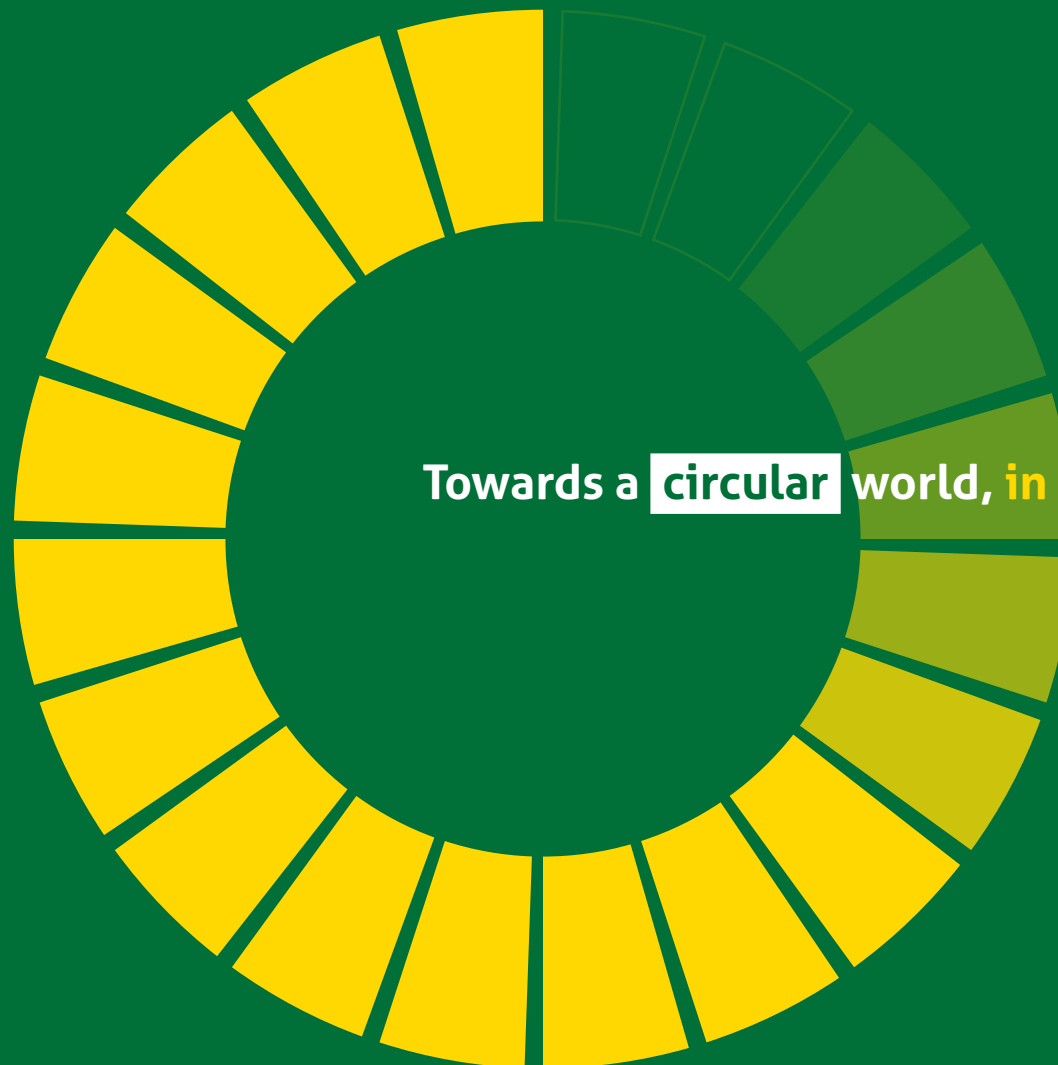


2024

SUSTAINABILITY REPORT

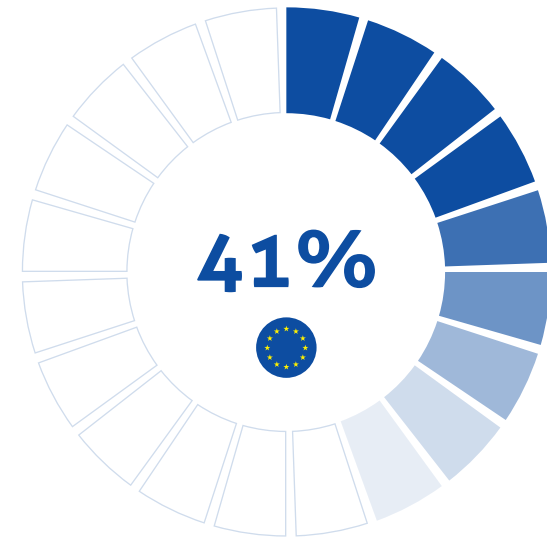


Towards a circular world, in a sustainable way



VANHEEDE
ENVIRONMENT GROUP

The future won't wait



Percentage of waste recycled in Europe in 2022.
Source: Eurostat (published in 2024)

Forty-one per cent. That is the amount of waste recycled in Europe. Add to that global recycling challenges, which are even greater.

This figure highlights how urgently evolution, or even a revolution, is needed. I don't need to remind you that the place to start is with preventing waste and encouraging reuse. But focusing on innovative and circular solutions for waste remains vital. **That is what we have been working on at Vanheede Environment Group for 57 years.** We are aware of our own impact and we have made a conscious choice to act as pioneers. We are delighted to see a change in mindset among entrepreneurs who are showing more of a circular reflex, and we also sense increasing support for our efforts in regulations.

The European Green Deal is another boost to our vision **"Towards a circular world, in a sustainable way"** and confirmation that we are on the right path, every day. European political measures and initiatives designed to improve environmental performances and make the economy more sustainable enable us to have a collective impact, rather than walking this path alone.

This is what prompted European regulations on sustainability reporting. As an environmental firm, we fully support this initiative because it places all companies on a level playing field and ensures sustainability is not a choice, but a responsibility. Sustainability reporting should not become just another administrative job, but something that enables companies to better understand their impact. **This year marks exactly 20 years since we began issuing voluntary reports on our sustainability performances.** It is a choice of which I am proud.

The recent relaxing and, in most cases, even postponing of the sustainability reporting requirement due to the Omnibus legislation is somewhat disappointing. Of course it is important to make the Green Deal's goals achievable for the industry, and the Clean Industrial Deal plays a role in this. But the Omnibus legislation marks a retrograde step in sustainability and circularity in Europe, and does not help us, as an environmental company, in our bid to speed up the introduction of circularity.



Sustainable entrepreneurship is not a choice; it is a responsibility.

But that is not the only thing worrying us. Geopolitically, we are facing several challenges that are hindering the circular transition every which way. You could call them diversion tactics. It is a global game we have no desire to play, but in which we are inextricably involved. The context in which we operate has become even more global and less predictable in recent years, making us more aware than ever of just how dependent and vulnerable we are. It is the availability and affordability of raw materials outside Europe that will determine how close we come to a truly circular transition.

Despite the geopolitical uncertainty, the goals of the Green Deal have not been revised downwards. This puts a lot of entrepreneurs under pressure, and I will admit this is something that worries me. Europe has to become climate-neutral by 2050 and recycle at least 50% of industrial and household waste by 2030. Flanders is looking to reduce industrial residual waste by 30% by 2030 (compared to the 2018-2020 average) and we are working towards this goal in a targeted way.

Doubtless you are wondering how this will be achieved. It is a question now facing businesses and public authorities at home and abroad. For us, the path to follow is very clear. And it will not change. But we have to follow it "together". Together with our colleagues who show up every day to help turn our plans and ambitions into reality. Together with our customers, our suppliers, our processors and our partners. We have great confidence in them and they enable us to make progress and improve every day.

I would like to thank you warmly for continuing to believe in our story, and in our future and that of generations to come.

David Vanheede, CEO Vanheede Environment Group

Our Sustainability Report, reinvented



Doubtless you noticed when you picked up this report that we have gone for a different approach this year. The report is more concise with fewer pages - not only is this better for the environment, it means it will take up less of your time which we know is precious. This time we will not be talking about GRI, ESRS norms or SDGs. But that does not mean we take them any less seriously. In fact, we are working away behind the scenes on further digitalising our sustainability reporting. We are deliberately focusing on sustainability reporting obligations and how to incorporate them into the way we work.

Our five corporate values remain our guiding lights. In this compact report, you will find our figures as they relate to each of these values. In each case, these will be presented alongside an explanation from a member of our management team about the challenges facing Vanheede. Our aim is to be **frank and honest – values that we have cherished for generations and which come from our West Flanders' roots.**

We hope this report will provide you with all the clarifications you need and, most of all, with inspiration.



Colophon

Edition:
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Special thanks to
Jade Desmet,
Marketing & Communication Assistant

Photography
© Loïc Naessens Photography,
Adobe Stock

Concept and realisation
© www.magelaan.be
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Passion

Towards a **circular** world, in a **sustainable** way

↑ Local presence,
international
activities.



Who we are

Vanheede Environment Group offers its almost 20,000 customers – mainly companies (B2B), governments and inter-municipal cooperations – a sustainable, effective and economic waste management solution.

We play a key part in creating a circular economy by turning each* waste stream into **new green prime materials** or **green energy**, in our processing plants and third-party sites. These green primary materials and this green energy can be used to make sustainable products with a low impact on tomorrow.

* Except for explosives, animal carcasses and radioactive waste.

At Vanheede, we are always looking for new ways to create value from waste, without ever losing sight of our fundamental values. When necessary, we carry out studies, while remaining true to our basic principles.

Maxime Vanheede,
Business Unit Manager Plastic Recycling

Our operating area

Vanheede Environment Group is in the Top 5 companies in its sector in Northern France and Benelux.

The group operates across **20 sites** in Belgium, Luxembourg and France.

What we do

What we do

Waste collection

We provide **waste collection services** and consultancy, container hire and transport services for various types of waste, from residual waste to special and hazardous waste. We offer our customers bespoke sustainable solutions for **waste management geared towards recycling**.

Sorting and processing waste

In our industrial **sorting plants**, mixed waste streams are automatically sorted into different categories depending on their composition and characteristics. So we are able to recover precious green raw materials and avoid sending waste to the incinerator or landfill as much as possible.

In our **processing plants**, we turn waste into quality raw materials and products that can be reused in the circular economy. What can't be converted into primary materials is converted into energy to replace fossil fuels.

Final waste* is stored in our state-of-the-art landfill site.

Sustainable energy production

This expertise focuses on developing technologies to convert renewable waste streams or other **renewable energy sources** into electricity, gas and heat. It is also focused on optimising existing plants and exploring new possibilities in the carbon-free energy field.

* Final waste: the residual waste that remains after all our recycling efforts and which, because of its properties and/or composition, cannot be reused or recycled and ends up being incinerated or being sent to landfill.

WASTE COLLECTION

SORTING AND PROCESSING WASTE

SUSTAINABLE ENERGY PRODUCTION

Passion

OUR KNOW-HOW AND OUR EXPERTISE AT THE SERVICE OF TOMORROW'S WORLD

Consultation →
is the exponential
form of knowledge
and expertise.

We can't allow the state of the world to discourage us. In Europe, we know a great deal about the circular use of materials, and have the ability to use our knowledge. If we carry on doing so, with conviction, we will be able to make real progress.

Caroline Vanheede,
Director
Business Unit Manager Commercial &
Industrial Waste Management

Innovating and finding balance in a changing world climate

Adapting to markets that are constantly evolving is a challenge that can be discouraging, so innovation is now needed more than ever. Aside from the world economic situation, over which we have little influence, the legal framework is becoming more and more restrictive - something not to be underestimated. We have to maintain balance, of course, but, as we do so we need to make informed choices that help our profitability and free up the resources needed to continue innovating. All entrepreneurs, including our customers, are faced with this balancing act.

Cheap oil or sustainable raw materials?

What choice would you like the market to make? Our customers face this difficult decision every day: whether to import cheap raw materials, or opt for sustainable alternatives. It is only human and quite understandable to prioritise short-term profits. But, collectively, we have to keep believing that long-term, sustainable solutions are better for our society, our children, our grandchildren and our great-grandchildren. Social thinking should take precedence over individual interests.



Planet

NOT AN OBSTACLE BUT A LEVER: THE POWER OF ENVIRONMENTAL LEGISLATION

← The return of Little Bitterns to the Rumbeke site would be a great example of the successful stewardship of nature.

Yes, environmental legislation is being tightened all the time, and this does create challenges. But it also offers opportunities that should not be ignored. When we look on legislation as a lever rather than a brake, we can keep making progress. Thanks to a proactive approach, we happily own our role as pioneers in the circular economy.

Claudine Verheye,
Team Lead Environment

Investing in climate transition responsibly

Climate change is speeding up. We are reacting to this by taking sustainable decisions that reduce the CO₂ emissions to do with our activities. And we do this without losing sight of economic reality. Investing in electric trucks, solar panels, wind turbines and energy recovery systems is not always easy, but it is essential.

The same goes for investing in recovering precious materials from increasingly complex waste streams, and in the high-quality processing techniques needed to reintroduce them as raw materials. We are speeding up our investments in sustainable solutions because we believe in a circular world. And we are counting on other entrepreneurs to share this vision.

Future-proofed sites

With sustainable sites geared towards the future come great responsibilities, and we fully accept these. With each investment decision, we factor in the potential impact on water, soil and air, as well as mobility and the environment around our sites. Biodiversity deserves special attention here. We see growth and sustainable value creation opportunities in this too.

Planet



Statistics

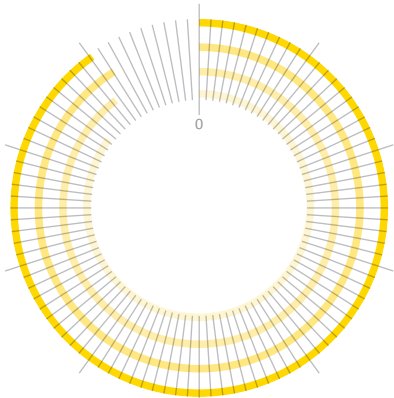
Driver Ziad receives the keys to his first Volvo FM electric truck. →



Sorting at the source starts with ourselves. →

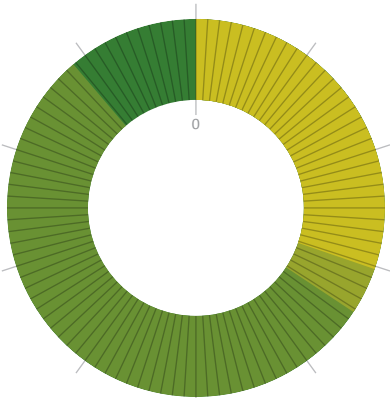


Tonnes of CO₂e emitted



2024	60,277
2023	61,420
2022	59,842
2021	56,807

Insights into 2024 emissions (tCO₂e)



SCOPE 1*	18,256
SCOPE 2*	2,399
SCOPE 3A*	32,902
SCOPE 3B*	6,720

* **Scope 1:** emissions from the combustion of gas and fuel that is burned in assets owned by Vanheede.
* **Scope 2:** emissions from the generation of electricity that is procured and consumed by assets owned by Vanheede.
* **Scope 3:** missions generated by Vanheede's tier-1 suppliers and clients. Within Scope 3, investments in fixed assets were grouped separately under an distinct subcategory (Scope 3b), which allows us to separate big fluctuations in investments from the – more consistent – greenhouse gas inventory.

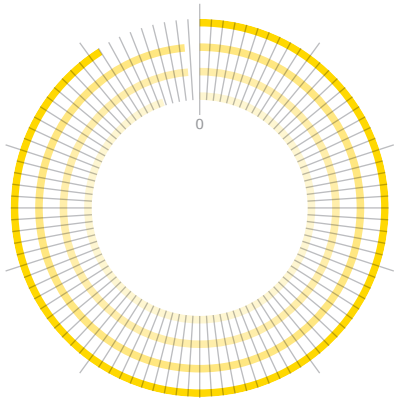
Relative result of the corporate emissions inventory (Scope 1, 2, 3a)

	2024	2023	2022	unit
• Emissions/FTE	52	60	67	tCO ₂ e/FTE
• Emissions/million € consolidated turnover	225	234	286	tCO ₂ e/mEUR
• Emissions/tonne collected, sorted or processed waste	41	43	51	kgCO ₂ e/t



Electrification of our fleet. ↑

Recycling and valorisation of materials collected in house (%)



2024	91.02
2023	98.44
2022	98.51
2021	95.94

We set a good example by treating our own waste streams knowledgeably and by sorting them in an optimal way.

Total: 4,288 tonnes of waste

• **3,193 tonnes (75%) of non-hazardous waste**

The final destination of non-hazardous waste from our own activities:

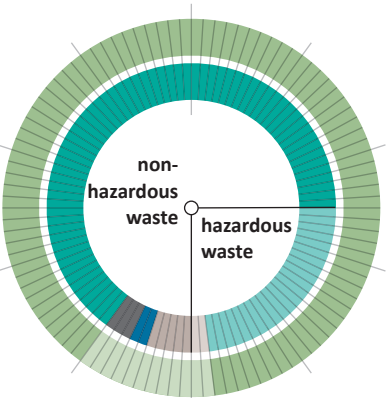
Final destination	absolute value	percentage
Reuse*	0 tonne	0%
Recycling	2,796 tonnes	65%
Incineration	110 tonnes	3%
Landfilling	93 tonnes	2%
Other	194 tonnes	5%

• **1,095 tonnes (25%) of hazardous waste**

The final destination of hazardous waste from our own activities:

Final destination	absolute value	percentage
Reuse*	0 tonne	0%
Recycling	991 tonnes	23%
Incineration	6 tonnes	0%
Landfilling	1 tonne	0%
Other	97 tonnes	2%

* Currently, a number of material streams, including pallets and various containers, are already reused, but we do not yet have a way of measuring this reuse.



88% recycled
12% not recycled

People



THE HUMAN FACTOR: WHY PEOPLE ARE STILL ESSENTIAL

Well-being, health and safety as well as stability, diversity and inclusion are absolute priorities for us.

Teamwork makes the dream work.

powered by Vanheede

Innovation doesn't come just from machines, but also from people who dare to throw out the rule book. Where machines and technology use reason, our colleagues bring a critical, creative and empathetic eye.

Wim Cannaert,
Human Resources Manager

Safe, “workable” and suitable work

Safe and “workable” work, a good work-life balance, skills management and being able to attract talent: these are just some of the challenges we face today. We cannot allow ourselves to be put off by an increasingly strict legal framework. On the contrary; we try to implement legislation in a realistic and pragmatic way. As a multi-cultural company, we believe that diversity is valuable and we want to incorporate it into the workplace in a practical and sustainable way. With time, care and the right investments, we are committed to making progress on these various issues in a conscious and structured manner in the years to come.

Reason versus emotion

Technology is transforming the world at breakneck speed, but neither digital tools nor artificial intelligence can replace human perception, intuition or adaptability. An essential value that we like to convey to our colleagues is empathy: have the courage to question your actions and treat others as you would like them to treat you. We keep this in mind in all we do, for each other and for our stakeholders.

Because we believe in the power created by people working together with technology, we also invest in our colleagues' development. Investing means trusting others. And when you trust others, they trust you!

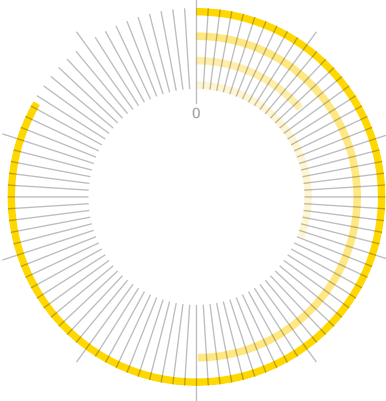
People



Statistics

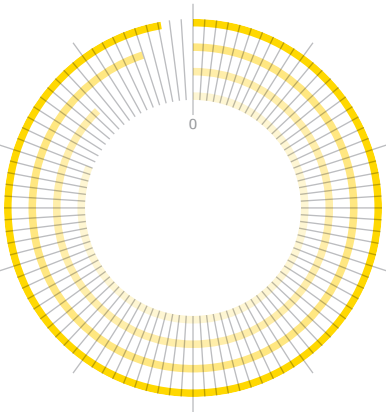


Growth in the number of employees (%)



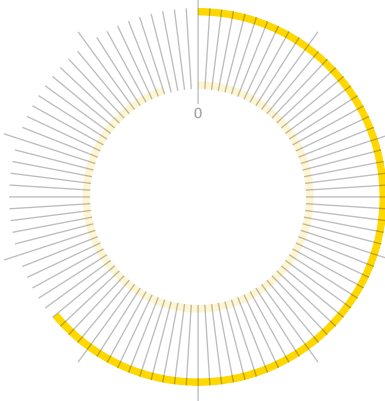
2024	13.89
2023	8.32
2022	2.33
2021	5.80

Number of employees (#)



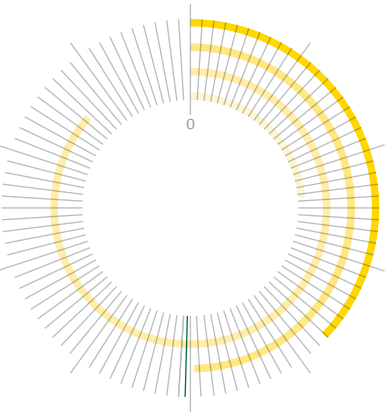
2024	1,082
2023	950
2022	877
2021	810

Employee Net Promoter Score (eNPS)



2024	12.81
2023	-
2022	-
2021	19.00

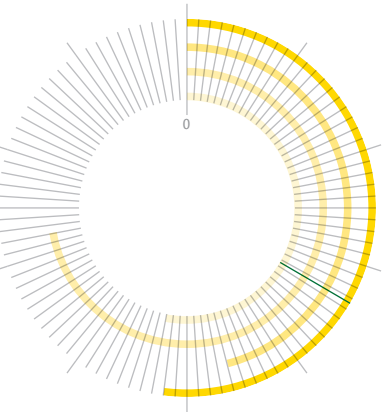
Severity rate (Sr)



2024	0.74
2023	0.99
2022	1.75
2021	0.47

Sector benchmark 2023
(Nace2- code 38) = 1,01

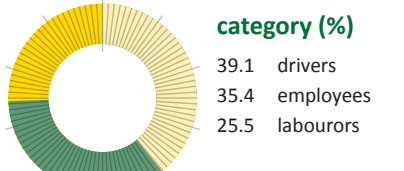
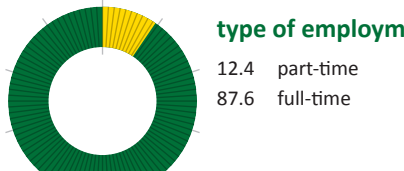
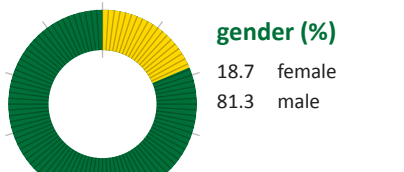
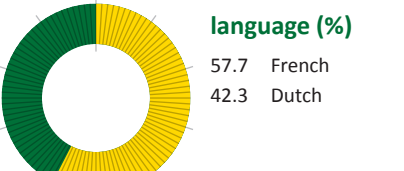
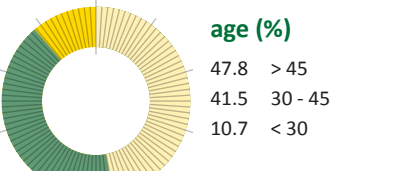
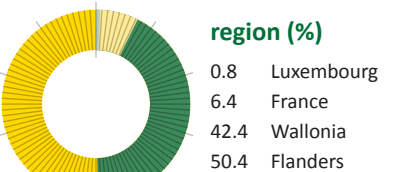
Frequency rate (Fr)



2024	52.0
2023	46.0
2022	72.6
2021	53.0

Sector benchmark 2023
(Nace2- code 38) = 33,44

Breakdown of colleagues by ...



Profit

THE COST OF CIRCULARITY: AN INVESTMENT IN THE FUTURE



← Our fully-automated depot at Haven Zuid Roeselare, is gradually taking shape.

To make the transition to circularity profitable, the whole world needs to be involved. It takes courage to invest today, but today is absolutely when we need to think about tomorrow.

Jan Minne,
Chief Financial Officer



The need for a level playing field

Investing in the circular transition is imperative and requires major capital. But how can you make this transition competitively viable if it is not supported by the global economy? Right now, high-quality recycled raw materials cannot compete with oil for plastic production. Without a level playing field on a global scale, it is impossible to compete properly, so a global circular transition remains wishful thinking.

The same problem arises with CSRD, European taxonomy and CSDDD. The fact that Belgium and Europe are strongly invested in extra-financial reporting is a necessary step. But sustainability, and reporting on sustainability transparently, has to go beyond borders.

Investing today shows courage

Even though the global market situation means we are forced to take more risks, we refuse to let ourselves be held back. By innovating and taking calculated risks at the right time, we continue to create opportunities for the future. Our end goal? A future that is profitable financially, societally and ecologically.



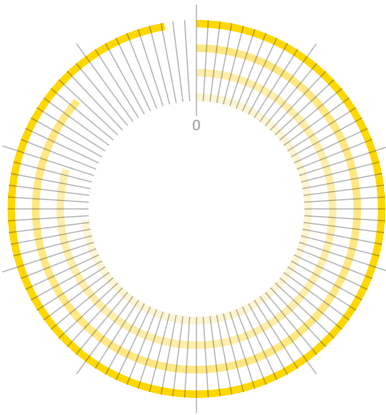
Profit

Statistics



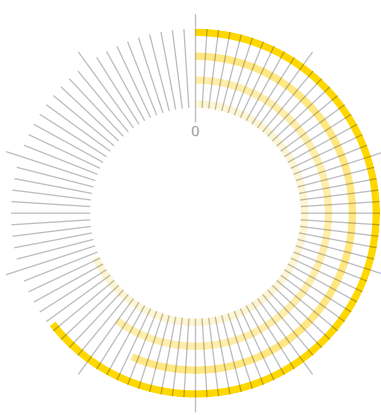
↑ Official inauguration of the Material Recovery Facility in Rumbeke. This new sorting line will help us save 75,000 tonnes of recyclable materials from 150,000 tonnes of PMD, company residual waste and residue from other sorting processes from the incinerator every year.

Consolidated turnover (k€)



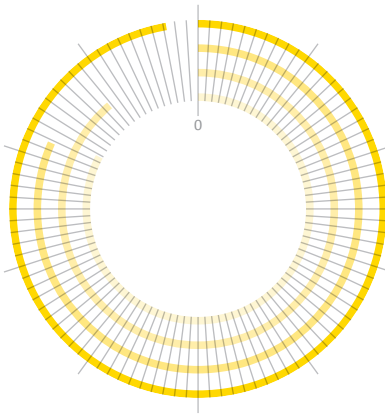
2024	238,331
2023	217,253
2022	199,852
2021	183,636

Investment budget in relation to consolidated turnover (%)



2024	32,685
2023	28,809
2022	30,075
2021	34,059

Liquidity ratio



2024	1.32
2023	1.17
2022	1.27
2021	1.18

A sustainable growth

	2024	2023	unit.
Non-consolidated turnover	286,770	260,634	k€
Consolidated turnover	238,331	217,253	k€
EBITDA	32,685	28,809	k€
Net result	2,841	2,861	k€
Corrected own capital (*)	84,630	76,551	k€
Balance sheet total	234,881	213,222	k€
Solvency ratio (*)	36.03	35.90	%
Liquidity ratio	1.32	1.19	
Investment budget in relation to consolidated turnover	11.82	19.42	%

* Equity including long-term subordinated loan



↑ The new office building in Rumbeke provides a sustainable, safe and ergonomic working environment for every co-worker.

Pride

WITH KNOWLEDGE, PRIDE AND TRUST COMES AGILITY

Proud employees.

A strong yet agile organisational structure is essential if you want to stay on top and prepare for the future. If we want to continue to grow sustainably in an increasingly complex world, we need to regularly assess how we operate and adjust accordingly.

Julie Delobelle,
Strategy & Business Process Manager

A robust structure as a driver of innovation and quality

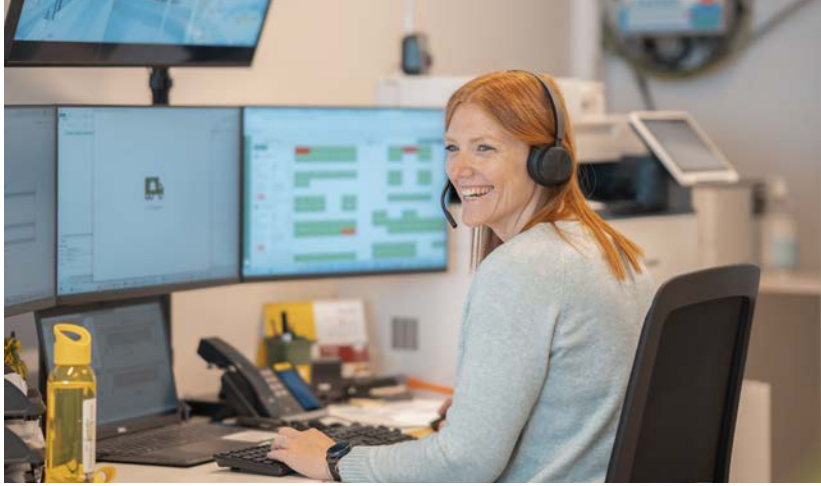
Our organisational structure, comprising Business Units and support services, has proven its worth in recent years. Nevertheless, careful monitoring and regular adjustments are still essential to maintaining our resilience as a growing company.

At Vanheede, we are investing heavily in innovative processes and in automation. This is the only way to continue to ensure quality logistics services and that our recycling technology remains cutting edge. Investments geared towards the future must generate more added value and protect us against potential environmental risks and risks regarding security and cybersecurity.

A forward-looking organisation, focused on people and the market

A future-proof organisation relies on innovation and, above all, on strong colleagues. Over the next few years, we will be focusing on clear structures enabling staff to grow their skills and responsibilities. Our employees, as well as our customers and partners, form a key pillar in this demanding context.

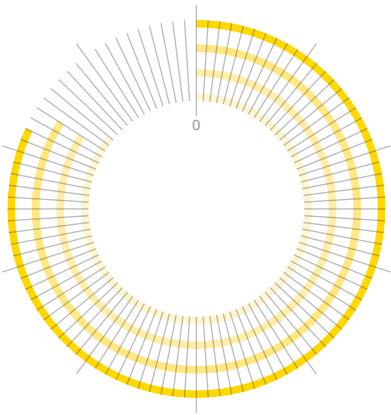
We will also be paying even more attention to our market position and to the optimal governance of our group. We are more aware than ever of the importance of involving our Business Units as we work on this, in order to determine what type of organisation and skills are necessary to maintain our level of performance.



Loading and unloading bays at the new Haven Zuid Roeselare site, ensuring safe and efficient waste management with minimal impact on the environment. →



Customer satisfaction score (.../5)



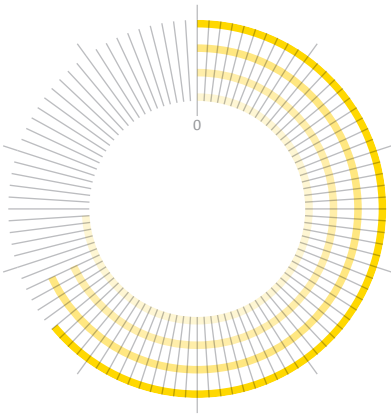
2024	4.1
2023	4.2
2022	4.2
2021	4.3

← The Vanheede family



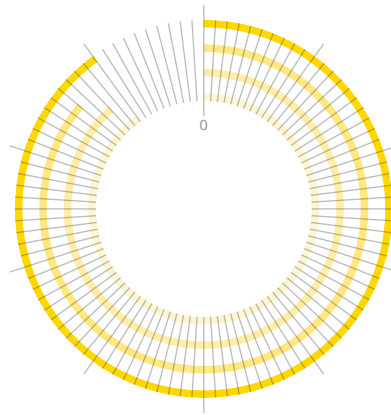
↑ Kurt Van Brabandt, Business Unit Manager - Special Waste Management

Net Promoter Score (NPS)



2024	32
2023	34
2022	34
2021	37

Trustpilot TrustScore (.../5)



2024	4.5
2023	4.3
2022	4.4
2021	4.5



↑ Full traceability, from the agreement with the customer through to removal to the end treatment centre.

From ambition to action: your role in the Recycling Revolution



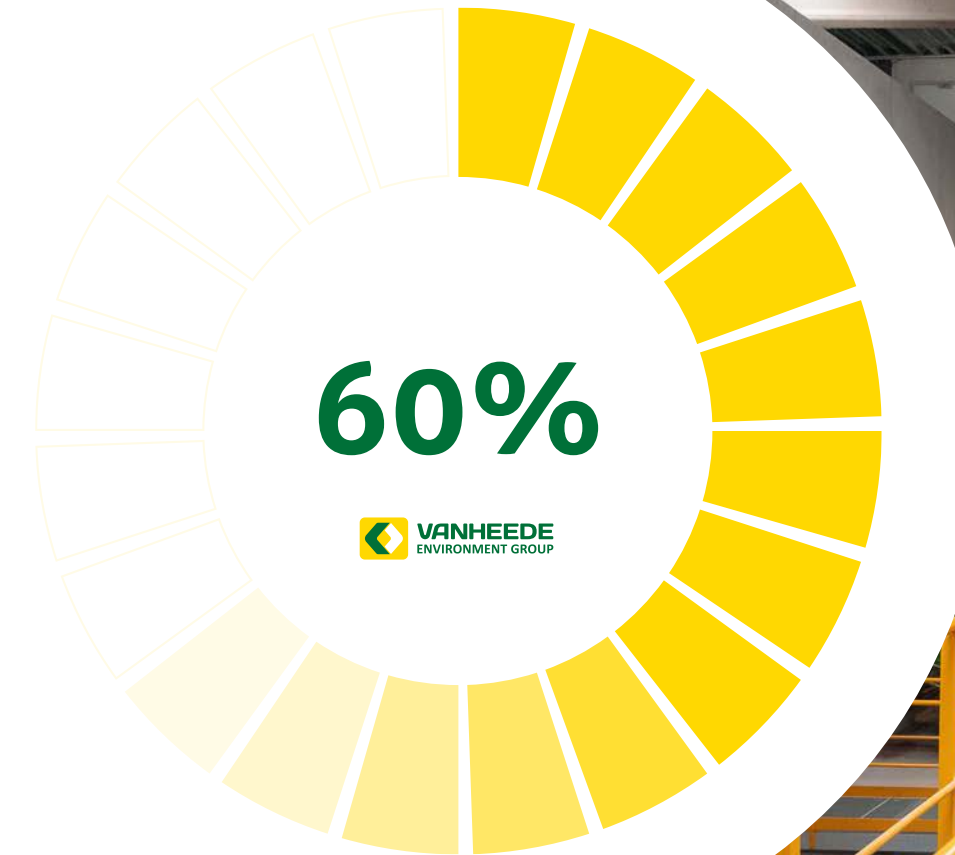
The challenges we are currently facing affect everyone. Wars, the climate, political tension, recycling rates that fail to meet goals and needs, and the lack of raw materials- no-one can remain a spectator. Fortunately, we have noticed more and more companies are taking action. This momentum is being given an extra push by legislative initiatives obliging everyone to contribute to the circular economy. This has led to a growing number of requirements regarding sorting waste. And this includes your company.

But you are not alone. Thanks to the Recycling Revolution, we can make recycling accessible, smart and efficient. We can run your waste management, and turn that waste into the raw materials of tomorrow. Using our three Switches, you can help your company comply with separate collection rules.

We don't call it a revolution for nothing. It is one. A necessary revolution. A revolution that we will lead together, because it is only together that we will have a real impact. What is our goal? To maximise recycling of collected waste together with our customers. Currently, we recycle 60%.

This is not an appeal. It's a starting point. Are you ready to join us?

↓ Get the manifesto for the Recycling Revolution and its three Switches here.



Recycling rate of
collected waste.



Together
we realise
your sustainable
ambitions ...

Towards a **circular** world, in a **sustainable** way



VANHEEDE
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