

**corporate
social
responsibility
report**

2013

csr report

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message from the CEO

Dear Stakeholder,

I am proud to present the Wavin 2013 CSR report. In 2013, we continued to make significant progress towards achieving the targets we set ourselves in 2009. As you can read in this report, Wavin has once again reduced its CO2 emissions, increased the percentage of recycled material used in our products and invested in energy reduction measures throughout the Group.

All this was done in continued challenging European market circumstances, which is a tribute to the commitment of all Wavin colleagues. It also confirms the commitment of our parent company Mexichem, who is also very dedicated to sustainable development, as is witnessed by their CSR report 2013. Wavin's 2013 results have been consolidated in that report.

Global trends such as climate change and scarcity of resources continue to be market drivers in our industry. Wavin responds to these trends by, for example, offering surface heating & cooling systems which use far less energy than comparable systems, and by offering water management solutions which prevent flooding and overflowing sewers by attenuating or infiltrating excess rainwater.

Throughout our supply chain and in our own processes, Wavin actively seeks resource saving opportunities such as energy conservation projects, transport optimization and recycling of plastics. Our leadership in plastics recycling is a good example of how we adapt our business model and reap the benefits of sustainable business practices. We have raised the amount of recycled material in our products once again this year, and we continue to explore opportunities to increase this even more. This contributes substantially to our own environmental performance as well as that of our customers/end-users.

We support our sustainable systems and solutions with in-depth knowledge of different Green Building Certification methods such as LEED and BREEAM thus facilitating our clients in attaining their desired and ambitious level of certification – something that is becoming of greater importance in our markets.

In the reporting year, TEPPFA, (The European Plastic Pipes and Fittings Association) released a number of Environmental Product Declarations (EPDs) for many of our products. Wavin was an important contributor in producing these.



EPDs compare the environmental performance of plastic pipes and fittings to alternative materials. The results show that on average the environmental footprint of plastics is 30% lower than that of conventional materials. We are also leading in the recycling of PVC, and we are a participant in Vinyl Plus, the plastics industry's voluntary commitment to recycling. Both of these commitments are integral to continue to reduce our environmental impact and lead the way for more sustainable product offerings.

It is our firm belief that sustainability is key in Wavin's strategy to remain the market leader in our business. We clearly see that customers and end-users increasingly value our approach to sustainability in both our products and production processes. It is our continued ambition to be at the forefront of sustainability within our industry and even within our value chain. In the coming year we will therefore review our sustainability objectives and how we involve and inform our stakeholders.

I look forward to presenting you our updated approach to sustainability in the CSR report over 2014.

Maarten Roef

President & CEO
Wavin

about Wavin

Introduction

Wavin provides effective solutions for essential needs of daily life: safe distribution of drinking water; sustainable management of rainwater and waste water; energy-efficient heating and cooling for buildings. Our roots lie in the search for safe and environmentally friendly distribution of drinking water. Over the years we have included sustainability related improvements not only in our operating procedures and processes, but especially in our offerings to the market. The current business landscape, where sustainability related issues are high on our customers' agendas, brings many opportunities.

Key figures		
	2013	2012
FTE's	5,541	5,788
Revenue	€ 1,164 million	€ 1,232 million
Carbon emissions	157,939 tons CO ₂	170,142 tons CO ₂
Energy use	1,418,291 GJ	1,448,545 GJ
Use of recycled material	42,443 tons	41,690 tons
Waste to landfill	1,138 tons	1,481 tons
Potable water use	239,000 m ³	297.000 m ³

Wavin's vision

To be respected and admired as the sustainable, recognized world market leader of plastic pipe systems and solutions.

Wavin's mission

To generate continuous value for our employees, customers, partners, and shareholders. For our customers we are the supplier of choice due to a complete, competitive, innovative and sustainable portfolio for above and below ground plastic pipe applications.

Wavin product ranges made with recycled material

There is a widespread market demand for construction products that are more environmentally friendly. Both legislation and tenders increasingly includes a contribution to a sustainable world. End-users demand innovative systems that consume less energy, demonstrate a lower carbon footprint and are more sustainable throughout their entire life cycle.



Using recycled materials in our pipes & fittings is one of the options that can fulfill many of these needs. At Wavin, we have introduced recycled material in our products since the early 1990's. Today, a large array of Wavin products such as rainwater infiltration units, inspection chambers, twin-wall pipes, cable protection pipes and waste water pipes contain recycled material. All Wavin products fulfill the highest standards and functional requirements, irrespective whether they were made by means of virgin or by recycled material.

Our production engineers and product designers' are highly motivated to increase the use of recycled material. For more details about our recycling processes and/or recycled raw material, please contact your local Wavin organization or send an e-mail to sustainability@wavin.com.

Solutions for Essentials

We offer 'Solutions for Essentials' that provide answers to tomorrow's environmental challenges in the construction industry. New standards for energy-efficiency of buildings are important drivers for our growth in surface heating and cooling. Climate change is leading to a need for our pipe systems and solutions that can handle the rain water cycle, from hard surfaces to reservoirs or ground water.

Wavin's European leadership, local presence, commitment to innovation and technical support, all benefit our clients, which include building contractors, utility companies, housing developers, wholesalers, plumbers, large installation companies, and municipalities.

Wavin has a broad portfolio for above and below ground projects such as:

- Solutions for drinking water
- Solutions for natural gas
- Solutions for rainwater
- Solutions for waste water
- Solutions for heating & cooling
- Solutions for telecom

For more information on our systems and solutions, please refer to <http://www.wavin.com/web/solutions.htm>

Wavin's organizational structure and governance

The Wavin Group headquarters are located in Zwolle, the Netherlands. We have a direct presence in over 25 countries with 30+ manufacturing sites, mainly in Europe. For a list of the countries we have a direct presence in please refer to <http://www.wavin.com/web/countries.htm>.

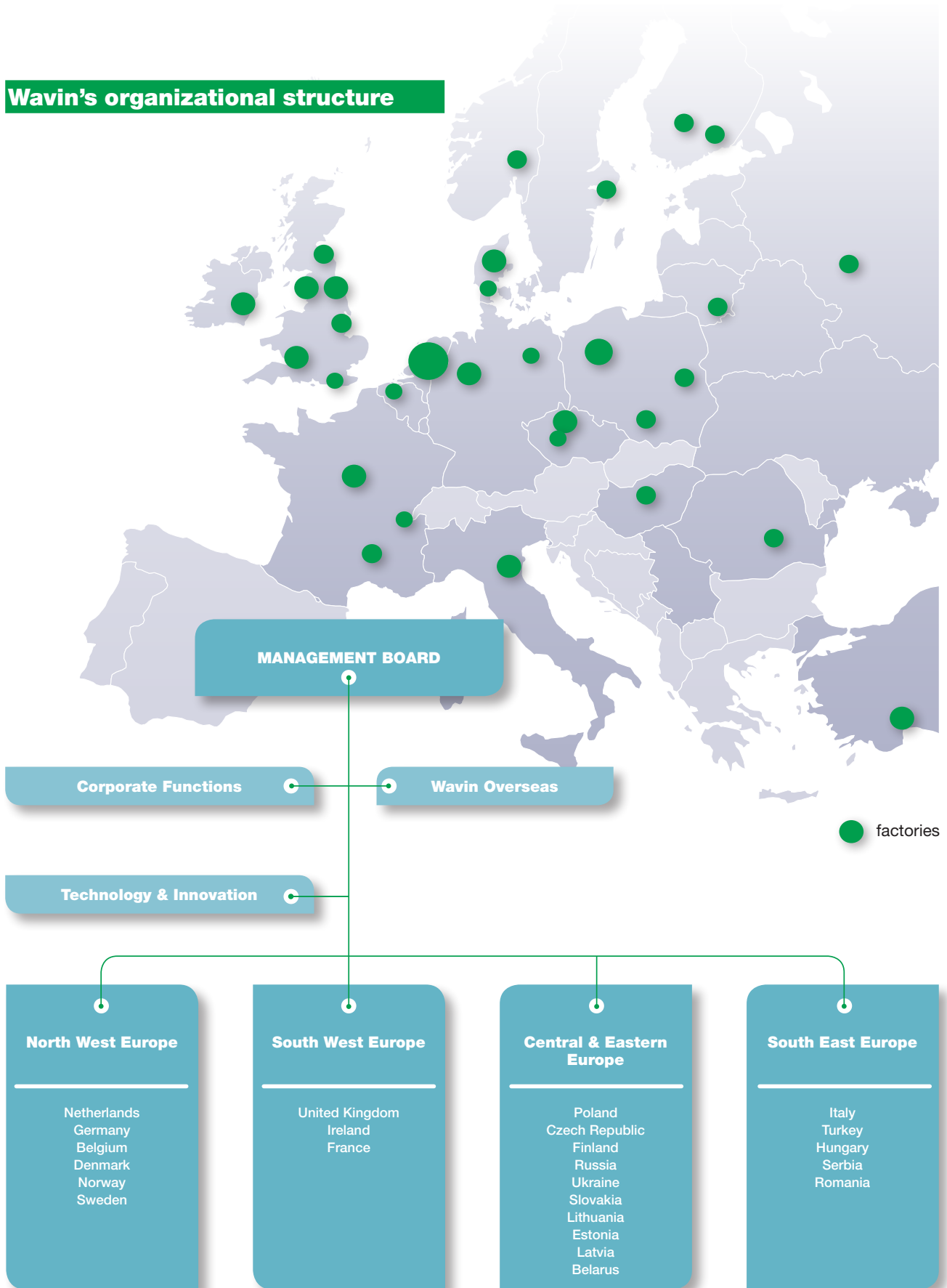
Outside Europe we operate through a global network of agents, licensees and distributors. Wavin employs some 5,500 people and has annual revenues of around € 1.2 billion.

In 2012, Wavin became part of the Mexichem Group, the Latin American leader in pipe systems and petrochemicals. Detailed information concerning Mexichem can be found at http://www.mexichem.com/English/informes_anuales.html

Wavin is organized in four regions, led by Regional Directors. Together with the Management Board, the Executive Director of Marketing & Technology and the Executive Director of Supply Chain Optimization and Operational Excellence, the Regional Directors form the Wavin Executive Committee. The Wavin Supervisory Board oversees the performance and strategy of the Management Board, taking into account the interests of all the company's stakeholders. As a result the Supervisory Board also oversees Wavin's CSR performance. The Supervisory Board consists of six members, each appointed for a four-year term.

For information on the composition of the Boards, please refer to our website: <http://www.wavin.com/web/about/organisation.htm> and <http://www.wavin.com/web/about/organisation/management-board.htm>

Wavin's organizational structure



SWOT analysis

strengths

Quality products and innovation

Throughout its history Wavin has set new standards for our industry. Our innovation programs ensure that we meet and exceed our customer expectations. More than 19% of our turnover comes from products which have been on the market for less than five years.

Environmental & recycling programs

Thanks to these programs we significantly reduced our environmental footprint.

weaknesses

Perception of plastics industry

In the past, the plastics industry was perceived as polluting industry. New insights based on thorough researched life cycle assessments demonstrate that plastic pipe systems have a lower environmental impact than conventional material. In the public eye, we can further improve a positive perception of plastics in comparison to conventional materials.

Diversity

Historically, our industry is a male dominated industry. We acknowledge that mixed teams are a prerequisite for a successful company and continue to investigate how we can increase the percentage female staff.

Factory footprint

Our factory footprint ensures that local market demands can be supplied by local factories. Wavin is continuously investigating the most economical and ecological route to the market using sophisticated simulation programs.

opportunities

Substitution

Traditional materials are increasingly replaced by easy to install sustainable plastic alternatives.

Climate change

Annual levels of intense rainfall are projected to increase. At the same time urbanization leads to a decrease of the natural rain water absorption capacity. We provide innovative systems to cope with these challenges.

Energy efficiency of buildings

Sustainability is a key issue as is reflected in increased energy-saving requirements for buildings on national and EU legislation level. We provide systems which are more energy efficient than conventional systems.

Innovation in construction markets

Population growth and the increasing number of single person households drive the development of new housing projects. Main drivers for renovation are the demand for comfortable and energy efficient houses and office buildings. Our innovative systems fit with these developments.

threats

Economic uncertainty

Lower consumer confidence, stagnating real estate markets and reduced government spending have negative impact on the building sector in Europe.

Competitive environment

Over-capacity in the plastic pipe systems industry causes pricing pressure.

Sourcing

The rising costs of raw material needs to be passed on to the markets in a timely manner.

REACH legislation impacting plastics recycling

Proposed changes in REACH could severely impact plastics recycling industry in Europe.

Wavin & corporate social responsibility

introduction

We are convinced that Wavin's long term success shall be built on how our organization and business model incorporates social and environmental dimensions of doing business. CSR (Corporate Social Responsibility) labeled projects and initiatives distinguish Wavin from its competition and create attractive opportunities for our business.

Our approach to CSR helps us to improve the efficiency of our operations, to develop client and supply chain relationships, to attract and retain talent, to drive innovation in the construction value chain, and it helps us improve our production processes.

We believe that thanks to our balanced approach to doing business sustainably we will continue to meet, and where possible exceed, the expectations of our current and future stakeholders.

Sustainability is part of our CSR framework and is linked to the following aspects:

- Safety of our workforce
- Efficiency of our operations
- Solutions we provide for end-users
- Our reputation

The Wavin business strategy incorporates sustainability. Our strategy is aimed at:

- Being a leader in the development of sustainable products and solutions which can, in turn, also help our customers achieve their own sustainability targets;
- Developing products and systems that have a minimal impact on the environment throughout their life-cycle: from the sourcing and selection of materials to the manufacturing process, distribution and re-use and disposal;
- Remaining aware, at all times, of the wellbeing of our employees and of the people who install and use our products and solutions. This means, for instance, that we design our products for efficient manufacture, distribution, installation and use in demanding circumstances.



Incorporating CSR management in our business model and processes

Corporate Social Responsibility (CSR) is integrated throughout our business model and is organized using the same structures for managing our health and safety performance. Wavin’s parent company Mexichem is fully committed to transmitting the spirit of CSR throughout the Mexichem chains. For Wavin, the CEO is ultimately responsible for the CSR performance and sets the CSR strategy in coordination with the HSE communities.

The CSR strategy is set based on input from stakeholders, Wavin’s strategic agenda and input from our HSE teams. Coordination and monitoring of CSR, as well as the evaluation of policies, programs and results is performed by the Operational Excellence (OPEX) department at Wavin’s head office in Zwolle.

The OPEX department ensures that CSR reporting systems provide timely and reliable insight in the progress on CSR targets. Since reliable data is vital for our CSR management systems, key performance indicators reported via these systems are audited both internally and externally.

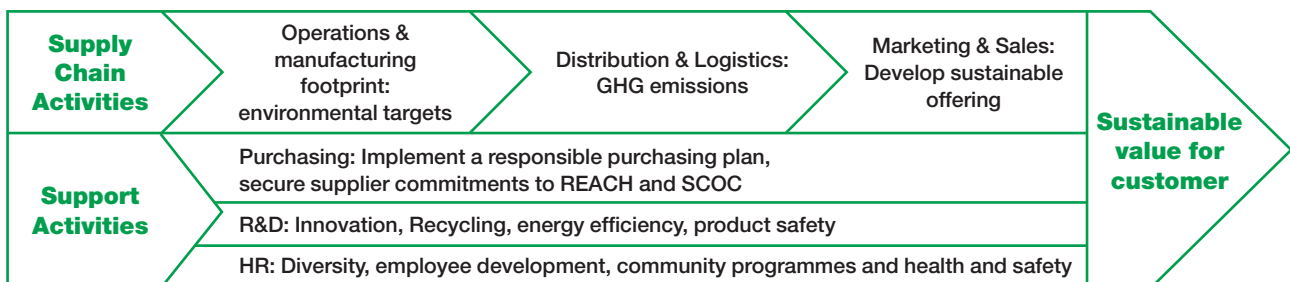
We have defined key performance indicators, and based on our achievements we determine the effectiveness of and need for further investments. Although making investments can be challenging in current economic circumstances, Wavin has secured an annual budget of over € 2 million to support operating companies in making HSE improvements. These investments are supplementary to existing central and local annual HSE budgets.

At regional and plant level, responsibility for CSR is delegated to HSE teams who are tasked with implementing CSR procedures and collecting and reviewing performance based on reported data. Each operating company has appointed a HSE manager who reports CSR progress per site to the site directors. To further embed CSR in our management processes, we aim to integrate sustainability and environment reporting in our existing HSE dashboards which are shared with our management teams.

The flow-charton below illustrates how Wavin creates sustainable value. We identified the CSR risks and opportunities per business process and continue to adjust our business model to these opportunities and risks. In the end, we create sustainable value for our stakeholders through highly efficient production processes, our way of doing business and through the environmental performance of our products. As a result, our customers enjoy highly reliable and high quality products, our employees enjoy a safe working environment, are well trained and compensated, and our processes have a minimal impact on the environment and a positive impact on the social environment.

CSR opportunities and risk in the construction value chain

Wavin provides building materials to the construction industry. Please find below the CSR opportunities and risks we have identified throughout our value chain. We do not just accept these risks, but mitigate them with an organized approach, including CSR policies, operational plans and procedures.



Step in the value chain	Risks	Opportunities	Wavin's approach
Sourcing of input materials	<p>CSR risks in the supply chain</p> <p>REACH compliance</p>	<p>Engaging with suppliers</p> <p>More recycled input</p>	<p>Wavin has sustainable purchasing programs in place. We drive sustainability in our value chain by communicating sustainability targets to our suppliers. In the coming year, we will evaluate our current sustainable purchasing practices to see how these can best be implemented throughout the group.</p> <p>Wavin is determined to continue to increase the amount of recycled input materials in its products. Together with our partners we have established sophisticated recycling projects to obtain end-of-life plastic products.</p> <p>REACH is likely to have a profound impact on the European recycling industry. Please refer to page 18 for more information on this subject.</p>
Transport of materials to Wavin factories	<p>Environmental impact of transporting goods</p>	<p>Local sourcing</p>	<p>Wavin is actively seeking to decrease the distance between our material suppliers and the factory location. If the distance is shorter, less fuel is needed to transport materials to our factories which in turn results in lower carbon emissions.</p>
Manufacturing the product	<p>Inefficiencies</p> <p>Environmental impacts</p> <p>Health & safety</p>	<p>World class producer of plastic pipes and fittings</p> <p>Lean production processes</p>	<p>This is the step in our value chain where we have most control. We have several programs in place to increase our safety performance, our energy- and material efficiency. The results and our targets can be read throughout this report.</p> <p>Furthermore we will continue to stimulate new energy saving projects as we see clear environmental and financial benefits resulting from past investments.</p>
Transport of products to end-user	<p>Environmental impact of transporting goods</p>	<p>Offering clients green transportation and sustainable supply chain</p>	<p>One of the elements we track as part of our CO₂ footprint is the kilometers for transporting our products. The analyses of data collected may lead to a redesign of our packaging units for our logistic network in Europe.</p>
User phase of products	<p>The products do not deliver the expected sustainability advantages</p>	<p>Comfort, reduction of energy consumption, ease of installation, substitution of traditional materials by plastics</p>	<p>Within the industry organization TEPPFA we determine full environmental performance of plastic pipe systems via Life Cycle Analyses. The results are published in the related Environmental Product Declarations. These are publicly available at www.teppfa.eu.</p> <p>We are also constantly researching how we can improve our products in the user phase. To this end we are creating innovative products and solutions. Examples include systems that increase the comfort of living, products that help our customers build green buildings and products that support in reducing energy consumption.</p>
End-of-life	<p>Waste of valuable products</p> <p>Products that are not REACH compliant</p>	<p>Closing the loop</p> <p>Efficiency in the use of valuable resources</p>	<p>We are currently active in increasing the conversion of recycled materials in our products. We have numerous recycling projects in place to obtain end-of-life plastics. A risk is that some of the collected plastics for recycling contain legacy additives which make it difficult to recycle under proposed changes to REACH regulation. This could force us to limit the recycled input materials in our products, thus shifting to virgin materials.</p>

topics which are material to Wavin or our stakeholders

CSR topics were ranked by management according to the perceived importance to both stakeholders and the Wavin organization through an initial management review. Within our value chain CSR and sustainability continue to play pivotal roles. This includes both internally focused CSR topics such as health & safety and energy efficiency as externally focused CSR topics such as recycling, energy & water conservation through our products and green building schemes. We performed an initial and internal materiality analysis to determine how these topics influence both Wavin and our stakeholders. The most relevant topics were plotted in the materiality matrix below.

A renewed, more thorough materiality analysis will be part of our strategic agenda for the period 2015-2020. Based on the new strategic agenda and final materiality matrix we will evaluate the sufficiency and appropriateness of our current CSR programs and the related set of CSR key performance indicators. At this stage, it is expected that intensified value chain collaboration, further focus on green building and energy efficiency of our own operations will even further influence our business model and CSR strategy.

objectives for 2014 based on the current strategic agenda

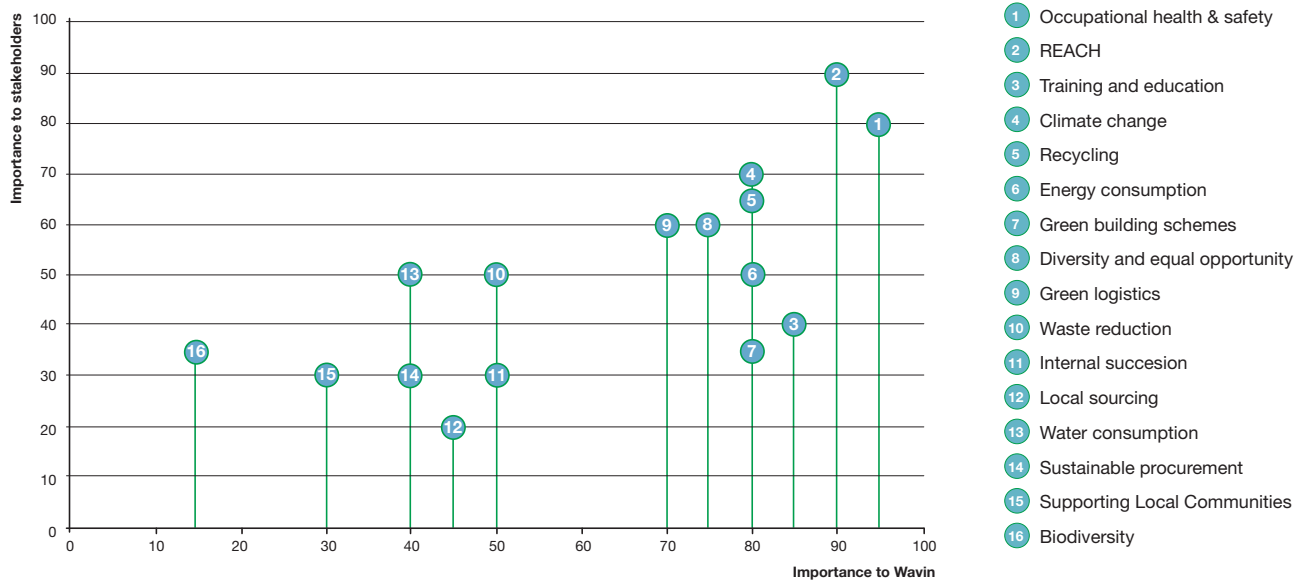
Dedicated goals and related targets for CSR and sustainability were derived from the strategic agenda 2010-2015. In 2012, some of targets for 2015 were already achieved.

To continuously challenge the organization in the field of CSR the management board introduced stretched targets. Please find below the current CSR targets for 2014 and 2015.

Corporate Social Responsibility Targets

	Target	Stretch Target
	2008-2015	2008-2015
Reduce GHG emissions	-20%	-20%
Reduce Energy usage	-10%	-13%
Increase usage of recycled materials	+50%	+90
Reduce waste to landfill	-40%	-50%
Reduce water to sewer	-30%	-50%
Reduce lost time injury accidents	2.50	2.50

Materiality matrix



Members of the Management Board, the Executive Committee and employees within the Group have, in addition to their operational development and career goals, quantified CSR targets linked to their individual objectives and bonus schemes. Pay-out of CSR related bonuses will only occur if the quantified thresholds in the table are met in a given year.

outlook

Sustainability will remain firmly at the heart of our way of doing business. To ensure that Wavin continues to meet the sustainability needs of our stakeholders, we will review and renew our approach to CSR.

This review will focus on the medium-term 2015-2020 and will include:

- Renewed materiality analysis
- Identification of sustainability performance drivers
- Renewed KPI setting
- Renewed KPI definition and boundary setting
- Renewed dashboard for internal use
- Evaluation of available reporting framework
- Stakeholder dialogue

Corporate Social Responsibility achievements in 2013

Sustainability area	Subject
CO ₂ reduction	<ul style="list-style-type: none"> ● 12% reduction in Green House Gas emissions compared to 2008.
Transparency	<ul style="list-style-type: none"> ● Our GRI reporting for 2013 is in-line with GRI level A (was A in 2012).
Energy reduction	<p>In 2013, we continued investing in energy as well as water reduction projects:</p> <ul style="list-style-type: none"> ● All new injection moulding machines are equipped with ECO systems, reducing energy consumption by 15-20% compared to conventional machines ● All production machines shall be equipped with metering and shall contain AC drives. Teflon oil reduces friction in the gear boxes and has a positive effect on wear. The use of frequency inverters is stimulated from head office ● Leakage prevention of compression air and cooling water is an integral part of professional site management ● Insulation of machines and buildings enable the re-use of heat for processing our products ● The installation of LED in production, office and storage areas ● Replacing 2 aged machines with 1 multipurpose energy-efficient machine is stimulated even in cases where the depreciation period has not ended
Recycling and waste disposal	<ul style="list-style-type: none"> ● Recycled material usage increased by 6% to 109 kg per produced ton. (2012: 103 kg per ton) ● Our sites in Sweden, NL, Germany reached a ZERO landfill state where all waste is separated and recycled or sent to waste-to-energy incinerators
Internal awareness	<ul style="list-style-type: none"> ● Further roll-out of LEED/BREEAM (Green Building Certifications) training to commercial staff ● High management support as well as internal buy-in; parent company Mexichem is supportive ● CSR targets are included in performance bonuses

engaging stakeholders

As Europe's leading plastic pipe system provider our business is directly linked with, and has an impact on, a variety of stakeholders. We communicate actively with employees, customers, suppliers, trade organizations, governmental agencies and NGOs and discuss a variety of issues with them, including those directly linked to sustainability. Our Management Board actively engages our stakeholders through their involvement in commercial activities in the regions, as well as through other platforms such as participation in the TEPPFA Executive Board.

Wavin interacts with various groups of stakeholders at both corporate and local levels. We strive to create platforms and participate in working groups to listen closely to stakeholder concerns and we organize effective dialogues. The subjects of these dialogues are taken into consideration when deciding on the content of our sustainability plan and influence the key topics discussed and presented in this report.

Engaging our industry

Wavin is an active member of a number of associations. We participate in initiatives that focus on improving sustainability within our industry. Key stakeholders where Wavin actively participates in discussions on sustainability are:

- **TEPPFA**

The European Plastic Pipes and Fitting Association:

Recent issues include is the development of industry wide

Environmental product declarations (EPD) and product life cycle analysis (LCA) in order to understand and communicate the environmental impact of our products. More information can be found on www.teppfa.eu.



- **Vinyl Plus**

Represents the PVC industry's commitment to recycling. Wavin is a leading recycler of PVC in Europe and we have ambitious targets to continue expanding in this area. To do so we are working with our peers, industry experts and suppliers to find areas where we can develop further. See www.vinylplus.eu for more information.



- **PVC4Pipes**

Via Wavin Overseas, Wavin is a member of PVC4Pipes, a global organization with the mission of developing and promoting sustainable

PVC piping systems in the global market. Members are drawn from all sections of the industry, from raw materials supply to pipe systems manufacture, testing institutes and promotional organizations.



Engaging our customers

As a provider of 'Solutions for Essentials', our customers and end-users are key stakeholders. They enjoy safe drinking water and hygiene and simultaneously lower their own environmental impacts through daily use of our products. We actively engage our customers at both corporate and regional level and listen to their needs and concerns. This is done by organizing trainings and visits to our production sites and Solution Centers, and our R&D center in the Netherlands.

We also conduct customer surveys through our network of account and sales managers in order to measure customer satisfaction and get their opinion on the latest issues in our industry such as sustainability and green building certification.

Other tools for customer oriented stakeholder engagement include:

- Corporate and local websites showcasing our sustainable solutions in energy efficient heating and cooling systems, storm water management systems and recycled products;
- Brochures highlighting the impact of using our products on achieving LEED and BREEAM certification due to heightened attention to Green Building Certification and Green Building Products in the construction industry;
- Tradeshow and exhibition participation;
- Press releases and media communication showcasing Wavin's activities in the market.

Engaging our employees

As a responsible employer, we ensure that we affirm the role of our employees in our organization and regularly collect their feedback and engage them on matters at hand.

The past year has been very dynamic in terms of an updated corporate strategy, organizational changes and the integration into the Mexichem group. Employee engagement channels proved to be very crucial in communicating these changes and involving employees in identifying key concerns and solutions

Employee engagement tools include:

- Regular Executive Committee meetings where key issues are discussed and agreed;
- Town hall meetings where management executives explain upcoming developments and collect feedback from the local staff;
- The Wavin Group intranet, an integral part of the real time distribution of information and news throughout the Group;
- Internal newsletters. These are distributed regularly at both corporate and local levels showcasing key events, issues, ongoing projects, people and job changes and strategy updates;
- The Wavin European Consultative Council providing a forum for discussing company issues beyond national borders with the Management Board.

Engaging our suppliers

Our company conducts business in such a way that it complies with all the legislation and widely-accepted standards related to fairness and human decency, including the UN Global Compact, the UN declaration of Human Rights and ILO conventions.

We also have in place a Group wide program to reduce our environmental impact in all chains of our primary processes. The key aim is ensure sustainable development initiatives are implemented and driven throughout the supply chain.

The dilemma's we face:

who is the customer in the construction industry value chain?

An urban environment that makes use of sustainable building techniques is one of the crucial success factors for a resource constraint world.

Buildings have an average lifetime of 30 up to 50 years. So what is build today, will impact energy consumption, carbon emissions and in general quality of life for decades to come. In the current economic circumstances some engineering or construction companies might choose building solutions that have low initial cost, such as conventional surface heating & cooling solutions. However, the end-user of the property will be burdened with higher energy bills as the chosen solution might be less efficient than other solutions.

As a result and over the life-time of a property, a cheap solution during the construction phase might prove to be more costly in the long term for the end-user. This poses a dilemma: how can the actual customer be identified and how can potentially conflicting interests within the construction value chain be aligned?

All Group-qualified suppliers have signed umbrella agreements comprising also the Wavin Supplier Code of Conduct. Furthermore, regular audits have been held at random suppliers thus assessing compliancy in practice and throughout their part of the supply chain. All our suppliers are expected to comply with our business principles. For suppliers that are not able to meet our business principles, an improvement action plan shall be agreed and failing improvement, the contract shall be terminated.

The Supplier Code of Conduct policy is reviewed annually and amended if needed. Recent revisions of the program include, but are not limited to:

- The inclusion of a REACH declaration to ensure REACH compliance in our supply chain
- Further development of the Supplier Risk Assessment methodology

summary of stakeholder engagement

In the table below you will find an overview of the ways of communication with, and expectations of our stakeholders:

Stakeholder	How we engage our stakeholders	Expectations of stakeholders	Link to information in this report
Employees	<ul style="list-style-type: none"> ● Day-to-day contacts ● Employee engagement surveys ● Training ● Intranet ● Unions and works councils 	<ul style="list-style-type: none"> ● Healthy and safe workplace ● Job security ● Training and development opportunities ● Sound working conditions and fair compensation package 	<ul style="list-style-type: none"> ● Social performance ● Human resources
Local community	<ul style="list-style-type: none"> ● Day-to-day contacts ● Visits and meetings ● Local media ● Community investment 	<ul style="list-style-type: none"> ● Job opportunities ● Responsible corporate citizen 	<ul style="list-style-type: none"> ● Human resources
Customers	<ul style="list-style-type: none"> ● Day-to-day contacts ● Customers support ● Company visits & facility tours 	<ul style="list-style-type: none"> ● Reliable product ● Dedicated services ● Ease of installation ● Sustainable product and sustainable advantages ● Fair balance in price and quality 	<ul style="list-style-type: none"> ● Environmental performance ● What we achieved in 2013
End-users	<ul style="list-style-type: none"> ● Information on websites, flyers, leaflets, etc. ● Advertising and promotions 	<ul style="list-style-type: none"> ● Durability ● Performance delivered ● Sustainable products 	<ul style="list-style-type: none"> ● Environmental performance ● What we achieved in 2013
Suppliers	<ul style="list-style-type: none"> ● Day-to-day contacts ● In audits and meetings 	<ul style="list-style-type: none"> ● Long-term relationship with Wavin ● Fair price 	<ul style="list-style-type: none"> ● Engaging our suppliers
Governments	<ul style="list-style-type: none"> ● Meetings, disclosures 	<ul style="list-style-type: none"> ● Compliance ● Participation in local and national projects 	<ul style="list-style-type: none"> ● What we achieved in 2013

environmental performance

We have formulated a set of environmental reduction targets to be reached by 2015, and we have been monitoring our progress in these areas since 2008. These targets have been specified in relative figures so as to eliminate any effect of changes in production volume. Our 2013 environmental performance indicators show that we are on track to reach our 2015 targets.

In the past, Wavin has achieved significant progress in most indicators and was able to exceed our waste to landfill, usage of recycled material and water to sewer targets. However, our energy consumption has increased from last year and continuously reducing our CO₂ emissions is increasingly complex. Nevertheless, we are confident that we will meet our targets by 2015. Furthermore, we set ourselves Stretch Targets for those KPI's where earlier defined targets were already achieved thus continuing the challenge to excel.

environmental results 2013

Energy is a substantial portion of direct costs when manufacturing pipes and fittings. Our energy consumption is an indicator of the efficiency of our processes and a key focal point for our environmental and operational excellence programs. Due to continued challenging market circumstances in 2013, production volumes have decreased (somewhat) compared to 2012. This had an impact on our overall energy efficiency which is measured in energy consumption (GJ) per metric ton of production. To off-set this, a number of energy management programs were implemented to limit the increase in our relative energy consumption.

As proof of our commitment to environmental performance, € 1.7 million was invested in energy saving projects. This helped us reduce our absolute energy consumption by

2% compared to 2012. For 2014 we expect structural improvements in our energy efficiency assuming continued economic recovery.

As proof of our commitment to environmental performance, € 1.7 million was invested in energy saving projects. This helped us reduce our absolute energy consumption by 2% compared to 2012. For 2014 we expect structural improvements in our energy efficiency assuming continued economic recovery.

As an illustration of our energy saving projects in 2013:

- Further equipping machines & installations with energy monitoring and sub-metering systems as a first step to identify both the technical condition and the daily consumption. Objective assessment is considered key to direct new investments that will generate the best yield in reducing energy and or water consumption.
- Clustering similar production activities in more central operations thus increasing the utilization of our installed base while eliminating idle capacity.
- Renewing and upgrading lighting systems. In our facility in the Netherlands, we have invested in a renewed and upgraded lighting system for our extrusion- & injection moulding departments. This project will result in 60% reduction in energy consumption which directly translates into energy and financial savings.
- Continuation of replacing DC motors with AC motors, which are up to 40% more energy efficient, and are less costly to maintain. This adaptation can be performed on almost all equipment with a motor. Our companies in Denmark and Turkey have implemented this project in 2012 in their facilities.
- Re-use of cooling water by pre-heating raw material thus reducing conversion energy and increasing product quality.

Corporate Social Responsibility Targets*	Actual 2013	Change 2012 – 2013	Change 2008 – 2013	Target 2008 – 2015	Stretch Target 2008 – 2015	2008*	2012*
Reduce GHG emissions* ** *** ****	404 kg/tonne	-3.7%	-14.0%	-20%	-20%	470 kg/tonne	420 kg/tonne
Reduce energy use*	3.66 GJ/tonne	1.7%	-6.5%	-10%	-13%	3.88 GJ/tonne	3.57 GJ/tonne
Increase usage of recycled materials*	109 kg/tonne	5.4%	-61.3%	+50%	+90%	67 kg/tonne	103 kg/tonne
Reduce waste to landfill*	2.91 kg/tonne	-23.4%	-59.6%	-40%	-50%	7.20 kg/tonne	3.8 kg/tonne
Reduce water to sewer*	0.68 m ³ /tonne	12.5%	-40.2%	-30%	-50%	1.13 m ³ /tonne	0.6 m ³ /tonne

* Figures adjusted to exclude sites closed in 2011 and 2012

** 2011 and 2012 carbon emissions adjusted as they are now based on one single set of conversion factors

*** 2012 carbon emission data adjusted following progressive insight

**** 2008 scope 3 (freight) data has been updated following progressive insights

Wavin accounts for its greenhouse gas emissions using the corporate standard of the Greenhouse Gas Protocol. The Greenhouse Gas Protocol (GHG Protocol) is the most widely used international accounting tool for government and business leaders to understand, quantify, and manage greenhouse gas emissions.

The GHG Protocol, a decade-long partnership between the World Resources Institute and the World Business Council for Sustainable Development, is working with businesses, governments, and environmental groups around the world to build a new generation of credible and effective programs for tackling climate change.

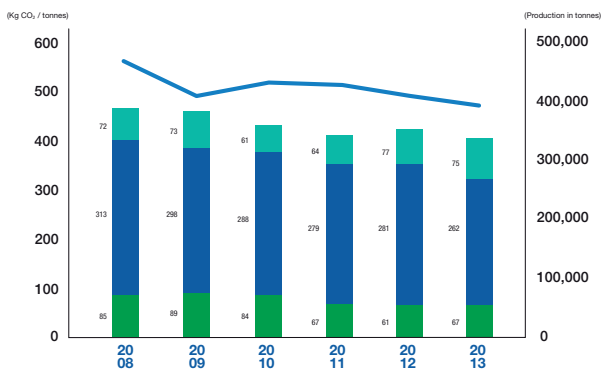
Energy consumption (GJ)*	2008	2009	2010	2011	2012	2013
Direct Total	514,328	451,760	472,027	398,223	335,308	368,582
Heating oil	32,721	20,017	19,445	18,005	5,681	17,732
Natural Gas	474,003	423,426	441,767	372,087	321,429	339,537
Renewable sources	7,604	8,318	10,815	8,131	8,198	11,314
Indirect -Total	1,278,809	1,092,799	1,173,548	1,150,948	1,113,237	1,049,708
Electricity	1,278,809	1,092,799	1,173,548	1,150,948	1,113,237	1,049,708
Total	1,793,137	1,544,559	1,645,575	1,549,171	1,448,545	1,418,291

* Figures have been restated to exclude closed facilities.

CO ₂ emissions (tonnes)*	2008	2009	2010	2011	2012	2013
Direct CO ₂ (scope 1)	39,442	36,225	36,785	29,229	24,834	26,305
Indirect CO ₂ (scope 2)	144,321	121,029	126,043	121,024	114,059	102,360
Other indirect (scope 3)	33,305	29,613	26,590	27,713	31,249	29,275
Total	217,068	186,869	189,418	177,967	170,142	157,939

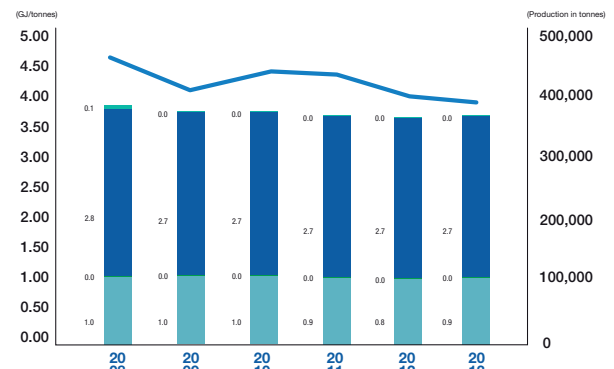
* Figures adjusted to exclude sites closed in 2011 and 2012. 2011 and 2012 carbon emissions adjusted as they are now based on one single set of conversion factors. 2012 carbon emission data adjusted following progressive insight. 2008 scope 3 (freight) data has been updated following progressive insights.

Greenhouse Gas Emissions



— Production volume
 ■ Direct CO₂ (scope 1)
 ■ Indirect CO₂ (scope 2)
 ■ Other indirect (scope 3)

Energy consumption



— Production volume
 ■ Natural Gas (fossil fuel)
 ■ Renewable Energy
 ■ Electric power
 ■ Heating Oil (fossil fuel)

Our direct energy consumption (Scope 1) mainly concerns natural gas consumed in factories and fossil fuels used by company owned cars and forklift trucks. We continuously seek to improve both the fuel efficiency and the fuel mix used for company owned cars and forklift trucks. In 2013 corporate guidelines for car lease program included a limit for CO₂ emission of 160 grams per kilometer. Per the start of 2014 we adjusted this limit to 130 grams CO₂ emission per kilometer as part of our continued efforts to further reduce the CO₂ emission.

Car type	2012	2013
Petrol	120	113
Diesel	769	737
Gas/LNG	4	6
Electric/Hybrid	25	29

Our most significant indirect emission results from electricity consumption by extruders and injection moulding machines. Over the last few years we have invested significantly in new technology and new machines. On a group level we have set up a dedicated budget which can be used for energy-saving investments. We expect the effect of our investments in cleaner, more efficient equipment to increase as our production levels increase following economic recovery. We will continue to invest in cleaner equipment and new machines. In addition to investments in new machines we continued our initiative to replace DC engines with AC engines to optimize energy consumption on our extruders in various production halls. Redesigning our production flows will lead to less internal transportation moves thus enhancing safety and reducing energy. Our focus on lowering carbon emissions is thus wider than merely our injection moulding and extruding machines. We have continued the optimization of our auxiliary systems such as lighting, compressed air, heating and cooling in several of our sites.

Our Scope 3 emissions mostly relate to freight of finished products to our customers. We have included only those emissions for freight which are not outsourced. The majority of freight is outsourced to external parties and is therefore not included in our carbon footprint. In the coming year we will investigate the possibility of reporting on all freight regardless of carrier. Furthermore, we will continue to investigate which options are available to us to reduce emissions from freight.

The dilemma's we face:

Recycling and REACH

Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) is a European Union Regulation of 18 December 2006. REACH addresses the production and use of chemical substances, and their potential impacts on both human health and the environment.

Since 2007 substances have to be registered at the European Chemicals Agency (ECHA) and are evaluated regarding HSE aspects. Member states can request ECHA to place substances on the candidate list of Substances of Very High Concern (SVHC) in which case they get further investigation and could be placed on the Authorization list and eventually go into a Ban/Restriction procedure. At present about 150 substances are on the candidate SVHC list or have already been banned/restricted. Compliance to REACH is considered an intrinsic part of our product stewardship.

Through recycling projects initiated by Wavin, plastic products which have reached their end of life are collected, sorted, enriched and processed in such a way that they can be used in the production of new Wavin products. As a result, Wavin products require far less raw materials than comparable products. The advantages are clear as it leads to a reduction in waste, reduction in resource consumption and reduction in emissions related to converting raw materials in our plants. Recycled plastics are processed in our products in such a way that end-user safety is guaranteed.

The recycled plastics include third party window frames or plastic pipes which were manufactured decades ago under the environmental laws applicable at the time of production. Since the introduction of REACH some of the materials used decades ago are no longer allowed, just as in the paper, glass and metal industries.



However, a small fraction of these materials could be included in the plastics collected for recycling. It is technologically and thus economically not feasible to extract the banned materials from the recycled plastics.

Although REACH is a strong tool to protect users of substances and the environment it collides with the EU Sustainable Development target which requires maximum recycling and a ban on landfilling of waste. Should the European Commission insist on banning these legacy substances under REACH this will imply that all plastics, paper and metals recycling in the European Union comes to a grinding stop. The European Commission is trying to solve this problem, but so far a solution is yet to be found.

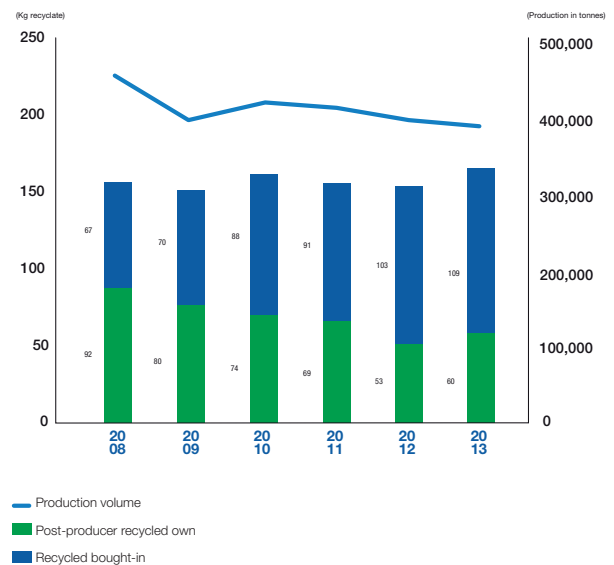
From our stakeholders we receive the message that we should pursue our ambition to increase the amount of recycled input materials. Using only virgin material would very significantly impact our environmental footprint over the lifecycle of our products. This poses a dilemma for us as Wavin will always comply with legislation, including REACH. Should we continue to increase the amount of recycled input in our products or should we only work with virgin material?

Recycled input materials

By the end of 2011 we have exceeded the renewed target that was set for usage of recycled materials in that year. We have increased the amount of recycled material in some of our products, like multilayer pipes with a recycled inner core. To keep the target challenging, we have decided to set ourselves a stretch target to further increase our use of recycled material by 90% by 2015 as compared to 2008. The targets for 2013 proved to be too ambitious.

Nevertheless, we shall continue to operate under the new stretch target set for 2015 as we believe that the increase of recycled material is a key priority from both an economical and a CSR perspective.

Recycled input materials per ton production*



* Figures have been restated to exclude closed facilities.

Waste disposal

Overall, our produced waste amounts to less than 2% of our total production. Our waste management program aimed at separating recyclable and non-hazardous waste at source have been proven to be effective in reducing the amount of non-hazardous waste sent to landfills and increasing our recycling. By taking environmental effects into consideration during the product development phase we also limit the use of environmentally-harmful materials. This comprehensive management of hazardous substances also ensures our employees are not exposed to any unnecessary risks.

In the Netherlands, Germany and Sweden, we have also been diverting our waste, after segregating the recyclable waste, to energy incinerators. This practice has proven to be very effective in reducing our waste to landfill. We have set ourselves a further stretched target in order to stimulate more operating companies to adopt this practice.

Water consumption and discharge

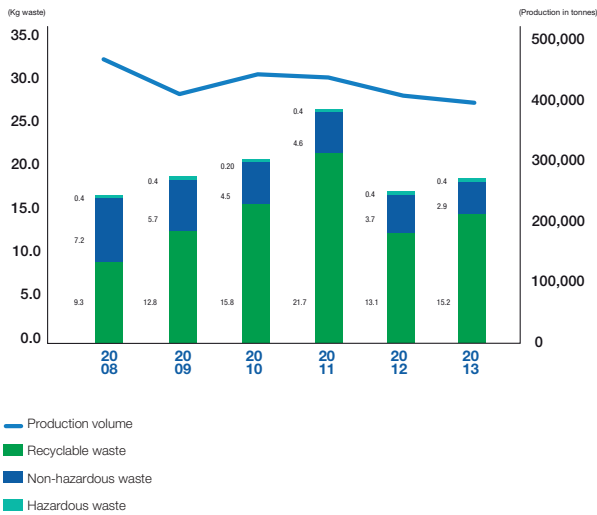
At Wavin we use water mainly for the cooling of our production facilities. Our aim is to reduce our dependency on energy-intensive sources of water, such as those provided by municipalities, and to promote the use of natural sources such as groundwater where this is the preferred alternative. Many of our sites incorporate a closed-loop water system in which water is brought in from natural sources, used for a variety of applications and then recycled by passing through filters and a cooling process. In 2011 a stretch target of -50% was set since the initial target of a 30% reduction in potable water consumption had already been reached. In 2013, potable water consumption was down 49.4% compared to 2008.



Water Source (x 1000 m³)	2008	2009	2010	2011	2012	2013
Water Utilities (Potable)	658	651	644	430	297	239
Ground & Surface Water	2,815	2,522	2,632	2,524	2,548	2,343

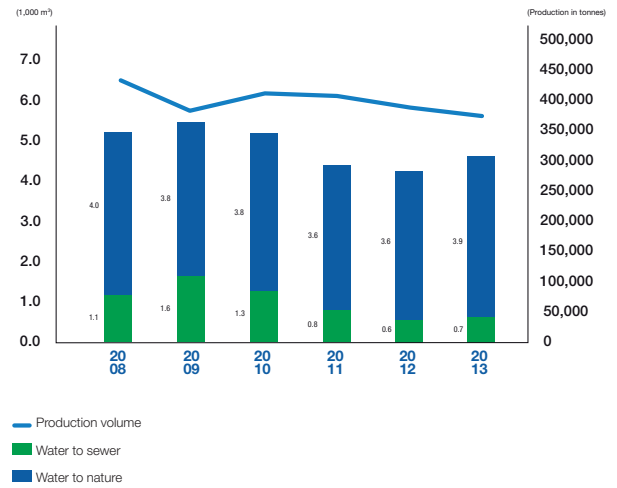
Water Discharge (x 1000 m³)	2008	2009	2010	2011	2012	2013
Water to sewer	522	658	549	337	251	264
Water to nature	1,863	1,548	1,641	1,539	1,461	1,527

Waste disposal per ton production*



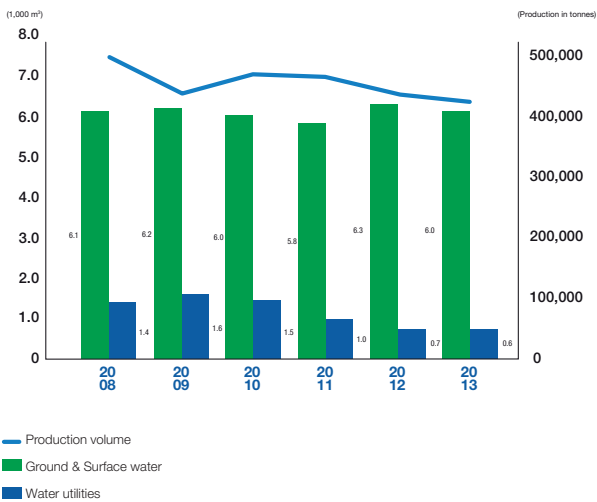
* Figures have been restated to exclude closed facilities.

Water discharge per ton production*



* Figures have been restated to exclude closed facilities.

Water consumption per ton production*



* Figures have been restated to exclude closed facilities.

social performance

Our People

The expertise, commitment, and well-being of our employees are critical to our success. To provide a working environment that fosters a strong team spirit and contributes towards our company's long-term goals we are committed to the following principles:

- We foster positive employee and labor relations and help our staff achieve their full potential by offering them training and development opportunities;
- We promote a safe, healthy and productive work environment;
- We ensure a fair and diverse company culture with no bias of any kind.

Health and Safety

Health and safety are essential aspects of our business. We also believe that preventing health-related problems is the best course of action. Employees at most of our operating sites are offered various programs and measures that give them access to precautionary healthcare. These includes sporting activities, programs to stop smoking, medical check-ups, flu vaccination programs, tips on healthy lifestyles and presentations on a variety of health-related topics.

Lost time incident frequency (LTIF)



* Though we aim for a zero-accident work environment in the long run, we have set ourselves a target to keep LTIFs below 2.5.

The safety of our workforce is of vital importance and we are fully committed to minimizing risk and maximizing safety in the workplace. One of our key safety objectives is to reduce the number of accidents and especially those that lead to sickness absence due to accidents. We monitor our performance by tracking the lost-time incidents (LTIs) per million hours worked over time. By comparing the number lost time incidents to the total amount of hours worked we take in consideration the intensity of our activities at the location where the incident occurs. For example: one incident at a small site might lead to a larger lost time incident frequency than 10 incidents at a very large site, due to the number of hours worked.

In 2013 the number of lost time incidents increased to 4.1 (2012: 2.7). Even though Wavin still outperforms industry peers and other industrial companies we regard decreasing our LTIF score as our absolute top priority. We believe that all accidents can be prevented and an increasing LTIF score is not acceptable. Therefore, a number of actions were initiated, which are described below.

Actions undertaken to improve our safety performance

At the end of 2013 we initiated the following actions which will continue into 2014:

- Review of our safety standards
- Review of our safety organization
- Review of our safety reporting structures
- Inventory of best practices
- Standardization and roll-out of various training schemes

We trust that with our corporate, regional and local management commitment we will improve our safety culture and in turn our safety performance.

CSR initiatives in the community

The Wavin-Unicef Partnership



Wavin and UNICEF have been working together under the name **Providing Essentials for Children** to provide clean drinking water and proper sanitation for children since 2005. The collaboration includes three components: money, products and expertise.

In 2013, a project in Bhutan was the focus. This project included improving sanitation in 38 schools, water systems 26 schools and installing rainwater harvesting systems at 4 locations. Teachers are trained in the importance of good hygiene. In total we reached approximately 5,000 children with this project.

Wavin donated 10 containers of products, including Wavin AquaCell units to build specially designed rainwater buffers and Wavin Kanion roofgutters which will be installed to catch the rainwater and transport it to the buffers. UNICEF Bhutan and representatives from the Bhutanese Ministry of Health were present to receive the goods and to make sure they were stored properly until ready for transportation to the schools where they will be installed.

Colleagues from Wavin Poland welcomed representatives from UNICEF Bhutan and the Bhutanese Ministry of Health in May for an extensive training on the installation of AquaCell rainwater buffers and the Kanion roofgutter system so they could ensure proper installation at the selected schools.



The first installation of Wavin's rainwater harvesting system was completed at the end of 2013, and was officially inaugurated in 2014.

human resources

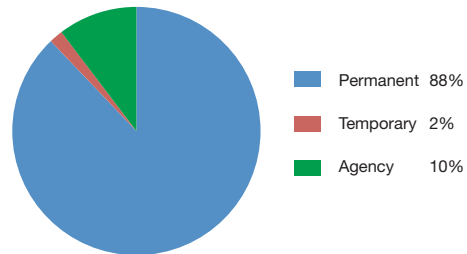
introduction

In 2013 HR policy focused on both exploring and implementing restructuring measures causing additional redundancies, organizational changes and enforcing new initiatives to build a stronger, efficient and engaged workforce.

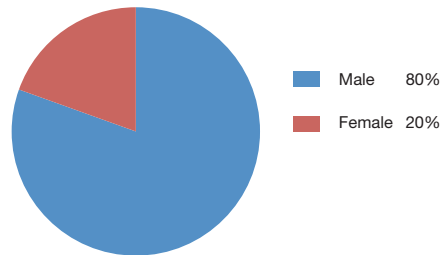
With the creation of the Shared Service Centre in Poland Wavin took another step towards a leaner and centralized support organization to realize our long term ambitions. Wavin Trading Company (WTC) and the creation of one group wide Information Technology department are other examples of measures taken to better leverage Wavin's European scale and to make optimal use of shared, standardized systems that enable a uniform way of working. The group wide roll-out of the SAP and other IT systems paved the way to continue on the road to centralize support where possible.

Consultative bodies are involved at the appropriate time as defined in local regulations in case of material organizational changes and restructuring plans.

Headcount by employee contract



Headcount by gender

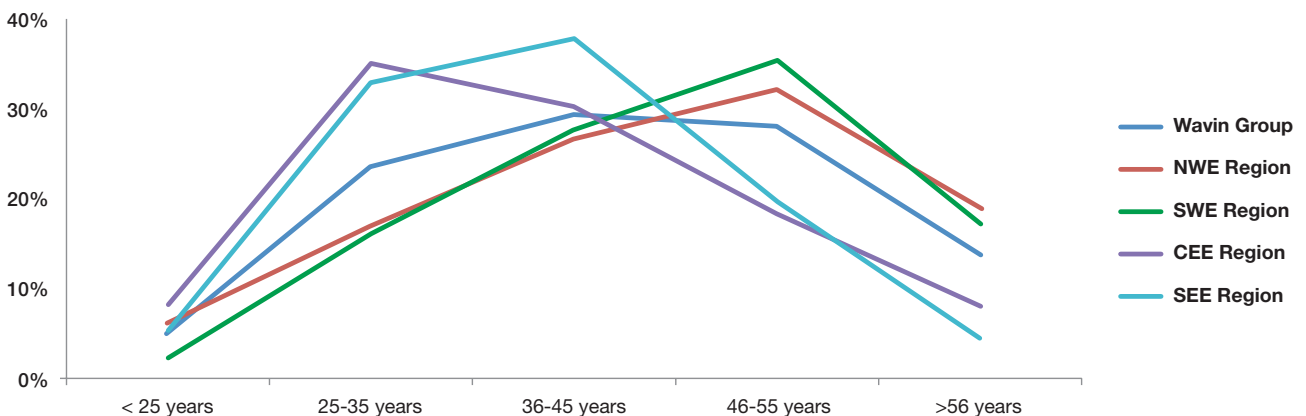


workforce per region

Per 31 December 2013, the Wavin Group employed 5,542 full time employees compared to 5,788 in 2012. The decrease is due to optimization and restructuring measures.

Workforce per region					
Region	2013	2012	2011	2010	2009
North West Europe	1,488	1,565	1,661	1,649	1,692
South West Europe	1,627	1,695	1,903	1,971	1,879
South East Europe	918	1,024	1,104	1,204	1,092
Central & Eastern Europe	1,226	1,251	1,304	1,356	1,317
Overseas and Other	282	252	249	268	258
Total FTE	5,541	5,787	6,221	6,448	6,238

Employees by age category as a % of total employees



labor and management relations

Wavin continues its efforts to establish good employee relations. This means that even when collective agreements are not available, high standards are applied to employee and employer relations. 52% of all employees are covered by collective bargaining agreements, 4% are partly covered and the remaining 44% are not covered. In some countries in Eastern Europe collective agreements on national or industry level do not exist. In other countries employees are fully covered but management is not.

notice period regarding operational changes

Wavin makes an effort to involve employees at an early stage in cases of material structural changes. Consultative bodies and union representatives are involved where and when needed given context and national and European legislation.

people development

Wavin's Management Development program secures the availability of qualified people that ultimately can fulfill senior management positions. Management development and leadership development at Wavin focus on attracting, developing and retaining the right managers and leaders to realize current and future business goals. In order to achieve this we provide challenging career opportunities and support vertical and/or horizontal career moves. Guiding principles are: we build on strong capabilities, provide challenges and new job experiences and believe respectful relationships are key for motivation and engagement.

performance management and annual appraisal

Performance management and individual development are the key elements of the annual appraisal process for all our employees and managers. Our efforts to train management in performing high quality appraisals resulted in clearer objective-setting, in line with the company's strategic targets, and continued focus on individual development planning.

In 2013, 87% of our employees and managers received an appraisal; close to our target of 90%, and above 82% in 2012. In Turkey, an appraisal system was introduced and meetings were held for the first time for the entire workforce. Appraisal processes were not yet in place in Ukraine, Slovakia, and Russia. In Ireland, Italy, Hungary, Croatia, Serbia and Romania blue collars were not yet included, but will be in the coming years.

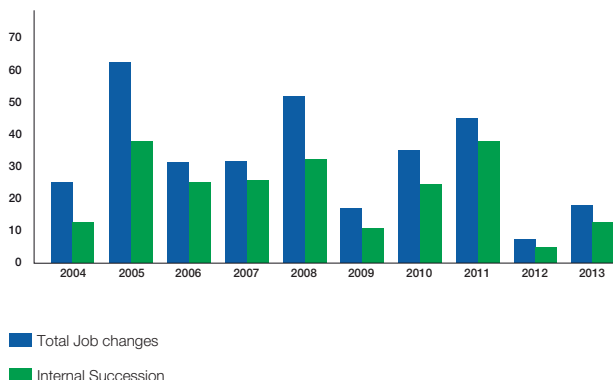
As of 1 January 2013, the former group wide Short Term Incentive Plan (STIP) for middle and senior management was changed into a combined annual and quarterly bonus scheme. With the introduction of the quarterly bonus we are in line with pay for performance practices within Mexichem. The Mexichem system aims to recognize and reward the added value that managers bring to the business in both the short and long term. This variable pay program is an annually set, financial-targets driven program in which a part of the annual bonus is linked to individual objectives supporting the realization of set strategic targets.

internal succession and international assignments

Our efforts in this area strongly link to our basic beliefs regarding leadership development. As in previous years, we have made an effort to effectively balance internal appointments with external recruitment when filling vacancies, especially for senior management positions. The target for 2015 is to sustain an internal succession rate of 70% for vacancies at middle and higher management levels. The company realized an average internal succession rate of 74% over the three year period 2011-2013, compared to 75% over the previous three-year period. In 2013 outflow at senior management level (129 positions) was 12% and in line with 2012. During the year, 5.4% of our senior managers were based outside their home country for international assignments.

Due to the regional set-up and various group-wide projects, more than 50% of Wavin's senior managers spend the majority of their time on international responsibilities and activities. It is our belief that working on international assignments or projects is an excellent way to realize synergies within the group and nurture individual development. This in turn will lead to knowledge sharing and the exchange of best practices. It is expected that the number of international placements will increase as a result of being part of the Mexichem group.

Internal succession management level



new hires and employee turnover

In 2013, 8% new employees were hired, 26% was female (2012: 30%). Relatively more employees (65%) were hired in the in the younger age categories (< 35 years). This reflects our aim for a healthy age build up in Wavin Group.

Employee Turnover		
	2012	2013
Voluntary	41%	52%
Dismissed	45%	36%
Retired	9%	10%
LT disabled/deceased	5%	2%

management potentials

In 2013 we continued to identify and develop young management potentials for senior management positions and charted individual capabilities and ambitions. Assigning the right job opportunities to these talents is an on-going priority. In 2013, 79 management potentials were identified, compared to 66 in 2012. We believe the pool of management potentials for senior management positions should be

around 70 people (equals 50% of the number of senior managers) in order to provide us with a proper amount of successors for senior management positions. As in previous years, regional management and Corporate HR held staff-planning meetings during which organizational, succession and individual development issues were discussed.

leadership program

Wavin has an in-house leadership program called 'Unrivaled Through Others', which was developed to create a pool of young, skilled, motivated potentials for future management positions. In October 2013 a group of managers, coming from various functional areas and countries, participated in this 6 days intense development program.

training and education

We aim to know the ambitions and capabilities of our employees and to support their development. Stimulating employees in their development and learning remains important and therefore we continued our efforts on individual development planning and provided training programs.

Examples of corporate programs are:

- On-line language learning: among others French, English and Spanish.
- Project management
- Project selling: a program consisting of commercial skills assessment and training & coaching as a follow up
- Fundamentals of finance for non-financial managers
- Negotiation skills

During the year, employees attended a large variety of internal and external education programs for an average of 2 days per employee, which is higher than the average 1.5 days in 2012.

Hours of training

	Executives		Senior Management		Others	
	Male	Female	Male	Female	Male	Female
Total employees in category	16		97	8	3,910	958
Total employees trained	7		62	7	2,887	523
Total training hours	95		1,070	293	61,344	10,405
Total training hours on specific Human Rights subjects: CSR, Sustainability, HSE, Code of Conduct, Business Ethics	31		170	18	19,715	3,144

* Figures have been restated to exclude closed facilities.

workforce diversity and equal opportunity

Wavin consciously embraces diversity in the workforce. We believe that employees with different personal and professional backgrounds bring new perspectives and ideas to the business. As the company develops new business areas, diversity will bring additional value.

Protection of the principles of equality is anchored in the Wavin Code of Conduct. This includes the prohibition of discrimination against any employee on the basis of gender. Consequently, fair and equal pay for men and women is a matter of cause.

composition of governance bodies

We regard Wavin to be a truly international and culturally diverse company. On the level of the executive committee and Management Board, 50% has a non-Dutch nationality. Wavin's wider senior management population has a diverse international composition as well. Senior managers with a nationality different to the nationality of the country where they are based are regarded as non-local. The share of non-locals is 8.5% compared to 8% in 2012.

women in senior management positions

Wavin strongly believes that any form of discrimination including, but not limited to, gender, religion, ethnicity, sexual orientation, handicaps and age, should be banned and the company has incorporated this belief in the Wavin Code of Conduct. Wavin companies comply with all relevant local legislation regarding employment and discrimination. In 2013 6.2% of the senior managers was female compared to 6,9% in 2012. The aim is to increase the number of female managers in the company. In 2013 26% of our new hires on managerial level were female, compared to 25% in 2012.

women in senior management positions

year	headcount	women	%
2011	139	9	6.5%
2012	131	9	6.9%
2013	129	8	6.2%

incidents of discrimination and grievances

A process to report incidents of discrimination is included in the Wavin Group Whistle Blower procedure. Over 2013 one incident was reported. This case was registered, investigated and handled according to local or group procedures and regulations.

human rights

During the reporting year none of Wavin operating companies has been subject to a human rights review. In the UK a formal procedure is in place to deal with potential human rights grievances and complaints. No official grievances were filed.

representative consultation

Wavin companies have formal processes in place to inform, consult and involve employees and their representatives on relevant issues. An European Consultative Council does exist and provides a forum for discussing company issues beyond national borders with the Management Board. In 2013, there was again close cooperation between the consultative bodies and executives regarding the execution of the Wavin strategy and our CSR efforts.

kpi performance overview

Energy and carbon emissions	Functional unit	2013 performance	2012 performance	2013 assurance
Energy consumption	GJ	1,418,291	1,448,545	Yes
CO ₂ emissions (Scope 1,2 and 3)	tonnes CO ₂	157,939	170,142	Yes
Energy consumption	GJ / ton production	3.66	3.57	Yes
CO ₂ emissions (Scope 1,2 and 3) relative to production	KG CO ₂ / ton production	404	420	Yes
Recycled content	Functional unit	2013 performance	2012 performance	2013 assurance
Recycling - including own rework	Ton	65,734	63,270	No
Recycling - excluding own rework	Ton	42,443	41,690	Yes
Recycling - including own rework relative to production	KG recycled material / ton production	169	156	No
Recycling - excluding own rework relative to production	KG recycled material / ton production	109	103	Yes
Water consumption	Functional unit	2013 performance	2012 performance	2013 assurance
Water utilities (potable)	1000's m ³	239	297	No
Ground & surface water	1000's m ³	2,343	2,548	No
Water utilities (potable) relative to production	m ³ (1000's) / ton production	0.61	0.73	No
Ground & surface water relative to production	m ³ (1000's) / ton production	6.00	6.28	No
Water discharge	Functional unit	2013 performance	2012 performance	2013 assurance
Water to sewer	1000's m ³	264	251	Yes
Water to nature	1000's m ³	1,527	1,461	No
Water to sewer relative to production	m ³ (1000's) / ton production	0.68	0.62	Yes
Water to nature relative to production	m ³ (1000's) / ton production	3.91	3.60	No
Waste	Functional unit	2013 performance	2012 performance	2013 assurance
Waste – recyclable	Tons	5,924	5,324	Yes
Waste – Hazardous	Tons	164	171	Yes
Waste – Non-hazardous waste	Tons	1,138	1,481	Yes
Waste – recyclable waste relative to production	KG / ton production	15.16	13.13	Yes
Waste – Hazardous waste relative to production	KG / ton production	0.42	0.42	Yes
Waste – Non-hazardous waste relative to production	KG / ton production	2.91	3.65	Yes
Social KPIs	Functional unit	2013 performance	2012 performance	2013 assurance
Lost time injury frequency	Lost time injury accidents per million hours worked	4.1	2.7	Yes
Human rights review	Number of operating companies reviewed in reporting year	0	0	No
Human rights grievances reported	Number of individual grievances filed	0	0	No
HR - FTE	Full time employee equivalents	5,541	5,788	Yes
HR - Headcount by employment contract - Permanent	Percentage based on headcount	88%	88%	Yes
HR - Headcount by employment contract - Temporary	Percentage based on headcount	2%	5%	Yes
HR - Headcount by employment contract - Agency & short term	Percentage based on headcount	10%	7%	Yes
HR - Headcount - Male	Percentage based on headcount	80%	80%	Yes
HR - Headcount - Female	Percentage based on headcount	20%	20%	Yes
HR - Employees < 25 years	Percentage based on headcount	5%	5%	Yes
HR - Employees 25 - 25 years	Percentage based on headcount	22%	24%	Yes
HR - Employees 35 - 45 years	Percentage based on headcount	29%	29%	Yes
HR - Employees 45 - 55 years	Percentage based on headcount	30%	28%	Yes
HR - Employees > 56 years	Percentage based on headcount	14%	14%	Yes
HR - Collective bargaining agreements - fully covered	Percentage based on headcount	52%	64%	No
HR - Collective bargaining agreements - partially covered	Percentage based on headcount	4%	6%	No
HR - Collective bargaining agreements - not covered	Percentage based on headcount	44%	31%	No
HR - Appraisals	Percentage based on headcount	87%	82%	No
HR - Average internal succession rate	Average succession rate over last years	74%	75%	No
HR - Outflow senior management	Percentage based on headcount senior managers	12%	Not reported	No
HR - Senior managers on international assignments	Percentage based on headcount of senior managers	5.4%	Not reported	No
HR - New hires	Percentage based on headcount	8%	9%	Yes
HR - Female new hires	Percentage of total new hires based on headcount	26%	30%	Yes
HR - Female new hires on managerial level	Percentage of total new managerial hires based on headcount	26%	25%	No
HR - Percentage new hires younger than 36	Percentage of total new hires based on headcount	65%	Not reported	Yes
HR - Employee turnover - Voluntary	Percentage of total leavers based on headcount	52%	41%	Yes
HR - Employee turnover - Dismissed	Percentage of total leavers based on headcount	36%	45%	Yes
HR - Employee turnover - Retired	Percentage of total leavers based on headcount	10%	9%	Yes
HR - Employee turnover - LT disabled/deceased	Percentage of total leavers based on headcount	2%	5%	Yes
HR - Management development potentials	Headcount	79	66	No
HR - Average days training per employee	Total hours training divided by headcount	2	1.5	No
HR - International composition executive committee and management	Percentage non-Dutch nationality based on headcount	50%	44%	No
HR - Senior managers stationed in non-native country	Percentage based on headcount of senior managers	8.5%	8%	No
HR - Female senior managers	Percentage based on headcount of senior managers	6.2%	6.9%	No
HR - incidents of discrimination	Total incidents	1	13	No

For the assurance report, please refer to page 31.

about this report

Target audience

We report our sustainability policy and the associated results to all stakeholders. Our stakeholders include, amongst others, our employees, customers, suppliers and contractors, shareholder, organizations active in the construction and real estate value chain, NGOs, and public authorities.

Materiality

The topics presented in this report are selected on the basis of (1) our business model, (2) our value chain analysis, (3) indirect stakeholder inputs and (4) an internal materiality analysis.

The topics we regard as most material are:

- Safety
- Energy consumption
- Carbon emissions
- Recycling
- Waste production/handling
- Water usage

Please also refer to page 11 of this report for our materiality assessment.

Reporting criteria – GRI 3.1 Application level A

Since 2009, our annual sustainability reports have conformed with the Global Reporting Initiative (GRI) guidelines. Our 2013 reporting is in line with GRI level A, which means we have reported on all the material KPI's as defined by the GRI 3.1 framework. In this report we include only key information. Other information which is to be reported under the GRI 3.1 is available in the GRI 3.1 reference table which can be found at www.wavin.com/web/sustainability.htm.

The reporting process and definitions used for this report are formalized in our sustainability reporting manual. This manual provides guidance for all our operations on how to measure, calculate, and estimate data. In 2013, no changes were made in our CSR policies, targets, definitions and measuring methods. In order to further enhance the reporting of CSR data, we will evaluate the current CSR definitions in the coming year. The input we receive from internal and external auditors will be used during the evaluation.

Reporting period and reporting frequency

This report presents both quantitative and qualitative data for the calendar year 2013. All operating companies report quarterly on the key sustainability areas of safety, CO2 emissions, water consumption and discharge, recycling and waste. All other data is reported annually.

Reporting boundaries and comparative data

The boundaries of the reported environmental performance include all our manufacturing sites where Wavin has operational control and their adjacent operating offices. Social and safety performance data includes all Wavin personnel. The reporting boundary in terms of the topics included is established through our internal materiality assessment. Activities in our value chain are reported on in a qualitative manner. It is our goal to gradually increase the scope and detail of this information.

Entities of Wavin that are divested (a full sale whereby Wavin no longer retains a direct or indirect controlling interest) are excluded from the CSR reporting scope for the entire year in which the divestment took place. One facility was closed during the year and the historical figures have been restated to reflect this. When changes take place, this will be disclosed at the applicable sections in the report.

Our current quantified reporting includes activities over which we have direct control. We expect that in the future our reporting will increasingly include value chain effects as these are becoming more and more material. For example, the effects of Green Building are felt mostly by the end-user. We currently do not report data on this highly material topic.

Reporting process

Data collection takes into account our organization's structure. Both qualitative and quantitative information is reported by operating companies to the Group. At regional and factory level, responsibility for CSR reporting is delegated to the HSE community. HSE Data is consolidated and validated first at regional level and then consolidated and further validated at Group level. HR data is reported and consolidated at the country level before being consolidated at the level of head office. This data is reported by the HR representatives.

Reporting indicators

For our main indicators we provide further insight below. Where relevant, figures are presented in a relative way (using percentages and ratios) to make it possible for readers to monitor and measure progress year-on-year, unless the reporting criteria requires absolute figures to be disclosed.

Safety

For safety we defined our Lost Time Incident Frequency (LTIF) as the number of accidents leading to lost time per million man-hours worked by Wavin and contractor employees. Accident data are based on actual occurrences and are never extrapolated or estimated. Reported hours are measured, calculated or estimated.

Energy consumption and carbon emissions

Our energy consumption and greenhouse gas inventory is based on the GHG Corporate Standard Protocol as issued by the World Business Council for Sustainable Development and the World Resource Institute in 2004. For greenhouse gas emissions we have chosen to report only on CO₂. Other greenhouse gases, such as CH₄ (methane), N₂O (nitrous oxide) are excluded from our emissions inventory as they are considered non-material. Our reporting scope includes our direct carbon footprint (scope 1 emissions) indirect emissions from purchased electricity (scope 2 emissions), and selected scope 3 emissions being external logistics by Wavin trucks (the Wavin distribution network), water to sewer and waste to landfill. The GHG Corporate value chain (Scope 3) accounting and reporting standard for full scope 3 reporting has not been implemented. We excluded energy in the category heating and cooling in the calculation of our carbon footprint. Total energy consumption in this category is smaller than 1.6% of our total energy consumption.

The basis for consolidated energy consumption and carbon emissions is activity data which in turn is based mostly on meter readings, invoices, and data provided by suppliers. Where reliable data is not available, we use calculations or estimations using reliable methods and input data.

Energy consumption is converted into carbon emissions using conversion factors. Wavin used the following conversion factors:

- Scope 1: United Kingdom's Department for Environment Food & Rural Affairs (DEFRA) 2011 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting Annex 1
- Scope 2: International Energy Agency's CO₂ Emissions from Fuel Combustion (2011 Edition)
- Scope 3: United Kingdom's Department for Environment Food & Rural Affairs (DEFRA) 2011 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting Annex 1

We continue to use conversion factors set in 2011 as we aim to track our own performance without interference from changes in the grid electricity mix or changes in DEFRA conversion factors. Conversion factors will be updated at the beginning of a new strategic agenda or when emission sources start to make use of renewable energy sources.

Recycling

Recycling relates to used plastic materials which are collected or purchased from external sources.

External assurance of this report

Wavin obtained assurance from an independent assurance provider for its 2012 and 2011 report. As sustainability data is used for managerial decision making, its reliability needs to approach that of financial information as much as possible. This implies that our CSR data reporting should be able to pass stringent examination. We therefore requested Deloitte to assure selected performance indicators included in this CSR report. Deloitte assured the indicators as listed in the 'Performance Overview' table on page 28. Deloitte's limited assurance report is included on page 33.

Contact and questions

We appreciate feedback on this report. For feedback and/or questions you can reach us via sustainability@wavin.com.

assurance statement

Independent limited assurance report on the Key Performance Indicators included in the annual CSR report 2013 of Wavin N.V.

To the stakeholders of Wavin N.V.

Engagement and responsibilities

We have performed a limited assurance engagement on the Key Performance Indicators (“kpi’s”) as listed in the ‘kpi performance overview’ of the annual CSR 2013 report of Wavin N.V., Zwolle, on page 28 where ‘yes’ is stated in the column Assurance 2013.

Conclusion

On the basis of the procedures we have performed nothing has come to our attention that causes us to believe that the assurance kpi’s as included in the annual CSR report 2013 have not been prepared in all material respects in accordance with the accounting policies applied by Wavin N.V.

Comparative period

We did not carry out any limited assurance procedures on the kpi’s of the comparative period.

Our work as a basis for our conclusion

Our work was carried out by a multidisciplinary team of experts in assurance and Corporate Social Responsibility. It is our responsibility to issue a limited assurance report on the annual CSR report. We have conducted our examination in accordance with Dutch law, including Standard ISAE 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”. This requires that we meet the applicable ethical requirements.

The nature and scope of our work was more limited than an engagement to obtain reasonable assurance and can only result in a conclusion that provides limited assurance that the annual CSR report is not materially misstated. This provides less assurance than an audit.

Our work performed mainly consisted of the following procedures:

- Reviewing the processes for data collection and processing of the other information, including the aggregation of data to information as included in the annual CSR report;
- Performing analytical procedures (analytical reviews);
- Reviewing the annual CSR report on the basis of internal and external documents, also by establishing in detail that the report corresponds with the information in the relevant underlying documents.

The annual CSR report includes forward-looking information in the form of objectives, expectations and ambitions. It is inherent in such information that its realization is uncertain. For that reason we do not provide assurance on any forward-looking information.

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

Standards applied by Wavin N.V.

The management of Wavin N.V. is responsible for the preparation of the annual CSR report and the information included in it, in accordance with the accounting policies as presented on page 29 & 30 of this report. This responsibility includes the design, implementation and maintenance of a system of internal controls relevant for preparing the annual CSR report free from material misstatements due to fraud or error, the selection and application of acceptable reporting criteria for corporate sustainability reports, and the preparation of estimates that are reasonable given the circumstances.

Amsterdam, June 20, 2014

Deloitte Accountants B.V.

B.E. Savert

Solutions for Essentials

Wavin provides effective solutions for essential needs of daily life: safe distribution of drinking water; sustainable management of rainwater and waste water; energy-efficient heating and cooling for buildings.

Wavin's European leadership, local presence, commitment to innovation and technical support, all benefit our customers. We consistently achieve the highest sustainability standards, ensure total reliability of supply to support our customers to achieve their objectives.

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