332        | 1,211,477        | 3,120,332        | 0                |
| <b>G2-B Ongoing until the next year</b>                            |                                  |                   |                  |                  |                  |                  |                  |
| Introducing educational minors                                     | 804A0-27081 (CFI 11-11-2009)     | 136,906           | 54,490           | 136,906          | 48,745           | 131,161          | 5,745            |
| Quality impulse 2009-2012  | TRCDKI/09/2064 d.d. 13-11-2009   | 1,925,000         | 532,868          | 1,275,000        | -62,280          | 679,853          | 595,147          |
| Centre for Biobased Economy  | TRCDKI 2010/2190 d.d. 15-12-2010 | 5,000,000         | 1,219,246        | 2,391,036        | 163,355          | 465,145          | 1,925,891        |
| Total ongoing until the next year                                  |                                  | 7,061,906         | 1,806,604        | 3,802,942        | 149,820          | 1,276,159        | 2,526,783        |
| <b>Deferred liabilities direct government funding letter</b>       |                                  |                   |                  |                  |                  |                  |                  |
| Learning in practice 2010 – 2012                                   |                                  | 1,118,200         | 419,400          | 1,118,200        | 200,818          | 352,618          | 765,582          |
| Sector Physics and Chemistry                                       |                                  | 195,000           | 195,000          | 195,000          | 0                | 0                | 195,000          |
| WURKS 2011   |                                  | 735,000           | 735,000          | 735,000          | 186,877          | 186,877          | 548,123          |
| WURKS 2012   |                                  | 734,712           | 0                | 734,712          | 0                | 0                | 734,712          |
| Total deferred liabilities   |                                  | 2,782,912         | 1,349,400        | 2,782,912        | 387,695          | 539,495          | 2,243,417        |
| <b>Total included under Ministry of Economic Affairs subsidies</b> |                                  | <b>13,254,150</b> | <b>4,367,481</b> | <b>9,076,186</b> | <b>1,748,993</b> | <b>4,935,986</b> | <b>4,470,200</b> |

\* Amounts in € thousands

## 3.2 DLO Research Foundation Financial Report

### 3.2.1 DLO Financial Statement

#### **Result Developments**

The DLO Research Foundation recorded a positive net result of €6.2 million in 2012, €3.1 million lower than the net result for 2011 (€9.3 million).

The DLO Research Foundation's result for 2012 is comprised of the following:

|   | 2012 | 2011 |
|---|------|------|
| Institutes  | 3.2  | 0.9  |
| Result on housing and internal WW/BW premiums including cost of capital | 6.9  | 7.8  |
| Executive Board/Staff departments/Facilities department:                |      |      |
| Non-recurrent   | -4.8 | -2.7 |
| Operational   | 0.9  | 3.3  |
| Net result, DLO Research Foundation                                     | 6.2  | 9.3  |

\* Amounts in € millions

The institutes achieved an annual result of €3.2 million in 2012, which is €0.9 million higher than in 2011.

The operational result in 2012 of the central departments is lower than in 2011, due to a lower result for the windparks of €-0.8 million, principally as a result of lower wind returns, and the Executive Board €-0.8 million largely due to the development costs of MyProjects of 0.7 million.

The result for 2012 contains a number of non-recurrent components that jointly have a negative effect of €4.8 million. The most important of these is the €-5.6 million in write-downs on fixed assets. This is countered by a book profit on sale of fixed assets (€0.8 million) and revaluation of real estate in relation to partial re-use (€0.3 million). In addition, cost of provisions in relation to staff came to €0.4 million.

Turnover of €342.7 million was generated in 2012. The DLO Research Foundation's largest client is the Ministry of Economic Affairs, which generates approximately 43% of total turnover (50% of research turnover).

Total turnover in 2011 was €352.5 million. This shows a decrease of the total turnover in 2012 compared to 2011 of €9.8 million. The turnover resulting from the Ministry of Economic Affairs through regular (programme research) and indirect (isolated research) shows a decrease of €15.1 million, i.e. 9%. Contract research, however, increased in 2012 by €11.5 million (+9%).

Salary costs per FTE increased by 2.4% in 2012. 1.5% of this is a result of the CAO increase and 1.0% due to increased employer contribution costs (pensions and social costs).

#### **Balance Developments**

Liquid assets increased by the end of 2012 (€82.9 million) in comparison with 2011 (€66.0 million) by €16.9 million. This increase is explained as follows:

|  | <b>Amount</b> |
|--|---------------|
| Net result   | 5.5           |
| Change in real estate (balance of investments, divestments and depreciation) | -4.1          |
| Change in provisions   | -0.9          |
| Change in long-term debt   | -4.8          |
| Development of working capital   | 21.1          |
| Result from non-consolidated participating interests                         | 0.1           |
| <b>Total</b>   | <b>16.9</b>   |

\* Amounts in € millions

The change in real estate amounts to €-4.1 million and is comprised of €20.6 million from building and inventory depreciation and €4.1 million in write-downs. In contrast, capital expenditures (including equity and members' capital) amount to €-29.8 million and real estate sales amount to €1.0 million.

The development of the working capital is principally a result of the collection of short-term receivables by Wageningen University in late 2011 of €16.6 million.

Solvency, due to the positive result, rose to 51.1%. In 2011 solvency was 49.7%.

### **Changes in the Legal Structure and Capital Stake**

In 2012 the capital stake in Pepscan Holding BV declined from 25% to 18%.

### **Prospects for 2013**

A net result of €1.5 million was budgeted for the DLO Research Foundation. The result is influenced incidentally by transition costs (approximately €3.5 million) that must be made to solve the current personnel drain and mismatch due to changing market needs which exists in parts of the employee pool. A further reduction in employment (including temps) is expected of approximately 30 FTE. In addition a number of expected write-downs (€4.4 million) are estimated for 2013 as a result of the possible sale of a number of business premises. Decisions to this end have yet to be made. The result from ordinary activities (= net result less Executive Board's non-recurrent result) amounted to €9.5 million. In view of the continuing turbulence resulting from the credit crisis and in particular the government's spending cuts, it is expected that the normalised result will be at the level needed in order to maintain equity capital.

The expected turnover for 2013 is €334.2 million, a light decrease compared to 2012, revealing a shift in source groups for turnover. The turnover from the Ministry of Economic Affairs is decreasing and the contract research turnover is increasing. The increase for contract research is principally due to an expected increase in turnover resulting from the business sector.

€22.2 million will be invested in buildings and land in 2013. The majority of the investments within the scope of the Strategic Construction Plan (€6.0 million) will be made in the renovation of the Atrium and Turbotron and Infrastructure Phase 2. The regular investments amount to €13.8 million, including power cables and IT Wageningen Campus, the renovation of the IMARES main building, the renovation of the Facilities and Services temporary accommodation building and major maintenance. In addition, knowledge units will invest in equipment and building design, in particular.

Due to these planned investments there is a drop in budgeted liquid assets.

The budget for 2013 estimates that the solvency will improve by 1% compared to 2012.

## Consolidated Balance Sheet

After the allocation of the net result

|                               | 31-12-2012     | 31-12-2011     |
|-------------------------------|----------------|----------------|
| <b>ASSETS</b>                 |                |                |
| FIXED ASSETS                  |                |                |
| 1 Intangible fixed assets     | 220            | 1,570          |
| 2 Tangible fixed assets       | 328,224        | 324,406        |
| 3 Financial fixed assets      | 64,656         | 68,492         |
| <b>Total fixed assets</b>     | <b>393,100</b> | <b>394,468</b> |
| CURRENT ASSETS                |                |                |
| 4 Stocks                      | 3,499          | 3,829          |
| 5 Receivables and prepayments | 96,034         | 117,544        |
| 6 Liquid assets               | 82,868         | 66,038         |
| <b>Total current assets</b>   | <b>182,401</b> | <b>187,411</b> |
| <b>TOTAL ASSETS</b>           | <b>575,501</b> | <b>581,879</b> |
| <b>LIABILITIES</b>            |                |                |
| INTERNAL CAPITAL              |                |                |
| Other reserves                | 295,220        | 287,661        |
| Legal reserves                | 220            | 1,571          |
| <b>7 INTERNAL CAPITAL</b>     | <b>295,440</b> | <b>289,232</b> |
| 8 PROVISIONS                  | 21,396         | 23,275         |
| 9 LONG-TERM DEBT              | 106,750        | 115,546        |
| 10 SHORT-TERM DEBT            | 151,915        | 153,826        |
| <b>TOTAL LIABILITIES</b>      | <b>575,501</b> | <b>581,879</b> |

\* Amounts in € thousands

## Consolidated Profit and Loss Statement

|       |   | Result 2012    | Result 2011    |
|-------|---|----------------|----------------|
| 11    | INCOME  | 343,373        | 352,537        |
| <hr/> |   |                |                |
|       | EXPENDITURE   |                |                |
| 12    | Personnel costs                                       | 192,487        | 193,619        |
| 13    | General costs   | 76,736         | 76,581         |
| 14    | Specific costs  | 63,450         | 68,647         |
|       | <b>Total expenditure</b>                              | <b>332,673</b> | <b>338,847</b> |
| <hr/> |   |                |                |
|       | <b>Other income and expenditures</b>                  | <b>0</b>       | <b>0</b>       |
| <hr/> |   |                |                |
|       | OPERATING RESULT                                      | <b>10,700</b>  | <b>13,690</b>  |
| 15    | Financial income and expenditure                      | -4,113         | -4,313         |
| <hr/> |   |                |                |
|       | <b>RESULT FROM ORDINARY ACTIVITIES BEFORE<br/>TAX</b> | <b>6,587</b>   | <b>9,377</b>   |
| <hr/> |   |                |                |
| 16    | Result from ordinary activities                       | -312           | 0              |
| 17    | Result from participating interests                   | -67            | -98            |
| <hr/> |   |                |                |
|       | <b>RESULT FROM ORDINARY ACTIVITIES AFTER<br/>TAX</b>  | <b>6,208</b>   | <b>9,279</b>   |
| <hr/> |   |                |                |
|       | Third-party share                                     | 0              | 0              |
|       | Extraordinary income and expenditure                  | 0              | 0              |
|       | <b>NET RESULT</b>                                     | <b>6,208</b>   | <b>9,279</b>   |

\* Amounts in € thousands

## Consolidated Cash Flow Statement

|   | Result 2012    | Result 2011    |
|---|----------------|----------------|
| <b>OPERATIONAL ACTIVITIES</b>                                 |                |                |
| Net result  | 6,208          | 9,279          |
| Depreciation and write-downs                                  | 26,175         | 24,248         |
|   | <b>32,383</b>  | <b>33,527</b>  |
| Change in provisions  | -1,879         | -1,317         |
| Change in stock   | 330            | 237            |
| Change in receivables   | 21,510         | -8,937         |
| Change in short-term debt                                     | -1,911         | 10,932         |
| Result from non-consolidated participating interests          | 68             | 98             |
|   | <b>18,118</b>  | <b>1,013</b>   |
| <b>Cash flow from operational activities</b>                  | <b>50,501</b>  | <b>34,540</b>  |
| <b>INVESTMENT ACTIVITIES</b>                                  |                |                |
| Investments in intangible assets                              | -248           | -3,401         |
| Investments in buildings and sites (incl. WIU)                | -25,952        | -7,119         |
| Investments in other tangible assets                          | -3,403         | -6,086         |
| Investments in participating interests and members' capital   | -176           | -292           |
| Divestments of fixed assets                                   | 960            | 5,783          |
| <b>Cash flow from investment activities</b>                   | <b>-28,819</b> | <b>-11,115</b> |
| <b>FINANCING ACTIVITIES</b>                                   |                |                |
| Change in long-term receivables, Ministry of Economic Affairs | 3,944          | 3,944          |
| Change in long-term debt, Ministry of Economic Affairs        | -5,385         | -6,583         |
| Change in other long-term debt                                | -3,265         | -8,369         |
| Decrease in lease obligations                                 | -146           | -312           |
| Change in internal capital                                    | 0              | 0              |
| Change in third party share                                   | 0              | 0              |
| <b>Cash flow from financing activities</b>                    | <b>-4,852</b>  | <b>-11,320</b> |
| <b>CASH FLOW</b>  | <b>16,830</b>  | <b>12,105</b>  |
| <b>CHANGE IN LIQUID ASSETS</b>                                |                |                |
| Balance of liquid assets on 1 January                         | 66,038         | 53,933         |
| Balance of liquid assets on 31 December                       | 82,868         | 66,038         |
| <b>Change in liquid assets</b>                                | <b>16,830</b>  | <b>12,105</b>  |

\* Amounts in € thousands

---

## Principles of Valuation

### *General*

The settlements and debt ratios between the various members of the group (which are referred to as intergroup payments) have been eliminated.

The figures for the previous financial year are in accordance with the figures in the annual accounts of the relevant year. Variances may arise as a result of corrections, shifts between items or changes in the rounding-off method. Variances of relevant significance are indicated in the annual accounts.

### *General accounting principles for the preparation of the annual accounts*

The DLO Research Foundation, the DLO Holding BV and a number of (smaller) subsidiaries are grouped together. Staff are employed by the DLO Research Foundation and are allocated, on the basis of the on-charged actual wage costs, to the various operating companies. The DLO Research Foundation owns the real estate used by the operating companies pursuant to contracts for use.

The annual accounts are prepared according to the historical cost model. Unless otherwise stated, assets and liabilities are included at nominal value.

Monetary assets and liabilities in foreign currencies are converted at the exchange rate on the balance sheet date.

Exchange rate differences are included in the profit and loss statement. Revenues and expenses in foreign currencies are included in the profit and loss statement at the exchange rate on the date of settlement.

The annual accounts are prepared pursuant to the Netherlands Civil Code, Book 2, Title 9, and the accounting standards issued by the Dutch Accounting Standards Board.

### *Use of estimates*

The preparation of the annual accounts demands that the board draw conclusions and makes estimates and motivations that affect the accounting principles and reported value of fixed assets and obligations, as well as of income and expenditures. The actual outcome will deviate from these estimates. The estimates and underlying motivations are continually evaluated. Adjustments to estimates are implemented in the period during which the adjustment is made as well as following periods affected by this adjustment. The principal items subject to estimates are:

- Valuation and life span of fixed assets
- Provision of receivables and projects
- Other provisions
- Claims

### **Consolidation circle**

The consolidation incorporates the annual accounts of the institution, its group companies and other organisations over which the institution exercises dominant control (pursuant to the actual situation) or central management. The group companies are legal entities directly or indirectly controlled by the institution given that the institution possesses the majority of the voting rights or can control the financial and operational activities in some other manner. Also taken into account are potential voting rights that can be exercised directly on the balance sheet date.

The annual accounts of group companies and other legal entities controlled or centrally managed by the institution are fully included in the consolidation. Third party shares with respect to internal capital and the group result are reported separately.

The annual accounts of the following companies are consolidated in full in the consolidated accounts.

|                                  | Shareholder | Registered office | % year-end | Change | % year-end |
|----------------------------------|-------------|-------------------|------------|--------|------------|
|                                  |             |                   | 2011       | 2012   |            |
| Agri New ventures BV             | WBG         | Wageningen        | 100%       | –      | 100%       |
| Calendula Oil BV                 | WBG         | Wageningen        | 56%        | –      | 56%        |
| DLO Holding BV                   | DLO         | Wageningen        | 100%       | –      | 100%       |
| Exploitatiemaatschappij          | WBG         | Wageningen        | 100%       | –      | 100%       |
| Windmolenparken Lelystad BV      |             |                   |            |        |            |
| ID-Lelystad BV                   | Holding     | Wageningen        | 100%       | –      | 100%       |
| Lelystad Biologicals BV          | Holding     | Wageningen        | 100%       | –      | 100%       |
| Wageningen Business Generator BV | Holding     | Wageningen        | 100%       | –      | 100%       |
| Windmolenpark Neushoornrecht BV  | WBG         | Wageningen        | 100%       | –      | 100%       |
| Windmolenpark Mammoethoorn BV    | WBG         | Wageningen        | 100%       | –      | 100%       |

Participating interests are valued at acquisition cost or net asset value (NAV).

|  | Shareholder | Registered office | % year-end | Change | % year-end |
|--|-------------|-------------------|------------|--------|------------|
|  |             |                   | 2011       | 2012   |            |
| At acquisition cost:                                     |             |                   |            |        |            |
| Bfactory BV  | WBG         | Wageningen        | 17%        | –      | 17%        |
| Isolife BV   | WBG         | Wageningen        | 5%         | –      | 5%         |
| Telemetrics Biometry BV                                  | WBG         | Heteren           | 4%         | –      | 4%         |
| Wageningen Science & Technology Consulting Services Ltd. | Holding     | Beijing           | 100%       | –      | 100%       |
| At net asset value:                                      |             |                   |            |        |            |
| Covaccine BV   | WBG         | Lelystad          | 25%        | –      | 25%        |
| Fresh Forward Holding BV                                 | WBG         | Wageningen        | 49%        | –      | 49%        |
| Knowhouse BV   | WBG         | Horst             | 30%        | –      | 30%        |
| Nsure Holding BV   | WBG         | Wageningen        | 13%        | –      | 13%        |
| Oostwaardhoeve Beheer BV                                 | WBG         | Wageningen        | 50%        | –      | 50%        |
| Pepscan Systems BV                                       | WBG         | Lelystad          | 25%        | -/- 7% | 18%        |
| VOF Oostwaardhoeve                                       | WBG         | Slootdorp         | 50%        | –      | 50%        |

## Accounting policies for the valuation of assets and liabilities

### *Intangible Fixed Assets*

Development costs, patents and licences, software, goodwill and production rights are not capitalised unless they are purchased from third parties or the production costs can be reliably established. In addition, the intangible fixed asset must be capable of generating future economic benefits. Intangible fixed assets are valued at acquisition or production cost. Amortisation is applied in proportion to the realisation of the forecast revenue in five years. When a reliable determination of revenue realisation is not possible, the straight line method is used. Pursuant to statutory obligations, a statutory reserve is maintained for the capitalised amount of development costs. Write-downs or write-offs due to a permanent decline in value, divestment, loss or decommissioning of an asset are reported separately.

### *Tangible Fixed Assets*

Tangible fixed assets are valued at acquisition price or production cost minus accumulated depreciation. Depreciation is applied using the straight line method on the basis of the estimated useful life and the residual value. Depreciation is proportionally applied in purchase year.

Tangible fixed assets under construction or on order are valued at acquisition price or for the amount that has already been invoiced to the company by third parties. Investments valuing less than €5,000 are charged directly to the profit and loss statement.

The depreciation of the various groups of items is as follows:

|  | Component | Depreciation    |
|--|-----------|-----------------|
| Land/Work in progress  |           | 0%              |
| Land layout and infrastructure   |           | 60 years linear |
| Buildings  |           |                 |
| Shell  |           | 60 years linear |
| Fittings   |           | 30 years linear |
| Built-in equipment/furnishing of buildings   |           | 15 years linear |
| Greenhouses, sheds, sundry buildings/structures  |           | 15 years linear |
| Machinery and equipment:   |           |                 |
| Office furniture/plant and machines/inventory of restaurant facilities/fibre optic network/other machinery and equipment |           | 10 years linear |
| Laboratory equipment/audiovisual equipment/vehicles/PR and information material  |           | 5 years linear  |
| ICT equipment including software (network hardware)  |           | 5 years linear  |
| ICT equipment including software (other hardware)  |           | 3 years linear  |

However, an exception is made for buildings and equipment that, pursuant to financial provider requirements, are immediately charged in full. The full cost of these fixed assets is included in the year of purchase.

Write-downs or write-offs due to a permanent decline in value, divestment, loss or decommissioning of an asset are reported separately. An assessment is made on balance sheet date to review whether there are indications that a fixed asset can be subject to impairment. Should there be any such indications, then the realisable value of the asset is determined. When the realisable value of the individual asset cannot be determined, then the realisable value of the cash flow generating unit to which the asset belongs is determined. An impairment is applicable when the book value of an asset is higher than the realisable value, where the realisable value is the higher of the market value and of the business value.

When it is determined that an impairment that was included in the past no longer exists or has decreased, then the increased book value of the asset is set no higher than the book value that would have been determined without the application of an impairment of the asset.

#### *Financial Fixed Assets*

Participating interests and members' capital over which the institution exerts a significant influence on the business and financial policy are valued at net asset value. This value is determined on the basis of the group's accounting policies for valuation and the determination of the result.

Participating interests and members' capital over which the institution does not exert a significant influence on the business and financial policy, are valued at acquisition cost. The valuation of these assets takes into account any permanent decline in value, where relevant.

#### *Stocks*

This item is comprised of the trading stock, finished product, livestock and stock of harvested agricultural produce. The trading stock and finished product are valued in accordance with the FIFO method at the acquisition cost or production cost increased by a margin for indirect costs.

The valuation of livestock and stock of harvested agricultural produce is based on market prices.

The value of unmarketable stock or stock with a lower market value is decreased accordingly. On the basis of the average annual use in the last 10 years, antisera is provided that according to this calculation has been in stock longer than 3 years. The write-down on the stock of antisera is applied on the basis of five times the average sales in the past ten years.

The stock of finished product is valued in accordance with the FIFO method at the acquisition cost or production cost increased by a margin for the indirect costs.

#### *Receivables and Prepayments*

Receivables are valued at nominal value less a provision for uncollectible debts, where relevant.

---

### *Work in Progress*

Work in progress for third parties is valued at the cost of the direct material use and labour, increased by a margin for indirect costs. Invoiced instalments and forecast losses on projects are deducted from this balance. The allocation of the result is determined in proportion to the progress in the project or the proportion of the realised costs for that project. After setting off the prepayments that have been received, projects with a negative balance are then included under short-term receivables. Projects with a negative balance are included under the prepayments item of short-term debt.

### *Internal Capital*

- Subscribed capital  
the nominal value of issued and paid-up share capital is included under this item.
- Statutory reserve  
the mandatory maintenance of a statutory reserve for research and development costs capitalised in the balance sheet.
- General reserve  
this reserve is credited with the operating result in any year in which the result is not allocated to a specific use.

### *Third-party Share*

The share of third parties in a participating interest consolidated in full by the group is included in the Third-party Share item in the annual accounts.

### **Provisions**

Unless otherwise stated, provisions are valued at nominal value. The amount of the provision included in the annual accounts is the best estimate of the amount that will be required to settle the relevant obligations and losses at balance sheet date.

#### *Provisions are formed for:*

- legally enforceable or actual obligations that exist at balance sheet date;
- the settlement of obligations that will probably require an outflow of funds; and
- obligations when a reliable estimate can be made of those obligations.

#### *Provision for Unemployment Insurance Obligations*

The provision for unemployment insurance obligations covers existing unemployment insurance obligations at balance sheet date and anticipated future expenditures relating to staff who have already left employment and staff employed with a temporary employment contract.

#### *Provision for the Resumption of Work (Partially Disabled Persons) Act*

The provision for Resumption of Work (Partially Disabled Persons) Act obligations covers the obligations pursuant to the Act as anticipated on the balance sheet date. The DLO Research Foundation bears deductibles for 2012.

#### *Other Personnel Provisions – Service Bonuses*

The anticipated obligation arising from future service (anniversary) bonuses is determined on the basis of historical information and withdrawals are made on the basis of realisation. The present value is determined on the basis of the prevailing market rate of interest for the DLO Research Foundation.

#### *Other Personnel Provisions - Pensions*

DLO's pension insurance provider is ABP. The scheme is a defined benefit pension scheme, as a result of which account needs to be taken of future changes in pension contributions and investment results. The obligation is included as a defined contribution pursuant to RJ 271.310. No obligations other than the payment of pension contributions arise from a defined contribution pension scheme. The pension contributions are included as personnel costs when they become payable. Prepaid pension contributions are included as prepayments to the extent that they will be reimbursed by the pension fund or credited to pension contributions due in future.

---

The pension plans accord with the average and will be indexed if the coverage rate of the pension fund allows. The ABP pension fund had a coverage rate of 96% on 31 December 2012. In 2012 the pension premiums were raised and no indexation in line with salary development took place.

Due to the low coverage of the ABP on 31 December 2012 the ABP board will probably decide over the course of 2013 to lower pensions of all participants by about 0.5%. This will apply both to participants accumulating pension (or who have accumulated pension) as retirees.

Pursuant to the recovery plan the ABP coverage by late 2013 shall be 104.3%. The ABP board, on the basis of current knowledge and information, will take into account a further reduction of pensions in 2014.

Compared to 31 December 2011, the coverage rate improved by a mere 2%. Based on the recovery plan, a coverage rate of 98.5% was predicted for 31 December 2012. The actual coverage rate on 31 December 2012 was 2.5% lower.

Due to this low ABP coverage rate on 31 December 2012, the ABP board will probably decide to lower the pensions of all participants on 1 April by 0.5%. This will apply both to participants accumulating pension (or who have accumulated pension) as retirees.

#### *Provision for Reorganisation Costs*

This provision covers anticipated costs incurred as a result of decisions made and announced within the organisation that relate to current and intended reorganisations.

#### *Provision for Product and Contract Risks*

This provision covers the expected cost of loss-making contracts, guarantees and claims arising from services and products delivered to third parties.

#### **Long-term Debt**

Long-term debt is that which lasts longer than one year after the date of the end of the annual account.

#### **Short-term Debt**

Short-term debt is that which is paid less than one year after the date of the end of the annual account.

### **Accounting policies for the determination of income and expenditure**

#### *Overview*

Proceeds and costs are included as business income and expenditures that can be allocated to the relevant financial year or activity, irrespective of whether they have resulted in receipts and expenses during the annual account period.

Proceeds are included in the year in which the goods were delivered or the services were provided to clients. Losses and risks arising before the end of the financial year are taken into account when they are known before preparation of the annual account.

Contract revenue is included under the Contract Research item. The income is determined on the basis of the direct costs increased by a margin for indirect costs to a maximum of the rate to be paid by the finance provider. Results are taken in proportion to the progress in the project.

Revenue from the Ministry of Economic Affairs falling under the subsidy regulation is included under the Ministry of Economic Affairs Programme Research item. The income is determined on the basis of the direct costs increased by a margin for indirect costs. The margin for indirect costs is determined once a year in accordance with the prevailing system for the margin. Results are taken in proportion to the progress in the project.

Taxation on the result is calculated from the profit before tax item in the income and expenditure statement, taking into account any available losses that are off-settable against tax (to the extent that these have not been included in the deferred tax credits) and tax-exempt profit constituents after the

---

inclusion of non-deductible costs. All changes are also taken into account in deferred tax credits and deferred tax liabilities arising from changes in the applicable tax rate.

**Accounting Principles for Cash Flow Statement Preparation**

The cash flow statement was prepared using the indirect method.

## Notes to the Balance Sheet

### 1 INTANGIBLE FIXED ASSETS

|                                 | Development costs | Total      |
|---------------------------------|-------------------|------------|
| Book value at 31-12-2011        | 1,570             | 1,570      |
| Investments                     | 248               | 248        |
| Disinvestments                  | 0                 | 0          |
| Depreciation                    | 389               | 389        |
| Write-downs                     | 1,209             | 1,209      |
| <b>Book value at 31-12-2012</b> | <b>220</b>        | <b>220</b> |
|                                 |                   |            |
| Acquisition value at 31-12-2011 | 5,266             | 5,266      |
| Acquisitions 2012               | 248               | 248        |
| Accumulated depreciation        | 1,420             | 1,420      |
| Accumulated write-downs         | 3,874             | 3,874      |
| <b>Book value at 31-12-2012</b> | <b>220</b>        | <b>220</b> |

\* Amounts in € thousands

The investment in development costs concerns the project management system Kameleon. In 2012, a depreciation took place of the development costs of Kameleon of €1.2 million, bringing the total depreciation of the development costs of Kameleon to €3.9 million. In addition, the software package ARTIS is included under the year-end 2012. This package is written off over a five-year period.

### 2 TANGIBLE FIXED ASSETS

|  | Land           | Buildings      | Fixtures   | Machinery and equipment | Work in progress | Total          |
|--|----------------|----------------|------------|-------------------------|------------------|----------------|
| Book value at 31-12-2011                 | 102,497        | 188,053        | 155        | 19,372                  | 14,329           | 324,406        |
| Investments                              | 27             | 24,214         | -31        | 3,434                   | 1,711            | 29,355         |
| Disinvestments                           | 288            | 1,490          | 0          | -818                    | 0                | 960            |
| Depreciation                             | 8              | 14,916         | -12        | 5,254                   | 0                | 20,166         |
| Write-downs                              | 1,781          | 2,630          | 0          | 0                       | 0                | 4,411          |
| <b>Book value at 31-12-2012</b>          | <b>100,447</b> | <b>193,231</b> | <b>136</b> | <b>18,370</b>           | <b>16,040</b>    | <b>328,224</b> |
|  |                |                |            |                         |                  |                |
| Acquisition value at 31-12-2011          | 102,522        | 329,606        | 708        | 91,206                  | 14,329           | 538,371        |
| Acquisitions 2012                        | 27             | 24,214         | -31        | 3,434                   | 1,711            | 29,355         |
| Acquisition value of divestments in 2012 | 288            | 2,646          | 4          | 4,831                   | 0                | 7,769          |
| <b>Acquisition value 31-12-2012</b>      | <b>102,261</b> | <b>351,174</b> | <b>673</b> | <b>89,809</b>           | <b>16,040</b>    | <b>559,957</b> |
|  |                |                |            |                         |                  |                |
| Accumulated depreciation                 | 33             | 125,035        | 537        | 71,296                  | 0                | 196,901        |
| Accumulated write-downs                  | 1,781          | 32,908         | 0          | 143                     | 0                | 34,832         |
| <b>Book value at 31-12-2012</b>          | <b>100,447</b> | <b>193,231</b> | <b>136</b> | <b>18,370</b>           | <b>16,040</b>    | <b>328,224</b> |
|  |                |                |            |                         |                  |                |
| Divestments, of which:                   |                |                |            |                         |                  |                |
| - Acquisition price                      | 288            | 2,646          | 4          | 4,831                   | 0                | 7,769          |
| - Depreciation                           | 0              | 1,156          | 4          | 5,649                   | 0                | 6,809          |
| <b>Total divestments</b>                 | <b>288</b>     | <b>1,490</b>   | <b>0</b>   | <b>-818</b>             | <b>0</b>         | <b>960</b>     |

\* Amounts in € thousands

€24.7 million was added to the work in progress item for investments in buildings in 2012 and €24.2 million was withdrawn. The other changes in the work in progress item relate to equipment investments and withdrawals.

Alongside a number of smaller construction projects, the addition to the work in progress item includes:

- The Strategic Construction Plan: AFSG Atrium €2.6million, Turbotron €3.7 million and Infrastructure €1.6 million.
- Other Investments: Lumen (€6.2 million), Gaia (€3.0 million), Haarweg (€1.9 million), IJmuiden (€1.3 million), Impulse (€1.2 million) and In Between (€1.4 million).

The projects that were delivered include Lumen (€7.2 million), F&S office building (€3.7), Infrastructure (€4.0 million), Gaia (€3.2 million) and Impulse (€1.4 million).

The DLO Research Foundation's real estate is insured for €472.5 million (reference date 1-6-2010). The value for the purposes of the Valuation of Immovable Property Act has been set at €245.9 million (reference date 1-1-2012).

### 3 FINANCIAL FIXED ASSETS

|   | 31-12-2012    | 31-12-2011    |
|---|---------------|---------------|
| Participating interests in group companies        | 1,132         | 1,200         |
| Other participating interests                     | 59            | 59            |
| Receivables from group companies                  | 0             | 0             |
| Receivables from other affiliated parties         | 486           | 341           |
| Members' capital                                  | 1,674         | 1,643         |
| Other securities                                  | 0             | 0             |
| Receivables from the Ministry of Economic Affairs | 61,305        | 65,249        |
| <b>Total financial fixed assets</b>               | <b>64,656</b> | <b>68,492</b> |

\* Amounts in € thousands

Breakdown of the participating interests in group companies item:

| Description        | Book value<br>31-12-2011 | Investment /<br>divestment | Other<br>changes | Downward<br>revaluation | Actual,<br>2012 | Book value<br>31-12-<br>2012 |
|--------------------|--------------------------|----------------------------|------------------|-------------------------|-----------------|------------------------------|
| Covaccine BV       | 18                       | 0                          | 0                | 0                       | 0               | 18                           |
| Fresh Forward      | 976                      | 0                          | -1               | 0                       | 121             | 1,096                        |
| Holding BV         |                          |                            |                  |                         |                 |                              |
| Knowhouse BV       | 0                        | 0                          | 0                | 0                       | 0               | 0                            |
| Nsure Holding BV   | 0                        | 0                          | 0                | 0                       | 0               | 0                            |
| Oostwaardhoeve     | 18                       | 0                          | 0                | 0                       | 0               | 18                           |
| Beheer BV          |                          |                            |                  |                         |                 |                              |
| Pepscan Systems BV | 188                      | 0                          | 0                | -188                    | 0               | 0                            |
| VOF Oostwaardhoeve | 0                        | 0                          | 0                | 0                       | 0               | 0                            |
| <b>Total</b>       | <b>1,200</b>             | <b>0</b>                   | <b>-1</b>        | <b>-188</b>             | <b>121</b>      | <b>1,132</b>                 |

\* Further changes concern minor rounding differences

Breakdown of the other participating interests item:

| Description             | Book value<br>31-12-2011 | Investment /<br>divestment | Other<br>changes | Downward<br>revaluation | Actual,<br>2012 | Book value<br>31-12-2012 |
|-------------------------|--------------------------|----------------------------|------------------|-------------------------|-----------------|--------------------------|
| Beijing China           | 53                       | 0                          | 0                | 0                       | 0               | 53                       |
| Bfactory BV             | 5                        | 0                          | 0                | 0                       | 0               | 5                        |
| Isolife BV              | 1                        | 0                          | 0                | 0                       | 0               | 1                        |
| Telemetrics Biometry BV | 0                        | 0                          | 0                | 0                       | 0               | 0                        |
| <b>Total</b>            | <b>59</b>                | <b>0</b>                   | <b>0</b>         | <b>0</b>                | <b>0</b>        | <b>59</b>                |

The breakdown of the receivables from other affiliated parties is as follows:

| Description        | Book value<br>31-12-2011 | Change     | Book value<br>31-12-2012 |
|--------------------|--------------------------|------------|--------------------------|
| Bfactory BV        | 0                        | 0          | 0                        |
| Fresh Forward BV   | 75                       | -75        | 0                        |
| Isolife BV         | 35                       | 0          | 35                       |
| Knowhouse BV       | 71                       | 0          | 71                       |
| Maatschap Hoekzema | 160                      | -80        | 80                       |
| Pherobank          | 0                        | 300        | 300                      |
| <b>Total</b>       | <b>341</b>               | <b>145</b> | <b>486</b>               |

\* Amounts in € thousands

The breakdown of the members' capital is as follows:

| Description                   | Book value<br>31-12-2011 | Change    | Book value<br>31-12-2012 |
|-------------------------------|--------------------------|-----------|--------------------------|
| Avebe                         | 61                       | -25       | 36                       |
| Bloemenveiling Aalsmeer (VBA) | 1                        | 0         | 1                        |
| FrieslandCampina              | 1,171                    | 53        | 1,224                    |
| Cosun                         | 71                       | 4         | 75                       |
| CSVCOVAS                      | 7                        | 1         | 8                        |
| Dutch Greentech Fund          | 34                       | 4         | 38                       |
| Flora Holland                 | 3                        | 0         | 3                        |
| Forfarmers                    | 160                      | -4        | 156                      |
| Fruitmasters                  | 3                        | 0         | 3                        |
| Greenery                      | 2                        | -2        | 0                        |
| Koelhuis Mastland             | 3                        | 0         | 3                        |
| Nedato                        | 1                        | 0         | 1                        |
| Potatopol                     | 2                        | 0         | 2                        |
| Rouveen                       | 20                       | 0         | 20                       |
| Windunie                      | 104                      | 0         | 104                      |
| Completion                    | 0                        | 0         | 0                        |
| <b>Total</b>                  | <b>1,643</b>             | <b>31</b> | <b>1,674</b>             |

\* Amounts in € thousands

The receivables from the Ministry of Economic Affairs are comprised of three items:

| Description   | Total          | Interest  | Cumulative<br>repayments | Long-term     | Short-term   |
|---|----------------|-----------|--------------------------|---------------|--------------|
| Transfer of buildings and land in connection with the privatisation of DLO                  | 83,949         | 0%        | 39,198                   | 41,951        | 2,800        |
| Transfer of buildings and land in connection with the integration of Applied Plant Research | 28,702         | 0%        | 11,720                   | 16,025        | 957          |
| Transfer of IAC and ILRI buildings and land   | 5,627          | 0%        | 2,110                    | 3,329         | 188          |
| <b>Total</b>  | <b>118,278</b> | <b>0%</b> | <b>53,028</b>            | <b>61,305</b> | <b>3,945</b> |

\* Amounts in € thousands

€3.9 million of the receivables is due each year and is included under other receivables.

#### 4 STOCKS

|                                     | 31-12-2012   | 31-12-2011   |
|-------------------------------------|--------------|--------------|
| Trading stock                       | 2,987        | 2,829        |
| Livestock                           | 1,714        | 1,641        |
| Harvested agricultural produce      | 553          | 210          |
| Stock of semi-finished goods        | 0            | 428          |
| Prepayments for stock               | 0            | 0            |
|                                     | <b>5,254</b> | <b>5,108</b> |
| Less: provision for unmarketability | -1,755       | -1,279       |
| <b>Total stocks</b>                 | <b>3,499</b> | <b>3,829</b> |

\* Amounts in € thousands

Through the development of new (DNA) techniques the stock value of Prime (antisera, conjugates) may fall over time. In the current stock valuation the market value of the stock is set on the basis of the average use in the last five years. The decision has been made, influenced by the new developments, to reduce this term to three years. This raises the provision for unmarketability by €0.35 million.

#### 5 RECEIVABLES AND PREPAYMENTS

|   | 31-12-2012    | 31-12-2011     |
|---|---------------|----------------|
| Receivables   | 32,151        | 34,970         |
| Receivables from affiliated parties                                       | 0             | 0              |
| Less: provision for possible uncollectible receivables                    | -2,192        | -2,251         |
| <b>Total accounts receivable</b>  | <b>29,959</b> | <b>32,719</b>  |
| Cost of work carried out for third parties                                | 392,169       | 397,880        |
| Less: Invoiced instalments  | 368,122       | 381,169        |
| <b>Work for third parties other than the Ministry of Economic Affairs</b> | <b>24,047</b> | <b>16,711</b>  |
| Less: anticipated losses  | -2,977        | -2,132         |
| Included under short-term debt  | 29,610        | 40,903         |
| <b>Project costs yet to be invoiced</b>                                   | <b>50,680</b> | <b>55,482</b>  |
| Advances  | 2,276         | 1,343          |
| Corporation tax   | 0             | 0              |
| Receivables from affiliated parties                                       | 2,207         | 16,614         |
| Prepayments   | 5,977         | 7,004          |
| Other   | 4,935         | 4,382          |
| <b>Total advances and prepayments</b>                                     | <b>15,395</b> | <b>29,343</b>  |
| <b>Total receivables and accruals</b>                                     | <b>96,034</b> | <b>117,544</b> |

\* Amounts in € thousands

The balance of orders from third parties comprises projects with a positive balance (the value of the work carried out is in excess of the invoiced instalments) and projects with a negative balance (the value of the invoiced instalments is in excess of the value of the work carried out). Projects with a negative balance are included under short-term debts.

The receivables from affiliated parties relates to receivables from Wageningen University. These relate to short-term positions that are regularly offset against each other.

The €3.9 million portion of the receivables from the Ministry of Economic Affairs that becomes due each year is included under other receivables.

## 6 LIQUID ASSETS

|                                | 31-12-2012    | 31-12-2011    |
|--------------------------------|---------------|---------------|
| Cash in hand                   | 54            | 46            |
| Bank (incl. balancing entries) | 70,414        | 65,992        |
| Deposits                       | 12,400        | 0             |
| <b>Total liquid assets</b>     | <b>82,868</b> | <b>66,038</b> |

\* Amounts in € thousands

€64.8 million of the cash balance is freely available. An amount of €2.5 million has been pledged as security for bank guarantees issued. DLO has received €15.6 million still to be paid to contractors. These liquid assets are not freely available to DLO. The credit amount of DLO is €0.9 million.

## 7 INTERNAL CAPITAL

|                              | General reserve | Statutory reserve | Total          |
|------------------------------|-----------------|-------------------|----------------|
| Balance on 31-12-2010        | 287,661         | 1,571             | 289,232        |
| Result appropriation         | 6,208           | 0                 | 6,208          |
| Addition to the reserve      | 1,351           | 0                 | 1,351          |
| Withdrawal from the reserve  | 0               | 1,351             | 1,351          |
| <b>Balance on 31-12-2012</b> | <b>295,220</b>  | <b>220</b>        | <b>295,440</b> |

\* Amounts in € thousands

The entire positive net result of €6.2 million recorded for the financial year has been transferred to the general reserve. Pursuant to statutory obligations, a statutory reserve is maintained for the capitalised amount of development costs for Kameleon. The statutory reserve for Kameleon fell in 2012 from €1.6 million to €0.2 million as a result of the depreciation of Kameleon.

## 8 PROVISIONS

|   | Balance on<br>31-12-2011 | Addition     | Withdrawal   | Release      | Balance on<br>31-12-2012 |
|---|--------------------------|--------------|--------------|--------------|--------------------------|
| Unemployment insurance obligations  | 6,806                    | 3,627        | 1,055        | 1,327        | 8,051                    |
| Disability Insurance Act/Resumption of<br>Work (Partially Disabled Persons) Act | 860                      | 701          | 234          | 0            | 1,327                    |
| Service anniversary bonuses   | 4,882                    | 1,176        | 802          | 0            | 5,256                    |
| Reorganisation costs  | 8,333                    | 765          | 3,272        | 586          | 5,240                    |
| Product and contract risks  | 2,323                    | 505          | 0            | 1,377        | 1,451                    |
| Major maintenance operations  | 0                        | 0            | 0            | 0            | 0                        |
| Other material provisions   | 71                       | 0            | 0            | 0            | 71                       |
| <b>Total provisions</b>   | <b>23,275</b>            | <b>6,774</b> | <b>5,363</b> | <b>3,290</b> | <b>21,396</b>            |

\* Amounts in € thousands

|   | 31-12-2012    | 31-12-2011    |
|---|---------------|---------------|
| Specification of the term of the provisions         |               |               |
| Short term (expires by no later than within 1 year) | 8,288         | 9,284         |
| Long term (expires between 1 and 5 years)           | 7,214         | 7,999         |
| Long term (expires after 5 years)                   | 5,894         | 5,992         |
| <b>Total provisions</b>                             | <b>21,396</b> | <b>23,275</b> |

\* Amounts in € thousands

The reorganisation item costs include the provision for the 'Focus 2006' restructuring plan. €3.0 million was withdrawn from this provision in 2012. The reorganisation costs item also included multiple individual redundancy arrangements. In 2012, €1.0 million was withdrawn from these regulations.

## 9 LONG-TERM DEBT

|  | Balance on<br>31-12-2011 | Increase in debt | Decrease in debt | Balance on<br>31-12-2012 |
|--|--------------------------|------------------|------------------|--------------------------|
| Debt to the Ministry of Economic Affairs | 97,270                   | 0                | 5,385            | 91,885                   |
| Long-term savings model                  | 1,257                    | 82               | 72               | 1,267                    |
| Other long-term debt                     | 16,873                   | 1,657            | 4,932            | 13,598                   |
| <b>Subtotal of long-term debt</b>        | <b>115,400</b>           | <b>1,739</b>     | <b>10,389</b>    | <b>106,750</b>           |
| Financial lease obligations              | 146                      | 0                | 146              | 0                        |
| <b>Total long-term debt</b>              | <b>115,546</b>           | <b>1,739</b>     | <b>10,535</b>    | <b>106,750</b>           |

\* Amounts in € thousands

The debt to the Ministry of Economic Affairs is comprised of three items:

| Description   | Total          | Interest | Cumulative repayments | Long-term     | Short-term   |
|---|----------------|----------|-----------------------|---------------|--------------|
| Transfer of buildings and land in connection with the privatisation of DLO                  | 135,408        | 4.50%    | 58,637                | 72,531        | 4,240        |
| Transfer of buildings and land in connection with the integration of Applied Plant Research | 28,701         | 5.20%    | 11,719                | 16,025        | 957          |
| Transfer of IAC and ILRI buildings and land   | 5,627          | 5.00%    | 2,110                 | 3,329         | 188          |
| <b>Total</b>  | <b>169,736</b> |          | <b>72,466</b>         | <b>91,885</b> | <b>5,385</b> |

\* Amounts in € thousands

The repayment of these loans amounts to €5.4 million in 2013. This amount is included under other short-term debt. €22.1 million of the long-term constituent has a term of less than five years.

Balancing out the debt to the Ministry of Economic Affairs is a receivable from the same ministry (included in the financial fixed assets). The value of this receivable on 31 December 2012 was €64.3 million.

Supplementary information about the other long-term debt:

|                                   | Loan          | Interest              | Term in years | Cumulative repayments | Long-term     | Short-term   |
|-----------------------------------|---------------|-----------------------|---------------|-----------------------|---------------|--------------|
| Rabobank Flevoland                | 3,037         | 3.75%                 | 10            | 2,288                 | 437           | 312          |
| Triodos Bank, Zeist               | 20,500        | 3.00%                 | 10            | 12,738                | 5,639         | 2,123        |
| Triodos Bank, Zeist               | 19,500        | 3.00%                 | 10            | 12,431                | 4,997         | 2,072        |
| Rabobank Vallei en Rijn           | 375           | 3.60%                 | 10            | 261                   | 77            | 37           |
| Stichting Restaurant v/d Toekomst | 1,871         | 10-year funding +0.2% | 10            | 1,117                 | 568           | 186          |
| LTO-DLO Research Fung             | 1,880         | 6%                    | 0             | 0                     | 1,880         | 0            |
| <b>Total</b>                      | <b>47,163</b> |                       |               | <b>28,835</b>         | <b>13,598</b> | <b>4,730</b> |

\* Amounts in € thousands

## 10 SHORT-TERM DEBT

|   | 31-12-2012     | 31-12-2011     |
|---|----------------|----------------|
| Advance payments from third parties                                 | 47,678         | 36,152         |
| Advance payments from third parties – work in progress              | 29,610         | 40,903         |
| Debt to suppliers   | 9,502          | 7,713          |
| Debt to suppliers of affiliated parties                             | 0              | 0              |
| Taxation payable  | 15,334         | 14,794         |
| Debt to affiliated parties  | 0              | 426            |
| Ministry of Economic Affairs programme research yet to be completed | 5,873          | 5,078          |
| Deferred liabilities  | 11,222         | 13,022         |
| Pension premiums  | 2,768          | 2,617          |
| Other   | 29,928         | 33,121         |
| <b>Total short-term debt</b>  | <b>151,915</b> | <b>153,826</b> |

\* Amounts in € thousands

Other Debt includes holiday allowance due to personnel at balance sheet date (€6.0 million). The annual repayment of €5.4 million to the Ministry of Economic Affairs, the short-term constituent of the other long-term loans (€4.7 million) and the lease instalments expiring in 2013 (€0.1 million) are also included as Other Debt.

The wage tax and social security charges due (€6.3 million) are included as tax due.

NAPRO (Nog Af te ronden PROgrammaonderzoek, 'programme research yet to be completed) amounts to €5.9 million (4.3%) at year-end 2012. NAPRO relates to Ministry of Economic Affairs commissions that are in the concluding phase. Consequently, this level falls within the 5.0% level set by the Ministry of Economic Affairs as the maximum acceptable level.

The total available Ministry of Economic Affairs programme financing amounted to €136.5 million for 2012.

### **Obligations and rights not included in the balance sheet (consolidated)**

By year-end 2012, €2.5 million had been pledged as collateral for issued bank guarantees.

By year-end 2012, obligations relating to investments, renovations, rent, operational leases and similar, amounted to €27.6 million. €21.6 million of these obligations fall due within one year and €6.1 million within one to five years.

| Description                      | Total         | Expires no later than<br>within 1 year | Expires between 1 and<br>5 years | Expires after 5 years |
|----------------------------------|---------------|--|----------------------------------|-----------------------|
| Investments                      | 12,899        | 12,899                                 | 0                                | 0                     |
| Rental obligations               | 1,258         | 801                                    | 457                              | 0                     |
| Lease obligations                | 964           | 411                                    | 553                              | 0                     |
| Service contracts                | 1,037         | 1,037                                  | 0                                | 0                     |
| Patents                          | 0             | 0                                      | 0                                | 0                     |
| Licences                         | 0             | 0                                      | 0                                | 0                     |
| Energy                           | 0             | 0                                      | 0                                | 0                     |
| Bank guarantees                  | 226           | 226                                    | 0                                | 0                     |
| Knowhouse BV loan                | 452           | 226                                    | 226                              | 0                     |
| Cleaning/security/coffee machine | 9,903         | 5,567                                  | 4,336                            | 0                     |
| Other                            | 881           | 396                                    | 485                              | 0                     |
| <b>Total</b>                     | <b>27,620</b> | <b>21,563</b>                          | <b>6,057</b>                     | <b>0</b>              |

\* Amounts in € thousands

---

The DLO Research Foundation received bank guarantees from third parties within the scope of the Strategic Construction Plan totalling €0.7 million.

The patent and licence rights, pig manure production rights and milk quota were acquired without charge or, pursuant to the accounting principles for valuation, valued at zero. In addition, a number of fixed assets were acquired within the scope of the merger of the practical centres without charge. In the event of the sale of these assets acquired without charge, then the DLO Research Foundation will be under an obligation to the original contributors.

Land on the Mansholtlaan (Born-Oost) has been given up for long-term lease to a third party.

The DLO Research Foundation terminated its cooperation in the Bioscience Park project. Agreement on the financial settlement has yet to be reached with other project partners.

The DLO Research Foundation had a credit facility of €0.9 million on balance sheet date.

*DLO Research Foundation's wind park group companies*

The DLO Research Foundation granted a right of superficies to both the Windmolenpark Mammoethtocht BV and Windmolenpark Neushoorn tocht BV wind park companies for the construction of wind turbines.

A mortgage was established on the right of superficies as security for the loans to both Windmolenpark Neushoorn tocht BV and Windmolenpark Mammoethtocht BV. In addition, the wind turbines, supply and guarantee agreement, maintenance agreement, power supply agreement and balance of the bank accounts were pledged to the financial provider. Pursuant to an agreement reached with financial providers, both companies shall maintain a deposit of €1.2 million to serve as security for interest and repayment instalments.

A €3.3-million bank guarantee was issued for Exploitatiemaatschappij Windmolenparken Lelystad BV. The receivables from the power companies were also pledged to the financial provider.

## Notes to the Profit and Loss Statement

### 11 INCOME

|  | Result 2012    | Result 2011    |
|--|----------------|----------------|
| <b>Contract research</b>   |                |                |
| EU   | 25,463         | 23,010         |
| Authorities  | 50,135         | 47,393         |
| Commodities and Product Boards   | 17,139         | 16,803         |
| Business community   | 44,698         | 42,760         |
| Ministry of Economic Affairs funding other than<br>subsidy schemes             | 10,039         | 17,953         |
| Other  | 7,982          | 3,886          |
| <b>Total contract research</b>   | <b>155,456</b> | <b>151,805</b> |
| Patents and licences   | 2,612          | 3,175          |
| <b>Revenue from sales</b>  | <b>10,472</b>  | <b>12,544</b>  |
| <b>Analyses and advice</b>   | <b>6,645</b>   | <b>7,509</b>   |
| <b>Ministry of Economic Affairs in accordance<br/>with subsidy schemes</b>     |                |                |
| Policy Support Research and Statutory Research                                 | 104,585        | 109,756        |
| Tasks  |                |                |
| Knowledge-based Research   | 31,905         | 33,923         |
| <b>Total, Ministry Economic Affairs in<br/>accordance with subsidy schemes</b> | <b>136,490</b> | <b>143,679</b> |
| Real estate sale   | 821            | 2,116          |
| Real estate rental   | 9,190          | 9,573          |
| Course fees (CDI)  | 2,390          | 1,455          |
| Proceeds from wind turbines  | 7,507          | 8,117          |
| Other  | 11,790         | 12,564         |
| <b>Total income</b>  | <b>343,373</b> | <b>352,537</b> |

\* Amounts in € thousands

### EXPENDITURES

### 12 PERSONNEL COSTS

|  | Result 2012    | Result 2011    |
|--|----------------|----------------|
| <b>Personnel costs</b>   |                |                |
| Cost of permanent personnel                                    | 156,425        | 155,688        |
| Cost of temporary personnel                                    | 17,279         | 18,813         |
| Temporary employees and contracted personnel                   | 9,654          | 8,509          |
| Other personnel costs  | 4,952          | 6,878          |
| Addition to provision for unemployment insurance obligations   | 2,300          | 2,558          |
| Addition to provision for Disability Insurance Act obligations | 701            | 461            |
| Addition to other personnel provisions                         | 1,176          | 712            |
| <b>Total personnel costs</b>                                   | <b>192,487</b> | <b>193,619</b> |

\* Amounts in € thousands

The direct personnel costs of temporary and permanent personnel decreased by €0.8 million. This decrease is caused on the one hand by a decrease in the number of FTEs by 57 (excluding trainees) and on the other an increase in the average personnel cost per FTE (of 2.4%).

Indefinite employment contracts are included under permanent personnel. Definite employment contracts are included under temporary personnel.

The average number of employees, excluding trainees, amounted to 2,691 (2010: 2,766). Personnel costs include €6.9 million for social security charges (2010: €7.1 million) and €20.2 million for pension contributions (2010: €19.7 million).

The DLO Research Foundation's share in the remuneration of the Executive Board amounted to €0.4 million (2011: €0.4 million). This amount includes pension and similar obligations. The cost of permanent personnel includes an amount of €33,000 (2011: €38,000) for the remuneration of the members of the Supervisory Board. Section 3.3 contains the remuneration statement, in accordance with the Act governing the Disclosure of Top Income Earners in Publicly Funded Sectors.

### 13 GENERAL COSTS

|   | Result 2012   | Result 2011   |
|---|---------------|---------------|
| <b>General costs</b>  |               |               |
| Accommodation costs   | 22,117        | 23,140        |
| Amortisation/depreciation of intangible and tangible fixed assets | 20,555        | 20,483        |
| Impairment of tangible and intangible fixed assets                | 5,620         | 3,765         |
| Other equipment costs   | 7,847         | 8,209         |
| Other general costs   | 21,290        | 20,910        |
| <br>Additions to the provisions:                                  |               |               |
| Reorganisation costs  | 179           | 265           |
| Product and contract risks  | -872          | -191          |
| Major maintenance operations                                      | 0             | 0             |
| Provisions, other   | 0             | 0             |
| <b>Total addition to general provisions</b>                       | <b>-693</b>   | <b>74</b>     |
| <b>Total general costs</b>  | <b>76,736</b> | <b>76,581</b> |

\* Amounts in € thousands

€21.3 million of other general costs included office expenses, including telephone, postage and copying costs (€3.0 million), books and subscriptions (€2.8 million), travelling and accommodation expenses (€8.2 million), lease- and rental cars (€1.0 million), PR costs (€0.6 million), representation costs (€0.5 million), a provision for doubtful debts (€0.3 million), a provision for project losses (€1.0 million), irrecoverable VAT (€2.5 million) and other costs (€1.4 million).

Other General Costs also includes the following accountant services:

|                          |           |
|--------------------------|-----------|
| Audit of annual accounts | € 92,000  |
| Other audit work         | € 330,000 |
| Advisory work            | € 40,000  |

### Specification of depreciation and change in value

|                              | Result 2012   | Result 2011   |
|------------------------------|---------------|---------------|
| <b>Depreciation</b>          |               |               |
| Intangible fixed assets      | 389           | 374           |
| Tangible fixed assets        | 20,166        | 20,109        |
| Financial fixed assets       | 0             | 0             |
| <b>Total depreciation</b>    | <b>20,555</b> | <b>20,483</b> |
| <b>Change in value</b>       |               |               |
| Intangible fixed assets      | 1,209         | 1,457         |
| Tangible fixed assets        | 4,411         | 2,308         |
| <b>Total change in value</b> | <b>5,620</b>  | <b>3,765</b>  |

\* Amounts in € thousands

### Exceptional changes in value in 2011 and 2012:

|                              | 2012         | 2011         |
|------------------------------|--------------|--------------|
| Kameleon                     | 1,209        | 1,457        |
| Gaia /Lumen                  | 581          |              |
| Radix West                   | 600          |              |
| Yerseke                      | 199          |              |
| Lelystad                     | 207          |              |
| Mestvergister Bosma Zathe    | 722          |              |
| Born-Oost                    | 1,494        |              |
| Zodiac                       | 864          |              |
| Edelhertweg                  | 1,485        |              |
| Lisse                        | 568          |              |
| <b>Total change in value</b> | <b>5,620</b> | <b>3,765</b> |

\* Amounts in € thousands

### 14 SPECIFIC COSTS

|                                    | Result 2012   | Result 2011   |
|------------------------------------|---------------|---------------|
| Specific costs                     | 24,702        | 26,109        |
| Services provided by third parties | 38,479        | 42,159        |
| Contributions and subsidies        | 269           | 379           |
| <b>Total specific costs</b>        | <b>63,450</b> | <b>68,647</b> |

\* Amounts in € thousands

Specific costs relate to project and activity related costs.

### 15 FINANCIAL INCOME AND EXPENDITURES

|  | Result 2012   | Result 2011   |
|--|---------------|---------------|
| Financial income                               | 1,493         | 1,606         |
| Financial expenditures                         | -5,606        | -5,919        |
| <b>Total financial income and expenditures</b> | <b>-4,113</b> | <b>-4,313</b> |

\* Amounts in € thousands

Financial income includes any interest income received on the cash at bank. Financial expenditures include the €5.0 million interest paid on loans for the financing of the buildings and land of the Ministry of Economic Affairs.

---

## 16 TAX FOR ORDINARY ACTIVITIES

|  | Result 2012 | Result 2011 |
|--|-------------|-------------|
| Tax for ordinary activities (VPB)        | -312        | 0           |
| <b>Total tax for ordinary activities</b> | <b>-312</b> | <b>0</b>    |

\* Amounts in € thousands

The item Tax for Ordinary Activities consists of an additional corporate income tax (VPB) over the period up to 2011 (€252,395) and standard VPB over 2012.

## 17 RESULT FROM PARTICIPATING INTERESTS

|  | Result 2012 | Result 2011 |
|--|-------------|-------------|
| VOF Oostwaardhoeve                               | 0           | -557        |
| Fresh Forward Holding BV                         | 121         | 146         |
| Pepscan Systems NV                               | -188        | 0           |
| Nsure Holding BV                                 | 0           | 313         |
| <b>Total result from participating interests</b> | <b>-67</b>  | <b>-98</b>  |

\* Amounts in € thousands

The result from Participating Interests relates to the result from Participating Interests valued at net asset value and at acquisition cost.

## Separate Balance Sheet

After the allocation of the net result

|                           |                             | 31-12-2012     | 31-12-2011     |
|---------------------------|-----------------------------|----------------|----------------|
| <b>FIXED ASSETS</b>       |                             |                |                |
| 18                        | Intangible fixed assets     | 220            | 1,570          |
| 19                        | Tangible fixed assets       | 312,642        | 304,270        |
| 20                        | Financial fixed assets      | 73,996         | 78,227         |
|                           | <b>Total fixed assets</b>   | <b>386,858</b> | <b>384,067</b> |
| <br><b>CURRENT ASSETS</b> |                             |                |                |
| 21                        | Stocks                      | 3,499          | 3,829          |
| 22                        | Receivables and prepayments | 94,775         | 120,265        |
| 23                        | Liquid assets               | 74,795         | 54,843         |
|                           | Total current assets        | 173,069        | 178,937        |
|                           | <b>TOTAL ASSETS</b>         | <b>559,927</b> | <b>563,004</b> |
| <br><b>LIABILITIES</b>    |                             |                |                |
| 24                        | INTERNAL CAPITAL            | 295,440        | 289,232        |
| 25                        | PROVISIONS                  | 21,397         | 23,263         |
| 26                        | LONG-TERM DEBT              | 95,677         | 99,395         |
| 27                        | SHORT-TERM DEBT             | 147,413        | 151,114        |
|                           | <b>TOTAL LIABILITIES</b>    | <b>559,927</b> | <b>563,004</b> |

\* Amounts in € thousands

## Separate Profit and Loss Statement

|   | Result 2012    | Result 2011    |
|---|----------------|----------------|
| <b>INCOME</b>                                     | 335,404        | 344,720        |
| <b>EXPENDITURES</b>                               |                |                |
| Personnel costs                                   | 192,495        | 193,442        |
| General costs                                     | 69,555         | 70,648         |
| Specific costs                                    | 63,021         | 68,025         |
| <b>Total expenditures</b>                         | <b>325,071</b> | <b>332,115</b> |
| <b>Other income and expenditures</b>              | <b>0</b>       | <b>0</b>       |
| <b>OPERATING RESULT</b>                           | <b>10,333</b>  | <b>12,605</b>  |
| Financial income and expenditures                 | -3,665         | -3,789         |
| <b>RESULT FROM ORDINARY ACTIVITIES BEFORE TAX</b> | <b>6,668</b>   | <b>8,816</b>   |
| Taxation on ordinary activities                   | 0              | 0              |
| Result from participating interests               | -460           | 463            |
| <b>RESULT FROM ORDINARY ACTIVITIES AFTER TAX</b>  | <b>6,208</b>   | <b>9,279</b>   |
| Third-party share                                 | 0              | 0              |
| Exceptional income and expenditures               | 0              | 0              |
| <b>NET RESULT</b>                                 | <b>6,208</b>   | <b>9,279</b>   |

\* Amounts in € thousands

## Notes to the Separate Annual Accounts

### General

Unless otherwise stated, the accounting principles included in the notes to the consolidated annual accounts also apply to the single annual accounts.

### 18 INTANGIBLE FIXED ASSETS

|                                 | Development costs | Total      |
|---------------------------------|-------------------|------------|
| Book value at 31-12-2011        | 1,570             | 1,570      |
| Investments                     | 248               | 248        |
| Divestments                     | 0                 | 0          |
| Depreciation                    | 389               | 389        |
| Write-downs                     | 1,209             | 1,209      |
| <b>Book value at 31-12-2012</b> | <b>220</b>        | <b>220</b> |
| Acquisition value at 31-12-2011 | 5,267             | 5,267      |
| Acquisitions 2012               | 247               | 247        |
| Accumulated depreciation        | 1,420             | 1,420      |
| Accumulated write-downs         | 3,874             | 3,874      |
| <b>Book value at 31-12-2012</b> | <b>220</b>        | <b>220</b> |

\* Amounts in € thousands

The investment in development costs concerns the project management system Kameleon. In 2012, a depreciation took place of the development costs of Kameleon of €1.2 million, bringing the total depreciation of the development costs of Kameleon to €3.9 million. In addition, the software package ARTIS is included under the year-end 2012. This package is written off over a five-year period.

19 TANGIBLE FIXED ASSETS

|  | Land           | Buildings      | Fixtures   | Machinery<br>and<br>equipment | Work in<br>progress | Total          |
|--|----------------|----------------|------------|-------------------------------|---------------------|----------------|
| Book value at 31-12-2011                 | 102,497        | 167,918        | 155        | 19,371                        | 14,329              | 304,270        |
| Investments                              | 27             | 24,214         | -31        | 3,433                         | 1,711               | 29,354         |
| Divestments                              | 288            | 1,489          | 0          | -817                          | 0                   | 960            |
| Depreciation                             | 8              | 10,363         | -12        | 5,252                         | 0                   | 15,611         |
| Write-downs                              | 1,781          | 2,630          | 0          | 0                             | 0                   | 4,411          |
| <b>Book value at 31-12-2012</b>          | <b>100,447</b> | <b>177,650</b> | <b>136</b> | <b>18,369</b>                 | <b>16,040</b>       | <b>312,642</b> |
|  |                |                |            |                               |                     |                |
| Acquisition value at 31-12-2011          | 102,522        | 284,050        | 708        | 91,204                        | 14,329              | 492,813        |
| Acquisitions 2012                        | 27             | 24,214         | -31        | 3,433                         | 1,711               | 29,354         |
| Acquisition value of divestments in 2012 | 288            | 2,646          | 4          | 4,831                         | 0                   | 7,769          |
|  |                |                |            |                               |                     |                |
| Acquisition value 31-12-2012             | 102,261        | 305,618        | 673        | 89,806                        | 16,040              | 514,398        |
|  |                |                |            |                               |                     |                |
| Accumulated depreciation                 | 33             | 95,060         | 537        | 71,294                        | 0                   | 166,924        |
| Accumulated write-downs                  | 1,781          | 32,908         | 0          | 143                           | 0                   | 34,832         |
| <b>Book value at 31-12-2012</b>          | <b>100,447</b> | <b>177,650</b> | <b>136</b> | <b>18,369</b>                 | <b>16,040</b>       | <b>312,642</b> |
|  |                |                |            |                               |                     |                |
| Divestments, of which:                   |                |                |            |                               |                     |                |
| - Acquisition price                      | 288            | 2,646          | 4          | 4,831                         | 0                   | 7,769          |
| - Depreciation                           | 0              | 1,156          | 4          | 5,649                         | 0                   | 6,809          |
| <b>Total divestments</b>                 | <b>288</b>     | <b>1,490</b>   | <b>0</b>   | <b>-818</b>                   | <b>0</b>            | <b>960</b>     |

\* Amounts in € thousands

€24 million was added to the work in progress item for investments in buildings in 2012, and €4.6 million was withdrawn. Other changes in the work in progress item relate to equipment investments and withdrawals.

Alongside a number of smaller construction projects, the addition to the work in progress item includes:

- The Strategic Construction Plan: AFSG Atrium €2.6million, Turbotron €3.7 million and Infrastructure €1.6 million.
- Other Investments: Lumen (€6.2 million), Gaia (€3.0 million), Haarweg (€1.9 million), IJmuiden (€1.3 million), Impulse (€1.2 million) and In Between (€1.4 million).

The projects that were delivered include Lumen (€7.2 million), F&S office building (€3.7), Infrastructure (€4.0 million), Gaia (€3.2 million) and Impulse (€1.4 million).

The DLO Research Foundation's real estate is insured for €472.5 million (reference date 1-6-2010). The value for the purposes of the Valuation of Immovable Property Act has been set at €245.9 million (reference date 1-1-2012).

|   | 31-12-2012    | 31-12-2011    |
|---|---------------|---------------|
| Participating interests in group companies        | 10,615        | 11,075        |
| Other participating interests                     | 58            | 58            |
| Receivables from group companies                  | 0             | 0             |
| Receivables from affiliated parties               | 486           | 341           |
| Members' capital                                  | 1,532         | 1,504         |
| Receivables from the Ministry of Economic Affairs | 61,305        | 65,249        |
| <b>Total financial fixed assets</b>               | <b>73,996</b> | <b>78,227</b> |

\* Amounts in € thousands

Breakdown of the participating interests in group companies item:

| Description    | Book value<br>31-12-2011 | Investment /<br>divestment | Other<br>changes | Downward<br>revaluation | Actual,<br>2012 | Book value<br>31-12-2012 |
|----------------|--------------------------|----------------------------|------------------|-------------------------|-----------------|--------------------------|
| DLO Holding BV | 11,075                   | 0                          | 0                | 0                       | -460            | 10,615                   |
| <b>Total</b>   | <b>11,075</b>            | <b>0</b>                   | <b>0</b>         | <b>0</b>                | <b>-460</b>     | <b>10,615</b>            |

Breakdown of the other participating interests item:

| Description   | Book value<br>31-12-2011 | Investment /<br>divestment | Other<br>changes | Downward<br>revaluation | Actual,<br>2012 | Book value<br>31-12-2012 |
|---------------|--------------------------|----------------------------|------------------|-------------------------|-----------------|--------------------------|
| Beijing China | 53                       | 0                          | 0                | 0                       | 0               | 53                       |
| Bfactory BV   | 5                        | 0                          | 0                | 0                       | 0               | 5                        |
| <b>Total</b>  | <b>58</b>                | <b>0</b>                   | <b>0</b>         | <b>0</b>                | <b>0</b>        | <b>58</b>                |

The breakdown of the receivables from affiliated parties is as follows:

| Description        | Book value<br>31-12-2011 | Change     | Book value<br>31-12-2012 |
|--------------------|--------------------------|------------|--------------------------|
| Bfactory BV        | 0                        | 0          | 0                        |
| Fresh Forward BV   | 75                       | -75        | 0                        |
| Isolife BV         | 35                       | 0          | 35                       |
| Knowhouse BV       | 71                       | 0          | 71                       |
| Maatschap Hoekzema | 160                      | -80        | 80                       |
| Pherobank          | 0                        | 300        | 300                      |
| <b>Total</b>       | <b>341</b>               | <b>145</b> | <b>341</b>               |

The breakdown of the members' capital is as follows:

| Description                   | Book value<br>31-12-2011 | Change    | Book value<br>31-12-2012 |
|-------------------------------|--------------------------|-----------|--------------------------|
| Avebe                         | 61                       | -25       | 36                       |
| Bloemenveiling Aalsmeer (VBA) | 1                        | 0         | 1                        |
| FrieslandCampina              | 1,171                    | 53        | 1,224                    |
| Cosun                         | 71                       | 4         | 75                       |
| CSVCOVAS                      | 7                        | 1         | 8                        |
| Flora Holland                 | 3                        | 0         | 3                        |
| Forfarmers                    | 160                      | -4        | 156                      |
| Fruitmasters                  | 3                        | 0         | 3                        |
| Greenery                      | 2                        | -2        | 0                        |
| Koelhuis Mastland             | 3                        | 0         | 3                        |
| Nedato                        | 1                        | 0         | 1                        |
| Potatopol                     | 2                        | 0         | 2                        |
| Rouveen                       | 20                       | 0         | 20                       |
| Completion                    | -1                       | 0         | 0                        |
| <b>Total</b>                  | <b>1,504</b>             | <b>27</b> | <b>1,532</b>             |

\* Amounts in € thousands

The receivables from the Ministry of Economic Affairs are comprised of three items:

| Description   | Total          | Interest  | Cumulative<br>repayments | Long-term     | Short-term   |
|---|----------------|-----------|--------------------------|---------------|--------------|
| Transfer of buildings and land in connection with the privatisation of DLO                  | 83,949         | 0%        | 36,198                   | 41,951        | 2,800        |
| Transfer of buildings and land in connection with the integration of Applied Plant Research | 28,702         | 0%        | 11,720                   | 16,025        | 957          |
| Transfer of IAC and ILRI buildings and land   | 5,627          | 0%        | 2,110                    | 3,329         | 188          |
| <b>Total</b>  | <b>118,278</b> | <b>0%</b> | <b>53,028</b>            | <b>61,305</b> | <b>3,945</b> |

\* Amounts in € thousands

€3.9 million of the receivables is due each year and is included under other receivables.

## 21 STOCKS

|  | 31-12-2012   | 31-12-2011   |
|--|--------------|--------------|
| Trading stock                                | 2,987        | 2,829        |
| Livestock                                    | 1,714        | 1,641        |
| Harvested agricultural produce               | 553          | 210          |
| Stock of semi-finished goods                 | 0            | 428          |
| <b>Subtotal</b>                              | <b>5,254</b> | <b>5,108</b> |
| Less: provision for possible unmarketability | -1,755       | -1,279       |
| <b>Total stocks</b>                          | <b>3,499</b> | <b>3,829</b> |

\* Amounts in € thousands

## 22 RECEIVABLES AND PREPAYMENTS

|  | 31-12-2012    | 31-12-2011     |
|--|---------------|----------------|
| Receivables  | 32,124        | 34,943         |
| Accounts receivable from group companies               | 0             | 0              |
| Accounts receivable from affiliated parties            | 0             | 12             |
| Less: provision for possible uncollectible receivables | -2,165        | -2,223         |
| <b>Total accounts receivable</b>                       | <b>29,959</b> | <b>32,732</b>  |
|  |               |                |
| Cost of work carried out for third parties             | 392,169       | 397,880        |
| Less: Invoiced instalments                             | 368,122       | 381,169        |
|  |               |                |
| Work for third parties excluding programme research    | 24,047        | 16,711         |
| Less: anticipated losses                               | -2,977        | -2,132         |
| Included under short-term debt                         | 29,610        | 40,903         |
| Project costs yet to be invoiced                       | 50,680        | 55,482         |
|  |               |                |
| Advances   | 2,276         | 1,343          |
| VAT to be received                                     | 0             | -326           |
| Receivables from group companies                       | 0             | 5,079          |
| Receivables from affiliated parties                    | 2,207         | 16,282         |
| Prepayments  | 4,815         | 5,543          |
| Other  | 4,838         | 4,130          |
| <b>Total advances and prepayments</b>                  | <b>14,136</b> | <b>32,051</b>  |
| <b>Total receivables and accruals</b>                  | <b>94,775</b> | <b>120,265</b> |

\* Amounts in € thousands

The balance of orders from third parties comprises projects with a positive balance (the value of the work carried out is in excess of the invoiced instalments) and projects with a negative balance (the value of the invoiced instalments is in excess of the value of the work carried out). Projects with a negative balance are included under short-term debts.

The item receivables from affiliated parties are receivables from Wageningen University. These relate to short-term positions that are offset against each other every month.

The €3.9 million portion of the receivables from the Ministry of Economic Affairs that becomes due each year is included under other receivables.

## 23 LIQUID ASSETS

|   | 31-12-2012    | 31-12-2011    |
|---|---------------|---------------|
| Balance   | 54            | 46            |
| Result appropriation [Bank (including balancing entries)] | 62,341        | 54,797        |
| Deposits  | 12,400        | 0             |
| <b>Total liquid assets</b>                                | <b>74,795</b> | <b>54,843</b> |

\* Amounts in € thousands

Liquidity increased by €20.0 million.

### Treasury Banking

The DLO Research Foundation is under the obligation to participate in treasury banking pursuant to the *Eerste wijzigingsbesluit aanwijzingsbesluit rechtspersonen met een beperkte kasbeheerfunctie* ('First amendment order, designation order for legal entities with a limited cash management role') of 10 December 2009. This mandatory participation, which is applicable solely to public funds, came into force on 1 April 2012.

Of the balance of liquid assets, €56.7 million is freely available. An amount of €2.5 million has been pledged as security for bank guarantees issued. DLO has received €15.6 million still to be paid to contractors. These liquid assets are not freely available for DLO.

DLO has a credit facility of €0.9 million.

### 24 INTERNAL CAPITAL

|                              | General<br>reserve | Statutory<br>reserve | Total          |
|------------------------------|--------------------|----------------------|----------------|
| Balance on 31-12-2011        | 287,661            | 1,571                | 289,232        |
| Result appropriation         | 6,208              | 0                    | 6,208          |
| Addition to the reserve      | 1,351              | 0                    | 1,351          |
| Withdrawal from the reserve  | 0                  | 1,351                | 1,351          |
| <b>Balance on 31-12-2012</b> | <b>295,220</b>     | <b>220</b>           | <b>295,440</b> |

\* Amounts in € thousands

The entire positive net result of €6.2 million recorded for the financial year has been transferred to the general reserve. Pursuant to statutory obligations, a statutory reserve is maintained for the capitalised amount of development costs for Kameleon. The statutory reserve for Kameleon fell in 2012 from €1.6 million to €0.2 million as a result of the depreciation of Kameleon.

### 25 PROVISIONS

|                                    | Balance on<br>31-12-2011 | Addition     | Withdrawal   | Release      | Balance on<br>31-12-2012 |
|------------------------------------|--------------------------|--------------|--------------|--------------|--------------------------|
| Unemployment insurance obligations | 6,793                    | 3,627        | 1,042        | 1,327        | 8,051                    |
| Disability Insurance Act           | 861                      | 701          | 234          | 0            | 1,328                    |
| Other personnel provisions         | 4,883                    | 1,176        | 802          | 0            | 5,257                    |
| Reorganisation costs               | 8,332                    | 765          | 3,272        | 586          | 5,239                    |
| Product and contract risks         | 2,323                    | 505          | 0            | 1,377        | 1,451                    |
| Major maintenance operations       | 0                        | 0            | 0            | 0            | 0                        |
| Other material provisions          | 71                       | 0            | 0            | 0            | 71                       |
| <b>Total provisions</b>            | <b>23,263</b>            | <b>6,774</b> | <b>5,350</b> | <b>3,290</b> | <b>21,397</b>            |

\* Amounts in € thousands

#### Specification of the term of the provisions:

|   | 31-12-2012    | 31-12-2011    |
|---|---------------|---------------|
| Short term (expires by no later than within 1 year) | 8,289         | 9,272         |
| Long term (expires between 1 and 5 years)           | 7,214         | 7,999         |
| Long term (expires after 1 years)                   | 5,894         | 5,992         |
| <b>Total provisions</b>                             | <b>21,397</b> | <b>23,263</b> |

\* Amounts in € thousands

The reorganisation item costs include the provision for the 'Focus 2006' restructuring plan. €2.1 million was withdrawn from this provision in 2012. The reorganisation costs item also includes a number of individualised redundancy schemes. An additional 1.0 million was withdrawn from these schemes.

26 LONG-TERM DEBT

|  | Balance on<br>31-12-2011 | Increase in debt | Decrease in debt | Balance on<br>31-12-2012 |
|--|--------------------------|------------------|------------------|--------------------------|
| Debt to the Ministry of Economic Affairs | 97,270                   | 0                | 5,385            | 91,885                   |
| Long-term savings model                  | 1,257                    | 82               | 72               | 1,267                    |
| Other long-term debt                     | 868                      | 1,657            | 0                | 2,525                    |
| <b>Subtotal of long-term debt</b>        | <b>99,395</b>            | <b>1,739</b>     | <b>5,457</b>     | <b>95,677</b>            |
| Financial lease obligations              | 0                        | 0                | 0                | 0                        |
| <b>Total long-term debt</b>              | <b>99,395</b>            | <b>1,739</b>     | <b>5,457</b>     | <b>95,677</b>            |

\* Amounts in € thousands

The debt to the Ministry of Economic Affairs consists of three loans:

| Description   | Total          | Interest | Cumulative repayments | Long-term     | Short-term   |
|---|----------------|----------|-----------------------|---------------|--------------|
| Transfer of buildings and land in connection with the privatisation of DLO                  | 135,408        | 4.50%    | 58,637                | 72,531        | 4,240        |
| Transfer of buildings and land in connection with the integration of Applied Plant Research | 28,701         | 5.20%    | 11,719                | 16,025        | 957          |
| Transfer of IAC and ILRI buildings and land   | 5,627          | 5.00%    | 2,110                 | 3,329         | 188          |
| <b>Total</b>  | <b>169,736</b> |          | <b>72,466</b>         | <b>91,885</b> | <b>5,385</b> |

\* Amounts in € thousands

The annual linear repayment of these loans will amount to €5.3 million in 2012. This amount is included under 'other short-term debts'. €21.8 million of the long-term constituent has a term of less than five years. In 2011, a formal decision was made for additional annual (annuities) repayment of the Ministry of Economic Affairs loan.

Supplementary information relating other long-term debt:

|                            | Loan         | Interest              | Term in years | Cumulative repayments | Long-term    | Short-term |
|----------------------------|--------------|-----------------------|---------------|-----------------------|--------------|------------|
| Rabobank Vallei en Rijn    | 375          | 3.60%                 | 10            | 261                   | 77           | 37         |
| Restaurant van de Toekomst | 1,871        | 10 year funding +0.2% | 10            | 1,117                 | 568          | 186        |
| LTO-DLO research fund      | 1,880        | 6%                    | 0             | 0                     | 1,880        | 0          |
| <b>Total</b>               | <b>4,126</b> |                       |               | <b>1,378</b>          | <b>2,525</b> | <b>223</b> |

The other item was repaid early in 2011. The long-term constituent has a term of less than five years.

|   | 31-12-2012     | 31-12-2011     |
|---|----------------|----------------|
| Advance payments from third parties                           | 47,678         | 36,152         |
| Advance payments from third parties – work in progress        | 29,610         | 40,903         |
| Debts to suppliers  | 9,502          | 7,713          |
| Debts to suppliers of group companies                         | 0              | 0              |
| Debts to suppliers of affiliated parties                      | 0              | 0              |
| Taxation payable  | 14,936         | 14,381         |
| Debts to group companies                                      | 1,233          | 3,076          |
| Debts to affiliated parties                                   | 0              | 426            |
| Ministry of Economic Affairs research still to be carried out | 5,873          | 5,078          |
| Deferred liabilities  | 10,962         | 12,467         |
| Pension premiums  | 2,768          | 2,617          |
| Other debt  | 24,851         | 28,301         |
| <b>Total short-term debt</b>                                  | <b>147,413</b> | <b>151,114</b> |

\*Amounts in € thousands

‘Other debt’ includes the holiday allowance due to personnel at balance sheet date (€6.0 million). The annual repayment of the long-term debt of €5.4 million and the short-term portion of the further long-term debts is also included under ‘other debt’.

The wage tax and social security charges due (€6.3 million) are included as tax due.

NAPRO (Nog Af te ronden PROgrammaonderzoek, ‘programme research yet to be completed’) amounts to €5.9 million (4.3%) at year-end 2012. NAPRO relates to Ministry of Economic Affairs commissions that are in the concluding phase. Consequently, this level falls within the 5.0% level set by the Ministry of Economic Affairs as the maximum acceptable level.

The total available Ministry of Economic Affairs programme financing amounted to €136.5 million for 2012.

The short-term debt to group companies item relates to short-term positions in the current account that are settled monthly against each other.

---

### **Obligations and rights not included in the balance sheet (separated)**

An amount of €2.5 million was pledged at year-end 2011 as security for bank guarantees issued.

At year-end 2012, the DLO Research Foundation entered into obligations relating to investments, renovations, rent, operational leases and similar amounting to €27.6 million. €21.6 million of these obligations fall due within one year and €6.1 million within one to five years.

| <b>Description</b>                  | <b>Total amount<br/>of obligations</b> | <b>Expires no later than<br/>within 1 year</b> | <b>Expires between 1 and<br/>5 years</b> | <b>Expires after 5 years</b> |
|-------------------------------------|--|--|--|------------------------------|
| Investments                         | 12,899                                 | 12,899   | 0  | 0                            |
| Rental obligations                  | 1,258                                  | 801  | 457                                      | 0                            |
| Lease obligations                   | 964                                    | 411  | 553                                      | 0                            |
| Service contracts                   | 1,037                                  | 1,037  | 0  | 0                            |
| Patents                             | 0                                      | 0  | 0  | 0                            |
| Licences                            | 0                                      | 0  | 0  | 0                            |
| Energy                              | 0                                      | 0  | 0  | 0                            |
| Bank guarantees                     | 226                                    | 226  | 0  | 0                            |
| Knowhouse BV loan                   | 452                                    | 226  | 226                                      | 0                            |
| Cleaning/security/coffee<br>machine | 9,903                                  | 5,567  | 4,336                                    | 0                            |
| Other                               | 881                                    | 396  | 485                                      | 0                            |
| <b>Total</b>                        | <b>27,620</b>                          | <b>21,563</b>                                  | <b>6,057</b>                             | <b>0</b>                     |

\* Amounts in € thousands

The DLO Research Foundation received bank guarantees from third parties within the scope of the Strategic Plan for New Construction totalling €0.7 million.

The patent and licence rights, pig manure production rights and milk quota have been acquired without charge or, pursuant to the accounting principles for valuation, valued at zero.

The DLO Research Foundation terminated its cooperation in the Bioscience Park project. Agreement on the financial settlement has yet to be reached with the other partners in this project.

The DLO Research Foundation had a credit facility of €0.9 million on the balance sheet date.

---

### 3.2.2 Supplementary Information

#### **Allocation of the Result**

The Articles of the DLO Research Foundation do not include any provisions relating to the allocation of the result. The Executive Board of the DLO Research Foundation proposed that the positive net result of €6.2 million be allocated to the general reserve.

#### **Post Balance Sheet Events**

There were no post balance sheet events which gave cause to the adjustment of or notification in the annual accounts.

#### **Independent auditor's report**

##### *Report on the financial statements*

We have audited the accompanying financial statements 2012 of Stichting Dienst Landbouwkundig Onderzoek (DLO), Wageningen (page 87 to 122), which comprise the consolidated and company balance sheet as of December 31, 2012, the consolidated and company profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

##### *Management's responsibility*

The DLO management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management board report, both in accordance with Part 9 Book 2 of the Dutch Civil Code (BW), and with the Regeling Subsidie Stichting Dienst Landbouwkundig Onderzoek. Furthermore, management is responsible for as much internal control as it deems necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or error.

##### *Auditor's responsibility*

Our responsibility is to draw a conclusion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and 'Controleprotocol DLO 2009'. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to DLO's preparation and fair presentation of the financial statements in order to design audit procedures which are appropriate in the circumstances, but not for the purpose of drawing a conclusion on the effectiveness of the DLO's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management of Stichting Dienst Landbouwkundig Onderzoek, as well as evaluating the overall presentation of the financial statements.

We believe that the evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit-based conclusion.

##### *Conclusion with respect to the financial statements*

In our opinion, the financial statements give a true and fair view of the financial position of Stichting Dienst Landbouwkundig Onderzoek as at December 31, 2012 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, we are of the opinion that the revenues, casts and movements in balance sheet items for 2012 meet the requirements of

---

statutory financial accuracy. This means that these amounts are in accordance with appropriate rules and regulations, as mentioned in 'Controleprotocol DLO 2007'.

*Report on other legal and regulatory requirements*

Pursuant to the legal requirement under Section 2:393 sub 5e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination into whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1at b-h has been included. Further we report the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Arnhem, 21 May 2012

Ernst & Young Accountants LLP

w.g. F. de Bruijn RA

### 3.2.3 Appendices

#### Appendix 1 Summary of Purchases and Sales of Real Estate

| Grounds and infrastructure – book value    | HA   | Purchase | Sale       | Document number |
|--|------|----------|------------|-----------------|
| Huizum                                     | 6,19 |          | 199        | EZ 267577       |
| Aver Heino                                 | 1,36 |          | 89         | EZ 267589       |
| <b>Subtotal grounds and infrastructure</b> |      | <b>0</b> | <b>288</b> |                 |

\* Amounts in € thousands

| Buildings – book value                          | Purchase | Sale         | Document number |
|---|----------|--------------|-----------------|
| Wageningen (Binnenhaven) Aver Heino             |          | 2,435        | EZ 267589       |
| Santacker in Elst release of right of leasehold |          | 0            |                 |
| <b>Subtotal buildings</b>                       | <b>0</b> | <b>2,435</b> |                 |
| <b>Total</b>                                    | <b>0</b> | <b>2,723</b> |                 |

\* Amounts in € thousands

| Sales breakdown   | Sale proceeds | Book value   | Book value |
|-------------------|---------------|--------------|------------|
| Huizum            | 199           | 199          | 0          |
| Aver Heino        | 2,475         | 2,524        | -49        |
| Santacker te Elst | 243           | 0            | 243        |
| <b>Total</b>      | <b>2,917</b>  | <b>2,723</b> | <b>194</b> |

\* Amounts in € thousands

## Appendix 2 Account for the 2011 Ministry of Economic Affairs Subsidy Grants

| DLO subsidies 2012  |                |  |
|---|----------------|--|
| Knowledge-based Research  | 14,111         |  |
| Kennis Online   | 325            |  |
| ICRA  | 230            |  |
| Phytophthora  | 1,000          |  |
| ERA-projects  | 32             |  |
| Afghanistan project   | 1,464          |  |
| Policy-supporting research  | 18,547         |  |
| Top sectors   | 42,857         |  |
| Minister priorities   | 0              |  |
| Research for policies   | 2,281          |  |
| Legislative research assignments  | 42,727         |  |
| Additional projects   | 13,696         |  |
| Ministry of Economic Affairs funding  | 137,269        |  |
|   |                |  |
| - Compensation for repayment of loan  | 2,800          |  |
| - Compensation for repayment of loan PO   | 957            |  |
| - Compensation for IAC/ILRI loan  | 188            |  |
| - Correction of decline in demand due to waiver of loan   | -56            |  |
| - VAT   | 26,293         |  |
| - PT drawing rights   | 0              |  |
| - Payment via laser/honingregeling (literally, honey scheme)                                      | -171           |  |
| <b>Total subsidy grants DLO Research Foundation 2012</b>  | <b>167,280</b> | <b>Document with reference number DGA-AK/12381095 dated 14 December 2012</b> |
|   |                |  |
| <b>Subsidy grants Ministry of Economic Affairs processed using balance sheet</b>                  |                |  |
| Compensation for repayment of loan Ministry of Economic Affairs – section DLO Research Foundation | 2,800          | BSI Ministry of Economic Affairs claim                                       |
| Compensation for repayment of loan Ministry of Economic Affairs – section PO                      | 957            | BSI Ministry of Economic Affairs claim                                       |
| Compensation for repayment of loan Ministry of Economic Affairs – section IAC/ILRI                | 188            | BSI Ministry of Economic Affairs claim                                       |
| VAT DLO Research Foundation   | 26,293         | Outcome by balance sheet   |
|   |                |  |
| <b>Subsidy grants Ministry of Economic Affairs processed using balance sheet</b>                  | <b>30,238</b>  |  |
|   |                |  |
| <b>Income to justify</b>  | <b>137,042</b> |  |
|   |                |  |
| Changes to Ministry of Economic Affairs research yet to be carried out                            | -795           | BSI research yet to be carried out   |
| HCU funds – prepayments   | 241            | BSI prepayments  |
| Other Ministry of Economic Affairs income to account for  | 0              |  |
| <b>DLO Research Foundation annual accounts justified income</b>                                   | <b>136,490</b> |  |

\* Amounts in € thousands

---

To supplement the above justification:

In 2011 an amount of €2,452,000 (€42,500 in 2011) was spent on the Agriculture ATVET Afghanistan – main phase, which began 1 November 2012 and will last until 31 October 2015.

### 3.3 Remuneration

Model F: Listing on the basis of the WOPT

|                              | Appointment |           |         | 2012               |  |                                     |         |                     | 2011   |                                     |
|------------------------------|-------------|-----------|---------|--------------------|--|-------------------------------------|---------|---------------------|--|-------------------------------------|
|                              |             |           |         | Taxable<br>salary* | Benefit due to<br>termination of<br>employment | Provision for<br>deferred<br>salary | Total   | Taxable<br>salary** | Benefit due to<br>termination of<br>employment | Provision for<br>deferred<br>salary |
|                              | from        | until     |         |                    |  |                                     |         |                     |  |                                     |
| Executive Board              |             |           |         |                    |  |                                     |         |                     |  |                                     |
| A.A. Dijkhuisen              | 1-3-2010    | 1-3-2014  | 260,490 | N/A                | 78,955   | 339,444                             | 271,465 | N/A                 | 75,031   | 346,495                             |
| I.J.J.H. Breukink            | 1-10-2009   | 1-10-2013 | 189,840 | N/A                | 79,579   | 269,419                             | 184,288 | N/A                 | 76,520   | 260,808                             |
| M.J. Kropff                  | 1-10-2009   | 1-10-2013 | 210,966 | N/A                | 57,876   | 268,842                             | 216,900 | N/A                 | 56,612   | 273,511                             |
| Other <sup>1)</sup>          |             |           |         |                    |  |                                     |         |                     |  |                                     |
| director                     | 15-9-2012   | 15-9-2016 | 166,973 | N/A                | 45,365   | 212,338                             | 177,304 | N/A                 | 43,184   | 220,488                             |
| director                     | 15-6-2010   | 15-6-2014 | 159,951 | N/A                | 34,833   | 194,785                             | 135,611 | N/A                 | 32,320   | 167,931                             |
| manager <sup>2)</sup>        | 1-7-1996    |           | 19,197  | N/A                | 2,552  | 21,749                              | -       | -                   | -  | -                                   |
| director                     | 1-1-2008    | 1-2-2012  | -       | -                  | -  | -                                   | 155,004 | N/A                 | 39,835   | 194,839                             |
| full professor <sup>3)</sup> | 1-4-2006    |           | -       | -                  | -  | -                                   | 162,468 | N/A                 | 41,905   | 204,373                             |

<sup>1)</sup> Erroneously, not included in 2011 due to incorrect application of the higher WNT norm.

<sup>2)</sup> This concerns a manager with an 0.11 FTE appointment who, due to personal circumstances, receives a higher travel expense compensation.

<sup>3)</sup> Extraordinary leave as of 1-2-2012 without preservation of remuneration, resulting in this person's income remaining under the WOPT norm.

Model H: Remuneration of directors and supervisors

|                            | Appointment |           |          | Appoin-<br>ted on | Task<br>size | Employment<br>(E) or<br>Interim (I) | Remunera-<br>tion received<br>periodically | Bonus<br>payment/<br>gratifica-<br>tion | Received<br>pension<br>contribution/com-<br>pensation<br>payable in<br>term | Benefit<br>due to<br>termination<br>of employ-<br>ment |
|----------------------------|-------------|-----------|----------|-------------------|--------------|-------------------------------------|--|---|---|--|
|                            | from        | until     | FTE      |                   |              |                                     |  |   |   |  |
| Executive Board            |             |           |          |                   |              |                                     |  |   |   |  |
| A.A. Dijkhuisen            | 1-3-2010    | 1-3-2014  | 1-3-2002 | 1                 | E            | 223.497                             | 36.993                                     | 78.955                                  | N/A   |  |
| I.J.J.H. Breukink          | 1-10-2009   | 1-10-2013 | 1-9-2005 | 1                 | E            | 165.706                             | 24.134                                     | 79.579                                  | N/A   |  |
| M.J. Kropff                | 1-10-2009   | 1-10-2013 | 1-1-1995 | 1                 | E            | 188.164                             | 22.801                                     | 57.876                                  | N/A   |  |
| Supervisory Board          |             |           |          |                   |              |                                     |  |   |   |  |
| M. de Boer                 | 1-9-2009    | 1-9-2013  | 1-9-2004 | N/A               | E            | 19.440                              | N/A  | N/A                                     | N/A   |  |
| J.J. van Duijn             | 1-9-2008    | 1-9-2012  | 1-9-2004 | N/A               | E            | 12.150                              | N/A  | N/A                                     | N/A   |  |
| L.B.A.M.G van Depoele      | 1-5-2008    | 1-9-2012  | 1-5-2008 | N/A               | E            | 12.150                              | N/A  | N/A                                     | N/A   |  |
| J.R.H Maij-Weggen          | 1-9-2008    | 1-9-2012  | 1-9-2004 | N/A               | E            | 12.150                              | N/A  | N/A                                     | N/A   |  |
| B.J. Marttin <sup>1)</sup> | 1-7-2011    | 1-7-2015  | 1-7-2011 | N/A               | E            | 11.345                              | N/A  | N/A                                     | N/A   |  |

<sup>1)</sup> Agreed compensation is transferred directly to the employer of person in question.

Remuneration of the Executive Board is divided during the period from 1-1-2012 to 8-11-2012 between Wageningen University, Van Hall Larenstein Foundation and DLO Research Foundation based on the key 46.2%/7.5%/46.2%. From 9-11-2012 the costs are divided between Wageningen University and DLO Research Foundation on the basis of the key 50%/50%.

*Note to Remuneration of directors and supervisors*

The remuneration of the members of the Executive Board conforms to market values, and takes into account the complexity of an organisation that consists of a market-focused research organisation and an academic organisation.

For the remuneration of the members of the Executive Board, Wageningen UR will use the transition scheme under the Wet Normering Topinkomens (WNT – law for standardisation of top incomes).

Remuneration of members of the Supervisory Board will be adjusted as of 1-1-2013 according to the norms of the WNT.

| <b>Remuneration and claims</b> |   | <b>Breukink</b> | <b>Dijkhuisen</b> | <b>Kropff</b> |
|--------------------------------|---|-----------------|-------------------|---------------|
| A.                             | Remuneration                                | 269,419.00      | 339,444.00        | 268,842.00    |
|                                | Less: additional tax liability for car      | -15,650.28      | -18,538.80        | -15,198.34    |
| A1.                            | Remuneration minus additional tax liability | 253,768.72      | 320,905.20        | 253,643.66    |
| B.                             | Claims                                      |                 |                   |               |
|                                | Representation costs                        | -               | 1,501.48          | 167.75        |
|                                | Travel expenses domestic                    | 16,801.66       | 27,205.58         | 25,981.64     |
|                                | Travel expenses abroad                      | -               | 32,904.21         | 21,202.75     |
|                                | Other costs                                 | 3,231.94        | 6,492.21          | 4,791.41      |
| B1.                            | Total claimed                               | 20,033.60       | 68,103.48         | 52,143.55     |
| C.                             | Total expenditures                          | 273,802.32      | 389,008.68        | 305,787.21    |
| Division across components     |   |                 |                   |               |
| A.                             | Remuneration minus additional tax liability |                 |                   |               |
| 46.8%                          | WU  | 118,656.67      | 150,048.21        | 118,598.20    |
| 46.8%                          | DLO   | 118,656.67      | 150,048.21        | 118,598.20    |
| 6.5%                           | VHL   | 16,455.38       | 20,808.78         | 16,447.27     |
| B.                             | Claims                                      |                 |                   |               |
| 46.8%                          | WU  | 9,367.27        | 31,843.69         | 24,381.18     |
| 46.8%                          | DLO   | 9,367.27        | 31,843.69         | 24,381.18     |
| 6.5%                           | VHL   | 1,299.06        | 4,416.10          | 3,381.20      |

---

# 4 Scope of the report

This is the first integrated Wageningen UR Annual Report.

After preparing an annual report and sustainability report in 2011, Wageningen UR decided to integrate both reports in the 2012 report you now see before you. This integrated report has been prepared according to the internationally accepted guidelines of the Global Reporting Initiative, version 3.0 (GRI-G3), based on the GRI-Reporting Framework.

The GRI-Guidelines state the purpose of a report to be as follows:

Sustainability reporting is the practice of measuring, disclosing, and being accountable to internal and external stakeholders for organisational performance towards the goal of sustainable development. 'Sustainability reporting' is a broad term considered synonymous with others used to describe reporting on economic, environmental, and social impacts (e.g., triple bottom line, corporate responsibility reporting, etc.).

A sustainability report should provide a balanced and reasonable representation of the sustainability performance of a reporting organisation – including both positive and negative contributions.

Wageningen UR chose to implement the integrated report at GRI-G3 level B. This means that there are reports on the organisation's strategy, organisational profile, governance, commitments and engagement and at least twenty performance indicators. A sector supplement on the primary process of Wageningen UR, namely 'education and research', is not (yet) present, and can therefore not be included in the report.

In addition to the GRI guidelines, the report provides the following basis:

- Accountability for both financial and sustainability subjects involving 'people, planet, profit'.
- The integrated report is not a means of communications, but an information source for stakeholders.
- The information for the annual report was provided by the (staff) departments.
- The report has been approved by the Supervisory Board.

## 4.1 Organisational demarcation

This is the 2012 Annual Report of Wageningen UR, the collaborative partnership between Wageningen University and the DLO Research Foundation. As of November 2012, Stichting van Hall Larenstein (VHL) is no longer a part of this collaboration. For this reason VHL is not included in this report. As the bulk of the activities take place in the Netherlands, the report relates to the activities and measures related to sustainability in the Netherlands.

## 4.2 Value chains

Wageningen UR is a knowledge institution focused on education, research and knowledge valorisation. The educational chain starts with the training of students, both national and international, at Wageningen University. Students take the knowledge gained at WUR during their Bachelor's and Master's study programmes to their future work environments. Wageningen UR upholds active contact with its alumni: visit [www.wageningenur.nl/nl/Alumni.htm](http://www.wageningenur.nl/nl/Alumni.htm). Many graduates find work at Wageningen UR, for instance as PhD candidates, researchers or member of staff.

Research is carried out through the Wageningen University research schools and DLO research programmes. The first step in the implementation of both theoretical and practical research is securing funding. The acquired knowledge is spread across the target groups involved, such as researchers (through publications in scientific journals), companies (through the implementation of developed

---

technologies, models, etc.), government policy documents and students (education). In other words, this value chain is interwoven with the business community and the government.

The knowledge valorisation chain of Wageningen UR aims to embed valorisation of research and education in Wageningen UR culture. Wageningen UR is charged with the task of applying its knowledge and findings in order to optimally benefit society. Possibilities for drawing maximum value from knowledge are spin-offs with Wageningen UR as a shareholder, spin-offs set on the basis of IP Wageningen UR, and partners: visit [www.wageningenur.nl/nl/Over-Wageningen-UR/Kennisvalorisatie.htm](http://www.wageningenur.nl/nl/Over-Wageningen-UR/Kennisvalorisatie.htm). For instance, Plant-e, an organisation that develops products in which living plants generate electricity, and StartLife, the place to go for starting entrepreneurs in the Agri-food and Living Environment sector.

### 4.3 Materiality Assessment

Based on the Wageningen UR 2011-2014 Strategic Plan, the relevant and material topics were set within the GRI for Wageningen UR. Through the steps of identification, setting priority and validation the topics were evaluated on significance for both stakeholders and Wageningen UR. The annual report handles the most highly evaluated combination of scores for stakeholders and Wageningen UR. The less relevant or irrelevant topics, or topics with less materiality, or lack thereof will, where necessary, be explained in the GRI-Index (see appendix 4).

# Appendix 1A

## Education at Wageningen University

Table 1

*List of Bachelor's and Master's programmes, 2011/ 2012.*

| Bachelor   | Master   |
|--|--|
| <b>Life Sciences</b>                             |  |
| Agrotechnology (BAT)                             | Biosystems Engineering (MAB)                     |
| Biology (BBI)                                    | Animal Sciences (MAS)                            |
| Biotechnology (BBT)                              | Aquaculture and Marine Resource Management (MAF) |
| Animal Sciences (BDW)                            | Bioinformatics (MBF)                             |
| Food technology (BLT)                            | Biology (MBI)                                    |
| Molecular Life Science (BML)                     | Biotechnology (MBT)                              |
| Plant Sciences (BPS)                             | Food Safety (MFS)                                |
| Food and Health (BVG)                            | Food Technology (MFT)                            |
|  | Molecular Life Sciences (MML)                    |
|  | Nutrition and Health (MNH)                       |
|  | Organic Agriculture (MOA)                        |
|  | Plant Biotechnology (MPB)                        |
|  | Plant Sciences (MPS)                             |
| <b>Social Sciences</b>                           |  |
| Management, Economics and Consumer Studies (BBC) | Applied Communication Science (MCS)              |
| Economics and Policy (BEB)                       | Development and Rural Innovation (MDR)           |
| Health and Society (BGM)                         | Food Quality Management (MFQ)                    |
| International Development Studies (BIN)          | Health and Society (MME-E)                       |
| Applied Communication Science (BTC)              | International Development Studies (MID)          |
|  | Management, Economics and Consumer Studies (MME) |
| <b>Environment &amp; Landscape programmes</b>    |  |
| Soil, Water and Atmosphere (BBW)                 | Climate Studies (MCL)                            |
| Forest and Nature Management (BBN)               | Earth and Environment (MEE)                      |
| International Land and Water Management (BIL)    | Environmental Sciences (MES)                     |
| Landscape Architecture and Planning (BLP)        | Forest and Nature Conservation (MFN)             |
| Environmental sciences (BMW)                     | Geo-information Science (MGI)                    |
| Tourism (BTO)                                    | International Land and Water Management (MIL)    |
|  | Landscape Architecture and Planning (MLP)        |
|  | Leisure, Tourism and Environment (MLE)           |
|  | Urban Environmental Management (MUE)             |

Table 2

*Number of enrolled students at Wageningen University by type of enrolment: total number, number of first-year students, number of men and women, on 1 October 2011.*

| Type of enrolment                        | Men          | Women        | Total        | First-year<br>Men | First-year<br>Women | First-year<br>Total |
|--|--------------|--------------|--------------|-------------------|---------------------|---------------------|
| Student                                  | 3,166        | 3,955        | 7,121        | 772               | 1,027               | 1,799               |
| PhD student                              | 172          | 194          | 366          | 25                | 29                  | 54                  |
| Contract student                         | 3            | 12           | 15           | 1                 | 8                   | 9                   |
| Second enrolment student                 | 57           | 83           | 140          | 53                | 64                  | 117                 |
| Non-examination student                  | 0            | 1            | 1            | 0                 | 1                   | 1                   |
| Erasmus Mundus                           | 6            | 11           | 17           | 6                 | 10                  | 16                  |
| Erasmus Double Degree                    | 4            | 13           | 17           | 4                 | 13                  | 17                  |
| Erasmus Student                          | 53           | 82           | 135          | 53                | 82                  | 135                 |
| Exchange Student, other                  | 14           | 13           | 27           | 14                | 13                  | 17                  |
| <b>Total number of enrolled students</b> | <b>3,475</b> | <b>4,364</b> | <b>7,839</b> | <b>928</b>        | <b>1,247</b>        | <b>2,165</b>        |

Table 3

*Number of students at Wageningen University by study phase: total number, number of first-year students, number of men and women, on 1 October 2011.*

| Type of enrolment                        | Men          | Women        | Total        | First-year<br>Men | First-year<br>Women | First-year<br>Total |
|--|--------------|--------------|--------------|-------------------|---------------------|---------------------|
| BSc                                      | 1,759        | 2,018        | 3,777        | 483               | 624                 | 1,107               |
| Doctoral (old-style Master's degree)     | 1            |              | 1            |                   |                     |                     |
| MSc                                      | 1,405        | 1,936        | 3,341        | 289               | 403                 | 692                 |
| <b>Total number of enrolled students</b> | <b>3,166</b> | <b>3,955</b> | <b>7,121</b> | <b>772</b>        | <b>1,027</b>        | <b>1,799</b>        |

Table 4

*Number of Bachelor's programme students at Wageningen University by program: total number, number of first-year students, number of men and women, on 1 October 2011.*

| Training   | Men          | Women        | Total        | First-year<br>Men | First-year<br>Women | First-year<br>Total |
|--|--------------|--------------|--------------|-------------------|---------------------|---------------------|
| Agrotechnology (BAT)                             | 87           | 9            | 96           | 27                | 3                   | 30                  |
| Management, Economics and Consumer Studies (BBC) | 125          | 109          | 234          | 49                | 36                  | 85                  |
| Biology (BBI)                                    | 259          | 218          | 477          | 51                | 60                  | 111                 |
| Forest and Nature Management (BBN)               | 133          | 78           | 211          | 41                | 26                  | 67                  |
| Biotechnology (BBT)                              | 137          | 54           | 191          | 39                | 13                  | 52                  |
| Soil, Water and Atmosphere (BBW)                 | 149          | 72           | 221          | 42                | 18                  | 60                  |
| Animal Sciences (BDW)                            | 89           | 276          | 365          | 22                | 86                  | 108                 |
| Economics and Policy (BEB)                       | 46           | 28           | 74           | 14                | 7                   | 21                  |
| Health and Society (BGM)                         | 16           | 77           | 93           | 10                | 28                  | 38                  |
| International Land and Water Management (BIL)    | 123          | 59           | 182          | 34                | 16                  | 50                  |
| International Development Studies (BIN)          | 86           | 231          | 317          | 15                | 59                  | 74                  |
| Landscape Architecture and Planning (BLP)        | 137          | 104          | 241          | 37                | 30                  | 67                  |
| Food Technology (BLT)                            | 88           | 136          | 224          | 23                | 43                  | 66                  |
| Molecular Sciences (BML)                         | 93           | 69           | 162          | 26                | 18                  | 44                  |
| Environmental sciences (BMW)                     | 54           | 35           | 89           | 9                 | 8                   | 17                  |
| Plant Sciences (BPW)                             | 67           | 37           | 104          | 19                | 9                   | 28                  |
| Applied Communication Science (BTC)              | 13           | 39           | 52           | 4                 | 10                  | 14                  |
| Tourism (BTO)                                    | 14           | 56           | 70           | 6                 | 46                  | 52                  |
| Nutrition and Health (BVG)                       | 43           | 331          | 374          | 15                | 108                 | 123                 |
| <b>Total number of enrolled students</b>         | <b>1,759</b> | <b>2,018</b> | <b>3,777</b> | <b>483</b>        | <b>624</b>          | <b>1,107</b>        |

Table 5

Number of Master's programme students at Wageningen University by programme: total number, number of first-year students, number of men and women, at 1 October 2011.

| Training   | Men          | Women        | Total        | First-year<br>Men | First-year<br>Women | First-year<br>Total |
|--|--------------|--------------|--------------|-------------------|---------------------|---------------------|
| Agricultural and Bioresource Engineering (MAB)   | 33           | 3            | 36           | 3                 |                     | 3                   |
| Aquaculture and Fisheries (MAB)                  | 40           | 29           | 69           | 8                 | 7                   | 15                  |
| Animal Sciences and Aquaculture (MAS)            | 89           | 192          | 281          | 13                | 40                  | 53                  |
| Bioinformatics (MBF)                             | 19           | 5            | 24           | 5                 |                     | 5                   |
| Biology (MBI)                                    | 60           | 81           | 141          | 3                 | 3                   | 6                   |
| Biotechnology (MBT)                              | 89           | 59           | 148          | 19                | 13                  | 32                  |
| Climate Studies (MCL)                            | 21           | 19           | 40           | 6                 | 7                   | 13                  |
| Applied Communication Science (MCS)              | 7            | 21           | 28           | 1                 | 1                   | 2                   |
| Development and Rural Innovation (MDR)           | 23           | 35           | 58           | 7                 | 9                   | 16                  |
| Earth and Environment (MEE)                      | 24           | 17           | 41           | 9                 | 6                   | 15                  |
| Environmental Sciences (MES)                     | 108          | 100          | 208          | 27                | 13                  | 40                  |
| Forest and Nature Conservation (MFN)             | 93           | 77           | 170          | 23                | 13                  | 36                  |
| Food Quality Management (MFQ)                    | 25           | 39           | 64           | 8                 | 17                  | 25                  |
| Food Safety (MFS)                                | 19           | 76           | 95           | 9                 | 25                  | 34                  |
| Food Technology (MFT)                            | 82           | 177          | 259          | 30                | 56                  | 86                  |
| Geo-information Science (MGI)                    | 47           | 13           | 60           | 9                 | 6                   | 15                  |
| Hydrology and Water Quality (MHW)                | 28           | 29           | 57           | –                 | –                   | –                   |
| International Development Studies (MID)          | 50           | 149          | 199          | 10                | 21                  | 31                  |
| International Land and Water Management (MIL)    | 44           | 38           | 82           | 4                 | 7                   | 11                  |
| Leisure, Tourism and Environment (MLE)           | 30           | 44           | 74           | 4                 | 14                  | 18                  |
| Landscape Architecture and Planning (MLP)        | 62           | 84           | 146          | 7                 | 7                   | 14                  |
| Meteorology and Air Quality (MMA)                | 12           | 4            | 16           | –                 | –                   | –                   |
| Management, Economics and Consumer Studies (MME) | 142          | 182          | 324          | 20                | 34                  | 54                  |
| Molecular Life Sciences (MML)                    | 27           | 31           | 58           | 4                 | 9                   | 13                  |
| Nutrition and Health (MNH)                       | 36           | 239          | 275          | 6                 | 46                  | 52                  |
| Organic Agriculture (MOA)                        | 32           | 40           | 72           | 9                 | 13                  | 22                  |
| Plant Biotechnology (MPB)                        | 29           | 28           | 57           | 4                 | 5                   | 9                   |
| Plant Sciences (MPS)                             | 94           | 84           | 178          | 25                | 17                  | 42                  |
| Urban Environmental Management (MUE)             | 40           | 41           | 81           | 16                | 14                  | 30                  |
| <b>Total number of enrolled students</b>         | <b>1,405</b> | <b>1,936</b> | <b>3,341</b> | <b>289</b>        | <b>403</b>          | <b>692</b>          |

Table 6

Graduation efficiency of the MSc programmes for the entering classes of 2008/09 to 2010/11, overall (N in absolute numbers, after x years in %).

| Program                                   | 2007 Entering Class |               |               | 2008 Entering Class |              |               | 2009 Entering Class |              |               |
|---|---------------------|---------------|---------------|---------------------|--------------|---------------|---------------------|--------------|---------------|
|   | N                   | After 2 years | After 3 years | After 4 years       | N            | After 2 years | After 3 years       | N            | After 2 years |
| MAB                                       | 18                  | 83            | 89            | 100                 | 19           | 79            | 84                  | 19           | 84            |
| MAM                                       | 10                  | 30            | 70            | 80                  | 19           | 42            | 84                  | 21           | 33            |
| MAS                                       | 89                  | 57            | 87            | 93                  | 107          | 71            | 86                  | 122          | 61            |
| MBF                                       | 6                   | 33            | 83            | 83                  | 12           | 83            | 100                 | 3            | 33            |
| MBI                                       | 34                  | 71            | 94            | 97                  | 49           | 78            | 98                  | 63           | 71            |
| MBT                                       | 59                  | 78            | 93            | 93                  | 70           | 81            | 94                  | 63           | 79            |
| MCL                                       | 4                   | 75            | 75            | 75                  | 5            | 60            | 100                 | 17           | 65            |
| MCS                                       | 12                  | 67            | 83            | 83                  | 10           | 50            | 80                  | 19           | 32            |
| MDR                                       | 30                  | 57            | 87            | 97                  | 21           | 33            | 71                  | 20           | 50            |
| MES                                       | 69                  | 75            | 93            | 96                  | 50           | 72            | 80                  | 67           | 60            |
| MFN                                       | 58                  | 60            | 88            | 93                  | 58           | 59            | 90                  | 68           | 62            |
| MFQ                                       | 20                  | 55            | 75            | 90                  | 11           | 82            | 100                 | 27           | 44            |
| MFS                                       | 29                  | 79            | 97            | 97                  | 38           | 58            | 82                  | 36           | 64            |
| MFT                                       | 74                  | 78            | 97            | 99                  | 68           | 78            | 96                  | 74           | 70            |
| MGI                                       | 13                  | 69            | 92            | 100                 | 22           | 82            | 91                  | 15           | 53            |
| MHW                                       | 17                  | 76            | 94            | 100                 | 17           | 65            | 88                  | 28           | 54            |
| MID                                       | 38                  | 55            | 84            | 87                  | 84           | 56            | 85                  | 84           | 33            |
| MIL                                       | 27                  | 59            | 96            | 96                  | 39           | 59            | 95                  | 49           | 73            |
| MLE                                       | 33                  | 42            | 79            | 85                  | 38           | 42            | 82                  | 34           | 35            |
| MLP                                       | 34                  | 47            | 82            | 91                  | 35           | 51            | 86                  | 52           | 38            |
| MMA                                       | 10                  | 40            | 90            | 90                  | 12           | 67            | 83                  | 12           | 50            |
| MME                                       | 90                  | 80            | 91            | 94                  | 127          | 87            | 94                  | 134          | 65            |
| MML                                       | 14                  | 57            | 93            | 100                 | 13           | 62            | 92                  | 23           | 52            |
| MNH                                       | 71                  | 82            | 97            | 100                 | 80           | 75            | 95                  | 96           | 67            |
| MOA                                       | 15                  | 60            | 87            | 93                  | 13           | 54            | 85                  | 23           | 61            |
| MPB                                       | 10                  | 40            | 100           | 100                 | 18           | 56            | 100                 | 18           | 61            |
| MPS                                       | 43                  | 77            | 95            | 95                  | 55           | 69            | 91                  | 69           | 74            |
| MSS                                       | 8                   | 100           | 100           | 100                 | 9            | 89            | 100                 | 13           | 69            |
| MUE                                       | 20                  | 55            | 80            | 80                  | 10           | 80            | 90                  | 29           | 69            |
| <b>Total programmes</b>                   | <b>955</b>          | <b>67</b>     | <b>90</b>     | <b>93</b>           | <b>1,108</b> | <b>68</b>     | <b>88</b>           | <b>1,298</b> | <b>59</b>     |
| <b>Total including changes of program</b> | <b>955</b>          | <b>68</b>     | <b>90</b>     | <b>94</b>           | <b>1,108</b> | <b>69</b>     | <b>90</b>           | <b>1,298</b> | <b>60</b>     |

Table 7

Graduation efficiency of the BSc programmes for re-enrolments in the second year (N t+1). For the entering class of 2007/08 to 2009/10, overall (N and N t+1 in absolute numbers, after x year in %).

| Program                                   | 2007 Entering Class |            |           |           |           |            | 2008 Entering Class |           |           |            |            |           | 2009 Entering Class |   |       |       |  |       |
|---|---------------------|------------|-----------|-----------|-----------|------------|---------------------|-----------|-----------|------------|------------|-----------|---------------------|---|-------|-------|--|-------|
|   | N                   |            | N t+1     |           | After     | After      | After               | N         |           | N t+1      |            | After     | After               | N |       | N t+1 |  | After |
|   | 3                   | 4          | years     | 3         | 4         | years      | 3                   | 4         | years     | 3          | 4          | years     | 3                   | 4 | years |       |  |       |
| BAT                                       | 16                  | 14         | 0         | 29        | 57        | 10         | 8                   | 0         | 63        | 21         | 17         | 12        |                     |   |       |       |  |       |
| BBC                                       | 34                  | 32         | 19        | 47        | 75        | 38         | 33                  | 27        | 52        | 40         | 36         | 26        |                     |   |       |       |  |       |
| BBI                                       | 72                  | 60         | 8         | 43        | 65        | 78         | 66                  | 26        | 70        | 116        | 92         | 18        |                     |   |       |       |  |       |
| BBN                                       | 33                  | 25         | 24        | 64        | 72        | 20         | 16                  | 31        | 50        | 52         | 37         | 24        |                     |   |       |       |  |       |
| BBT                                       | 25                  | 19         | 21        | 37        | 68        | 39         | 31                  | 19        | 42        | 42         | 33         | 9         |                     |   |       |       |  |       |
| BBW                                       | 33                  | 28         | 29        | 50        | 71        | 36         | 27                  | 30        | 67        | 47         | 37         | 16        |                     |   |       |       |  |       |
| BDW                                       | 68                  | 57         | 28        | 56        | 72        | 75         | 61                  | 28        | 59        | 70         | 57         | 16        |                     |   |       |       |  |       |
| BEB                                       | 6                   | 4          | 0         | 25        | 50        | 19         | 14                  | 7         | 43        | 16         | 14         | 7         |                     |   |       |       |  |       |
| BGM                                       | 21                  | 17         | 41        | 59        | 76        | 19         | 14                  | 43        | 71        | 20         | 15         | 60        |                     |   |       |       |  |       |
| BIL                                       | 26                  | 20         | 15        | 55        | 65        | 42         | 38                  | 13        | 55        | 46         | 38         | 29        |                     |   |       |       |  |       |
| BIN                                       | 44                  | 36         | 25        | 67        | 78        | 73         | 60                  | 15        | 58        | 99         | 81         | 25        |                     |   |       |       |  |       |
| BLP                                       | 40                  | 35         | 9         | 34        | 60        | 51         | 47                  | 15        | 53        | 46         | 37         | 8         |                     |   |       |       |  |       |
| BLT                                       | 41                  | 33         | 27        | 70        | 79        | 46         | 40                  | 33        | 70        | 57         | 50         | 36        |                     |   |       |       |  |       |
| BML                                       | 14                  | 13         | 23        | 46        | 69        | 23         | 19                  | 0         | 37        | 25         | 21         | 10        |                     |   |       |       |  |       |
| BMW                                       | 13                  | 11         | 36        | 64        | 82        | 13         | 9                   | 44        | 78        | 25         | 21         | 19        |                     |   |       |       |  |       |
| BPW                                       | 14                  | 12         | 0         | 33        | 50        | 18         | 16                  | 38        | 88        | 20         | 18         | 11        |                     |   |       |       |  |       |
| BTC                                       | 4                   | 4          | 0         | 50        | 75        | 8          | 3                   | 33        | 67        | 6          | 4          | 0         |                     |   |       |       |  |       |
| BVG                                       | 70                  | 61         | 31        | 74        | 87        | 101        | 83                  | 47        | 77        | 95         | 76         | 42        |                     |   |       |       |  |       |
| <b>Total programmes</b>                   | <b>577</b>          | <b>484</b> | <b>21</b> | <b>54</b> | <b>72</b> | <b>709</b> | <b>585</b>          | <b>26</b> | <b>62</b> | <b>843</b> | <b>687</b> | <b>23</b> |                     |   |       |       |  |       |
| <b>Total including changes of program</b> | <b>577</b>          | <b>502</b> | <b>21</b> | <b>54</b> | <b>73</b> | <b>709</b> | <b>613</b>          | <b>26</b> | <b>62</b> | <b>843</b> | <b>717</b> | <b>22</b> |                     |   |       |       |  |       |

# Appendix 2

## Social Year Report

The following graphs present information about Wageningen UR at year-end 2012 (in IER). Deviating from the 2011 Social Year Report it only contains information about the components DLO Research Foundation and Wageningen University (WU).

### Number of staff

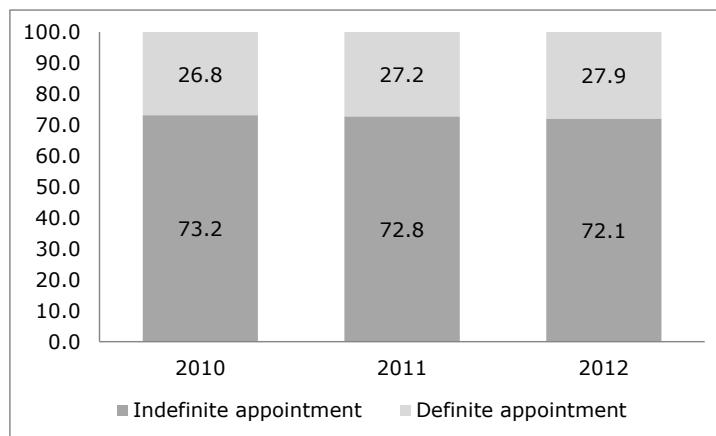
| STAFF                          | 2010  | 2011  | 2012  |
|--------------------------------|-------|-------|-------|
| Number of staff (IER) on 31-12 | 6,540 | 6,477 | 6,495 |
| Number of staff (FTE) on 31-12 | 5,681 | 5,635 | 5,653 |



Note: the total combined staff of WU and DLO (in IER) decreased in 2012 by 40 IER, i.e. almost 0.7%. This reduction was entirely at the expense of DLO, i.e. 104 IER. The number of IER for WU increased by 64.

### INDEFINITE PERIOD OF TIME/DEFINITE PERIOD OF TIME

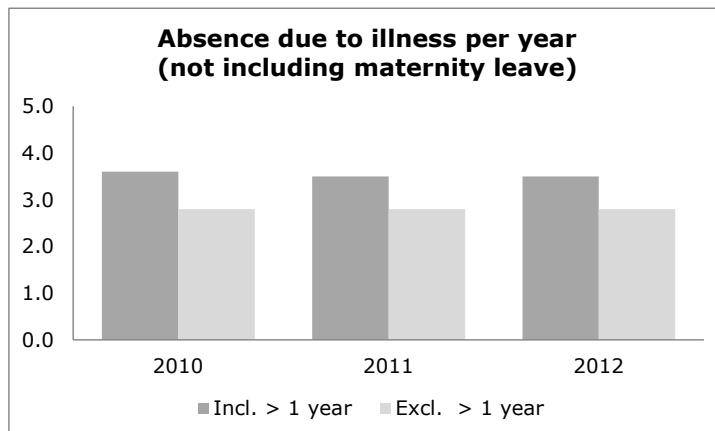
In % IER, including PhD students



Note: the percentage of temporary employment contracts decreased for the DLO Foundation in 2012 by 1.2% to 11%. WU saw a rise of 1.6% to 43.9%. A possible explanation may be that the number of IER at WU increased in 2012 by more than 2% and new employees are often offered a temporary contract initially.

## ABSENCE DUE TO ILLNESS

|                            | 2009 | 2010 | 2011 |
|----------------------------|------|------|------|
| Including absence > 1 year | 3.4  | 3.8  | 3.6  |
| Excluding absence > 1 year | 2.8  | 2.9  | 2.8  |



Note: the rate of absenteeism for the entire Wageningen UR organisation has remained fairly stable, remaining below the target of a maximum of 3.5%. At DLO the absence decreased a fraction, by 0.1% with respect to the total absences (in 2011 it amounted to 3.4% absenteeism) while the absence of less than one year remained equal (2.7%). At Wageningen University both short- and total absence decreased by 0.2% to 3.4%, while short absence levels remained unchanged.

## ABSENCE DUE TO ILLNESS, excluding maternity leave

|   | 2010  | 2011  | 2012  |
|---|-------|-------|-------|
| Average duration of absence (calendar days)                                       | 13.03 | 13.98 | 15.52 |
| Absence frequency (number of reports sick divided by the average number of staff) | 1.10  | 1.01  | 1.02  |
| Percentage of staff without absenteeism due to illness                            | 45.38 | 49.42 | 47.92 |
| Number of individual instances of sick leave                                      | 6.941 | 6.407 | 6.406 |

### Rate of absenteeism rate by age category

|                    |      |      |      |
|--------------------|------|------|------|
| < 25 years         | 1.3  | 1.4  | 1.2  |
| 25 - 34 years      | 2.23 | 2.75 | 2.64 |
| 35 - 44 years      | 3.31 | 3.49 | 3.31 |
| 45 - 54 years      | 3.48 | 3.78 | 3.92 |
| 55 years and older | 4.61 | 5.01 | 4.47 |

### Rate of absenteeism by job grade

|                        |      |      |      |
|------------------------|------|------|------|
| job grade 1 - 6        | 6.38 | 6.91 | 6.62 |
| job grade 7 - 9        | 4.06 | 4.16 | 4.17 |
| job grade 10 - 11      | 2.66 | 3.37 | 3.19 |
| job grade 12           | 3.05 | 3.71 | 3.55 |
| job grade 13 - 14      | 2.21 | 1.66 | 2.14 |
| job grade 15 and above | 2.08 | 1.91 | 1.72 |
| PhD                    | 2.05 | 2.76 | 2.36 |

Note: both short and total absence have remained unchanged while the average duration of absence has decreased compared to 2011. The percentage of staff who have not been absent due to illness has increased by 1%. The decrease in absence occurs in all age groups except the category of 55 years and older. A relatively large drop of 0.68% occurred in the category up to 25 years.

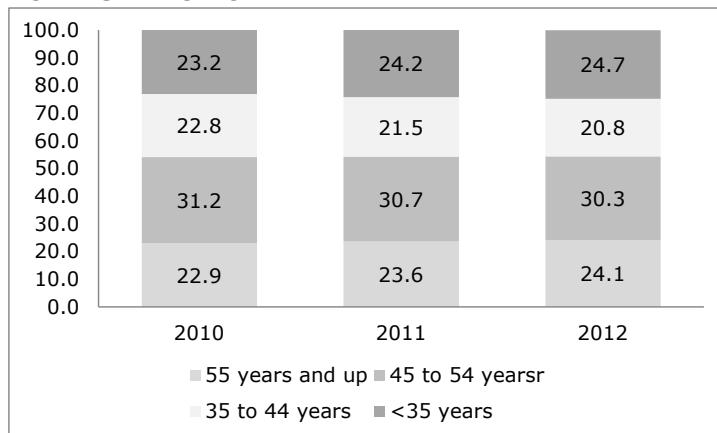
The absence rate decreased in almost all salary categories. However, in the category scale 13 - 14 an increase of almost 0.84% was observed to 3.01%. The absences in the salary category 1 - 6 continue to be significantly higher than the other salary categories but the slight downward trend continues.

## DEVELOPMENT/TRAINING

|  | 2010     | 2011     | 2012     |
|--|----------|----------|----------|
| Cost (x €1,000), excluding time invested | 4,025    | 3,952    | 3,851    |
| Percentage of the wage costs             | Ca. 1.2% | Ca. 1.1% | Ca. 1.0% |

Note: the expenditure standard for development/training was set at 2% of the wage costs. Actual expenditures in 2012 were 1.1%, remaining almost identical to the rate in 2010. It was noted that this percentage does not include the (considerable) costs made by Wageningen UR (not charged) for the (development of) education and training of lecturers provided by the Wageningen Graduate Schools, etc.

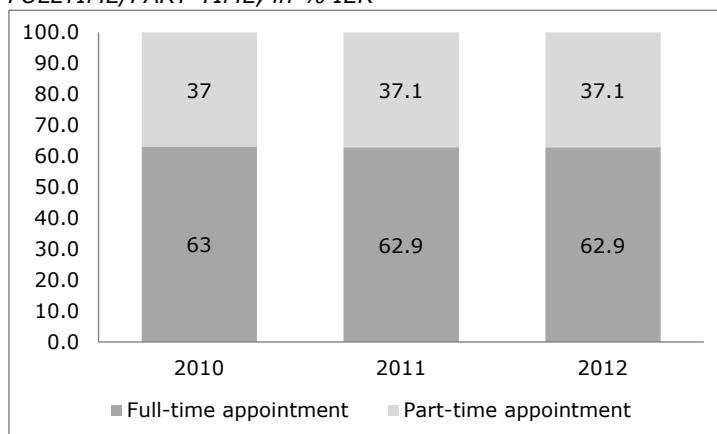
## AGE DISTRIBUTION



Note: the ageing population phenomenon is also reflected by Wageningen UR's staff. There is, however, a clear difference between DLO Foundation and WU. The number in the > 55 years category increased by 1.6% in 2012 to 27.1%. The number in the under-35 years category decreased slightly, by 0.7%, (to 11.9%). WU also showed a slight decrease, by 0.3% in the age category 55 and older to 21.4%, while the number of IER in the age category below 35 years increased by 1% to 36.8%. The largest group of employees (IER) at the DLO Research Foundation is the 45 to 55 years category (37.5%), while for WU this is the category under 35 years (36.8%).

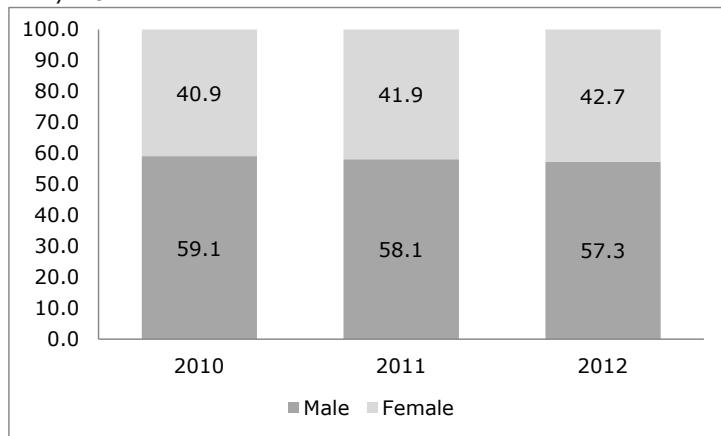
## EMANCIPATION

### FULLTIME/PART-TIME, in % IER



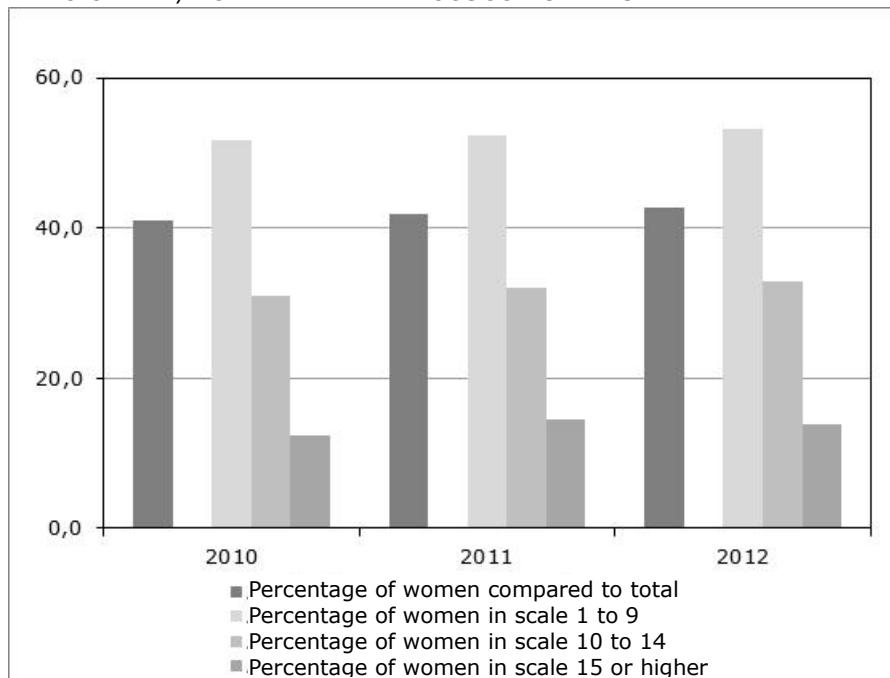
Note: the ratio of staff with fulltime employment contracts to staff with part-time employment contracts remained relatively unchanged in 2012 compared to 2011. When viewed per component it becomes clear that the percentage of staff working part-time for DLO increased by 0.7%, while this percentage decreased by 0.7% at WU.

#### MEN/WOMEN



Note: the proportion of women employed by the organisation has increased by 0.8% in 2012. This increase occurred both at DLO and at WU, respectively by 0.5% to 37.3% (DLO) and by 0.9% to 47.8% (WU).

#### RATIO OF MEN/WOMEN IN THE VARIOUS JOB GRADES



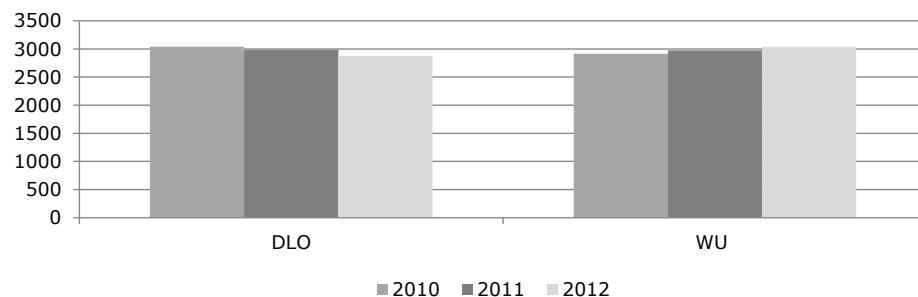
Note: The percentage of women classified in senior job grades still lags far behind the percentage of men in these grades. A slight decrease of 0.6% is visible (to 13.9%).

---

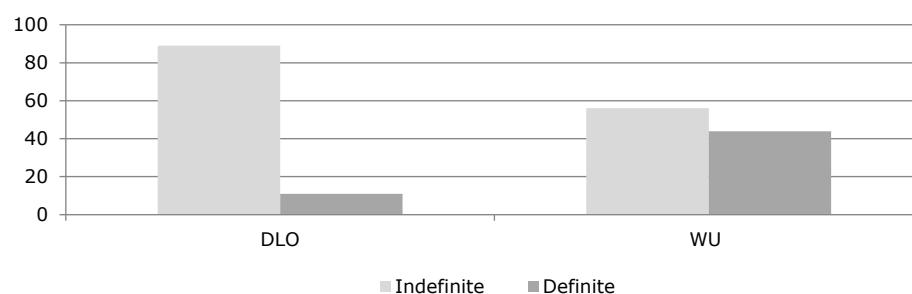
## CHARTS BY VAN WAGENINGEN UR DIVISION

The following charts present information (in IER) relating to the various Wageningen UR divisions. The first chart presents information expressed in absolute IER and the other charts in percentage IER.

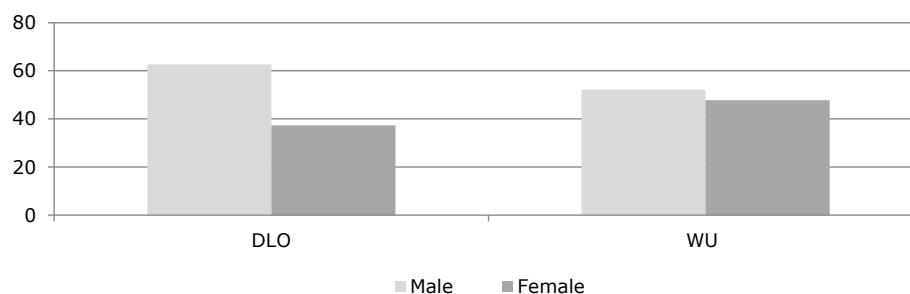
### Amounts (IER)



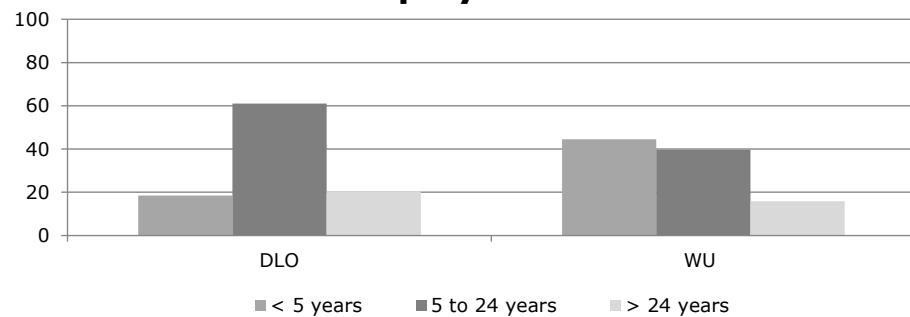
### % IER indefinite/definite 2012



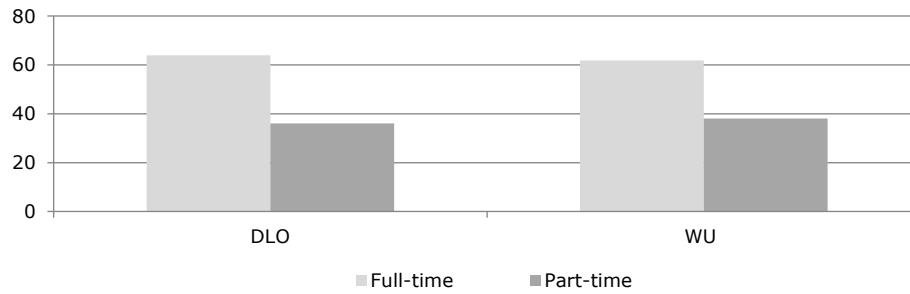
### % IER male/female 2012



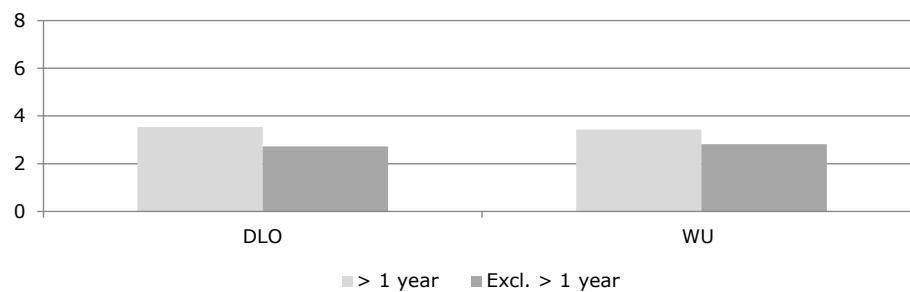
### % IER for employment term 2012



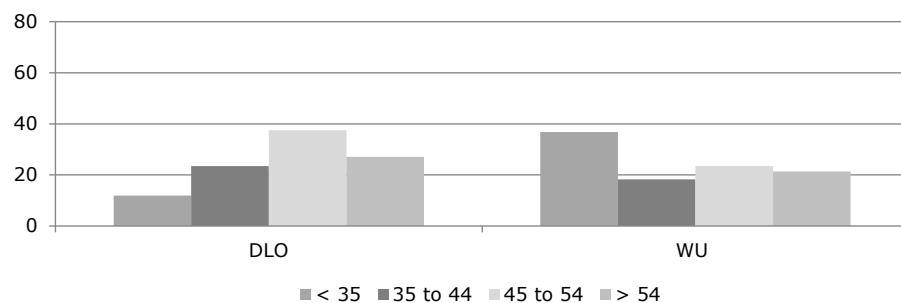
### % IER full-time/part-time 2012



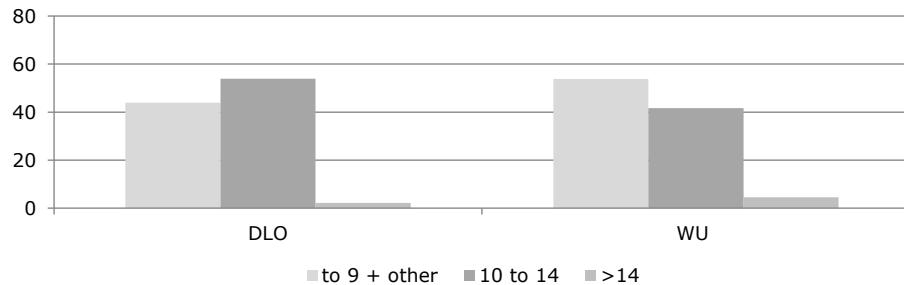
### Absence due to illness 2012



### % IER age 2012



### % IER salary scales 2012



---

# Appendix 3A

## Work for Third Parties by Executive Board

### Work for Third Parties by Aalt Dijkhuisen

#### *External activities*

- Supervisory Board member at Refresco (soft drinks bottling company) \*
- Supervisory Board member at Incotec (seeds coating) \*
- Supervisory Board member at Dutch Public Broadcasting Organisation (NPO) \*
- Advisory Board member at Hendrix Genetics (breeding farm) \*
- Advisory Board member at Pictet Agri Investeringsfonds, Geneva \*
- Advisory Board member at Struik Foods Europe (soups and meals) \*
- Board member at Internationaal Duurzaamheidsconsortium (The Sustainability Consortium), US
- Board member at Food Valley
- Board member at Raad voor Deltaonderzoek (Ministry of Infrastructure & Environment)
- Member of General Chairs' Meeting of VSNU (Association of Universities in the Netherlands)
- Board member at TO2 (platform of applied research organisations)
- Member of Innovatiecie and personal advisor to Governor of Fujian Province, China
- Member of International Advisory Board for Prime Minister of Malaysia
- Advisory Board member at World Knowledge Forum
- Programme director at EFAS (European Food & Agribusiness Seminar), in collaboration with Harvard Business School
- Supervisory Board member at the Arnhem Philharmonic Orchestra
- Advisory Board member at Corpus (education centre on the human body)
- Member of the Advisory Committee of the Ronald McDonald House in Arnhem

#### *Other*

- Honorary Professor at Massey University, Palmerston North, New Zealand
- Visiting Professor at Fuzhou University, Fujian Province, China
- Honorary Citizen of Fujian Province, China

\* remunerated

---

## Work for Third Parties by Martin Kropff

### *External Activities*

- Supervisory Board member at BLGG AgroXpertus (soil and plant analysis and advice) \*
- Supervisory Board member at Landgoed Scholtenszathe \*
- Supervisory Board member at Wetsus (leading institute in Water Technology)
- Member of the Netherlands Academy of Science and Technology
- Supervisory Board member at WNF-Nederland
- Member of the Bioscience Forum
- Board member at BE Basic (Bio-Based, Ecologically Balanced Sustainable Industrial Chemistry)
- Member of UNIK expert panel (Danish Agency for Science Technology and Innovation) \*
- Supervisory Board member at LifeLines
- Supervisory Board member at FES High Tech Systems & Materials
- International Supervisory Board member at Scuola Superiore Sant'Anna, Pisa, Italy \*
- Advisory Board member at Vereniging van de Nederlandse Chemische Industrie (VNCI)
- Advisory board member of various initiatives and organisations
- Member of Academia dei Georgofili, Florence, Italy
- Member of Hollandsche Maatschappij voor Wetenschappen
- Member of Policy Advisory Committee of WOTRO-NWO

### *Other*

- Honorary Professor at China Agricultural University
- Honorary Doctor at National Agricultural University of the Ukraine

\* remunerated

## Work for Third Parties by Tijs Breukink

### *External activities*

- General Board member at Stichting Nationaal Erfgoed Hotel De Wereld
- General Board member at Stichting SURF
- Member of Steering Committee at Governance en Financiën VSNU (Association of Universities in the Netherlands)
- Member of Nationaal Comité Herdenking Capitulaties Wageningen 1945
- Supervisory Board member at Stichting Beheer Belmonte Arboretum Wageningen
- Advisory Board member at World Food Centers
- Member of Comité van Aanbeveling Jubileumfonds Kröller-Müller Museum

## Appendix 3B

### Work for third parties – Supervisory Board

| Name  | M/ F | Date of birth | Principal appointment   | Relevant work for third parties as of 1-6-2012  | First appointment | Current term | Core committee membership     |
|---|------|---------------|---|---|-------------------|--------------|-------------------------------|
| M. de Boer<br>(Chair of Supervisory Board)          | F    | 1939          | Held various positions in public administration   | Board member at Noorderbreedte magazine<br>Supervisory Board member at Shell Nederland<br>Chair of Supervisory Board at Afvalsturing Friesland<br>Chair of Advisory Board at Milieu en Natuurplan<br>President of Wetsus Centre of Excellence for Sustainable Water Technology<br>Supervisory Board member at Staatshosbeheer<br>Chair of 'Wadden Islands' Advisory Board               | 01-09-2005        | 01-09-2013   | Remuneration and appointments |
| Dr L.B.A.M.G van Depoele                            | M    | 1939          | Former Director of Rural Development<br>DG for Agriculture and Rural Development at the European Commission | Guest lecturer at KU Leuven, European Business School (EHSAL)<br>Lecturer at Davidsfonds Universiteit Vrije Tijd<br>Vice Chair at Vereniging voor International Relations at VIRA - Other   | 01-05-2008        | 01-11-2012   | Remuneration and appointments |
| Dr J.J. van Duijn<br>(Supervisory Board Vice Chair) | M    | 1943          | Former member of the Robeco Group Executive Board   | Chair of Diergaardde Blijdorp Supervisory Board<br>Oranjefonds Board member<br>Zuid-Hollands Landschap Foundation Board member<br>Vice Chair at Statistics Netherlands (CBS)<br>Supervisory Board member at AFAB Financiële Diensten Holding B.V.<br>Board member at Nationaal Groefonds<br>Investment Committee member at TVM Verzekeringen<br>Supervisory Board member at Value8 N.V. | 01-09-2004        | 01-11-2012   | Audit Committee               |
| B.J. Martin M&A                                     | M    | 1965          | Member of Executive Board at Rabobank Nederland   | Steering Committee member at Unico Banking Group<br>Member of Board of Directors at American Chamber of Commerce<br>Supervisory Board member at IDH (Initiatief Duurzame Handel)<br>Member of the Dutch Trade Board   | 01-09-2011        | 01-09-2015   | Audit Committee (Chair)       |

*Work for third parties – Supervisory Board (continued)*

| Name               | M/ F | Date of birth | Principal appointment                           | Relevant work for third parties as of 1-6-2012   | First appointment | Current term | Core committee membership             |
|--------------------|------|---------------|---|--|-------------------|--------------|---------------------------------------|
| J.R.H. Maij-Weggen | F    | 1943          | Held various positions in public administration | President of World Society on the Protection of Animals (WSPA) Nederland<br>Vice Chair at WSPA International<br>Member of High Level Group on Administrative Burdens (EU Commission Stoiber)<br>Chair of Supervisory Board at Stichting Bartimeus-Sonneheerd.<br>Chair of Supervisory Board at S.O.S. Artsen NL<br>Supervisory Board member at ING Nederland<br>Supervisory Board member at Connexxion<br>Supervisory Board member at Opera Zuid | 01-09-2004        | 01-11-2012   | Remuneration and appointments (Chair) |

# Appendix 4 GRI index

Below, the indicators used in this report are justified based on the international Global Reporting Initiative (GRI) guidelines (version G3).

| <b>GRI Code</b>        | <b>Contents</b>  | <b>Referral / Completion</b>   |
|------------------------|--|--|
| STRATEGY AND ANALYSIS  |  |  |
| 1.1                    | Statement from the most senior decision-maker of the organisation (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organisation and its strategy | Letter from the Chairman, page 4   |
| 1.2                    | Description of key impacts, risks, and opportunities   | 2.3 Mission, Vision and Strategy, page 16 ff,<br>2.5 In Dialogue with the World, page 26 ff  |
| ORGANISATIONAL PROFILE |  |  |
| 2.1                    | Name of the organisation   | Wageningen UR  |
| 2.2                    | Primary brands, products, and/or services  | 2.2 Profile and Policy, page 10 ff,<br>2.3 Mission, Vision and Strategy, specifically<br>2.3.1 and 2.3.2, page 16 ff   |
| 2.3                    | Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures   | Organogram, inside cover<br>2.3 Mission, Vision and Strategy, page 16 ff   |
| 2.4                    | Location of organisation's headquarters  | Wageningen   |
| 2.5                    | Number of countries where the organisation operates  | 2.2 Profile and Policy page 10 ff and world map<br>at <a href="http://www.wageningenur.nl/nl/Onderzoek-Resultaten.htm">www.wageningenur.nl/nl/Onderzoek-Resultaten.htm</a> under 'Projecten van Wageningen UR'.  |
| 2.6                    | Nature of ownership and legal form   | 2.2 Profile and Policy, specifically 2.2.1, page 10 ff   |
| 2.7                    | Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)  | see GRI code 2.5,<br>4 Scope of the Report, specifically 4.2, page 123 ff,<br>Agrifood sector, see Strategic Plan<br>at <a href="http://www.wageningenur.nl/nl/Over-Wageningen-UR/Strategisch-plan.htm">www.wageningenur.nl/nl/Over-Wageningen-UR/Strategisch-plan.htm</a> . |
| 2.8                    | Scale of the reporting organisation  | 2.1 Key Figures page 9 ff<br>3 Financial Report, specifically 3.1.1 and 3.2.1 page 53 ff   |
| 2.9                    | Significant changes during the reporting period regarding size, structure, or ownership  | Termination of collaboration with VHL, see 4<br>Scope of the Report, specifically 4.1, page 123  |
| 2.10                   | Awards received in the reporting period  | 2.2.2 Wageningen University page 11  |
| REPORT PARAMETERS      |  |  |
| 3.1                    | Reporting period for information provided  | 1 January – 31 December 2012   |
| 3.2                    | Date of most recent previous report  | June 2012  |
| 3.3                    | Reporting cycle  | Annually   |
| 3.4                    | Contact point for questions regarding the report or its contents   | <a href="mailto:duurzaamheid@wur.nl">duurzaamheid@wur.nl</a>   |

| <b>GRI Code</b>                                | <b>Contents</b>   | <b>Referral / Completion</b>  |
|--|---|---|
| <b>REPORT SCOPE AND BOUNDARY</b>               |   |   |
| 3.5  | Process for defining report content   | 4 Scope of the Report, page 123 ff  |
| 3.6  | Boundary of the report  |   |
| 3.7  | Limitations on the scope or boundary of the report  |   |
| 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                            |   |
| 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                                     |   |
| 3.10   | Explanation of the effects of any re-statements of information provided in earlier reports (including fusions or takeovers, changes in reference years or reporting periods and changes in the nature of activities or measurement methods) | Non-applicable  |
| 3.11   | Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report  | Cooperation with VHL has been terminated. VHL will produce their own report for 2012. In the Annual Report 2012, Wageningen UR focuses on Wageningen University and DLO.  |
| 3.12   | Table identifying the location of the Standard Disclosures in the report  | GRI index, page 141   |
| <b>ASSURANCE</b>                               |   |   |
| 3.13   | Policy and current practice with regard to seeking external assurances for the report.  | 1.9 Compliance, specifically 1.9.6, page 49   |
| <b>GOVERNANCE, COMMITMENTS, AND ENGAGEMENT</b> |   |   |
| <b>GOVERNANCE</b>                              |   |   |
| 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   | Executive Board and Supervisory Board page 5 and including reference to <a href="http://www.wageningenur.nl/nl/Over-Wageningen-UR/Bestuur.htm">www.wageningenur.nl/nl/Over-Wageningen-UR/Bestuur.htm</a>  |
| 4.2  | Indicate whether the Chair of the highest governance body is also an executive officer  | 2.3 Mission, Vision and Strategy, specifically 2.3.6, page 21 ff  |
| 4.3  | For organisations that have a unitary board structure, state the number of independent and/or non-executive members of the highest governance body  | Non-applicable  |
| 4.4  | Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body  | 2.2.5 Participational Structure page 14   |
| 4.5  | Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organisation's performance  | Following sustainability policy a plan of action was set up: 'Versneld naar een duurzamer bedrijfsvoering' (fast track to a more sustainable business model) The action 'exemplary behaviour management' is expressed in the plan, and is currently being explored. |

| <b>GRI Code</b>  | <b>Contents</b>   | <b>Referral / Completion</b>   |
|--|---|--|
| 4.6  | Processes in place for the highest governance body to avoid conflicts of interest   | 2.2 Profile and Policy, page 10 ff,<br>2.9 Suppliers and Supply Chain Responsibility, page 47,   |
| 4.7  | Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics  | 2.10 Compliance, page 48 ff<br>1. Report of the Supervisory Board, page 6  |
| 4.8  | Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performances, including indications on the status of their implementation   |  |
| 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 |  |
| 4.10   | Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance  |  |
| <hr/> <b>COMMITMENTS TO EXTERNAL INITIATIVES</b> <hr/> |   |  |
| 4.11   | Explanation of whether and how the precautionary principle is addressed by the organisation.  | 2.10 Compliance, page 48 ff  |
| 4.12   | Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses  |  |
| 4.13   | Memberships in associations and/or national/international advocacy organisations.   | 2.5 In Dialogue with the World, page 26 ff, and <a href="http://www.wageningenur.nl/nl/Over-Wageningen-UR/Kennisvalorisatie.htm">www.wageningenur.nl/nl/Over-Wageningen-UR/Kennisvalorisatie.htm</a> |
| <hr/> <b>STAKEHOLDER ENGAGEMENT</b> <hr/>              |   |  |
| 4.14   | List of stakeholder groups engaged by the organisation  | 2.5 In Dialogue with the World, page 26 ff   |
| 4.15   | Basis for identification and selection of stakeholders who have to be engaged   |  |
| 4.16   | Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group  |  |
| 4.17   | Key topics and concerns that have been raised through stakeholder engagement, and how the organisation responded, including in its reporting  |  |
| <hr/> <b>ECONOMIC PERFORMANCE INDICATORS</b> <hr/>     |   |  |
| EC2  | Management approach disclosure  | 2.8 Profit, page 43 ff   |
| EC3  | Financial implications and other risks and opportunities for the organisation's activities due to climate change  |  |
| EC4  | Coverage of the organisation's defined benefit plan obligations   |  |
| EC7  | Significant financial assistance received from government   |  |
| EC8  | Procedures for local hiring and proportion of senior management hired from the local community at significant operation locations   |  |
| EC9  | Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagements  |  |
|  | Understanding and describing significant indirect economic impacts, including their extent.   |  |

| <b>GRI Code</b>                             | <b>Contents</b>  | <b>Referral / Completion</b>   |
|---|--|--|
| 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 | 2.8 Profit, page 43 ff,<br>2.6.2.4 Financial Support, page 34,<br>2.6.2.5 Alumni Relations and Fundraising ,<br>page 35  |
| EC5   | Range of ratios of standard entry level wage compared to local minimum wage at significant operation locations   | 2.8 Profit, page 43 ff   |
| EC6   | Policy, practices, and proportion of spending on locally-based suppliers at significant operation locations  | 2.9 Suppliers and Supply Chain Responsibility, page 47 ff  |
| <b>ENVIRONMENTAL PERFORMANCE INDICATORS</b> |  |  |
| Management approach disclosure              |  |  |
| EN1   | Materials used by weight or volume   | 2.9 Suppliers and Supply Chain Responsibility,   |
| EN2   | Percentage of materials used that are recycled   | page 47 ff   |
| EN3   | Direct energy consumption by primary energy source   | 2.7 Planet, specifically Energy, page 40   |
| EN4   | Indirect energy consumption by primary source  | 2012 Environmental Report*   |
| EN5   | Energy saved due to usage reduction and efficiency improvements  |  |
| EN7   | Initiatives to reduce indirect energy consumption and reductions achieved  |  |
| EN6   | Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives  | Non-applicable. Wageningen UR is a knowledge institution where there is no production that could be shaped in an energy-efficient manner.                            |
| EN8   | Total water withdrawal   | 12,9% and 13,4 reduction of tap water and spring water, respectively, compared to 2011, see Environmental Report 2012*.  |
| EN21  | Total water discharge by quality and destination.  |  |
| EN9   | Water sources significantly affected by withdrawal of water  | Non-applicable. The water consumption is building-related and therefore not relevant to Wageningen UR. Wageningen UR also used spring water for the primary process. |
| EN10  | Percentage and total volume of water recycled and reused   | Non-applicable. The buildings are connected to sewerage. All wastewater thus goes to modern sewage treatment companies.  |
| EN11  | Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas  | 2.7 Planet, specifically Biodiversity, page 41   |
| EN12  | Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas  |  |
| EN13  | Habitats protected or restored   |  |
| EN14  | Strategies, current actions and future plans for constraining impacts on biodiversity  |  |
| EN15  | Number of IUCN Red List species and national conservation list species with habitats within the sphere of influence of operating activities, by level of extinction risk   |  |
| EN16  | Total direct and indirect greenhouse gas emissions by weight   | 2.7 Planet, specifically CO <sub>2</sub> footprint, page 41  |
| EN17  | Other relevant indirect greenhouse gas emissions by weight   | 2012 Environmental Report *  |
| EN18  | Initiatives to reduce greenhouse gas emissions and reductions achieved   |  |

| <b>GRI Code</b>  | <b>Contents</b>   | <b>Referral / Completion</b>   |
|--|---|--|
| EN19   | Emissions of ozone-depleting substances by weight.  | Non-applicable, other than included in CO <sub>2</sub> footprint. The activities of Wageningen UR do not cause substantial ozone depletion.  |
| EN20   | NO <sub>x</sub> , SO <sub>x</sub> and other significant air emissions by type and weight  |  |
| EN20   |   | Non-applicable. The activities of Wageningen UR do not cause substantial emissions of these gases.   |
| EN22   | Total weight of waste by type and disposal method   | 2.7 Planet, specifically Waste, page 40  |
| EN24   | Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of Annex I, II, III and VIII of the Basel Convention and the percentage of waste shipped internationally | 2012 Environmental Report *  |
| EN23   | Total number and volume of significant spills   | Non-applicable. There are no significant spills of named substances.   |
| EN25   | Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the drainage and discharge of the reporting organisation                      | Non-applicable. These indicators are seen as immaterial for Wageningen UR.   |
| EN26   | Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation   |  |
| EN27   | Percentage of products sold and their packaging materials that are reclaimed by category  |  |
| EN30   | Total environmental protection expenditures and investments by type   |  |
| EN28   | Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations  | 2.10 Compliance, page 48 ff  |
| EN29   | Significant environmental impacts of transporting products and other goods and materials used for the activities of the organisation and transportation of the workforce                              | 2.7 Planet, specifically CO2 footprint, page 41<br>2012 Environmental Report *, part Transport   |
| LABOR PRACTICES AND DECENT WORK PERFORMANCE INDICATORS |   |  |
|  | Management approach disclosure  | 2.6 People, page 29 ff   |
| LA1  | Total workforce by employment type, employment contract, and region   | Appendix 2. Social Year Report, page 131 ff  |
| LA2  | Total number and rate of employee turnover by age group, gender, and region   |  |
| LA7  | Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region   |  |
| LA10   | Average hours of training per year per employee, by employee category   |  |
| LA3  | Benefits provided to full-time employees that are not available to part-time employees, by major operations   | Irrelevant considering the COA agreements and the base of operations from the Netherlands.   |
| LA4  | Percentage of employees covered by collective bargaining agreements   | The two entities of Wageningen UR each have their own collective labour agreement; that of the VSNU for Wageningen University, and a separate agreement for DLO. Together, these agreements are applicable for 99.9% of employees. |

| <b>GRI Code</b>                            | <b>Contents</b>   | <b>Referral / Completion</b>   |
|--|---|--|
| LA5  | Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements  | The statutory notice period is one month. Within Wageningen UR, this can be up to four months, depending on the duration of employment and the applicable collective labour agreement. In the event of reorganisations, redeployment candidates have an employment protection of up to 15 months, depending on the applicable collective labour agreement. |
| LA6  | Percentage of total workforce represented in formal joint management-worker health and safety committees  | This indicator is not considered to be most relevant to Wageningen UR.   |
| LA8  | Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases   | 2.6 People, specifically 2.6.1 page 29 ff  |
| LA9  | Accords on health and safety topics covered with trade unions   | Wageningen UR has complied with the Health and Safety Catalogue VSNU. This applies to WU and DLO.  |
| LA11                                       | Programs for skills management and lifelong learning that support the continued employability of employees and assist them in end of career management                          | 2.6 People, specifically 2.6.1 page 29 ff<br>Courses and training programs offered through the Educational Staff Development Wageningen Graduate School, Wageningen Business School, In'to Languages and Library, see <a href="http://www.wageningenur.nl/en/Education-Programmes.htm">http://www.wageningenur.nl/en/Education-Programmes.htm</a>          |
| LA12                                       | Percentage of employees receiving regular performance and career development reviews  | See LA11,<br>Formally, annual results & development interviews (R&D) take place, there is also a KPI drafted in the Strategic Plan 2011-2014, see 2.3.3, page 17. Informally, employees are informed via intranet, management and/or colleagues.   |
| LA13                                       | Composition of governance bodies and breakdown of employees per category according to gender, age, membership of a particular social minority and other indicators of diversity | Appendix 2. Social Year Report, page 131, A reflection of the target group is sought within the governing bodies of Wageningen UR. Among others, students, staff, nationals and internationals are taken into account.   |
| LA14                                       | Ratio of basic salary of men to women by employee category  | This indicator is not considered to be most relevant to Wageningen UR, when taking into account the collective labour agreements that have been made.  |
| <b>HUMAN RIGHTS PERFORMANCE INDICATORS</b> |   |  |
|  | Management approach disclosure  | 2.6 People, page 29 ff   |
| HR1  | Percentage and total number of significant investment agreements that include human rights clauses or of which human rights compliance has been screened                        | 2.9 Suppliers and Supply Chain Responsibility, page 47 ff  |
| HR2  | Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken   |  |
|  | Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to   |  |
| HR3  | operations, including the percentage of staff trained   |  |
| HR4  | Total number of incidents of discrimination and actions taken   | 2.5 In Dialogue with the World, page 26 ff   |

| <b>GRI Code</b>                                      | <b>Contents</b>   | <b>Referral / Completion</b>  |
|--|---|---|
| HR5  | Operations in which the rights to exercise freedom of association and collective bargaining may be at significant risk and measures taken to support these rights       | Non-applicable  |
| HR6  | Operations identified as having significant risk for incidents of child labour, and measures taken to eliminate child labour  |   |
| HR7  | Operations identified as having significant risk for incidents of forced or compulsory labour, and measures taken to eliminate forced or compulsory labour              |   |
| HR9  | Total number of incidents of violations involving rights of indigenous people and actions taken   |   |
| HR8  | Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to the activities            | 2.6.1.5 Security, page 32   |
| <b>SOCIETY PERFORMANCE INDICATORS</b>                |   |   |
|  | Management approach disclosure  | 2.6 People, page 29 ff  |
| SO1  | Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entrance, operation, and exit | 2.5 In Dialogue with the World, page 26 ff<br>2.10 Compliance, page 48 ff<br>Wageningen UR develops knowledge and educates young people in the domain of healthy food and living environment and helps organisations, governments and companies to apply that knowledge worldwide. They are looking for ways to reduce the use of pesticides and of animal testing, and improve animal welfare. |
| SO2  | Percentage of a total number of business units analysed for risks related to corruption   | 2.10 Compliance, specifically 2.10.6, page 48 ff  |
| SO3  | Percentage of employees trained in the organisation's anti-corruption policies and procedures   |   |
| SO4  | Actions taken in response to incidents of corruption  |   |
| SO7  | Total number of legal actions taken for anti-competitive behaviour, anti-trust, and monopoly practices, and the results of these actions                                |   |
| SO8  | Monetary value of fines and total number of non-monetary sanctions for noncompliance with laws and regulations  |   |
| SO5  | Public policy positions and participation in public policy development and lobbying   | Contacts of Wageningen UR are focused on knowledge development, therefore, 'Public Affairs' are not an issue.   |
| SO6  | Total value of financial and in-kind contributions to political parties, politicians and related institutions by country  | Non-applicable  |
| <b>PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS</b> |   |   |
|  | Management approach disclosure  | Product responsibility in relation to the value chain described in 4 Scope of the Report, page 123 ff   |

| GRI Code | Contents  | Referral / Completion  |
|----------|---|--|
| PR1      | Life cycle stages in which the impacts of products and services for health and safety are assessed for improvement, and percentage of significant products and services categories subject to such procedures | Non-applicable. These indicators are irrelevant for Wageningen UR, as it is a knowledge institution.   |
| PR2      | Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety of products and services during their life cycle, by type of outcome                            |  |
| PR3      | Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements  | Non-applicable. Wageningen UR provides an immaterial product.  |
| PR4      | Total number of incidents of non-compliance with regulations and voluntary codes concerning information and labelling of products and services, by type of outcome  |  |
| PR5      | Practices related to customer satisfaction, including results of surveys measuring customer satisfaction  | 2.1 Key figures, page 9 ff<br>2.6.4 Facilities and Services, page 37<br>2.2.6 Internationalisation, part ISB, page 14<br>2.2.2 Wageningen University, page 11  |
| PR6      | Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship   | Wageningen UR has a limited budget for marketing communications. This budget is not used for advertising in the traditional sense, but is rather spent on fact-based communication. The advertisements discuss examples of research carried out at Wageningen UR. There are no guidelines or codes applicable to these expressions (IMs) and there are no incidents or lawsuits as a result of marketing communications. |
| PR7      | Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcome                     |  |
| PR8      | Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data   | 2.10 Compliance, page 48 ff<br>2.5 In Dialogue with the World, page 26 ff  |
| PR9      | Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services  |  |

\*In addition to the Annual Report, an Environmental Report 2012 has been prepared to meet the licensing requirements of the applicable environmental regulations, see <http://www.wageningenur.nl/en/About-Wageningen-UR/Sustainability.htm>  
Environmental indicators and results of Wageningen UR in 2012 are formulated in the Environmental Report 2012 in more detail than the present report 2012.

## Colophon

**Publication**

Wageningen UR, June 2013  
[www.wageningenUR.nl/en](http://www.wageningenUR.nl/en)

**Wording**

Workgroup Annual Report Wageningen UR

**Editing**

Wageningen UR, Communication Services

**Design and Layout**

Wageningen UR, Communication Services

**Photography**

Guy Ackermans

**Printing**

MediaCenter B.V. Rotterdam

To explore  
the potential  
of nature to  
improve the  
quality of life



---

The mission of Wageningen UR (University & Research centre) is 'To explore the potential of nature to improve the quality of life'. Within Wageningen UR, nine specialised research institutes of the DLO Research Foundation have joined forces with Wageningen University to help answer the most important questions in the domain of healthy food and living environment. With approximately 30 locations, 6,000 members of staff and 9,000 students, Wageningen UR is one of the leading organisations in its domain worldwide. The integral approach to problems and the cooperation between the various disciplines are at the heart of the unique Wageningen Approach.

---