



Meijburg & Co
Tax & Legal



Green Employee Benefits

Reward strategy as a driver of sustainable change

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The ecological impact on climate and the environment is one of today's key challenges. While various organizations and environmental movements are committed to addressing these issues, employers also play an important role in promoting sustainable behavior within their organizations.

Companies are increasingly challenged to look beyond profitability alone and to take responsibility for protecting the climate and living environment. This requires a strategic reorientation, integrating sustainability objectives into the organization's mission and strategy.

Sustainability as an employer value also provides a significant advantage in attracting and retaining talent. More and more employees value sustainability and want to be actively involved in their employer's sustainability strategy. By embedding sustainability objectives, for example in reward policies, employees are encouraged to contribute personally to protecting the climate and environment.

Embedding sustainability through an HR strategy

Organizations can anchor sustainability by developing and implementing a green HR strategy. This can take various forms:

Green recruitment and selection

The recruitment and selection process can be made more sustainable by explicitly highlighting the organization's sustainability ambitions in job postings and inviting candidates to reflect on how they could contribute to these ambitions. During job interviews, this can be explored further by asking candidates about their experience with sustainable initiatives.

In addition, organizations may opt for a digital recruitment process, for example by conducting initial interview rounds via video calls. This not only saves travel time but also reduces CO₂ emissions. Sustainability can also play a central role in recruitment events. This may include offering vegetarian catering and avoiding disposable materials or unnecessary merchandise. Furthermore, it is important to choose locations that are easily accessible by public transport, encouraging participants to travel in an environmentally friendly way.

In international recruitment and global mobility (e.g. assignments), processes can be further optimized by organizing introductory meetings and property viewings digitally wherever possible.

Green learning and development opportunities

Sustainability can also be embedded in learning and development programs offered to employees. Examples include training on topics such as environmental legislation, the circular economy, and sustainable innovation. Employees can also collaborate on green projects or contribute to implementing sustainable improvements in the workplace.

Green feedback and performance management systems

Sustainable behavior can also be integrated into feedback and performance management systems. In addition to traditional performance indicators, such as productivity and customer satisfaction, an employee's contribution to sustainability objectives can be taken into account in evaluations. This may include actively contributing to waste reduction, energy savings, or initiating sustainable projects. Rewards, such as bonuses, can (partly) be linked to achieving these sustainability objectives.





Green employee benefits as a game changer?

Introducing green employee benefits is a powerful way to encourage sustainable behavior, both in the workplace and in employees' personal lives. Examples include:

- Additional leave or holiday pay for employees who choose sustainable travel options, such as traveling by train instead of by air.
- Cycling allowances or a bike lease scheme to reduce car usage.
- Reimbursements or incentives for the use of public transport or carpooling.
- Contributions to green pension or investment funds.
- Discounts on sustainable products or services, such as solar panels, energy-efficient appliances or organic food.
- Additional leave for volunteering in environmental or nature-related projects.

Green employee benefits are also increasingly included in collective labor agreements, such as:

- Sustainable mobility:
Reimbursements for public transport, attractive cycling schemes, and incentives for electric driving and carpooling.
- Working from home:
Arrangements and reimbursements for remote working, helping to reduce travel and CO₂ emissions.

- Sustainable housing:
Schemes that support employees in making their homes more sustainable, for example through subsidies or loans for solar panels, insulation or heat pumps.
- Sustainable operations:
Agreements on waste reduction, the use of sustainable materials, and energy-efficient workplaces.
- Awareness and training:
Initiatives to raise employee awareness of sustainability, for example by offering training sessions or workshops.

From vision to practice: tax and legal frameworks for green employee benefits

Encouraging sustainability through green employee benefits requires not only vision and commitment, but also careful attention to practical implementation.

Organizations seeking to introduce green employee benefits will need to navigate (international) tax and legal frameworks.

To fully leverage available opportunities while mitigating risks, it is essential to properly embed green employee benefits within the applicable laws and regulations. This enables the development of a sustainable policy that not only contributes to a better environment but is also tax-efficient and legally robust. Below, we outline several key Dutch tax and legal considerations.

Key tax considerations

There are various tax opportunities available for green employee benefits. Employers may provide certain sustainable reimbursements and benefits to employees on a tax-free basis, for example, under specific exemptions within the Dutch Work-related Costs Regulation (WCR). For example, the actual costs of traveling by public transport can be reimbursed tax-free, encouraging the use of sustainable mobility. In addition, training programs aimed at developing sustainable skills and knowledge can be offered in a tax-efficient manner. Employers may also provide reimbursements for home office equipment and pay a tax-free home working allowance to cover additional costs incurred when working from home. This makes it more attractive for employees to reduce commuting (particularly during peak hours), thereby reducing CO₂ emissions.

Furthermore, the discretionary scope within the WCR offers opportunities to provide various green reimbursements and benefits, for example relating to solar panels, organic or locally sourced meal boxes, or rain barrels and green roofs. By making effective use of these tax frameworks, employers can encourage sustainable behavior while offering attractive employee benefits.

Key legal considerations

If a benefit qualifies as an employment condition, the applicable employment law rules apply, and such conditions cannot easily be amended unilaterally. It is therefore important to make clear choices in advance: does the arrangement provide a fixed entitlement or is it a flexible policy, and under what conditions does it apply?

Equal treatment is also a key consideration. Not every sustainable measure will be equally accessible to all employees, but any differences must be objectively justifiable to avoid the risk of unlawful discrimination. Employee participation should not be overlooked either: the introduction or amendment of green employee benefits may require approval from the works council or, in certain cases, be subject to its advisory rights.

Finally, communication requires careful attention, ensuring that any proposed employment conditions are legally feasible and compliant.



How can we help?

01

Inspiration session for the HR team

In this session, the HR team explores how sustainability can be integrated into the organization's employee benefits package. The session provides insights into key trends and highlights best practices from organizations that have successfully implemented green employee benefits.

02

Deep dive analysis

Based on a thorough analysis of the current employee benefits package from a tax, legal and HR perspective, as well as the organization's sustainability ambitions, we identify opportunities to integrate sustainability into the reward framework and create sustainable impact.

03

Greening employee benefits

Based on the analysis, interactive sessions with the HR team are organized to (re)design employee benefits in a more sustainable way, aligned with the organization's sustainability objectives.

04

Tax & legal risk assessment

The tax and legal implications of greening the employee benefits package are analyzed in detail, followed by a clear roadmap to ensure that the tax and employment law consequences are properly addressed.

05

Social dialogue

Supporting the organization throughout the engagement with relevant stakeholders, such as the works council and/or trade unions.

06

Process and payroll administration

Providing support in adapting processes and payroll systems following the implementation of green employee benefits.

07

Change management

Supporting the HR team in managing the required transitions and organizational changes, ensuring these are implemented effectively.



Interested in learning more?

Do not hesitate to get in touch with our experienced professionals. Together, we can further enhance sustainability within your organization, for example by developing green employee benefits. Our multidisciplinary team is ready to answer any questions and support you in sustainably transforming your HR and reward policies.

Contact KPMG Tax & Legal



Tamara van Mourik

Tax Director

vanmourik.tamara@kpmg.com



Mathijs Ikhout

Senior Manager Legal

ikhout.mathijs@kpmg.com



Lies van der Sluijs

Tax Manager

vandersluijs.lies@kpmg.com

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