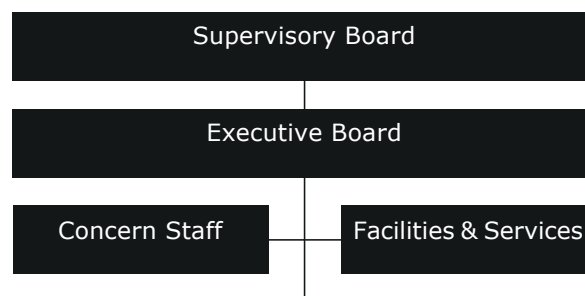




Annual report 2012



WAGENINGEN UR
For quality of life



* Formerly Wageningen Business School (until 2013)

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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 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:

- 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
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%
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 ₂ footprint	41.7 ktonnes CO ₂
CO ₂ 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 Veni, 25 Vidi and six Vici. External funding, or the third flow of funds, amounted to €81.5m. The number of scientific publications was 3,796.

PhDs

Wageningen University prides 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.

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
Total	1,800

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) 'langstudeerder' (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 2011	Measurement 2012	Goals 2015
Education			
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, accredited/ approved in 2015
Research			
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 9% advanced (2009/'10/'11)	3.1% starting 6.1% advanced (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
Valorisation			
Students in courses focused on entrepreneurship	60	90	2011 + 10%
Other			
% 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);
- 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.

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). 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. 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.

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). 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.

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 *langstudeerder* (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 *'langstudeerder'* 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.

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:

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- 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

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- 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.
- **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.)
- **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).
- 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.

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- 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 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 'Schuitlegroepen' 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.

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
Facilities and Services		
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 ₂ Footprint	Reduction with 2010 as base year	41.3ktonne CO ₂ , 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).

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. Programmes related to climate research can be found at 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

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.

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, CO₂ 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-meerjarenafpraak-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 ³)	GJ	Tonnes of CO ₂
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 ₂
2005	100%	100%	100%	100%
2010	100%	88%	95%	100%
2011	99%	73%	89%	29%
2012	100%	75%	90%	29%

Surface area (in m ²)	2012	2011	2010	2005
Total	495,857	474,020	473,978	241,839

Specific consumption	2011	2011	2010
GJ/m ²	1.6124	1.6635	1.7818
Natural gas (Nm ³ /m ²)	16.7784	17.0942	20.5086
Electricity (kWh/m ²)	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 CO₂ 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 Acres 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/m³, 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).

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.

CO₂ Footprint

The CO₂ 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 CO₂ footprints and trends have made Wageningen UR aware of its CO₂ 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 CO₂ 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 CO₂ footprint. Our CO₂ footprint results are presented in the table below.

Wageningen UR's CO₂ footprint in 2010, 2011 and 2012.

Year	CO ₂ emissions in kilotons
2010	73.2
2011	41.6
2012	41.7

Results indicate that the CO₂ footprint for 2012 was almost equal to that for 2011.

VHL's share of the CO₂ footprint was 1.4 kilotons of CO₂. In 2012, DLO and WU emitted an additional 1.5 kilotons of CO₂. 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 CO₂ 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 CO₂ emissions.

Wageningen UR contributes to reducing CO₂ 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 Computechtion 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).

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 ¹⁾	3.3%			2%

¹⁾ 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' CO₂ 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	
Total		658	326

*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.

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

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.

Legal entity	FT salary class						
	1,000- 2,000	2,001- 3,000	3,001- 4,000	4,001- 5,000	5,001- 6,000	6,001- 8,000	8,001- 20,000
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%
Total	1.2%	34.3%	25.8%	20.7%	13.6%	3.5%	0.9%

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.

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.

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.

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;
- 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
Normalised operating result	10.0	8.3
Incidental results	-4.4	-2.5
Addition to the appropriated reserve for project costs in later years	-0.4	-1.1
Operating result based on the Ministry of Education, Culture and Science guidelines	5.2	4.7

*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
Total	-/- 17.3

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

* 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
	TOTAL INCOME	315,187	317,200	304,473
	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
	TOTAL EXPENDITURES	309,906	315,500	301,235
	OPERATING RESULT	5,281	1,700	3,238
17	Financial income and expenditures	-120	-400	1,308
	RESULT FROM ORDINARY ACTIVITIES BEFORE TAX	5,161	1,300	4,546
18	Result from participating interests	36	0	119
	RESULT FROM ORDINARY ACTIVITIES AFTER TAX	5,197	1,300	4,665
	Third-party share	0	0	0
	Essential income and expenditure	0	0	0
	NET RESULT	5,197	1,300	4,665

* Amounts in € thousands

Consolidated Cash Flow Statement

	Actual 2012	Actual 2011
OPERATIONAL ACTIVITIES		
Net result	5,197	4,665
Depreciation	23,406	23,651
	28,603	28,316
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
	-7,741	3,774
Operational activity cash flow	20,862	32,090
INVESTMENT ACTIVITIES		
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
Investment activity cash flow	-37,366	-64,235
FINANCING ACTIVITIES		
Changes in long-term receivables	0	0
Changes in other long-term debt	-807	1,084
Movements in equity		
Financing activity cash flow	-807	1,084
CASH FLOW	-17,311	-31,061
CHANGES IN LIQUIDITY		
Balance of liquidity on 1 January	70,596	101,657
Balance of liquidity on 31 December	53,285	70,596
Changes in liquid assets	-17,311	-31,061

* 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 ¹⁾	Wageningen	100	–

¹⁾ 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
Book value on 31-12-2012	92	92
Acquisition value on 31-12-2011	0	0
Acquisitions 2012	96	96
Accumulated depreciation	4	4
Accumulated write-downs	0	0
Book value on 31-12-2012	92	92

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
Book value on 31-12-2012	10,371	134,156	30,082	49,266	23,228	247,103
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
Acquisition value 31-12-2012	22,350	248,179	107,360	49,266	65,612	492,767
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
Book value 31-12-2012	10,371	134,156	30,082	49,266	23,228	247,103
* Divestments of which:						
- Acquisition price	23	6,011	3,826	0	0	9,860
- Depreciation	7	6,011	2,666	0	0	8,684
Total divestments	16	0	1,160	0	0	1,176

* 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
Total financial fixed assets	385	218

* Amounts in € thousands

Breakdown of the participating interests in group companies item

Description	Book value 31-12-2011	Investment/div estment	Other changes ¹⁾	Book value 31-12-2012
Ceradis	0	125	0	125
Bioproduct	65	0	30	95
Nexus	0	-2	2	0
CanIT	0	0	0	0
Total group companies	65	123	32	220

¹⁾ The other changes are related to the appreciation of the participation in 2012

Breakdown of the other participating interests item

Description	Book value 31-12-2011	Investment/div estment	Other changes	Book value 31-12-2012
Green Dino BV	0	0	0	0
KLV Professional Match BV ¹⁾	0	-4	4	0
ICG	20	0	0	20
Other participating interests	4	0	0	4
Total other participating interests	24	-4	4	24

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

Specification of Members' Capital

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

* 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
TOTAL STOCKS/INVENTORY	51	95

* 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
Total accounts receivable	17,670	19,316
Projects in progress		
Cost of work carried out for third parties	338,025	299,465
Less invoiced instalments	343,820	304,543
Third party orders	-5,795	-5,078
Less anticipated losses	-3,811	-4,102
Included under short-term debt	43,370	40,466
Total third party orders	33,764	31,286
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
Total advances and prepayments	13,742	12,726
Total receivables and accruals	65,176	63,328

* 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
Total liquid assets	53,285	70,596

* 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
Cash flow from operational activities	2.1	20.9	18.8
Cash flow from investment activities	-41.9	-37.4	4.5
Cash flow from financing activities	-0.6	-0.8	-0.2
Cash flow 2012	-40.4	-17.3	23.1
Liquidity on January 2012	59.7	70.6	10.9
Liquidity on 31 December 2012	19.3	53.3	34.0

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 31-12-2011	Result	Other changes	Balance on 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
Total internal capital	148,424	5,197	0	153,621

* 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 31-12-2011	Addition	Withdrawal	Release	Balance on 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
Total provisions	18,305	3,946	3,327	774	18,150

* 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
Total provisions	18,150	18,305

* 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 31-12-2011	Increase in debt	Decrease in debt	Balance on 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
Total long-term debt	20,765	0	807	19,958

* 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
Total	17,300			1,372	15,698	230

* 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
Total short-term debt	174,367	180,112

* 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		
Total	23,895	19,176	4,719	

* 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
Wageningen Universiteit Holding BV	Wageningen	4	-432	36	Y	100%	100%
CAN-IT BV	Wageningen	4	202 ¹⁾	Not available	N	35%	0%
Ceradis BV	Wageningen	4	-184 ¹⁾	Not available	N	27%	0%
Bio Product BV		4	284 ¹⁾	Not available	N	25%	0%
Green Dino BV	Wageningen	4	-63 ¹⁾	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

¹⁾ 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
DIRECT GOVERNMENT FUNDING		
Direct government funding, Ministry of Economic Affairs	164,253	160,914
Other subsidies, Ministry of Economic Affairs	1,749	2,156
TOTAL DIRECT GOVERNMENT FUNDING	166,002	163,070
OTHER CONTRIBUTIONS AND SUBSIDIES	57	255
TUITION AND COURSE FEES		
Tuition and examination fees	19,218	16,973
Course fees	1,762	2,135
TOTAL TUITION AND COURSE FEES	20,980	19,108
INCOME FROM WORK FOR THIRD PARTIES		
Revenue from work for third parties	106,198	95,418
Movement in work in progress	-716	1,077
TOTAL INCOME FROM WORK FOR THIRD PARTIES	105,482	96,495
OTHER INCOME		
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
TOTAL OTHER INCOME	22,666	25,545
TOTAL INCOME	315,187	304,473

* 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
Total personnel costs	181,618	174,316

* 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
Total depreciation	23,406	23,651

* 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
Total accommodation costs	25,661	24,651

* 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
Additions to the provisions:		
Reorganisation costs	319	-1,630
Product and/or contractual risks	0	690
Provisions, other	303	-418
Total addition to general provisions	622	-1,358
Total general costs	35,446	35,094

* 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
Total specific costs	43,775	43,522

* Amount in € thousands

17 FINANCIAL INCOME AND EXPENDITURES

	Actual 2012	Actual 2011
Financial income	1,103	1,844
Financial expenditures	-1,223	-536
Total financial income and expenditures	-120	1,308

* 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
Nexus Holding BV	2	0
Other participating interests	4	4
Total result from participating interests	36	119

* Amount in € thousands

Separate Financial Statements

SEPARATE BALANCE SHEET

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

* 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
INCOME		
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
Total income	313,077	302,224
EXPENDITURES		
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
Total expenditures	307,894	299,005
OPERATING RESULT	5,183	3,219
Financial income and expenditures	-132	1,305
RESULT FROM ORDINARY ACTIVITIES BEFORE TAX	5,051	4,524
Taxation on ordinary activities	0	0
Result from participating interests	36	93
RESULT FROM ORDINARY ACTIVITIES AFTER TAX	5,087	4,617
Third-party share	0	0
Exceptional income and expenditure	0	0
NET RESULT	5,087	4,617

* 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
Total financial fixed assets	-287	-336

* Amount in € thousands

Breakdown of the participating interests in group companies item

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

* Amount in € thousands

¹⁾ 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
Total internal capital	5.197

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
FACULTY		
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
TOTAL ACADEMIC STAFF	1,555.4	1,473.5
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
TOTAL SUPPORT AND ADMINISTRATIVE STAFF	588.6	602.4
TOTAL FACULTY	2,144.0	2,075.9
GENERAL SERVICES		
Job grade 13 and above ²	44.8	43.4
Job grade 9 to 12	213.4	211.5
Lower than 9	205.0	207.3
TOTAL GENERAL SERVICES	463.2	462.2
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
Total staffing position	2,639.5	2,580.0

² 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

	Actual 2012	Actual 2011
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
Total proceeds by client	105,482	96,495

* Amounts in € thousands

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

Project Description	Decision	Awarded amount	Balance 31-12-2011	Received incl. 2012	Expenditure 2012	Expenditure Incl. 2012	Balance 31-12-2012
G2-A Target funding expiring on 31-12-2012							
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
G2-B Ongoing until the next year							
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
Deferred liabilities direct government funding letter							
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
Total included under Ministry of Economic Affairs subsidies		13,254,150	4,367,481	9,076,186	1,748,993	4,935,986	4,470,200

* 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 though 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:

	Amount
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
Total	16.9

* 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
ASSETS			
	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
	Total fixed assets	393,100	394,468
	CURRENT ASSETS		
4	Stocks	3,499	3,829
5	Receivables and prepayments	96,034	117,544
6	Liquid assets	82,868	66,038
	Total current assets	182,401	187,411
	TOTAL ASSETS	575,501	581,879
LIABILITIES			
	INTERNAL CAPITAL		
	Other reserves	295,220	287,661
	Legal reserves	220	1,571
7	INTERNAL CAPITAL	295,440	289,232
8	PROVISIONS	21,396	23,275
9	LONG-TERM DEBT	106,750	115,546
10	SHORT-TERM DEBT	151,915	153,826
	TOTAL LIABILITIES	575,501	581,879

* Amounts in € thousands

Consolidated Profit and Loss Statement

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

* Amounts in € thousands

Consolidated Cash Flow Statement

	Result 2012	Result 2011
OPERATIONAL ACTIVITIES		
Net result	6,208	9,279
Depreciation and write-downs	26,175	24,248
	32,383	33,527
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
	18,118	1,013
Cash flow from operational activities	50,501	34,540
INVESTMENT ACTIVITIES		
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
Cash flow from investment activities	-28,819	-11,115
FINANCING ACTIVITIES		
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
Cash flow from financing activities	-4,852	-11,320
CASH FLOW	16,830	12,105
CHANGE IN LIQUID ASSETS		
Balance of liquid assets on 1 January	66,038	53,933
Balance of liquid assets on 31 December	82,868	66,038
Change in liquid assets	16,830	12,105

* 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 2011	Change	% year-end 2012
Agri New ventures BV	WBG	Wageningen	100%	–	100%
Calendula Oil BV	WBG	Wageningen	56%	–	56%
DLO Holding BV	DLO	Wageningen	100%	–	100%
Exploitiemaatschappij Windmolenparken Lelystad BV	WBG	Wageningen	100%	–	100%
ID-Lelystad BV	Holding	Wageningen	100%	–	100%
Lelystad Biologicals BV	Holding	Wageningen	100%	–	100%
Wageningen Business Generator BV	Holding	Wageningen	100%	–	100%
Windmolenpark Neushoorntocht BV	WBG	Wageningen	100%	–	100%
Windmolenpark Mammoethocht BV	WBG	Wageningen	100%	–	100%

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

	Shareholder	Registered office	% year-end 2011	Change	% year-end 2012
At acquisition cost:					
Bfactory BV	WBG	Wageningen	17%	–	17%
Isolife BV	WBG	Wageningen	5%	–	5%
Telemetronics 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
Book value at 31-12-2012	220	220
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
Book value at 31-12-2012	220	220

* 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
Book value at 31-12-2012	100,447	193,231	136	18,370	16,040	328,224
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
Acquisition value 31-12-2012	102,261	351,174	673	89,809	16,040	559,957
Accumulated depreciation	33	125,035	537	71,296	0	196,901
Accumulated write-downs	1,781	32,908	0	143	0	34,832
Book value at 31-12-2012	100,447	193,231	136	18,370	16,040	328,224
Divestments, of which:						
- Acquisition price	288	2,646	4	4,831	0	7,769
- Depreciation	0	1,156	4	5,649	0	6,809
Total divestments	288	1,490	0	-818	0	960

* 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
Total financial fixed assets	64,656	68,492

* Amounts in € thousands

Breakdown of the participating interests in group companies item:

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

* Further changes concern minor rounding differences

Breakdown of the other participating interests item:

Description	Book value 31-12-2011	Investment / divestment	Other changes	Downward revaluation	Actual, 2012	Book value 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
Telemetronics Biometry BV	0	0	0	0	0	0
Total	59	0	0	0	0	59

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

Description	Book value 31-12-2011	Change	Book value 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
Total	341	145	486

* Amounts in € thousands

The breakdown of the members' capital is as follows:

Description	Book value 31-12-2011	Change	Book value 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
Total	1,643	31	1,674

* Amounts in € thousands

The receivables from the Ministry of Economic Affairs are 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	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
Total	118,278	0%	53,028	61,305	3,945

* 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
	5,254	5,108
Less: provision for unmarketability	-1,755	-1,279
Total stocks	3,499	3,829

* 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
Total accounts receivable	29,959	32,719
Cost of work carried out for third parties	392,169	397,880
Less: Invoiced instalments	368,122	381,169
Work for third parties other than the Ministry of Economic Affairs	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
Corporation tax	0	0
Receivables from affiliated parties	2,207	16,614
Prepayments	5,977	7,004
Other	4,935	4,382
Total advances and prepayments	15,395	29,343
Total receivables and accruals	96,034	117,544

* 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
Total liquid assets	82,868	66,038

* 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
Balance on 31-12-2012	295,220	220	295,440

* 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 31-12-2011	Addition	Withdrawal	Release	Balance on 31-12-2012
Unemployment insurance obligations	6,806	3,627	1,055	1,327	8,051
Disability Insurance Act/Resumption of 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
Total provisions	23,275	6,774	5,363	3,290	21,396

* 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
Total provisions	21,396	23,275

* 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 31-12-2011	Increase in debt	Decrease in debt	Balance on 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
Subtotal of long-term debt	115,400	1,739	10,389	106,750
Financial lease obligations	146	0	146	0
Total long-term debt	115,546	1,739	10,535	106,750

* 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
Total	169,736		72,466	91,885	5,385

* 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
Total	47,163			28,835	13,598	4,730

* 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
Total short-term debt	151,915	153,826

* 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 within 1 year	Expires between 1 and 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
Total	27,620	21,563	6,057	0

* 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 Mammoethocht BV and Windmolenpark Neushoorntocht 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 Neushoorntocht BV and Windmolenpark Mammoethocht 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 Exploitiemaatschappij 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
Contract research		
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 subsidy schemes	10,039	17,953
Other	7,982	3,886
Total contract research	155,456	151,805
Patents and licences	2,612	3,175
Revenue from sales	10,472	12,544
Analyses and advice	6,645	7,509
Ministry of Economic Affairs in accordance with subsidy schemes		
Policy Support Research and Statutory Research Tasks	104,585	109,756
Knowledge-based Research	31,905	33,923
Total, Ministry Economic Affairs in accordance with subsidy schemes	136,490	143,679
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
Total income	343,373	352,537

* Amounts in € thousands

EXPENDITURES

12 PERSONNEL COSTS

	Result 2012	Result 2011
Personnel costs		
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
Total personnel costs	192,487	193,619

* 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
General costs		
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
Additions to the provisions:		
Reorganisation costs	179	265
Product and contract risks	-872	-191
Major maintenance operations	0	0
Provisions, other	0	0
Total addition to general provisions	-693	74
Total general costs	76,736	76,581

* 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
Depreciation		
Intangible fixed assets	389	374
Tangible fixed assets	20,166	20,109
Financial fixed assets	0	0
Total depreciation	20,555	20,483
Change in value		
Intangible fixed assets	1,209	1,457
Tangible fixed assets	4,411	2,308
Total change in value	5,620	3,765

* 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	
Total change in value	5,620	3,765

* 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
Total specific costs	63,450	68,647

* 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
Total financial income and expenditures	-4,113	-4,313

* 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
Total tax for ordinary activities	-312	0

* 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
Total result from participating interests	-67	-98

* 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
	FIXED ASSETS		
18	Intangible fixed assets	220	1,570
19	Tangible fixed assets	312,642	304,270
20	Financial fixed assets	73,996	78,227
	Total fixed assets	386,858	384,067
	CURRENT ASSETS		
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
	TOTAL ASSETS	559,927	563,004
	LIABILITIES		
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
	TOTAL LIABILITIES	559,927	563,004

* Amounts in € thousands

Separate Profit and Loss Statement

	Result 2012	Result 2011
INCOME	335,404	344,720
EXPENDITURES		
Personnel costs	192,495	193,442
General costs	69,555	70,648
Specific costs	63,021	68,025
Total expenditures	325,071	332,115
Other income and expenditures		0
OPERATING RESULT	10,333	12,605
Financial income and expenditures	-3,665	-3,789
RESULT FROM ORDINARY ACTIVITIES BEFORE TAX	6,668	8,816
Taxation on ordinary activities	0	0
Result from participating interests	-460	463
RESULT FROM ORDINARY ACTIVITIES AFTER TAX	6,208	9,279
Third-party share	0	0
Exceptional income and expenditures	0	0
NET RESULT	6,208	9,279

* 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
Book value at 31-12-2012	220	220
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
Book value at 31-12-2012	220	220

* 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 and equipment	Work in 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
Book value at 31-12-2012	100,447	177,650	136	18,369	16,040	312,642
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
Book value at 31-12-2012	100,447	177,650	136	18,369	16,040	312,642
Divestments, of which:						
- Acquisition price	288	2,646	4	4,831	0	7,769
- Depreciation	0	1,156	4	5,649	0	6,809
Total divestments	288	1,490	0	-818	0	960

* 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).

20 FINANCIAL FIXED ASSET

	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
Total financial fixed assets	73,996	78,227

* Amounts in € thousands

Breakdown of the participating interests in group companies item:

Description	Book value 31-12-2011	Investment / divestment	Other changes	Downward revaluation	Actual, 2012	Book value 31-12-2012
DLO Holding BV	11,075	0	0	0	-460	10,615
Total	11,075	0	0	0	-460	10,615

Breakdown of the other participating interests item:

Description	Book value 31-12-2011	Investment / divestment	Other changes	Downward revaluation	Actual, 2012	Book value 31-12-2012
Beijing China	53	0	0	0	0	53
Bfactory BV	5	0	0	0	0	5
Total	58	0	0	0	0	58

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

Description	Book value 31-12-2011	Change	Book value 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
Total	341	145	341

The breakdown of the members' capital is as follows:

Description	Book value 31-12-2011	Change	Book value 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
Total	1,504	27	1,532

* Amounts in € thousands

The receivables from the Ministry of Economic Affairs are 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	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
Total	118,278	0%	53,028	61,305	3,945

* 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
Subtotal	5,254	5,108
Less: provision for possible unmarketability	-1,755	-1,279
Total stocks	3,499	3,829

* 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
Total accounts receivable	29,959	32,732
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
Total advances and prepayments	14,136	32,051
Total receivables and accruals	94,775	120,265

* 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
Total liquid assets	74,795	54,843

* 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 reserve	Statutory 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
Balance on 31-12-2012	295,220	220	295,440

* 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 31-12-2011	Addition	Withdrawal	Release	Balance on 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
Total provisions	23,263	6,774	5,350	3,290	21,397

* 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
Total provisions	21,397	23,263

* 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 31-12-2011	Increase in debt	Decrease in debt	Balance on 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
Subtotal of long-term debt	99,395	1,739	5,457	95,677
Financial lease obligations	0	0	0	0
Total long-term debt	99,395	1,739	5,457	95,677

* 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
Total	169,736		72,466	91,885	5,385

* 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
Total	4,126			1,378	2,525	223

The other item was repaid early in 2011. The long-term constituent has a term of less than five years.

27 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
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
Total short-term debt	147,413	151,114

*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.

Description	Total amount of obligations	Expires no later than within 1 year	Expires between 1 and 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
Total	27,620	21,563	6,057	0

* 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.

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 1a 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
Subtotal grounds and infrastructure		0	288	

* 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	
Subtotal buildings	0	2,435	
Total	0	2,723	

* 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
Total	2,917	2,723	194

* 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	
Total subsidy grants DLO Research Foundation 2012	167,280	Document with reference number DGA-AK/12381095 dated 14 December 2012
Subsidy grants Ministry of Economic Affairs processed using balance sheet		
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
Subsidy grants Ministry of Economic Affairs processed using balance sheet	30,238	
Income to justify	137,042	
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	
DLO Research Foundation annual accounts justified income	136,490	

* 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 salary*	Benefit due to termination of employment	Provision for deferred salary	Total	Taxable salary**	Benefit due to termination of employment	Provision for deferred salary	Total
Executive Board	from	until								
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.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 ¹⁾										
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 ²⁾	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 ³⁾	1-4-2006		-	-	-	-	162,468	N/A	41,905	204,373

¹⁾ Erroneously, not included in 2011 due to incorrect application of the higher WNT norm.

²⁾ This concerns a manager with an 0.11 FTE appointment who, due to personal circumstances, receives a higher travel expense compensation.

³⁾ 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- ted on	Task size	Employment (E) or Interim (I)	Remunera- tion received periodically	Bonus payment/ gratifica- tion	Received pension contribu- tion/com- pensation payable in term	Benefit due to termination of employ- ment
	from	until		FTE	E/I	2012	2012	2012	2012
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.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 ¹⁾	1-7-2011	1-7-2015	1-7-2011	N/A	E	11.345	N/A	N/A	N/A

¹⁾ 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.

Remuneration and claims		Breukink	Dijkhuizen	Kropff
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. 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. 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
Life Sciences	
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)
Social Sciences	
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)
Environment & Landscape programmes	
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 Men	First-year Women	First-year 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
Total number of enrolled students	3,475	4,364	7,839	928	1,247	2,165

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 Men	First-year Women	First-year 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
Total number of enrolled students	3,166	3,955	7,121	772	1027	1,799

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 Men	First-year Women	First-year 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
Total number of enrolled students	1,759	2,018	3,777	483	624	1,107

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 Men	First-year Women	First-year 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
Total number of enrolled students	1,405	1,936	3,341	289	403	692

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
Total programmes	955	67	90	93	1,108	68	88	1,298	59
Total including changes of program	955	68	90	94	1,108	69	90	1,298	60

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	5			3	4			3
			years	years	years			years	years			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
Total programmes	577	484	21	54	72	709	585	26	62	843	687	23
Total including changes of program	577	502	21	54	73	709	613	26	62	843	717	22

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

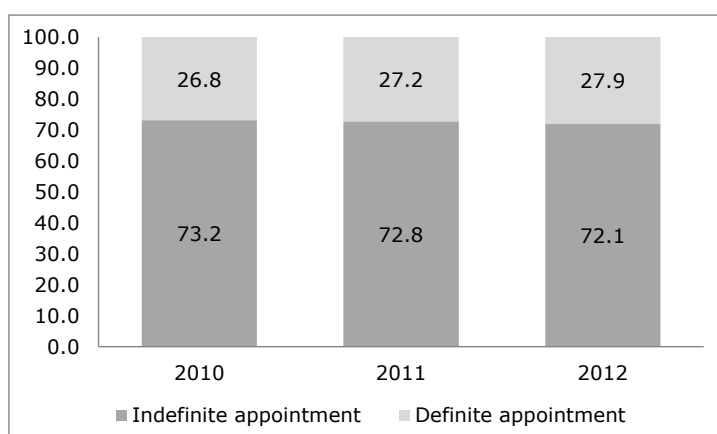
STAFF	2010	2011	2012
Number of staff (IER) on 31-12	6,540	6,477	6,495
Number of staff (FTE) on 31-12	5,681	5,635	5,653



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

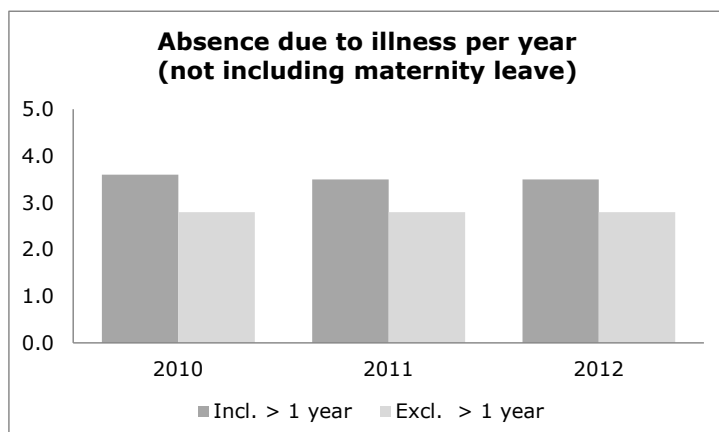
In % IER, including PhD students



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

	2010	2011	2012
< 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

	2010	2011	2012
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.

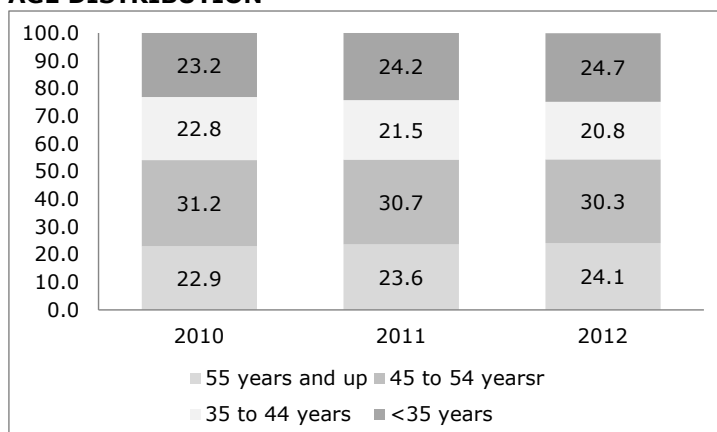
The absence rate decreased in almost all salary categories. However, in the category scale 13 - 14 an increase of almost 0.84% was observed to 3.01%. The absences in the salary category 1 - 6 continue to be significantly higher than the other salary categories but the slight downward trend continues.

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.

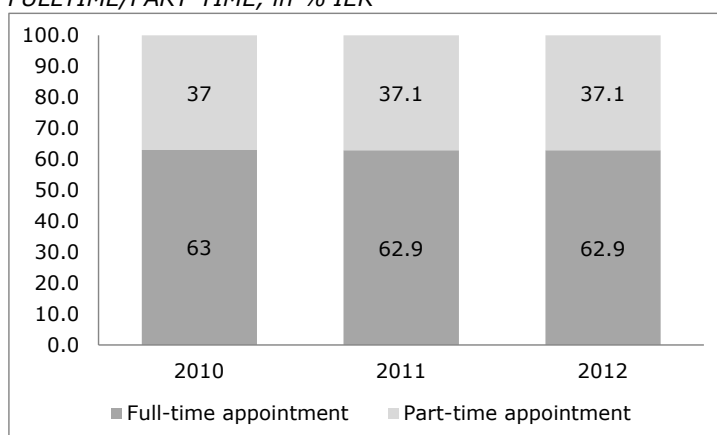
AGE DISTRIBUTION



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%).

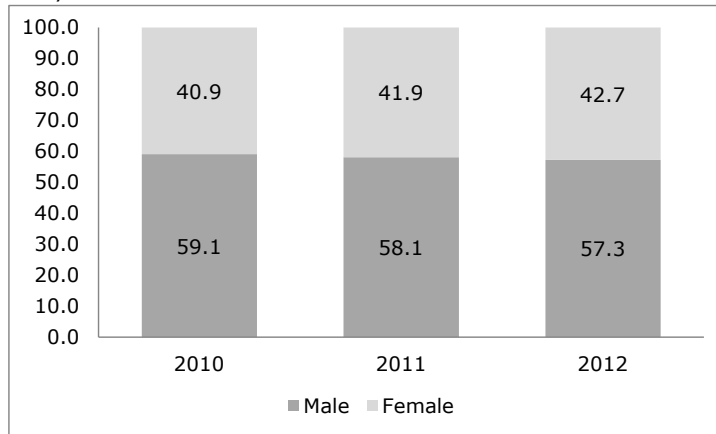
EMANCIPATION

FULLTIME/PART-TIME, in % IER



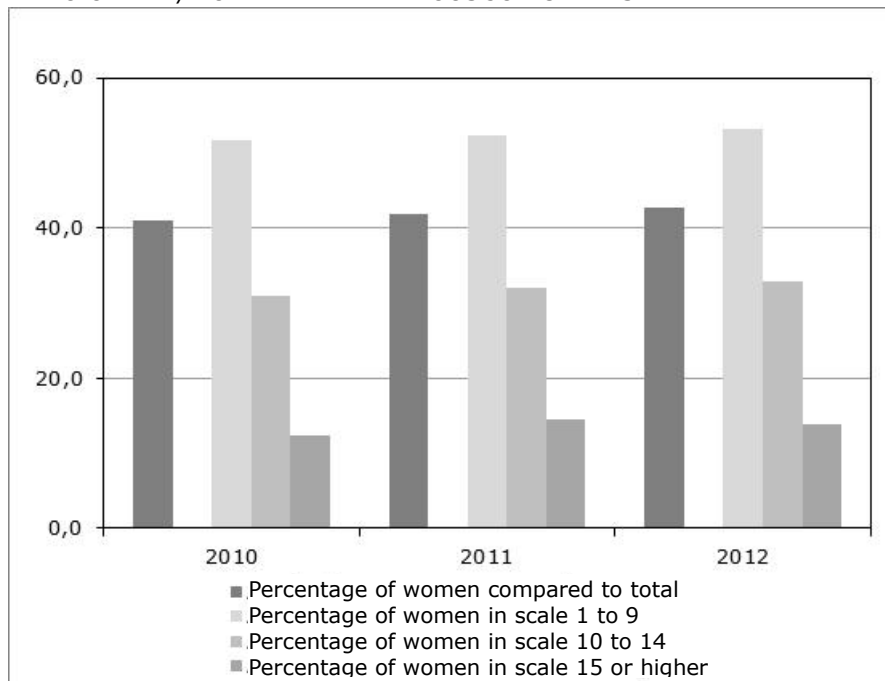
Note: the ratio of staff with fulltime employment contracts to staff with part-time employment contracts remained relatively unchanged in 2012 compared to 2011. When viewed per component it becomes clear that the percentage of staff working part-time for DLO increased by 0.7%, while this percentage decreased 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

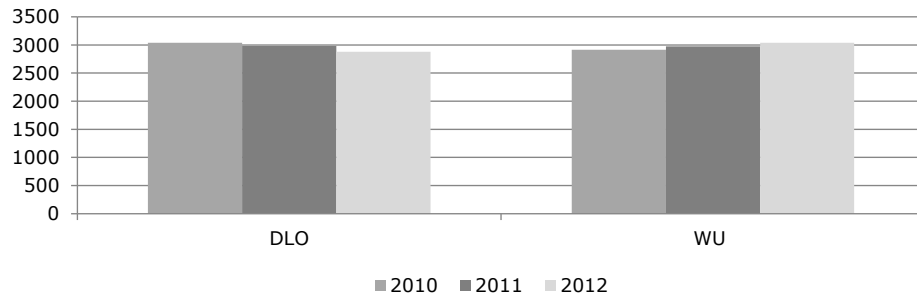


Note: The percentage of women classified in senior job grades still lags far behind the percentage of men in these grades. A slight decrease of 0.6% is visible (to 13.9%).

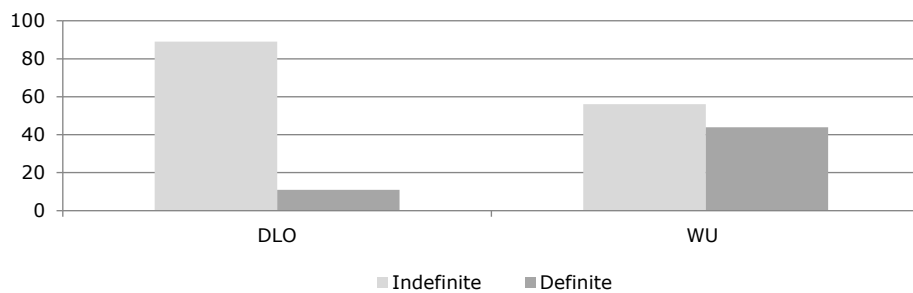
CHARTS BY VAN WAGENINGEN UR DIVISION

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.

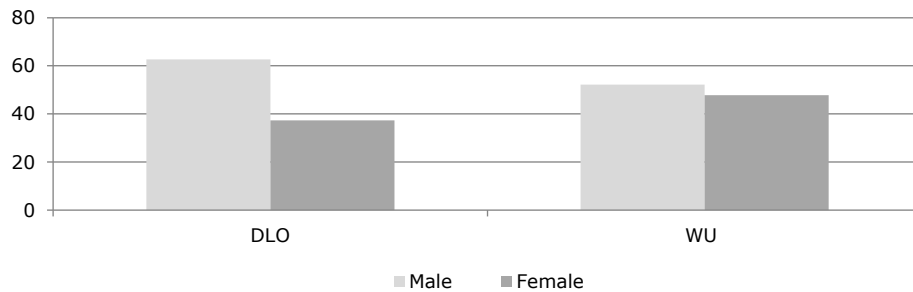
Amounts (IER)



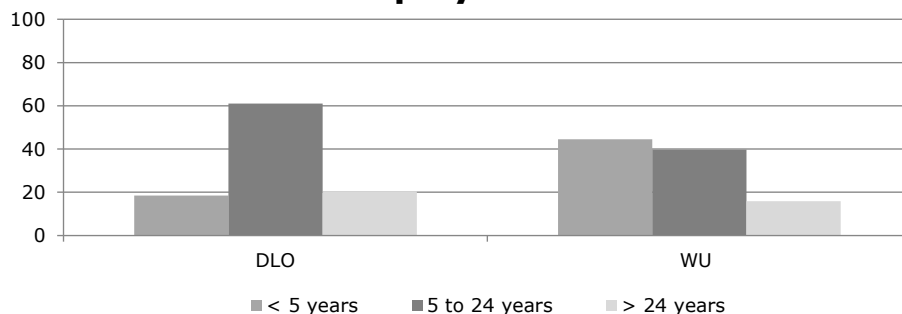
% IER indefinite/definite 2012



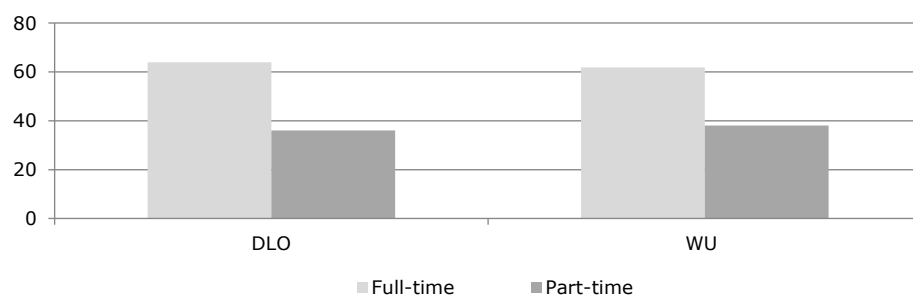
% IER male/female 2012



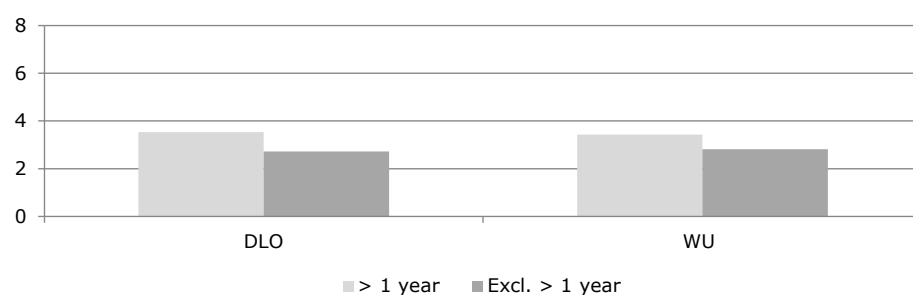
% IER for employment term 2012



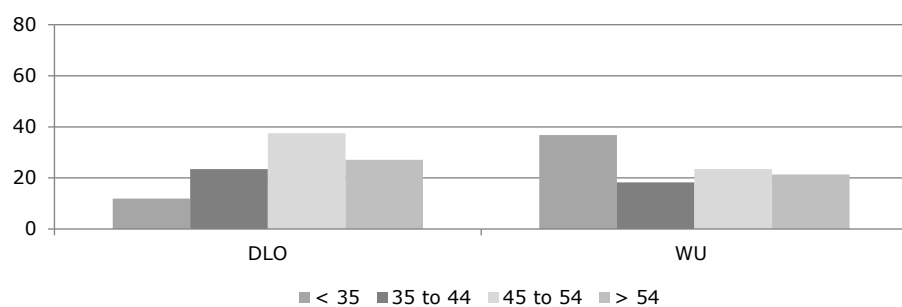
% IER full-time/part-time 2012



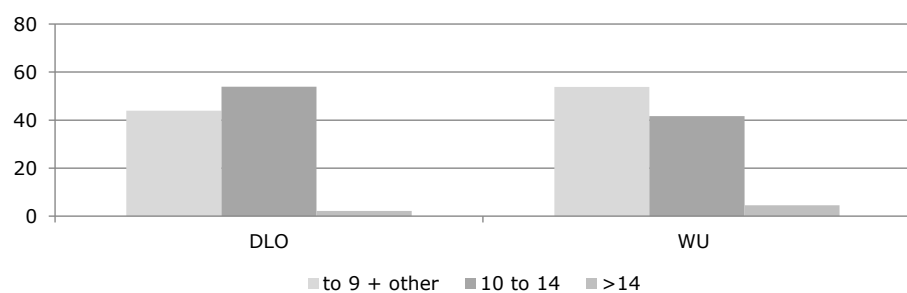
Absence due to illness 2012



% 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 (Chair of Supervisory Board)	F	1939	Held various positions in public administration	Board member at Noorderbreesdte magazine Supervisory Board member at Shell Nederland Chair of Supervisory Board at Afvalsturing Friesland Chair of Advisory Board at Milieu en Natuurplan President of Wetsus Centre of Excellence for Sustainable Water Technology Supervisory Board member at Staatsbosbeheer 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 DG for Agriculture and Rural Development at the European Commission	Guest lecturer at KU Leuven, European Business School (EHSAL) Lecturer at Davidsfonds Universiteit Vrije Tijd Vice Chair at Vereniging voor International Relations at VIRA - Other	01-05-2008	01-11-2012	Remuneration and appointments
Dr J.J. van Duijn (Supervisory Board Vice Chair)	M	1943	Former member of the Robeco Group Executive Board	Chair of Diergaarde Blijdorp Supervisory Board Oranjefonds Board member Zuid-Hollands Landschap Foundation Board member Vice Chair at Statistics Netherlands (CBS) Supervisory Board member at AFAB Financiële Diensten Holding B.V. Board member at Nationaal Groenfonds Investment Committee member at TVM Verzekeringen Supervisory Board member at Value8 N.V.	01-09-2004	01-11-2012	Audit Committee
B.J. Marttin MBA	M	1965	Member of Executive Board at Rabobank Nederland	Steering Committee member at Unico Banking Group Member of Board of Directors at American Chamber of Commerce Supervisory Board member at IDH (Initiatief Duurzame Handel) 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. Majij-Weggen	F	1943	Held various positions in public administration	<p>President of World Society on the Protection of Animals (WSPA) Nederland</p> <p>Vice Chair at WSPA International</p> <p>Member of High Level Group on Administrative Burdens (EU Commission Stoiber)</p> <p>Chair of Supervisory Board at Stichting Bartimeus-Sonneheerdt.</p> <p>Chair of Supervisory Board at S.O.S. Artsen NL</p> <p>Supervisory Board member at ING Nederland</p> <p>Supervisory Board member at Connexxion</p> <p>Supervisory Board member at Opera Zuid</p>	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).

GRI Code	Contents	Referral / Completion
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, 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, 2.3 Mission, Vision and Strategy, specifically 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 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 at www.wageningenur.nl/nl/Onderzoek-Resultaten.htm 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, 4 Scope of the Report, specifically 4.2, page 123 ff, Agrifood sector, see Strategic Plan at www.wageningenur.nl/nl/Over-Wageningen-UR/Strategisch-plan.htm .
2.8	Scale of the reporting organisation	2.1 Key Figures page 9 ff 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 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	duurzaamheid@wur.nl

GRI Code	Contents	Referral / Completion
REPORT SCOPE AND BOUNDARY		
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
ASSURANCE		
3.13	Policy and current practice with regard to seeking external assurances for the report.	1.9 Compliance, specifically 1.9.6, page 49
GOVERNANCE, COMMITMENTS, AND ENGAGEMENT		
GOVERNANCE		
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 www.wageningenur.nl/nl/Over-Wageningen-UR/Bestuur.htm
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	
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.

GRI Code	Contents	Referral / Completion
4.6	Processes in place for the highest governance body to avoid conflicts of interest	2.2 Profile and Policy, page 10 ff,
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	2.9 Suppliers and Supply Chain Responsibility, page 47, 2.10 Compliance, page 48 ff 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	
COMMITMENTS TO EXTERNAL INITIATIVES		
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 www.wageningenur.nl/nl/Over-Wageningen-UR/Kennisvalorisatie.htm
STAKEHOLDER ENGAGEMENT		
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	
ECONOMIC PERFORMANCE INDICATORS		
	Management approach disclosure	2.8 Profit, page 43 ff
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	
EC3	Coverage of the organisation's defined benefit plan obligations	
EC4	Significant financial assistance received from government	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant operation locations	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagements	
EC9	Understanding and describing significant indirect economic impacts, including their extent.	

GRI Code	Contents	Referral / Completion
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, 2.6.2.4 Financial Support, page 34, 2.6.2.5 Alumni Relations and Fundraising , 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
ENVIRONMENTAL PERFORMANCE INDICATORS		
Management approach disclosure		
EN1	Materials used by weight or volume	2.9 Suppliers and Supply Chain Responsibility, page 47 ff
EN2	Percentage of materials used that are recycled	
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 ₂ 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	

GRI Code	Contents	Referral / Completion
EN19	Emissions of ozone-depleting substances by weight.	Non-applicable, other than included in CO ₂ footprint. The activities of Wageningen UR do not cause substantial ozone depletion.
EN20	NO _x , SO _x 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 2012 Environmental Report *
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	
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 CO ₂ footprint, page 41 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.

GRI Code	Contents	Referral / Completion
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 Courses and training programs offered through the Educational Staff Development Wageningen Graduate School, Wageningen Business School, In'to Languages and Library, see http://www.wageningenur.nl/en/Education-Programmes.htm
LA12	Percentage of employees receiving regular performance and career development reviews	See LA11, 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.
HUMAN RIGHTS PERFORMANCE INDICATORS		
	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 operations, including the percentage of staff trained	
HR3		
HR4	Total number of incidents of discrimination and actions taken	2.5 In Dialogue with the World, page 26 ff

GRI Code	Contents	Referral / Completion
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
SOCIETY PERFORMANCE INDICATORS		
	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 2.10 Compliance, page 48 ff 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
PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS		
	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 2.6.4 Facilities and Services, page 37 2.2.6 Internationalisation, part ISB, page 14 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 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

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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.
