

# Together taking care of tomorrow

Waste management  
since 1968

Sustainability Report  
2017-2018



# About tomorrow

Sustainability Report  
2017-2018



## Preface

We are proud that this year we can present you the anniversary edition of our sustainability report. You know that year after year we tend to perform this task with utmost care and that the development of this report is always a moment of reflection within our company and with our stakeholders. We would like to seize the opportunity of the 50th anniversary of our company - apart from providing an overview of last year - to briefly contemplate on the road already covered, but especially to take a look at how we can continue our contributions in developing a more sustainable future in the years to come. I wish you a lot of fun reading this report.

David Vanheede,  
CEO Vanheede Environment Group



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**Building the future  
through  
entrepreneurship**

# “ Vanheede Environment Group focuses on the long term.”

“Vanheede Environment Group focuses on the long term. Entrepreneurship includes being prepared to go out of your comfort zone. That is the only way to move forward and to provide the foundations for growth. The final goal is achieved only when everyone has reached the finish. Improving a little bit day by day. Staying flexible in the face of evolving circumstances. We demand a lot from our collaborators, but always in a reasonable way. Changes need time. We provide the time that is needed.”

*David Vanheede,  
CEO Vanheede Environment Group*



# By means of innovations shaping the past for the future

## Vanheede Environment Group anno 2018

Vanheede Environment Group intends to be a sustainable company offering its customers the most efficient solutions in waste, material, green energy and environmental management. To this effect we use a high-quality, professional and innovating approach providing a surplus value for all interested parties. For us sustainable entrepreneurship means that with a minimum impact on the environment we obtain the best possible results for all our stakeholders. These include our Board of Directors, customers, employees, neighbours, authorities, banks and insurance companies, contractors, suppliers, media etc.



# From 4 to 2 strategic axes

In order to present creative entrepreneurship and the necessary flexibility we have divided the activities of our group into two strategic axes.

Where the activities relating to logistic services used to be divided into a strategic axis relating to the collection of non-hazardous waste and a strategic axis relating to hazardous waste and decontaminations, we now observe that both activities present a lot of similarities. That is why we now bundle all environmental services into one strategic axis, i.e. Environmental Services.

Also in the processing and recycling activities we noticed a lot of similarities. In the various treatment processes we focus on raw materials, energy carriers and energy generation. That is why we decided to bring all of these activities together under one strategic axis, i.e. Recycling.

## Environmental Services

Collecting and sorting regular, special and hazardous waste

Vanheede Environmental Logistics  
 Vanheede Environmental Services  
 Vanheede Propreté  
 Vanheede Luxembourg  
 Vanheede Environnement



“Two strategic axes with a strong identity create space for further growth, entrepreneurship and independence. We remain complementary, one axis cannot do without the other. The available means are used more efficiently to get a maximum result, both for us and for the environment.”

Caroline Vanheede,  
 Director Environmental Services

## Recycling

Waste becomes energy and/or raw material

Vanheede Landfill Solutions  
 Vanheede Biomass Solutions  
 Vanheede Alternative Fuels  
 Vanheede Polymers & Compounds  
 Vanheede Plastic Recovery  
 Vanheede Windpower  
 Vanheede Solar Energy



“Each and every day we are looking to improve our existing methods and to integrate new technologies to reinforce them. This way we intend to recover even more raw materials and energy. Our products are of such a high quality that they constitute real alternatives to primary raw materials and fuels.”

Evelyne Decrans,  
 Director Recycling

# Think global, act local

Every sector has its specific waste flows, each with its unique characteristics, approach and volumes. Furthermore every waste flow has its own optimal treatment method and every region has its typical habits and regulations. Therefore waste management is very characteristic for each and every company. Hence, a personalized approach is the key to a sustainable and equitable waste management. That is why our company consciously opts for a global approach with regional anchorage. In addition we opt for specialists with a strongly developed expertise per niche market. These specialists collaborate very closely with our local representatives and therefore can offer specific solutions for your specific problems.

In short, we try to provide the best possible service to every customer, ranging from a small enterprise to a multinational, from a bakery's shop to a garage up to a hospital.



**A tradition of  
innovation**

**“Technological progress and innovation is in our blood.”**

“Technological progress and innovation is in our blood. The family has always been surrounded by people who participate in the thinking process and who are not afraid to question the existing operating methods. By means of innovative separating and processing techniques, we recover materials and energy of the best possible quality from waste streams. When looking for ways to do something faster, better or more efficiently, a solution was found in the technological progress. And that is still the case, although in an ever-increasing pace.”

*Claudette Descamps, Director*



# Staying mobile on congested roads

**For a long time vehicles were synonymous with mobility. But we all know by now that this is no longer the case. Our roads are getting congested, city centres are increasingly prohibiting access to cargo transport, drivers are scarce, traffic safety demands drastic measures. In order to ensure an optimal customer service, we are re-thinking our vision on mobility and logistics ... and we are preparing for the future.**

"The increasing technical complexity of the cars, the geographical spread of our establishments and the need for a truck constructor with a well-developed network, have incited us to work together with a limited number of makes with a well-balanced network of dealers in the near vicinity of our various sites. An additional asset is that the vehicles offer a lot of superstructure options, which is a necessity in our sector. As a matter of fact, in order to make the vehicle ready for use, a lot of extra elements are added, such as weighing systems, on-board unit, extra working lights, operating systems, ...

Because everything is made as uniform as possible for our employees, they can fully focus on what is happening around their truck. Our vehicles realize a lot of manipulations a day, for example for the loading and unloading of containers or continuously driving in the congested city centre to collect the household waste. Safety is therefore our first priority."

*Peter Degraeve, Logistics Manager, Vanheede Environmental Logistics*

## The first mile

In waste management the biggest challenge and cost lies in the first mile. Nowadays, especially with larger companies, we start from the internal container park with the largest possible containers and waste streams that are already sorted to a maximum extent. In urban environments this model entails a lot of challenges, but also outside the cities it is necessary to respond to peak moments, to spread over time, to use spare capacity of the infrastructure, to shorten the value chain, to control the latter by means of sustainable means of transport. The future lies in the bundling of goods, if necessary in smaller quantities and the linking of last mile solutions to first mile returns. Often we and our colleagues must take the same road with our waste flows.

In addition, several waste collectors often present an unbalance in waste flows. Some of them have specific excesses, whereas others have specific shortages. By bundling our transports we can save a lot of kilometres together. In order to safeguard the viability, technology and transparency are of essential importance. Integrating data from various partners into a central platform and processing that into efficient logistics. There is only one condition: all the parties must share their data. These data are gathered in a central brain and this brain optimizes the streams with the data from the other parties. All of this taking into account data security and privacy.



"We are convinced that we need to focus really hard on the development of high technology for the recycling of waste streams. Collaborating with other leading companies providing specific technological solutions may constitute a huge lever to this effect. The complexity of our world (of waste), but also of technology, is increasing at an incredible pace. By working together we undoubtedly can cope with that more easily.

Also in terms of logistics we still have a long way to go. We need platforms where everybody can develop his/her own activity, but where the whole is more efficient and above all less damaging to our environment. Therefore excellent logistics also require nice, well-defined partnerships with colleagues and other links in the logistics chain."

*Dieter Grimmelprez, COO, Head of R&D Strategy, Vanheede Environment Group*



**"Waste logistics in the future will require the intelligent use of manpower and financial means in consultation with the customer. A correct assessment and proactive management of containers and collection frequencies allows us to organize our rounds in function of urgency and to combine transport flows."**

*Peter Degraeve, Logistics Manager, Vanheede Environmental Logistics*

# From car fleet to “shared” fleet management

In Silicon Valley the current code word is A.C.E.S., which stands for Autonomous, Connected, Electrical and Shared. Nowadays about 200 officially registered autonomous cars are driving around on the roads of California. For the time being, these cars still need someone on the passenger seat. As from 1 January 2019 this will no longer be the case, autonomous has become proven technology. Will this evolution also conquer the truck sector? Will a one-off investment, with a low margin of error, which can be fully controlled, which has no more driving and rest periods, become the future? In fact truck manufacturers are already preparing the above evolution by integrating the technology in new trucks in order to be ready for a progressive implementation. In confined and controlled areas such as airports the autonomous or

remotely controlled truck is no longer fiction. Traffic problems and accidents are often caused by people not properly interfering with each other. When vehicles are connected to one another, they can be held at a pre-defined distance from one another, at pre-defined velocities. By means of connected technology, for long distances, we can evolve to some kind of train system where one man-operated truck leads and the rest follows in convoy. As for now, provided that equal or even better results are achieved, we focus on CNG for medium distances and on LNG for long distances in order to meet the Paris climate goals. This way we will cover the transition period before evolving towards electrification in the cargo transport sector. It is a fact that electrification opens the doors towards shared fleet management. Then vehicles are no longer

managed individually but by a transport coach. Range anxiety (limited operating range) is no longer applicable. Vehicles are being shared. By means of algorithms calculations can be made on how to load the battery, taking into account the peaks and troughs in fleet use on the one hand and the price of electricity on the other hand. Car manufacturers evolve from selling trucks to renting out transport services. Therefore transporters nowadays are becoming more and more agents between the truck manufacturer and the customer. Collection will no longer be a distinctive factor.



**“Just waiting until everybody drives an autonomous car is not an option. Today we can already participate in a transition towards an increased mobility. Only this way we will still play an important role tomorrow.”**

*Siegfried Van Brabandt, Director Commercial Trucks at Volvo Trucks Belgium*



**“The way we think of mobility will drastically change. In fact “Internet of Things” has already become obsolete. Vehicles will be connected, will communicate with the rest of the traffic, and in the long term will drive autonomously. This is not science fiction anymore, but proven technology.”**

*Rik Vera, International Public Speaker / Author / Extreme Customer Centricity Evangelist / Chairman @nexxworks*

“Developing an innovative services model may generate a competitive advantage. Staying ahead in a rapidly digitizing and automating market requires sufficient means to be able to develop these innovative technologies. Today the current revenue flow must be maintained so as to be able to develop the business model of tomorrow. This is a complex and crucial balance.”

*Siegfried Van Brabandt, Director Commercial Trucks at Volvo Trucks Belgium*

## The driver of the future

Driver is a bottleneck job. But in a customer-oriented business model drivers are key actors to guarantee an excellent customer service and to make life as easy as possible for the customers. That is why we continue our investments to make the job as attractive as possible: an up-to-date car fleet, a day job with flexible working hours, job security all year long, a fair market remuneration. All of this makes us an attractive employer. And if our drivers are satisfied, our customers will be too.

Even our compactors already contain communication technology. Smart applications convert these data into useful insights in order to optimize our planning, to monitor our car fleet and optimize its management. A user-friendly interface allows efficient communication and monitoring with the drivers. In the future these data will further support the drivers in preventive maintenance and specific trainings.

Trucks contain a treasure of information about the truck itself and its location, consumption statistics, driving style, the number of hours and kilometres driven, avoided accidents through the integrated safety systems.

“In a rapidly evolving market it is hard to say what the future will bring. Nevertheless, we need to make investment choices now for the 10 years to come. We meticulously monitor the new developments and technologies, including more and more beyond our own sector.”

*Peter Degraeve, Logistics Manager, Vanheede Environmental Logistics*

“Purchase decisions with a broader view on logistics and mobility are called for. Not just the costs of investment, maintenance and consumption are decisive factors. Also avoided accidents or driver satisfaction are important (and often not so easy to assess). These factors contribute in the way you position your company.”

*Siegfried Van Brabandt, Director Commercial Trucks at Volvo Trucks Belgium*



"For many years Vanheede Environment Group has spent a lot of attention to the ecological impact of their activities on the environment, something that is highly valued by Volvo Trucks as well. We both pursue the same ideology, thus enforcing our collaboration even more. Volvo Trucks has not only become the major supplier of trucks within the group but Vanheede also has gained their confidence to process and valorise the waste streams within Volvo Trucks."

*Pascal Antoin, Country Property Director BeNeLux, Volvo Group Belgium NV*



# 4,000 transports less over the Antwerp Ring road



**Sustainability is the key word in all our activities. This also applies to our transport, which constitutes the main source of CO<sub>2</sub> emissions for us. On a daily basis our drivers are confronted with the traffic jam problem and with our congested roads. That is why we are looking further than the highway, searching for alternative transport possibilities, such as the use of our waterways.**

Waste transport by the waterways is not a new thing. The innovative way we use to realize that is. As a matter of fact, we do not transport any bulk waste, but separate containers with pre-sorted materials coming straight from our customers. What is unique is that our own trucks can load and unload the containers onto and from the ship.

More sustainable transport starts with volume. Not only the ship must be fully loaded, but it must also be able to carry sufficient containers to be profitable. Calculations showed that the turning point was at about 23 to 24 containers. On some axes that would even be at ten containers, although you had better consider the overall situation. The only thing missing then is a flat-deck ship with such loading capacity. Up until today such vessels do not exist. Waste containers are not suited for stacking and furthermore the method of loading and unloading does not allow that. In addition, the quay infrastructure is not always equipped to allow loading and unloading with a hooklift truck. Especially the water level, the margin of manoeuvre and the container storage space awaiting the ship to arrive, are important factors. To this effect discussions are held with the Vlaamse Waterweg, so that in case of any renovation works, the above can be taken into consideration.



“The objective is in the future to obtain a shuttle service continuously going back and forth, which we also would like to make available for other companies. We have calculated ourselves that, if a ship is using the trajectory for an entire week, Vanheede Environment Group will keep 4,000 transports off the road each year. If other companies that are also transporting waste and recycling materials by road today towards the provinces of West Flanders, Limburg or Antwerp, join us, easily up to 77,000 trucks can be kept off the road.”

*Koen Smits, Area Manager Center East, Vanheede Environmental Logistics*



“By actively looking for waste companies and processors that are facing the same problems, waste transport by the waterways will only become more interesting. As a matter of fact, the higher the volume, the more interesting the tariffs and the more the costs can be spread over various partners. The development of self-propelled ships would constitute an extra catalyst, as this would entail the saving of personnel costs.”

*Steve Sel, Project leader, VIL*

## Multimodal transport, our vision for the future

Belgium already is one of the best pupils in class when it comes to recycling. We have a lot of knowledge and experience in the field of waste streams. The ‘Flanders Recycling Hub’ project that is launched by the Vlaams Instituut voor de Logistiek (VIL) intends to develop Flanders into an international hub for incoming and outgoing streams of materials, in collaboration with OVAM and VITO. Together with 26 other Flemish companies, Vanheede is a partner in this project. Last year we invested in our water-bound site at the Antwerp harbour. Our location ensures a direct connection with the other provinces and with our neighbouring countries, using the roads, railroads or waterways. That is why we have launched a pilot project, together with VIL to have waste transported by inland waterways. The project shows the opportunities, on the basis of which an action plan can be established.

# Closing the plastics circle

The fight against plastics has become very violent in 2018. Both with the public and with the authorities. Europe, Belgium and the various regions launched a lot of legal initiatives to reduce the use of plastics.

We partly share this vision at Vanheede, especially when it comes to single use plastics. But can the world do without plastics? And is that what we want? One thing that is absolutely clear is that all plastics need to be fully recyclable. At Vanheede we actively participate in searching for solutions to selectively collect the many different types of plastics and to bring them back into the chain in a valuable way.

## Less plastics is not necessarily better

The public opinion has been opposing plastics more and more. But not all the plastic packaging materials are necessarily bad. Quite to the contrary. They are often indispensable to transport products in a safe, healthy and intact condition.

Still the negative attention for plastics results in the fact that more and more alternatives are being introduced. Alternatives such as wood, cardboard, bamboo, or so-called biodegradable plastics. But these alternatives are not necessarily recyclable. Furthermore they can hinder the recycling process of other plastics that can be fully recycled.

At Vanheede we are convinced that plastics do not necessarily have to disappear, but indeed that they have to be fully recyclable, so that we can use them again in lots of applications after processing.



**"The future lies in really closing the material cycles. Being a materials manager, Vanheede has an important role to play in this respect. For many years Valipac has been trying to enforce its views on more and better recycling of professional packaging waste. Vanheede has been sharing these views from the very start. Aiming for the same purpose, that is a recycling operation of the best possible quality, Vanheede has turned out to be a reliable partner with a vision for the future."**

*Francis Huysman, Managing Director Valipac*



**"The purity of waste is essential for a correct processing. That is why we have to sort at the source. Fost Plus verifies the quality of the selective collection, the sorted materials and recycling. Vanheede has turned out to be a good partner in this respect, actively participating in the reflections and searching for solutions, thus building bridges within circular economy."**

*Stephan Windels, Chairman Fost Plus*



# All plastics recyclable

Europe insists on more recycling. For example in 2018 the European Commission issued new recycling guidelines for a lot of packaging materials, such as plastics. By 2030 Europe wants the Member States to recycle 55% of the marketed plastic packaging materials. Today in Belgium we recycle about 40% of all household plastic packaging waste and 54% of the industrial plastic packaging waste. So it will be a challenge to achieve the European objective. But not impossible.

"Fost Plus continues to inform and advise companies throughout the chain, from packaging manufacturers to recycling companies, from collectors to sorting centres. Fost Plus wants to bring all actors in the chain together for a better alignment of their activities. On the one hand Fost Plus stimulates eco-design and advises companies to select and design packaging material that can be recycled more easily. Green Point tariffs aligned with the eco-design of packaging constitute a stimulus to use recyclable materials. On the other hand Fost Plus wants to encourage investments in the development of new markets for sorted waste. Only by closing the circle we can help circular economy in Belgium."

*Stephan Windels, Chairman Fost Plus*



**"An important condition to achieve the predefined recycling objectives is to improve sorting at the source. Various initiatives have already been taken in this respect. But more important still is the obligation that all plastic products that are marketed must contain a specified percentage of recycled products. And in this respect there still is a long way to go."**

*Jürgen Desmedt, Director, Vanheede Landfill Solutions*

"The Valipac monitoring was extended to all industrial waste streams and not only the flows of packaging waste. The collected data are increasingly used to set up specific awareness campaigns. In this respect we can mention [iksorteerinmijnbedrijf.be](http://iksorteerinmijnbedrijf.be). Also these figures provide interesting market insights for the operators."

*Francis Huysman, Managing Director Valipac*

## More household plastic in the PMD bag

The last couple of years Vanheede has been participating in a trial project set up by management organization Fost Plus in order to collect more household plastic waste through the PMD bag.

This explains the name of the project: P+MD. The test results were positive: up to 8 kg extra waste collected a year per inhabitant. Fost Plus furthermore wants to have the P+MD bags processed in a limited number of state-of-the-art sorting centres for a high-quality and sustainable recycling. According to Fost Plus Belgium would then achieve a recycling percentage of 64%, exceeding the European recommendations quite a bit. Fost Plus suggested to implement this new system progressively between 1 January 2019 and 2021. But this proposal has not yet been approved by the Belgian authorities. Furthermore, it still is not clear how Fost Plus will distribute the market and how many actors will survive.

And last but not least, it will also be a challenge to recycle the new flows in the PMD bag as the current installations are not yet equipped to do that. In Rumbeke Vanheede has a fully automatic sorting line for eg. PMD waste with an annual capacity of 20,000 tonnes. In one and a half seconds Vanheede will sort the waste from one blue PMD bag. A lot of machine adaptations will be necessary to sort the extended plastics waste flow. Especially the plastic foils will constitute a challenge. Although at Vanheede we stay optimistic from a technical point of view: for each challenge an innovative solution is to be found.

## Companies are sorting more and more plastics at the source

In order to promote the recycling of industrial plastics as well, as from 1 June 2018 organizations in Flanders must sort three additional plastics fractions, apart from the eighteen types of waste they are separating already today: plastic foil, hard plastics and expanded polystyrene (commonly referred to as Styrofoam). This decision was made because amongst other things the industrial waste figures of 2016 showed that there still was a huge potential in the field of selective collection of plastics: the sorting analyses carried out by OVAM showed that 10 to 15% of the 1,080,000 tonnes of collected industrial residual waste consists of plastics that are to be collected selectively from now on.

"Vanheede wants to provide its customers a feasible solution to comply with this new sorting obligation. We offer customers separate bags. This way they can separate the various fractions from the other waste flows. More and more selective collection also entails considerable logistic challenges. At Vanheede we have opted to transport the various bags from our customers in one and the same truck. Because the fractions are in separate bags, the flows will not be mixed and it will be quite easy for us to separate them and eventually transform them into new materials. Furthermore, we avoid putting several trucks on the already congested roads."

*Pieter Vierstraete, Material Recovery Manager, Vanheede Environmental Logistics*

## Focus on markets

Increasing the sorting and recycling efforts still does not mean that we are closing the material cycles. Of course they constitute important conditions for creating a circular economy, but if there is no demand for recyclates, the problem will shift from a waste mountain to a recycling mountain.

Within five years there will be a surplus of recyclates on the market. Therefore, a sufficiently high demand will be necessary to balance the market. And so there is not only a need for predefined collection and recycling percentages, but also for steering measures stimulating companies to start using recyclates in their production processes, such as:

- A mandatory minimum quantity of recycled content in new products.
- Abolishing the statutory prohibition on the use of recycled plastics in new products (such as the ban on the use of recycled plastics in HDPE applications).
- Developing a number of guidelines on a European level requiring companies to design their products in function of subsequent recycling.

Through sector federation Go4Circle we try to stimulate the demand for recyclates in all of these fields. In order to guarantee a valorisation solution for the recycled waste and thus reward the various sorting and recycling efforts.

## Solid Recovered Fuels: From plastic to fuel

Vanheede developed a procedure for transforming residual waste fractions such as non-recyclable plastics and textiles into Solid Recovered Fuels (SRF): environmentally friendly fuels and raw materials for the cement and lime industries. The use of these fuels in the production process of the cement and lime industries creates a 100% valorisation for these waste materials. On the one hand, there is energetic valorisation by the heat that is released from incineration, on the other hand the ashes remaining after incineration constitute a pure raw material for cement or lime.

## Creating new market opportunities ourselves

How can we re-use plastics in a high-quality way? Vanheede actively participates in searching for solutions, for example by means of research projects such as URBANREC and by transforming plastics into solid fuels ourselves.



## URBANREC: Circular plastics from bulky waste

The European URBANREC project (grant agreement no. 690103) searches for solutions for bulky waste. Because even in a country like Belgium, where a lot of sorting rules are applicable, inhabitants produce an average of 30 kg of bulky waste a year, representing one fifth of the total volume of residual waste. Sorting analyses show that better sorting and recycling techniques may offer a solution. The URBANREC project gathers organizations from various European countries in order to examine the opportunities for the most important bulky waste flows: wood, mattresses, mixed textiles and mixed plastics. In this project Vanheede undertakes to purify the plastics flows to circular plastics and to transform plastics that are hard to recycle into composites.



# Fuels for the future

By producing alternative energy carriers (fuels) out of plastics and biomass within the scope of our innovation programme “fuels for the future” we respond in an innovative way to two of the world’s major sustainability challenges:

- minimizing the impact of (non-recyclable) plastics on the environment.
- reducing greenhouse gas emissions and mitigating (the consequences of) climate change.

We strongly believe in these alternative fuels as fuels for the future.

## Unpacking of packed food waste on an industrial level

Following the unpacking of packed foodstuffs that for various reasons no longer qualify for human or animal consumption, the result is an organic mass and packaging material. Vanheede Biomass Solutions transforms the organic-biological waste into a high-calorific mix, Vanergy. Each year we produce 120,000 tonnes of Vanergy that is supplied to internal or external fermentation units for the production of green electricity and heat. The packaging material, depending on its composition, is recycled or energetically valorised as alternative fuels, Solid Recovered Fuels (SRF). This way we guarantee the maximum valorisation of food waste.



**“The chain of the circular economy is fully closed with co-processing. Waste will always exist and keeps returning in new shapes. Waste becomes fuel and fuel becomes raw material. The result is a decrease in landfilling, in depletion of fossil fuels and in CO<sub>2</sub> emissions.”**

*Tom Defeyter, Director,  
Vanheede Alternative Fuels*

## SRF, fuel and raw material for cement and lime industries

Vanheede tries to find a suitable processing method for as many waste flows as possible. Ideal would be that all waste flows are recycled. However certain waste flows are not suited for recycling. Today these waste flows are transported to incinerators or the landfill site. Certain residue fractions such as non-recyclable textiles and plastics can be treated by Vanheede Alternative Fuels and transformed into energy pellets that can be used as environmentally friendly alternative fuel for large-scale industries such as the cement and lime industries. These installations are heavy consumers of fossil fuels and together are responsible for a considerable 5% of worldwide CO<sub>2</sub> production. We thus developed a sustainable alternative of locally produced fuel with local customers.

By using these fuels in the production process of the cement and lime industries, waste materials are valorised for the entire 100%. As a matter of fact, on the one hand there is the energetic valorisation (80%) by the heat that is released by the incineration, in replacement of fossil fuels (coal, lignite, gas). On the other hand the ashes that remain after the incineration, constitute a pure raw material (20%) for cement or lime. In the new waste hierarchy (WBCSD) this form of valorisation is classified as co-processing.



"The Paris climate agreement stipulates a considerable decrease in CO<sub>2</sub> emissions for the cement industry. In Europe the 2050 objective is said to be 80% to 90% emission reduction. Co-processing of SRF constitutes one of the most important options to achieve this objective. This was also confirmed in the strategic note 'Low carbon transition in the cement industry', published by the International Energy Agency (IEA) and the Cement Sustainability Initiative (CSI) from the World Business Council for Sustainable Development (WBCSD)."

*Bernard Mathieu, Manager of 'Climate Change Program' World Cement Association (WCA)*

"What is special about these energy pellets, Solid Recovered Fuels (SRF), is that these fuels are produced in accordance with the customer's wishes, in terms of both physical (particle size, weight etc.) and chemical characteristics (ash residue, calorific value etc.). The customer is sure about the energy content and the chemical composition, two indispensable requirements for a stable production process. This way SRF are ready to replace the traditional fuels as main fuel."

*Tom Defeyter, Director, Vanheede Alternative Fuels*



**Personal and  
customer-oriented**

“ Our personal approach makes the difference.”

“At Vanheede for 50 years now the customer really is king. We combine the knowledge and the experience of the major actors with the local and personal solution-oriented approach of the smaller service providers. The best of both worlds, tailored to the needs of the customer, society, the law...

By creating awareness and putting a complex waste management into practice in a simple way. By providing local support through a man-on-site, taking care of the waste management. By making the customer's life easy and simple with myVanheede. And it is this personal approach that makes the difference.”

*Caroline Vanheede,  
Director Environmental Services*



# Waste management made simple

Waste management is becoming more and more complex. Companies need to sort more and more waste streams and comply with waste legislation that is getting stricter all the time. Digitization can take away that complexity. Vanheede was aware of that already many years ago, when in the years '80 it embraced digital technologies to automate the internal processes. Since then digital transformation has continued at a strong pace. Within the scope of our internal digitization project called 'Venturi' data and digital technologies are increasingly used to make the customer's life easy with respect to their daily waste management, providing more transparency in the environmental performances of their waste and the best possible solutions for their waste streams.



## Digital anchoring

Vanheede has always been an innovative actor, not in the least in the field of digitization. Looking for ways to make processes faster and more cost-efficient, we already digitized the entire invoicing flow in the years '80. Since then all the internal processes at Vanheede have been digitized, including the operating of the trucks and the planning and execution of the waste collection at the customers.

As from 2007 the Vanheede trucks are equipped with specially developed on-board computers. These devices now constitute the beating heart of our operational activities. We not only use them to steer and monitor the activities, but also for all communications between driver and planner.

## Online waste management

In the early days digitization was mainly intended to improve our own working method. The last couple of years focus has been shifted from the internal processes to simplifying the process steps with our customers. This resulted for example in the development of myVanheede, the online platform where our customers can manage their waste administration.

The objective of myVanheede is to improve the total customer experience, to increase loyalty and to allow customers to control their own waste management. Furthermore a customer that is cooperating with Vanheede with respect to its waste streams, is always in compliance with legislation, regardless of the region or country where he is established.

Today over 3,000 people are using myVanheede, where they can find:

- The entire waste file online, clearly structured
- Management of contacts
- Management of myVanheede users
- An overall view of all the projects
- Collection calendar with planned tasks and call form
- Reporting in graphs or lists, the waste register
- Consulting documents such as invoices, credit notes and certificates (eg. VLAREMA)
- Product shop with consumables such as bags, big bags, waste bins ...



“The common thread in the digitization trajectory at Vanheede is that everything is realized with the intention to improve customer experience. The question that is always asked first at Vanheede is: how can we make it simpler for our customer to cooperate with us?”

*Olivier Knockaert, CIO,  
Vanheede Environment Group*



**“myVanheede is a secured online platform where our customers can manage their personal waste file, from the operational aspects to the reporting.”**

*Kim Delvoye, Marketing Manager,  
Vanheede Environment Group*

“The only reason why the driver still has documents on board is from a legal obligation. But it is our aim to get rid of these documents as well. Under the supervision of our professional federation Go4Circle we are fully engaged in further digitizing for example the identification forms. This project will have an impact on the entire sector. Processes over the entire sector will be accelerated and that will also have a positive impact on our environmental performances, as the driver will no longer have to do extra miles to come and get the paper documents or deliver them.”

*Kim Delvoye, Marketing Manager,  
Vanheede Environment Group*



“If you are an SME and you want to treat your personnel and environment respectfully, this is often a challenge in a demanding SME landscape. Authorities and customers are getting increasingly demanding in terms of reporting. Being aware of how to treat the surroundings and the environment is of primary importance. In order to safeguard a secure future for our children and grandchildren, but also to profile ourselves as a sustainable company on the scarce labour market. That is why you had better be surrounded by good partners, and in this respect Vanheede has turned out to be a good choice. Waste streams are transformed into new raw materials and so, anything that cannot be processed internally, is still valorised to a maximum extent. Through myVanheede we receive daily updates on the many different flows. No more chain e-mails and phone calls, everything is communicated through the very convenient webtool. We were 100% convinced when we chose Vanheede to be our partner. And in my position of environmental coordinator at PIDY Belgium and France, I can say ‘it has been a success!’”

*Bart D'hondt, HR Management  
Assistant & SHE Advisor PIDY*

# myVanheede automatically offers customers the best possible waste management

The increasing customer orientation also has had its impact on our activities. The number of waste stream types that we collect and process, has increased gigantically. Furthermore we offer a variety of solutions for the collection of these various waste types, so that the number of container types and the corresponding collection and transport vehicles has grown accordingly.

This evolution has entailed a gigantic complexity. In order to manage this complexity in a correct and efficient way, optimization and automation were called for.

Under the name of myVanheede we developed a new portal offering structure in that complexity. From the offer, through the contract, the order and finally the collection: the system registers everything clearly and unambiguously. This opened the door to standardized reporting and millions of data.

The time has now come to convert the data we have collected over the last fifteen years into information. We will use these data to recognize patterns, so that the system will automatically offer our customers the best possible solutions for their waste management: solutions in the form of an all-in services package (including collection and transport) with a lot of options and products.

Furthermore the system also makes sure the customer's waste management is 100% in compliance with the law:

- In line with the complex waste legislation that may vary a lot from one region to another: VLAREMA in Flanders, Plan Wallon des Déchets et Ressources, La Loi relative à la Transition in France, etc.

- Taking into account the applicable sorting obligations: sorting at the source is mandatory, but in Flanders companies are obliged to separately collect 21 waste flows, whereas in France only five.

In short, myVanheede guides Vanheede and its customers into the digital future and makes their lives easier as for their waste management.

“The recycling sector still raises many doubts in my mind: complex, low transparency, too many instances or middlemen and a lack of confidence. As a consumer I do not get the feeling that I am treated in a transparent way. I am doing my best now, but is it really to the benefit of the environment? Make sorting meaningful. Let the people know why they are making efforts. Let them know what happens with their waste. And communicate all of that in an open, honest way.”

*Rik Vera, International Public Speaker / Author / Extreme Customer Centricity Evangelist / Chairman @nexxworks*



## What is the environmental impact of waste? We will report it soon!

“Time is money. We do not want to waste any time and we want to use time efficiently. Taking time and giving time. Transport could also be expressed this way. By focusing on time you can achieve efficiency. Losing as little time as possible. Or saving a lot of time that you can use to do other things. We all agree that the value of money as bargaining chip will decrease and that the value of time will increase.”

*Rik Vera, International Public Speaker / Author / Extreme Customer Centricity Evangelist / Chairman @nexxworks*

What is the impact of the sorting efforts made by a company? How much CO<sub>2</sub> does a customer save when appealing to Vanheede for processing its waste? Companies want more transparency on what happens with their waste. And we would like to provide them with that transparency.

For many years now Vanheede has been dreaming about extensive environmental performance reporting with respect to our customers. We would like to realize that using a dashboard in myVanheede where customers can monitor the environmental performances of their waste. And myVanheede may provide us the means to make it happen.

**Shaping growth**

**“ Entrepreneurship  
is also about  
empowering  
your colleagues.”**

“The committed efforts of all our employees, giving confidence and taking responsibility, have allowed Vanheede Environment Group to develop into a valued partner in circular economy. Thinking beyond the standard solutions and developing our own Vanheede technology, we fully focus on high-quality recycling and new raw materials. We have the will and courage to innovate, but also the necessary dose of flexibility to remain agile and to be able to rapidly adapt to any changes in market conditions.”

*Evelyne Decrans, Director Recycling*



# Industrial sites for the future

**At Vanheede we not only recycle waste. We have also provided a new future for a number of industrial sites. Many of the sites where we now have developed our recycling activities were used for other industries before. This may vary from a brick factory to a local flax company or a sugar factory.**



## The advantage of space and time

The advantage of old industrial sites is that there is a lot of space, which offers perspectives, as recycling activities require a lot of space. The incoming waste materials (that are supplied separately more and more and thus must be stored separately), but also the storage of the finished raw materials or products take a lot of space.

Furthermore reconversion has the advantage that it can be realized in phases. So there is enough time to think and, if necessary, adapt plans in function of changes in law or insights. The reconversion of the Rumbeke site already continues for more than 20 years now and the reconversion in Quévy more than 15 years. And both sites are still evolving all the time.

“Many of the Vanheede sites are examples of reconversion of historical industrial activities into innovative environmental activities. This process is perfectly in line with the circular vision. Just like a lot of inventiveness is required in waste recycling to make activities viable and give waste materials a new life, reconversion requires people who can think out of the box. Fortunately that is in our genes.”

*Dieter Grimmelprez, COO, Head of R&D Strategy, Vanheede Environment Group*

## A process that requires a lot of talent and a lot of vision ...

The reconversion of a site involves more work than developing something on a new parcel of industrial land. You must consider the new or future (recycling) activity more or less through the existing company buildings and architecture. As a matter of fact, you want to develop an activity that is not there yet or that is totally different any way. And still, you need to take into account what is already present. That requires vision and imagination.

To this effect you need people who are inventive and who like to think out of the box. And who want to participate in a consultation process between various services and actors within and outside the company: the business as such, the facility department, the R&D department, the management, the neighbourhood and the shareholders. Everything takes more time than in case of an entirely new construction project. Buildings need to be demolished. Sometimes remediation is necessary. This requires money and cannot always be predicted or budgeted. Reconversion therefore not only requires a lot from the people, but also requires a lot of financial means.



“We have inadequately arranged our open space and too rapidly cut new pieces instead of cleaning up used pieces and preparing them for new activities. Developing assets in an equal or even better state than when you have acquired them, demonstrates that a sustainable vision is in place.”

*Geert Noels, Econopolis*

# Action Plan 2020

## A short overview of the evolution of our site in Quévy since 1999:

From 1999 to 2007: Reorganization, remediation, demolition, research and development of potential future activities.

From 2007 to 2015: The first major investment phase; construction of an unpacking line for food waste, a digestion unit and three production halls.

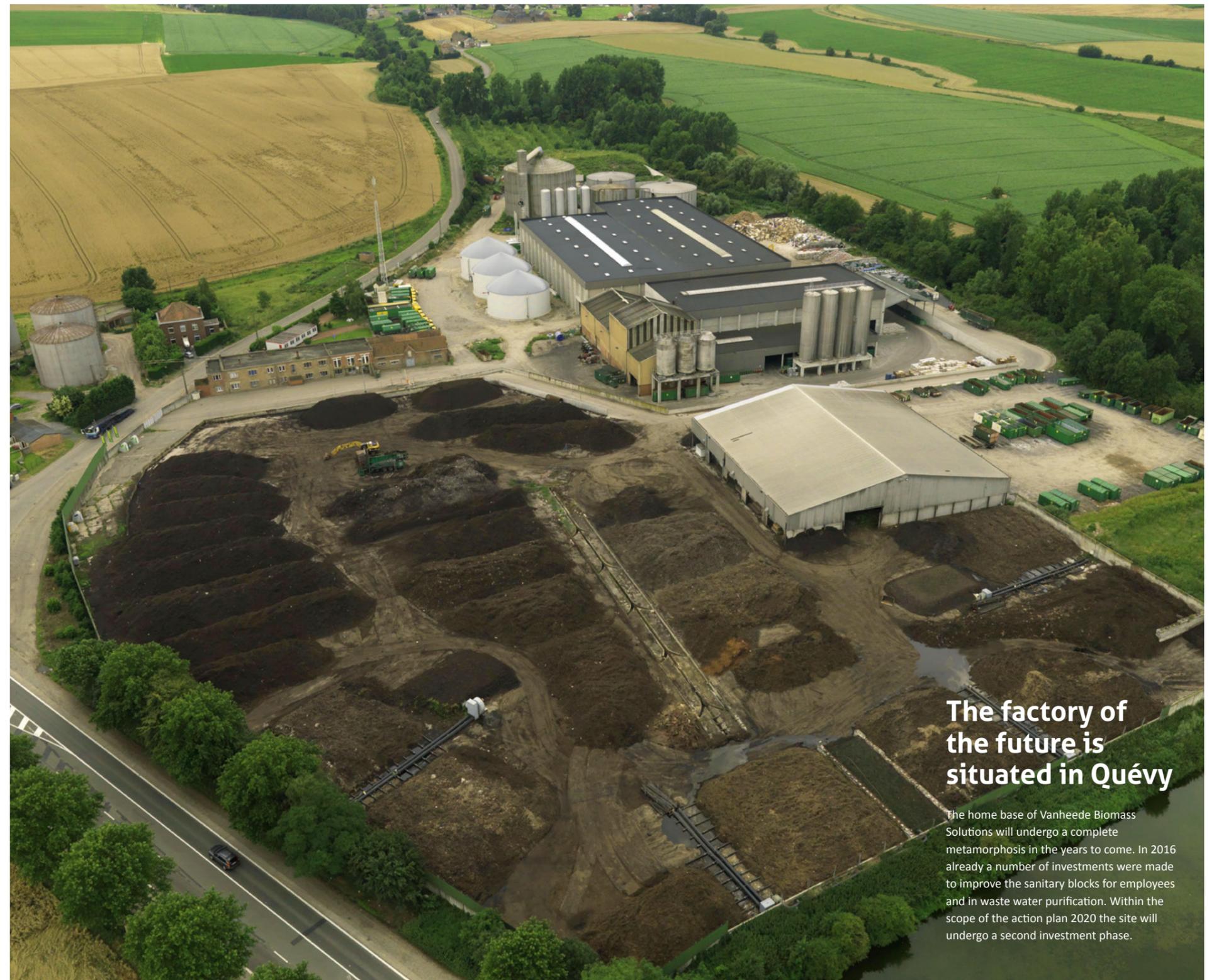
From 2016 to 2020: Action plan 2020 with a second investment phase; extension and further development of the unpacking line and digestion unit, adaptation of the road infrastructure, extension of the production hall, water purification facility, workshop and warehouse.

A new destination: At this moment 8 ha out of the 18 ha site is industrial area. The objective is to double that area up to +15 ha. This way we will be able to develop the current and new activities in the best possible way.



"In 2020 our remarkable industrial site will be innovative, high-performing and equipped with high-tech facilities in the field of waste processing. It is unique in Europe because of the variety of activities performed there."

*Julien Pozza, Director, Vanheede Biomass Solutions*



**The factory of the future is situated in Quévy**

The home base of Vanheede Biomass Solutions will undergo a complete metamorphosis in the years to come. In 2016 already a number of investments were made to improve the sanitary blocks for employees and in waste water purification. Within the scope of the action plan 2020 the site will undergo a second investment phase.

# About today

## About today

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# Vanheede Environment Group 2018

Vanheede Environment Group is one of the leading companies in the Benelux countries and northern France in the field of waste management. Using the motto **"Managing Your Waste Materials"** we are pleased to help our customers in Belgium, France, The Netherlands, Germany, Luxemburg and the United Kingdom find the best destination for their waste. We not only collect their waste, we also sort and treat it in our own treatment centres.



# Key figures 2018



permanent staff members

**608**



waste flows

**1,850**



consolidated turnover

**125,082 KEUR**



Vanheede Environment Group

**50 YEARS**



green energy produced every year

**45 MILLION KWH**

= covering the needs of almost 13,000 households  
= more than 3 times the own consumption



treated waste every year

**876,333 TONNES**



recycling and valorisation

**89.40%**



new materials every year

**474,743 TONNES**

# The Sustainable Development Goals as a source of inspiration

There are still a lot of challenges and opportunities ahead of Vanheede. In order to get more insight into this, we have decided, in addition to the international GRI reference framework for sustainability reporting ([www.globalreporting.org](http://www.globalreporting.org)), also to examine how we can contribute to the Sustainable Development Goals (SDGs). These sustainable development goals were approved on 25 September 2015 by 193 heads of state and

heads of government at a special United Nations summit in New York. They cover a whole series of sustainability topics, such as climate change, biodiversity, public health, education and poverty reduction, and will determine the worldwide sustainability agenda over the next 15 years. For the first time companies, NGOs, public authorities as well as all other actors in society are addressed to collaborate in order to achieve the 17 goals.

In consultation with the members of the special CSR think tank (2015) and following a thorough analysis in collaboration with the students in Master of Business Administration and Commercial Sciences at KULeuven, Brussels campus it was decided that Vanheede can contribute most to the realization of the following SDGs:



**“Environment is the biggest focus of growth in the world economy. Companies developing today the solutions for the historical pollution will not only be strong growers, they will become the leaders of a new generation of entrepreneurs.”**

*Geert Noels, Econopolis*

“Circular thinking involves starting to think and act differently. Innovation can help us already to some extent in this respect. We need to take into account each other more and thus cooperate more. As a matter of fact we cannot make any new products without thinking about the ‘end of life’. We cannot make any new raw materials without thinking about recycling and we cannot recycle any waste without thinking about the new product that will be made with this later on.”

*Dieter Grimmelpez, COO, Head of R&D Strategy, Vanheede Environment Group*



“Year after year I am looking forward to the Vanheede sustainability report. The document gives an overall overview of sustainability in all of its aspects. Especially the way Vanheede treats its people and the environment, surprises me again and again. Where other companies don’t care much about residual products, Vanheede’s core business is all about that. The sustainability report gives us inspiration and peace of mind that we have made the right choice when it comes to the supplier of our waste management.”

*Michel Soubry, CEO, Soubry NV*



# Closing the gap in the circular economy

## Full partner in the circular economy

On 18 April 2018 the European Parliament approved the Circular Economy Package, a series of measures to put the circular economy into practice. Europe wants to evolve towards a system where products, materials and raw materials can be used in a valuable way as long as possible. The action plan covers all the aspects of a product cycle, from design to reuse.

By means of innovative separating and processing techniques Vanheede already recovers a lot of high-quality materials and energy from waste flows. By means of continuous process and product innovation we try to realize a shift in our way of thinking about how to treat waste and to evolve towards a circular economy. Together with our stakeholders we try to rewrite existing structures and processes.



## Sorting at the source

As per 1 June 2018 the Flemish companies, in accordance with the VLAREMA regulation, in addition to the 18 types of waste streams that already have to be separated, are obliged to sort another 3 additional waste flows: plastic foils, hard plastics and styrofoam.

Also with respect to these waste flows Vanheede offers the most optimum collection method and frequency in order to minimize the logistic costs for companies and supports by means of clear communication and awareness-making. A positive step towards the closing of more material circles. Because the purer the fractions, the easier the subsequent recycling and processing.

## AZ Delta, together with Vanheede a sustainable construction site

Waste management is never evident and especially not on a construction site where a lot of contractors are working at the same time. This also applies to the construction site of the new main campus of AZ Delta in Rumbeke. Waste management starts with a correct sorting at the source. In consultation with the construction site management an extensive study has been carried out of the various waste flows that are released on the construction site during the various phases.

**“A proper coordination and an efficient logistic flow on a construction site are necessary to make things run smoothly and safely. Waste management constitutes a huge part thereof. If the responsibility for the waste management is assigned to various persons, it can become a mess quite easily. By centralizing it and assigning it to one party it will be realized in a more structured way and communication can be clearer.”**

*Kurt Meijhui, Sales Supervisor, Vanheede Environment Group*



Based on that the appropriate waste containers were chosen and logically positioned on waste islands next to construction site lifts. Our man-on-site (MOS) makes sure the filled containers are regularly transported to the central container park and collected for processing.

The key for a correct sorting is proper signalization. That is why all containers are equipped with a sign mentioning the respective waste flow in Dutch, French and English. A universal pictogram and a fixed colour, accompanied with a picture for each waste flow, strongly reinforce waste signalization. These elements must contribute to a correct collection.

## Connecting and Cooperating

Vanheede Environment Group is an integrated environmental company. In addition to an internationally organized waste logistics, we have our own processing sites. A large part of the waste flows are transformed into raw materials or energetically valorised at our own sites. Anyhow, we use our many years of experience, material knowledge and knowhow to optimize existing treatment processes and installations, but also to develop new, sustainable economic activities together with other companies and research institutions, in order to close even more material cycles.

More and more customers expect from us that we take an advisory role and that we help them think about how to adapt their production processes and product development towards more recycling. In addition we take care of the waste management and in the end we deliver a semi-finished product.

Anyhow, we see two levers for more secondary raw material streams. On the one hand, for the time being some recycling solutions unfortunately are still more expensive than waste incineration. In that case, only a minimum number of customers will prefer the nature of processing over the cost. Further research into more thorough solutions and lawful solutions provided by the government may help to mitigate this problem. On the other hand, today for some recycled products on the market there are not enough market opportunities (recycling paradox). For example by stimulating or requiring producers to use recycled materials in their products the market for recyclates can be extended.



**“Vanheede goes far beyond waste logistics. We have developed a vast material knowledge and our expertise in the field of recycling processes is widely solicited on an international level. Hence, we gladly provide this knowledge to our customers. In order to close even more cycles, while safeguarding the value of products and materials as much as possible.”**

*Pieter Vierstraete, Material Recovery Manager, Vanheede Environmental Logistics*

**“We must continue our investments and continue to set up more closed material streams. Keep on pioneering in trial projects and develop these projects into mature business opportunities. Our pioneering role allows us to respond more rapidly in the future and to show more flexibility in case of changing market conditions.”**

*Nico Kimpe, Sales & Sourcing Supervisor, Vanheede Polymers & Compounds*



# Our logistic in key figures



264 trucks



84%  $\geq$  EURO 5



+/- 16,000,000 km a year  
= 2,500 times around the earth



238 drivers

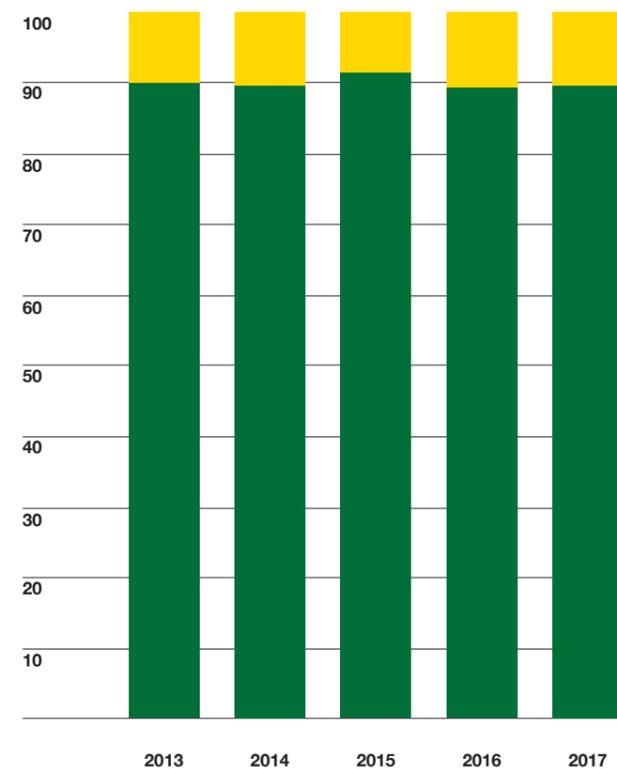


# Our recycling in figures

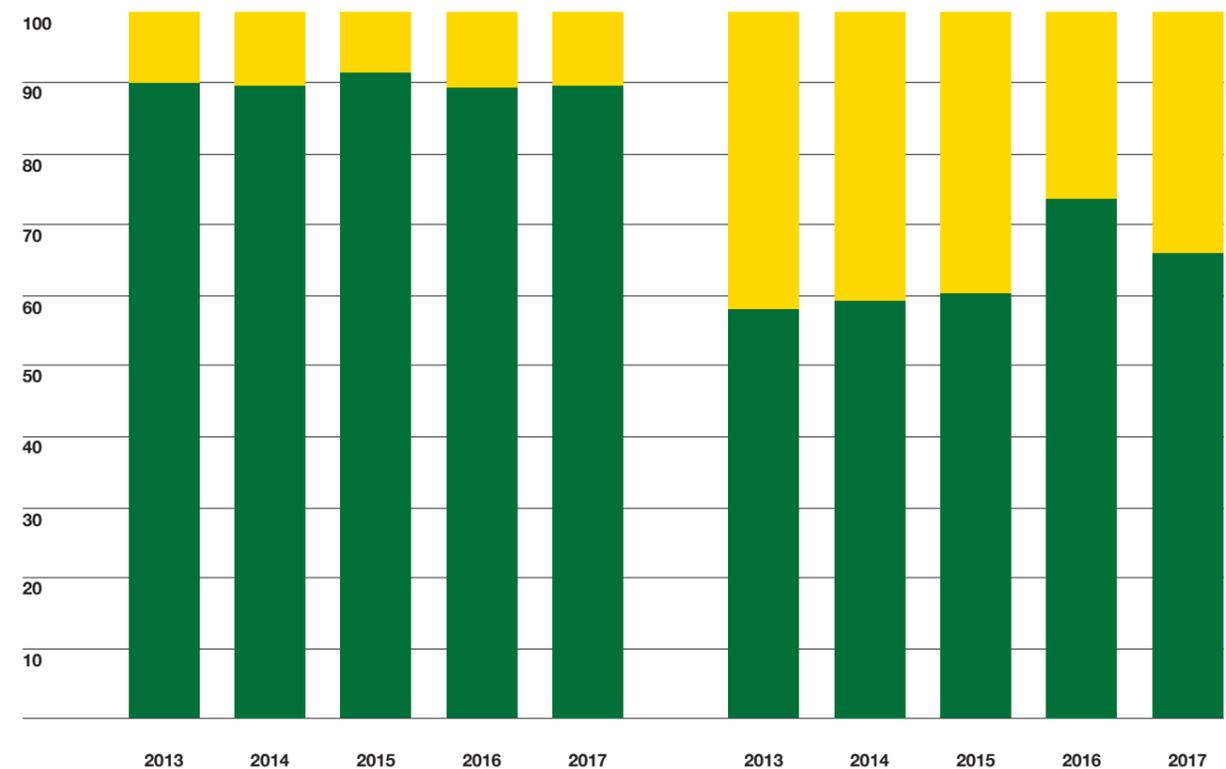
Evolution processing method by the logistic companies in 2017



Evolution processing method by the logistic companies (in %)

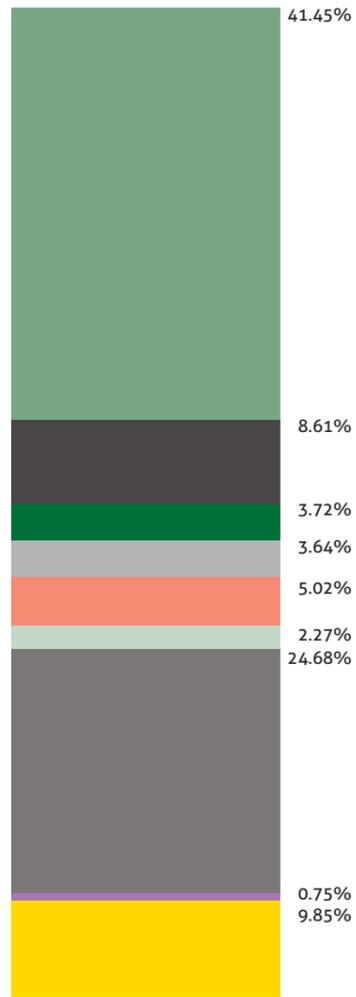


Evolution processing method by the recycling companies (in %)

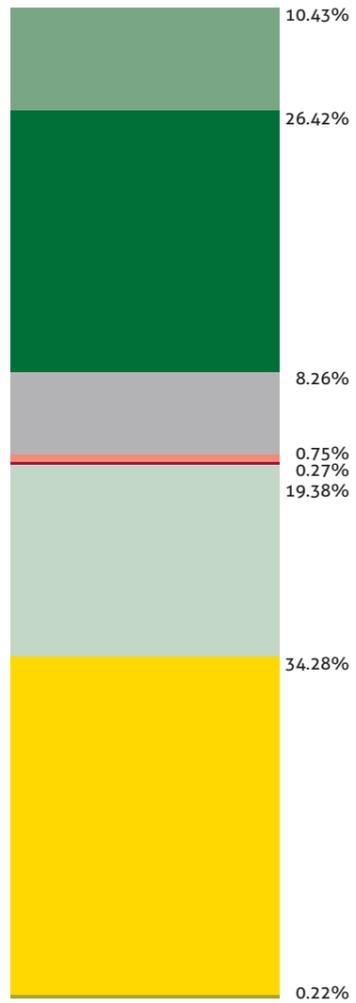


Waste can be valorised at our own treatment sites or at external processing units. The highest quality form of processing is always preferred. At the treatment companies about a quarter of the waste is eliminated, mainly waste residues supplied by external processing units to our landfill site, Vanheede Landfill Solutions.

Nature and processing by the logistic companies



Nature and processing by the recycling companies



- recycling
- sorting
- digestion
- composting
- chemical and physical treatment
- co-processing
- incineration (valorisation)
- incineration (elimination)
- landfilling

- recycling
- digestion
- composting
- chemical and physical treatment
- thermal treatment / drying
- co-processing
- landfilling
- landfilling (recycling-end of waste)



# Closing the polypropylene material stream

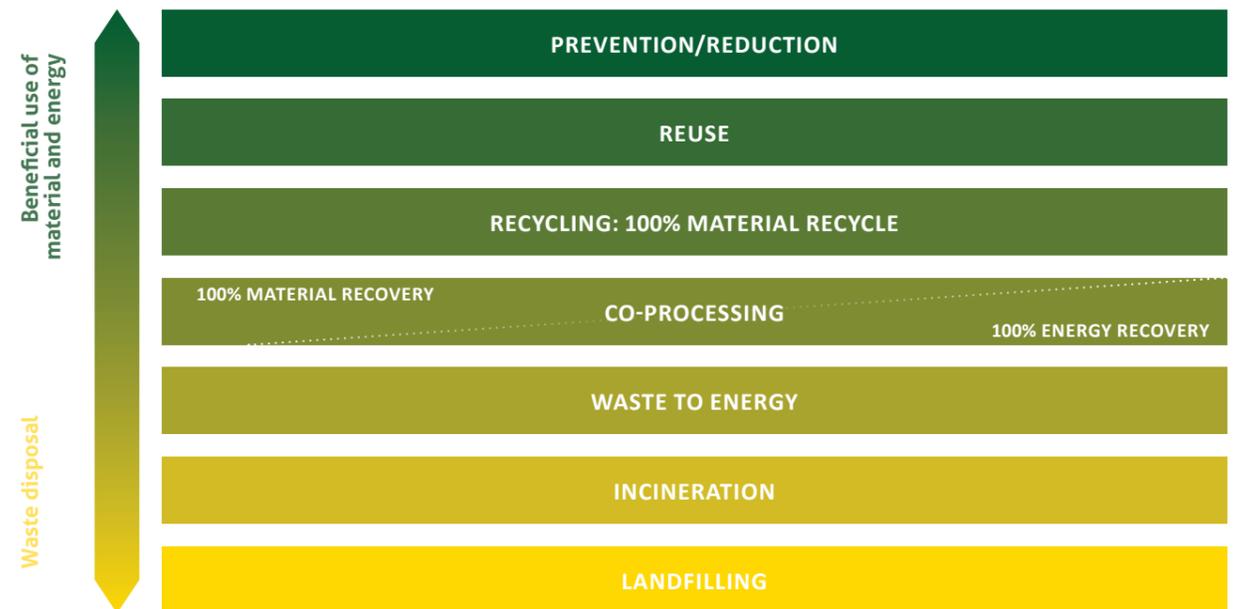
Vanheede Carpet Recycling and Vanheede Polymers & Compounds are leading companies in Europe in the field of research into sustainable solutions for textile waste processing. Polypropylene carpet fibres are transformed into plastic particles that are used as raw materials for new short fibres, used as raw materials for manufacturing exhibition carpet. After use the exhibition carpet is processed into granules for injection moulding applications. At a later stage these applications may also be ground into flakes, which in turn can be recycled again. A continuous closed loop!

## Profit

PROFIT, a Catalisti-ICON project (2017-2019), tries to develop alternative solutions for the complex stream of mixed unpacking material. In this project Vanheede collaborates with companies (Govaerts Recycling, OWS nv), UGent and OVAM to develop the most appropriate and cost-effective separating techniques in function of the desired end product and to examine the recycling potential, taking into account any restraints in terms of odour and filth.

More information:  
[www.capture-resources.be/projects/profit](http://www.capture-resources.be/projects/profit)

Vanheede takes the challenge in every phase of the new waste hierarchy (WBCSD):



## Refoil

Packaging materials safeguard and protect the product quality and also extend the life of the materials to be packed. Seemingly 'simple' foils for the packaging of all kinds of (food) products actually consist of several layers of various polymer materials, each of them offering its specific functionality to the packaging. Multi-layer plastic packaging waste is a huge challenge for mechanic recycling, because the components cannot be separated and therefore must be processed together, in a mixture. UGent, KUL and VKC bundled their complementary expertise to tackle this challenge in the VLAIO-IWT application ReFOIL (2017-2019).

As industrial partners in this project Vanheede and Colruyt make their knowledge available in a joint case study relating to an efficient recycling (instead of incineration) method.

More information:  
[www.ugent.be/ea/match/cpmt/en/research/refoil](http://www.ugent.be/ea/match/cpmt/en/research/refoil)  
[www.capture-resources.be/projects/refoil](http://www.capture-resources.be/projects/refoil)



# Partner in sustainable energy generation

## An optimal energy mix

To keep climate changes under control in the long term and to safeguard our health and quality of life, we focus on energy efficiency and renewable energy.

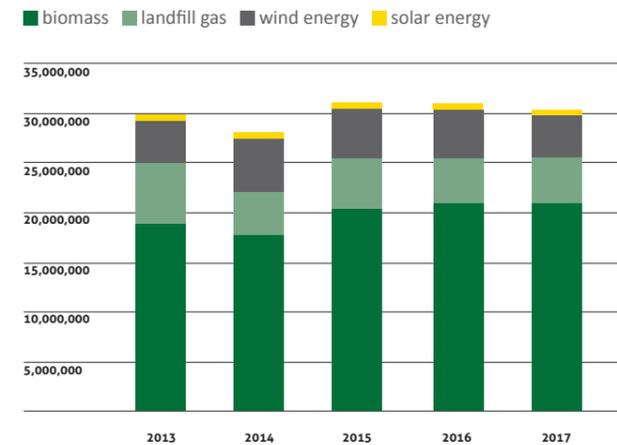
When purchasing installations we seldom opt for the standard package. In consultation with the suppliers and our own engineers a solution is assembled and dimensioned in function of our specific needs and in view of optimal return and efficiency.

Our own industrial digestion unit (Quévy) processes organic-biological products into natural gas, which is then transformed into sustainable electricity and heat by means of a gas engine.

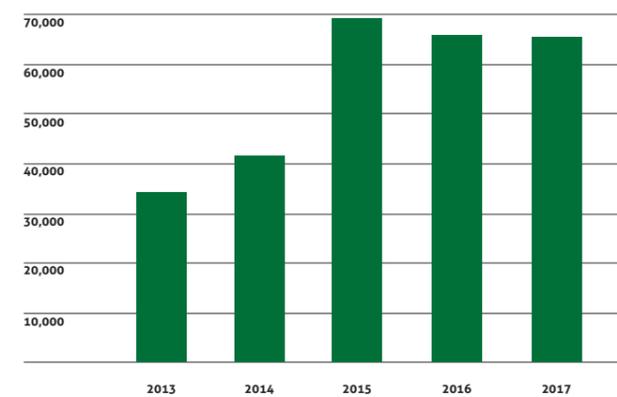
A net environmental profit compared to composting, as the latter does not produce any renewable energy.

The installation in Quévy has an installed capacity of 3.8 MW and the average produced power is far more than 3 MW. The produced heat is used for heating our buildings and drying specific waste streams.

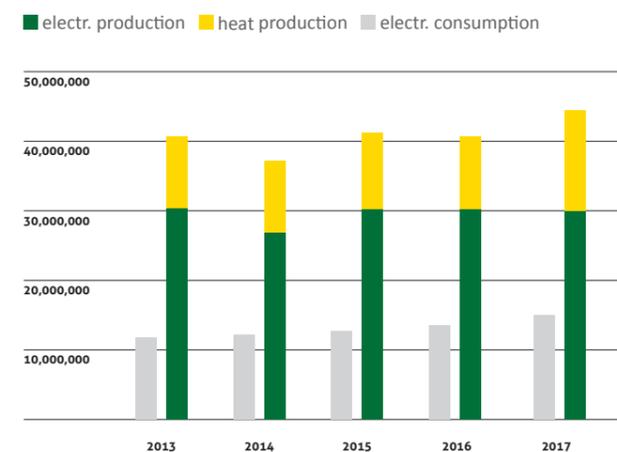
Evolution electricity production (in kWh)



Evolution green current certificates



Evolution energy production and consumption (in kWh)



Also our landfill (Rumbeke) operates as a small but powerful power plant. The biogas that is released from the landfill site is transformed into green electricity. When the biogas is transformed into energy also heat is released. This heat is recovered and offered to a neighbouring company that uses the heat in their spray booth for varnishing agricultural machines.

A 2 MW wind turbine injects all the electricity into the network. The 1,065 solar panels (250 kWp) contribute to the power supply of the site in Quévy; the surplus is supplied to the network.

“Whereas renewable energy traditionally is often linked to wind turbines and solar panels, also biogas constitutes a valuable renewable energy source at Vanheede. The greenhouse gas impact of CH<sub>4</sub> (methane) is 25 times higher than that of CO<sub>2</sub>. Therefore capturing CH<sub>4</sub> in the landfill of Vanheede Landfill Solutions (Rumbeke) has a double environmental profit. By transforming CH<sub>4</sub> into sustainable electricity in the biogas engines it cannot be released into the atmosphere anymore. Furthermore during this process CH<sub>4</sub> is transformed into CO<sub>2</sub> and water, thus reducing the environmental impact with factor 25.”

*Jürgen Desmedt,  
Director, Vanheede Landfill Solutions*

At the moment other options for extending our own energy generation are being examined.

Obstacles that need to be tackled to this effect are:

- Available market for heat at the location where the biogas is released
- Purification of biogas up to natural gas quality
- Balancing the electricity generation with the demand
- Profitability of the installation, independent from grant mechanisms

# We produce three times more renewable energy than we consume

## Optimizing the energy portfolio by means of a flexible supply contract

With a large share of green electricity from sources such as wind, sun and biogas Vanheede de facto is a net generator of electricity from green and sustainable sources.

When optimizing the energy portfolio a contract was established that would offer extra market opportunities in addition to price certainty, by trading the flexible current generation of Vanheede on the short-term and reserve power markets. Pursuant to the contract terms Next Kraftwerke is operating as Balancing Manager and as power trader.

Eoly supplies green electricity and cooperates with Next Kraftwerke in commercializing production flexibility on the spot and reserve power exchanges. The power generated by the flexible Vanheede installations is monitored real-time. The dispatchers at the control centre of the virtual energy centre of Next Kraftwerke, called the Next Pool, increase the electricity production if the prices go up and decrease production in order to save fuel if the prices go down.

"This cooperation not only involves the creation of direct value with the flexibility of our engines, but also the provision of extra support for the integration of renewable energy sources."

*Tom De Vrieze, Project Engineer  
Thermodynamica, Vanheede Environment Group*



"The adjusted supply contract allows us to cooperate and provide flexibility services to the customer. This is a rather unique model and represents a tailor-made solution for one specific customer, but we believe such contracts will become the standard in the future"

*Jan De Decker, CEO Next Kraftwerke Belgium*

## Flex Trading and Supply for Vanheede

### Next Kraftwerke

- BPR management
- Flexibility steering
- Power trader

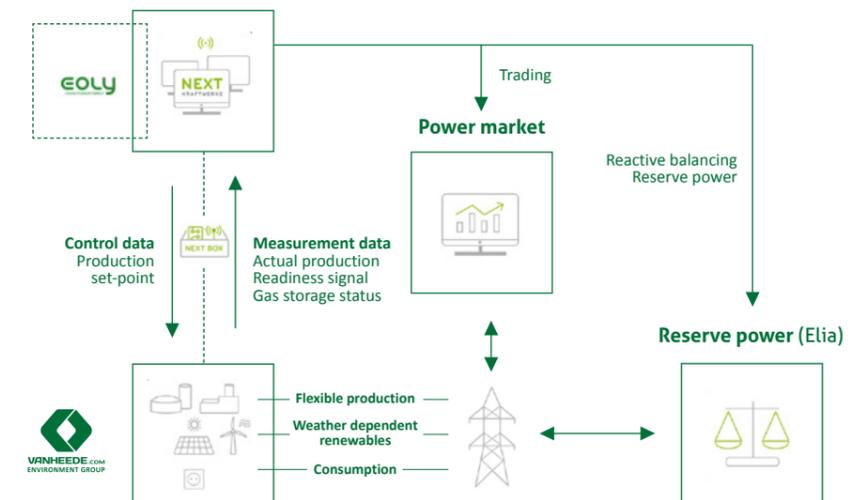
### EOLY (Colruyt Group)

- Green Supplier offering smart flex contracts
- Efficient supply data management
- Cooperating with Next Kraftwerke's flexibility service

Smart flex supply contract + Additional premium for flexibility provision

### Vanheede

- Operation and maintenance of flexible biogas units
- Owner of renewable generation



In 2017 we generated more than 45,000 MWh of electricity and heat.

45,000 MWh is the energy consumption of:

13,000 households

225 million km driven with a Tesla S85



# Sustainable ecosystems ... on land, at sea and in the air

## Sustainable soil management

A healthy soil provides space for nature, entrepreneurship and safe and healthy living and housing conditions. In order to achieve the above Vanheede is working on a sustainable soil management. First of all by acting preventively, for example by paving the sites to prevent infiltration or by taking periodical soil and ground water samples to detect problems, if any, at an early stage.

Various exploratory and descriptive soil investigations were terminated or launched. Where historical contamination was detected a remedial action plan was established and executed, after being approved by the competent public authority. Contaminated soil is excavated and processed externally.

At the Rumbeke landfill the risk of leachate leaks is tackled in a structural way in consultation with the neighbours and the local authorities of Roeselare. As a matter of fact the landfill and the nature reserve are located in flood plains. That is why a larger buffering of water was installed, which also has to prevent the leachate from finding its way to the forest and the rivers.



### Improved soil quality

At our site in Quévy composting, digestion and water purification installations are joining forces to improve the soil and water quality:

- Composting: more than 30,000 tonnes of green waste (prunings, flowers, plants, leaves, trees, grass, etc.) are transformed into biofuel for biomass plants or into high-quality compost for agriculture. Compost is an excellent soil improver. It contains a high level of organic material.
- Our own industrial digester plant processes more than 100,000 tonnes of organic-biological products into methane, which is then transformed into electricity by a gas engine. Digestate is the raw material that remains after digestion. It is used in agriculture and horticulture as a soil improver with a high organic content.

We expect a further growth of the digestion activities in the years to come. This is partly due to the fact that the authorities strongly stimulate the selective collection of food waste.

“At Vanheede environmental management is handled in a professional way. For example a supervisory committee constitutes a forum for all stakeholders involved (neighbours, public authorities, company) around the landfill site in order to monitor permit provision issues, discuss concerns and examine options for improvement.”

*Koen Dewulf, Head Department licences, Province West Flanders*

### Joint management of the mining of clay

The Rumbeke landfill is located in a mining area of about 40 ha. In consultation with the Environmental Department Afdeling Vlaams Planbureau voor Omgeving (formerly known as ALBON), the government institution managing the natural resources in Flanders, in various phases pure clay from Ypres is extracted from tertiary sediments. This clay is a scarce resource and is used in brickworks for the manufacturing of facing bricks, quick-build bricks, roof tiles, ...

The fact that the Wienerberger plant for roof tiles in Aalbeke and the plant for quick-build bricks in Zonnebeke were located nearby constituted an ideal starting point for cooperation. A joint management of the clay mining operations guarantees a stable raw material composition and a stable production process. For both Wienerberger and Vanheede this is a win-win situation. Wienerberger is able to use the primary raw material clay, is guaranteed to obtain a high-quality end product and transports to the processing locations are limited. Vanheede makes use of the space that is made available.

“Being an innovative actor it is important to be and to keep up-to-date with the new technological developments and evolutions in legislation. If you are not up-to-date, you will be surpassed.”

*Bettina Bouckaert, Secretariat Environmental licence commission, Province West Flanders*

### Reduction of air emissions

We take care of the living conditions of our neighbours, limit the nuisance and take into account their wishes and grievances. Three times a week Jan Dujardin performs his smell tour around our Rumbeke landfill. In consultation with our neighbours a series of measures were advised that are being implemented by now: an activated charcoal installation on the suction system of the washing area, a spray system at the warehouse for residue waste, transferring food waste inside, developing another type of truck to collect food waste; a biofilter on the air extractor, ...

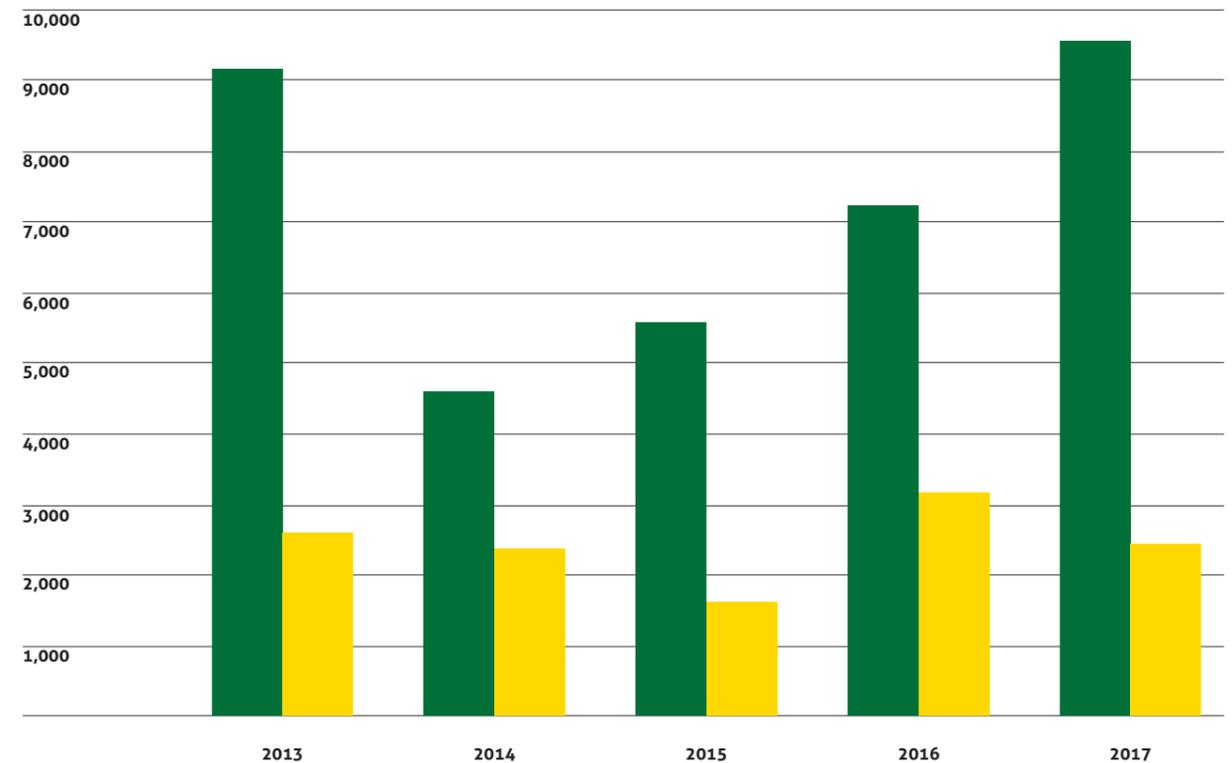
Also dust may constitute a potential source of nuisance. In Dottignies gates are installed to keep the dust that is generated by the pellets inside. In Quévy during the breaking process of wood a water spray is applied and the direction of the wind is taken into consideration. In addition we have also started with sediment measurements on airborne dust around the landfill site in Rumbeke. This way we can act proactively, should any calamities occur.

“Vanheede stands for open and transparent communication. It takes a lot of efforts to gain the confidence of the neighbourhood but only a few seconds to lose that confidence again.”

*Koen Vandenbroucke, QESH-manager Vanheede Environment Group*

### Evolution tap water consumption in m<sup>3</sup>

### Evolution rain water consumption in m<sup>3</sup>



### Vision on efficient water use

Also water sources and the way they are handled have an impact on society and economy, especially in the field of health, food production, hygiene and the functioning of ecosystems. Our vision note on water focuses on avoiding the use of city water and contains some measures to optimize the use of water and waste water:

- Reuse of rainwater. Where possible replace tap water with rainwater.
- Reuse of purified waste water as process water (washing installations, to prevent dust pollution, ...) through our own water purification plant.
- Collect washing water to purify later on at our own or an external water purification plant.
- Preventing waste water at the source. Disconnecting the parking area for vehicles and storage areas for empty containers, covering up landfill cells with foil more rapidly, provide roofing, ...

We fully focus on “measuring is knowing”. Water consumptions are not only registered in terms of overall figures, but also for each sub-installation, so as to be able to take tailor-made measures.



# Getting opportunities and taking opportunities

## Meaningful work in a sector with future

Vanheede offers its employees a fascinating job in a future-oriented sector. Meaningful work with a positive impact on society. Vanheede is known to be a stable local employer, offering a fair and correct remuneration. But in the current scarce labour market it is not enough to keep relying on this good reputation. Employer branding is becoming increasingly important in order to distinguish ourselves from other companies. Each and every day we try to keep the balance between the group's interest and the expectations of each individual. HR has now become more and more customized.



**"Where Vanheede makes the difference, is the human approach and the confidence in people. We don't hide behind systems. The human factor and emotions: that is what counts. HRM? 'Human & Resources' come first, that is the human part. 'Management' follows."**

*Wim Cannaert, HR Manager,  
Vanheede Environment Group*

Openness, honesty, confidence, humanity and respect create a connection amongst all employees, the 'Vanheede family feeling'. We attract employees that are similar to ourselves and we notice that even our customers often are a reflection of ourselves in terms of culture and entrepreneurship.

"We are convinced of the fact that a company's strength is determined by the power of its people. I know Vanheede to be an employer that is aware of the challenges and changes that lie ahead of us. Vanheede aims for a sustainable HR management where they grant responsibility and are prepared to invest in the development of their employees."

*David Maelfait,  
Business Development manager Acerta*



"Vanheede and Unique (part of USG People) share a joint aim for sustainable employer-employee relationships. We both acknowledge the power and interest of human capital. We offer a perspective to employees and aim for the long term. We challenge one another and contribute proactively in recruitment and selection, but also in the broader HR policy of the Vanheede group."

*Katty Scheerlinck,  
Country Director Belgium USG People*

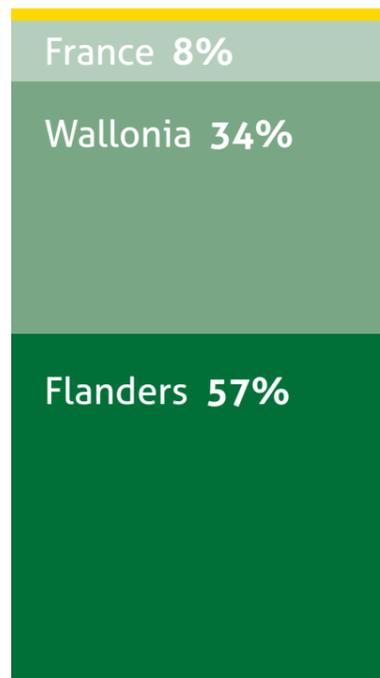
"Today there is not really a shortage of jobs. It is rather the shortage of people and skills that is the inhibiting factor for the growth of economy. An important challenge is how to teach the employees sufficient skills in function of their jobs. In this respect we participate in searching for solutions, such as retraining, competence development, advancement, workable work or flexibility. The younger generation also has other needs in terms of job content than older employees. Ready-made solutions for this are not available yet. There is a need for a framework and long-term vision, but the practical arrangement always requires customization on both company and people's level."

*Katty Scheerlinck,  
Country Director Belgium USG People*



### Classification per region

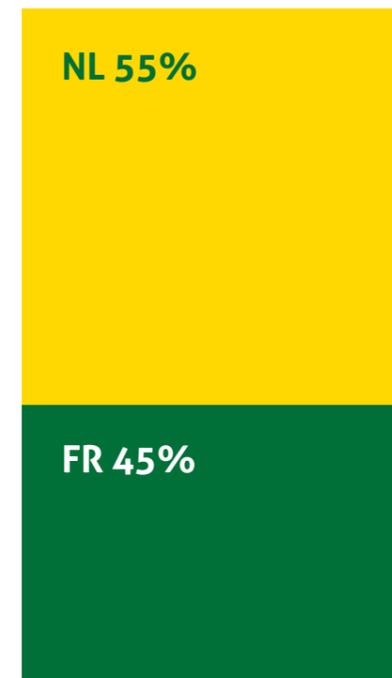
Luxemburg 1%



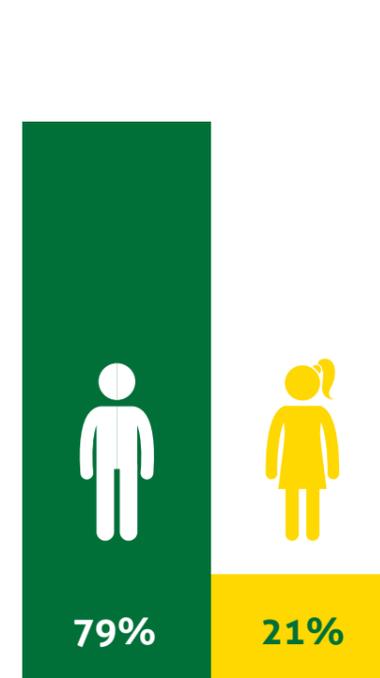
### Classification per age group



### Classification per language



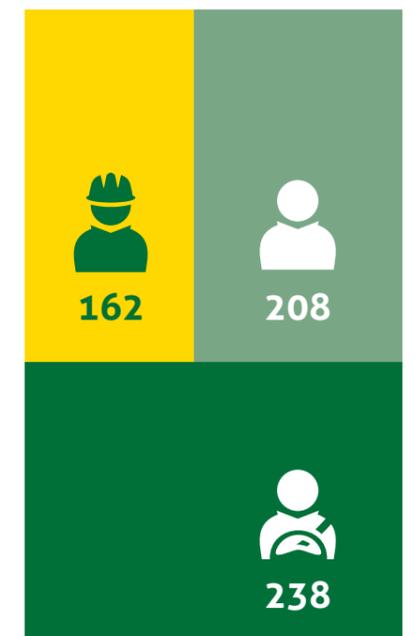
### Classification per gender



### ■ Full-time ■ Part-time



### Workers Drivers Employees



## People-oriented human resource management

As an employer we offer a people-friendly company culture. We cherish our vast mix of employees, irrespective of their age, sex, nationality, educational level, ... As a matter of fact a diverse team can benefit from its broad diversity in knowledge, ideas and experiences. This way the whole is more than just the sum of the parts.

Within HR we think it is our role to approach people actually as human beings. Together with the employee we will search for an answer, when private problems are becoming too much of a burden. That is why we also set up a collaboration with the Netwerk tegen Armoede (Anti-Poverty Network) where people in poverty take the stand with the final aim of banning poverty and social exclusion. This organization recently also addresses the 'working poor', vulnerable employees who for various reasons (divorce, protracted illness, etc.) may be facing poverty.

"Vanheede is an international player with a strong local anchoring in the different regions. Vanheede was one of the first players who opened up to diversity and offered opportunities to employees across the borders, regardless of origin, language or educational level. Not always evident, but with the open and constructive attitude adopted by Vanheede a major asset."

*Katty Scheerlinck, Country Director Belgium USG People*

"Vanheede has a clear mission and vision with values in which we recognize ourselves. Vanheede clearly understands that it is impossible to grow without committed employees. Acerta supports this vision by operating as an HR sounding board in order to support your further growth, changes and challenges as your HR partner."

*David Maelfait, Business Development manager Acerta*

"For Vanheede it was an evident choice to join the programme of the Anti-Poverty Network. Human approach and attention and care for (the personal lives of) its employees are elements that are embedded in the HR policy of Vanheede."

*Wim Cannaert, HR Manager, Vanheede Environment Group*



"Work and private life inevitably run into each other. Considering the current tightness in the labour market it is not only difficult to find the right people but as a company you'd better hold on to your employees, even at difficult times. The Anti-Poverty Network provides support to companies to recognize problems relating to well-being at work & poverty with your employees and make them open for discussion. In addition, using a social map, we provide options where according to the specific problems, vulnerable employees can be referred to in a specific and customized approach."

*Johan Schmidt, Project Manager ESF Project Sustainable Employment, Anti Poverty Network*

**"Vanheede was one of the first players who opened up to diversity and offered opportunities to employees across the borders, regardless of origin, language or educational level. "**

*Katty Scheerlinck, Country Director Belgium USG People*

## Granting freedom and taking responsibility

Employees with Vanheede are granted a lot of freedom to develop their personalities and to grow in their jobs. Sense of responsibility and entrepreneurship are encouraged. In other words it is up to the employees to develop the personality to see opportunities and to take them.

HR Business Partners are responsible for contacts with the various sites. Every site has a personal contact with HR with respect to questions about payroll, holidays, legislation, but also for a personal chat. This raises recognisability and confidence with the local employees.

The growth of the company makes it more a challenge to keep the personal contact going. Vanheede tries to remedy that by assigning HR Communicators on each site. Apart from their day-to-day function (so they are not HR employees) these people operate as a contact for the general public. They constitute the direct link to the HR department.

"As HR Business Partner you must be versatile. Apart from knowledge on payroll administration and legislation, the human and social aspects are at least equally important. That's what makes our function so fascinating. Communication, negotiation, the ability to listen."

*Florian Desmeyere, HR-Business Partner, Vanheede Environment Group*

"I like to meet people and to make myself available and accessible for questions and concerns. This way the threshold is lowered."

*Emmy Vanrobaeys, HR-Business Partner, Vanheede Environment Group*



"In our contacts with people every situation is different. By listening and searching for the appropriate solution, we make sure our employees are committed and satisfied."

*Vanessa Vandenberghe, HR-Business Partner, Vanheede Environment Group*

"In a rapidly changing labour market there is an important role for employers, employees and executives. This offers both challenges and opportunities. With Acerta we would like to support Vanheede, its employees and executives in every growth phase of the HR process. The power of people: that is what it's all about. We would like to use our talents in the best possible way in order to develop the power of people to a maximum extent."

*David Maelfait, Business Development manager Acerta*

**"We strive for a clear and correct payroll processing. We are solution-oriented and are open for questions."**

*Caroline Bostoën, HR-Business Partner, Vanheede Environment Group*

"As HR department we would like to keep growing with the new trends. Flexible working hours, digitization of the payroll and vacation day administration, digital recruiting and advertising are just a few of the new evolutions that we are closely monitoring and that we would like to find a solution for within Vanheede."

*Wim Cannaert, HR Manager, Vanheede Environment Group*

"We know Vanheede as a premium innovative actor. Not only in its core market of material management, but also in the supporting processes. For example, Vanheede was one of the first employers to develop, together with us, a tailor-made digital recruitment package for the new employee. The latter includes the first screenings, the welcoming (introduction to the company, safety procedures), as well as all administration, so that we can spend more time on the personal interview with the candidate."

*Katty Scheerlinck, Country Director Belgium USG People*



# Safety is a matter of general interest and concern

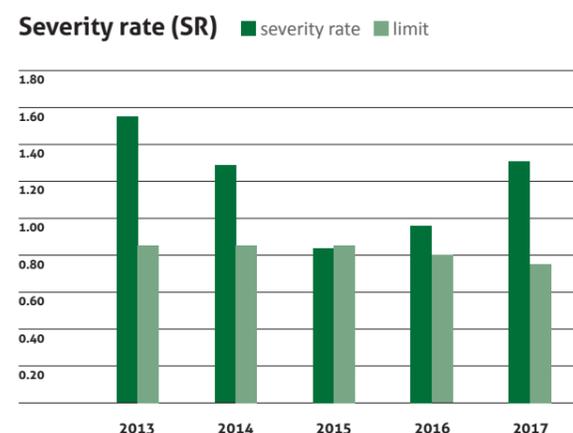
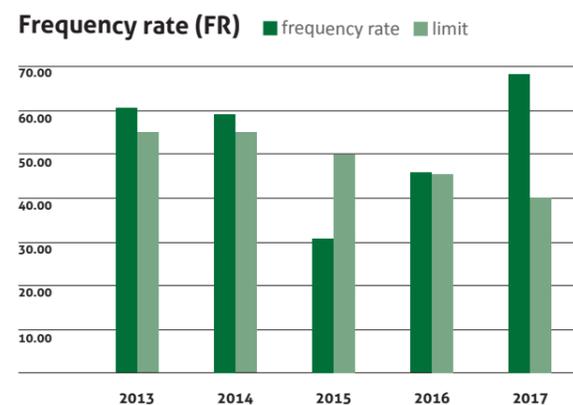
## Objectifying safety

Safety performances are measured objectively by means of the frequency rate (number of accidents at work involving at least 1 day of absence from work per million working hours) and the severity rate (number of days of absence from work per thousand working hours). So, for both factors the rule is: the lower, the better.

We have retained our ambition in 2017 and, just like last year, we have lowered the maximum threshold for the frequency rate within CPBW, i.e. from 45 to 40. Also the threshold for the severity rate was lowered. The maximum threshold for the severity rate for 2017 is 0.75, where it still was 0.80 in 2016.

With respect to the sector benchmark there is plenty of room for improvement. Our frequency rate is far above the average of 2016 (26.5 in 2016- NACE2- code 38). Also the accident severity rate is higher than the sector average (0.86 in 2016- NACE2-code 38).

Therefore, in spite of the attention we continuously pay to the safety of our employees, we don't see a decrease in the accident figures in 2017.



## Enhance safety awareness

The last couple of years we have mainly focused on technical safety measures, such as the correct working material, clear stipulations, appropriate clothing, ... It is important to us that our employees can appeal to someone. That is why the regular presence of the HR Business Partners and the QESH Business Partners on the sites is so important. In 2017 the department of "trauma support" at PROVIKMO for victims (and colleagues, if applicable) of a severe accident was extended.

But accidents at work are to be attributed only for 20% to unsafe installations and for 80% to unsafe behaviour. The basis for an improved safety structure is awareness. In order to achieve a turnaround by the end of 2017 a safety policy ambassadors' group was established. As a matter of fact safety is everyone's responsibility. Support from some motivated ambassadors – together with the intrinsic commitment from the management (exemplary role) – is already one step in the right direction.

"In order to avoid accidents and achieve a safe behaviour with every employee, habits must be broken. This requires a prolonged effort from all executives. The translation of what safe behaviour means in function of the various jobs, activities and sites requires frequent consultation between the working group-prevention department and operational management. Systematic dialogues should progressively make the employees aware of the desired behaviour, so that they can, also amongst one another, make it an issue."

*Hans Van Stiphout, Fullmark*

The next couple of years we will focus on a change of behaviour with our employees. On the basis of the SMART-Safety method (Fullmark) we intend to:

- Enhance the commitment of each employee (through a visual campaign (12 topics) on the workfloor).
- Organize training/coaching of management and executives.
- Create awareness as a team, in addition to the collective and individual awareness.

First we address the executives on the various sites. Supporting a group of 700 people requires a specific way of management. Therefore the training is not only about safety. About 45 employees will participate in a trajectory regarding culture and change of behaviour. This way also the following matters are covered: 'how to manage', 'how do I communicate', 'how do I create commitment, how do I respond to resistance, etc.

These insights must support every executive to create commitment with his/her employees in thinking about and improving the behaviour relating to various safety topics. The next 3 years about 12 topics will be handled (e.g. high-visibility clothing, safe driving, safely working at heights, ...). The above actions are simultaneously launched on the various sites. As a matter of fact, repetition is important. On each site the same message must be spread at the same time, thus resulting in recognisability.

"At Vanheede there is "authentic care" to make sure nothing happens to the employees. Serious investments have been made in terms of means and processes. Safety is systematically taken into consideration when deciding about new investments. But processes as such will not be sufficient. The executives know that their own exemplary behaviour will have to be "the first stone" to change the culture."

*Hans Van Stiphout, Fullmark*

## Other safety actions:

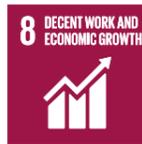
- Implementation of prevention measures from the fire risk analysis. This risk analysis is part of the fire prevention file and contains various measures (clear division of tasks in case of fire, signalling, etc.) and investments (such as protective equipment).
- Stepping up accident analysis in order to determine the correct causes of the accident + verifying that the formulated prevention measures are indeed implemented.
- Training and coaching of new drivers (elaborating a system of mentorship for drivers and implementing this on all sites).
- Training and coaching of experienced drivers (in combination with the competence training).



**"A safety culture is developed through various phases. Phase 1 is the HIM phase: Safety is a responsibility of the prevention advisor. Phase 2 is the ME phase: I can also contribute to safety, because safe working conditions are also in my interest. Phase 3 is the purpose, the WE phase: I am also responsible for the safety of myself AND of others; you can count on me, I can count on you, we are working on it together."**

*Kurt Van Vaerenbergh, Fullmark*





# Sustainable growth

## Long-term investment

The drive to innovation at Vanheede is very strong. Every new technology also entails important investments that have to be feasible, highly-performing and profitable. The financial management therefore requires the monitoring of various parameters: gross margin, operating profit, solvency, profitability, ... The financial figures are reported for each legal entity and finally consolidated. As from this year we also want to provide reports per business unit.



“Our long-term vision aims at corporate continuity. Entrepreneurship, including innovation, must be sufficiently profitable in order to ensure continuity and create value. This is also determined and supported by a financially healthy policy.”

*Jan Minne, CFO Vanheede Environment Group*



“Vanheede has managed to grow in a sector that is dominated by major actors, which is quite an achievement. This has been made possible through hard work and entrepreneurship. As a matter of fact the strong growth of the last couple of years calls for another way of managing.”

*Karel Gielen, Advisory Committee*

## Balance sheet

The consolidated balance sheet on the year 2017 is closed with a balance sheet total of K€ 117,151,

On the assets side the book value of the tangible and intangible fixed assets has considerably increased. Investments over the financial year amount to K€ 17,847; an increase by more than 46% compared to last year. With respect to the accounting policies there are no modifications compared to last year.

The amounts falling due within one year remain more or less stable. The trade

receivables have slightly increased as a result of the increase in turnover. The rest of the receivables present a strong decrease as a result of the writing down of an old tax debt.

The available liquid assets have increased to K€ 12,198. The liquidity level is at 1.13, which is sufficient to fulfil all our obligations within the short term.

Due to the negative result of the financial year (see declaration under ‘profit and loss account’) the own capital has decreased. The provisions for risks and charges have

increased, especially as a result of the established provision (on an annual basis) for the after-care of our landfill site. In terms of debt, the long-term and short-term financial debts together, have increased. Also the commercial debts as per 31/12/2017 are higher than the previous financial year.

The solvency ratio of Vanheede Environment Group remains high: 43.77%; we hereby take into account the addition of the subordinated long-term ‘DACAR’ loan (M€ 31.20) to the own capital (Dacar: family holding of the Vanheede family).

## Consolidated balance sheet (in KEUR)

ASSETS	2017	2016
intangible fixed assets	8,803	9,971
tangible fixed assets	59,472	53,670
financial fixed assets	907	900
<b>FIXED ASSETS</b>	<b>69,182</b>	<b>64,541</b>
amounts falling due after more than one year	0	0
stocks	2,550	2,425
amounts falling due within one year	32,434	32,467
liquid assets	12,198	9,060
accruals and deferred income	787	806
<b>CURRENT ASSETS</b>	<b>47,969</b>	<b>44,758</b>
<b>TOTAL OF ASSETS</b>	<b>117,151</b>	<b>109,299</b>

LIABILITIES	2017	2016
capital	3,350	3,350
consolidated reserves	16,728	17,812
<b>OWN CAPITAL</b>	<b>20,078</b>	<b>21,162</b>
third-party interests	0	0
<b>THIRD-PARTY INTERESTS</b>	<b>0</b>	<b>0</b>
provisions for risk and charges	5,882	4,409
deferred taxes	0	63
<b>PROVISIONS, DEFERRED TAXES</b>	<b>5,882</b>	<b>4,472</b>
debts falling due after more than one year	51,430	51,776
debts falling due within one year	39,524	31,597
accruals and deferred income	237	292
<b>DEBTS</b>	<b>91,191</b>	<b>83,665</b>
<b>TOTAL OF LIABILITIES</b>	<b>117,151</b>	<b>109,299</b>

## Profit and loss account

The non-consolidated turnover over the year 2017 has strongly increased by more than 14% compared to last year; i.e. from K€ 124,712 to K€ 142,630.

The consolidated turnover has increased by ± 13.50% to K€ 125,082. The 'purchases and subcontracts' however have increased by 20%, especially because of an increase in the items of 'transport subcontracts' and 'purchases recovery products'. The gross margin has increased in absolute figures by about M€ 6.33 (= + 9% compared to the year 2016), but has decreased in relation to the turnover by about 2.46% (from 63.15% for the year 2016 to 60.69% for the year 2017).

The 'goods and diverse services' (code 61) and the 'own wage costs' (code 62) have increased, but less than the increase in turnover in percentages.

The annual amortisation of the consolidation goodwill (at 5%) is separately mentioned in the consolidation under item 'amortisation of consolidation differences' and amounts to K€ 1,056.

The amortisations of tangible and intangible fixed assets and the recorded depreciations and provisions have considerably increased; as a result of the high investments and the increase in the established provision for the after-care of our landfill site (start new phase) respectively.

Because of the sale of fixed assets (machines and rolling stock) the exceptional proceeds are rather high. The exceptional write-offs on a demolished immovable good (landfill site) determine the amount of the exceptional costs.

The EBITDA of Vanheede Environment Group has increased in absolute figures by M€ 1.5 compared to the previous financial year. In terms of percentages in relation to the turnover it shows a limited decrease (from 13.87% for the year 2016 to 13.48% for the year 2017). The EBIT has decreased both in absolute figures and in percentages in relation to the turnover (M€ 2.81 and 2.25% for the year 2017; M€ 3.03 and 2.75% for the year 2016). This decrease must be qualified to some extent as the EBIT over the year 2017 is influenced by the increase in provisions (see hereinabove) thus making it difficult to compare with the previous financial year.

The taxes have increased substantially, but they are mainly influenced by the writing down of an old tax debt in one entity. This write-off does not result in a cash-out, but indeed determines our negative consolidated result.

The consolidated profit and loss account as per 31/12/2017 closes with a consolidated loss of K€ 931.

## Key figures

The annual accounts of 2017 (01/01/2017 -31/12/2017) of Vanheede Environment Group nv and its subsidiaries, as well as the consolidated annual accounts can be consulted free of charge with the Central Balance Sheet Office of the National Bank of Belgium. We will give you a brief overview in the present sustainability report.

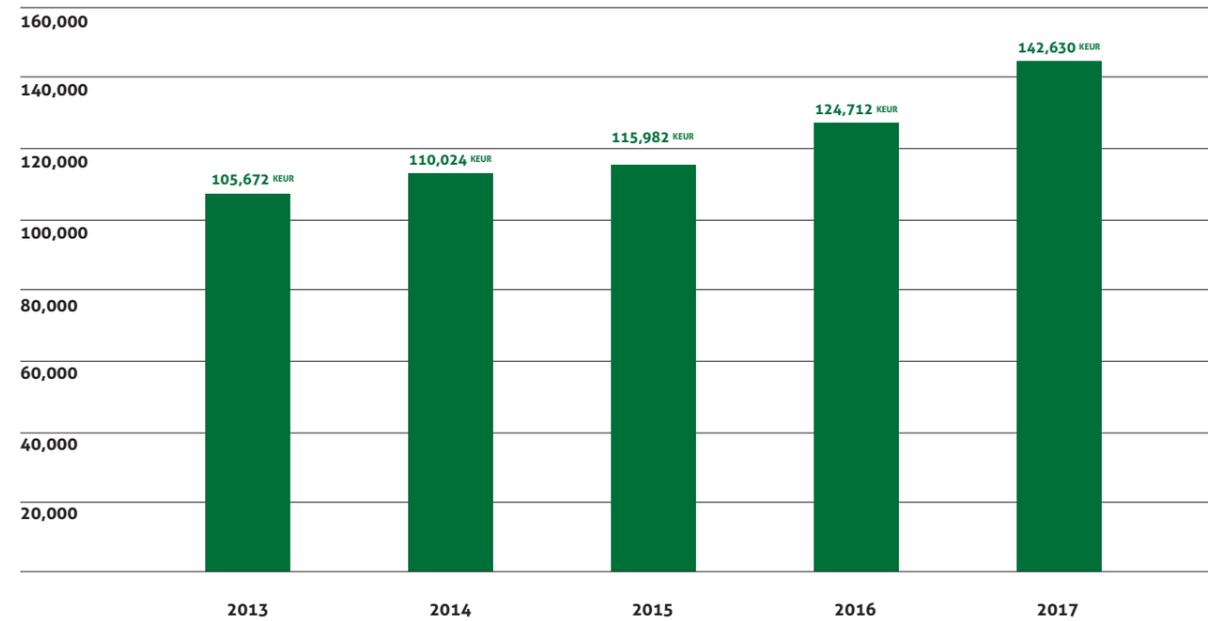
## Consolidated profit and loss account (in KEUR)

	2017	2016
turnover	125,082	110,170
changes in stocks / produced fixed assets	4	3
other operating income	1,577	877
<b>OPERATING INCOME</b>	<b>126,663</b>	<b>111,050</b>
purchases and subcontracts	49,177	40,598
services and diverse goods	28,907	26,776
remunerations and social expenses	29,863	26,721
amortisations	11,401	10,538
depreciations and provisions	1,592	652
other operating expenses	1,850	1,677
amortisations of consolidation differences	1,056	1,056
<b>OPERATING EXPENSES</b>	<b>123,846</b>	<b>108,018</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>2,817</b>	<b>3,032</b>
FINANCIAL INCOME	590	421
FINANCIAL EXPENSES	914	964
<b>PROFIT/LOSS FROM ORDINARY ACTIVITIES</b>	<b>2,493</b>	<b>2,489</b>
EXCEPTIONAL INCOME	258	119
EXCEPTIONAL EXPENSES	531	3
<b>PROFIT/LOSS OVER THE FINANCIAL YEAR BEFORE TAXES</b>	<b>2,220</b>	<b>2,605</b>
WITHDRAWALS	27	34
TAXES	3,178	1,364
<b>CONSOLIDATED PROFIT/LOSS</b>	<b>-931</b>	<b>1,275</b>

## Summary consolidated profit and loss account (in KEUR)

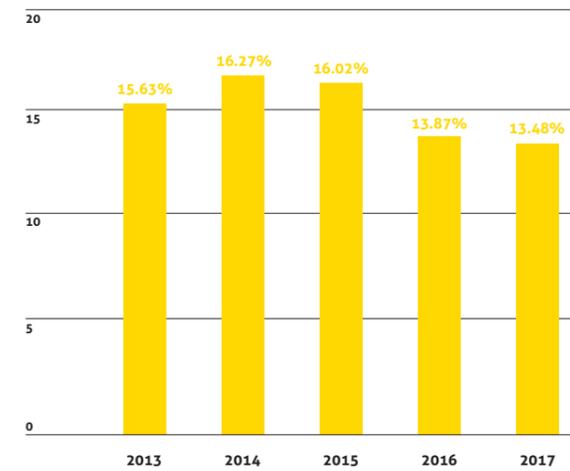
	2017	2016
turnover	125,082	110,170
EBITDA	16,867	15,278
net result	-931	1,275
own capital	20,078	21,162
subordinated 'DACAR' loan	31,200	32,000
corrected own capital	51,278	53,162
balance sheet total	117,151	109,299
solvency ratio	43.77%	48.64%
liquidity ratio	1.13	1.31

## Non-consolidated turnover (in KEUR)

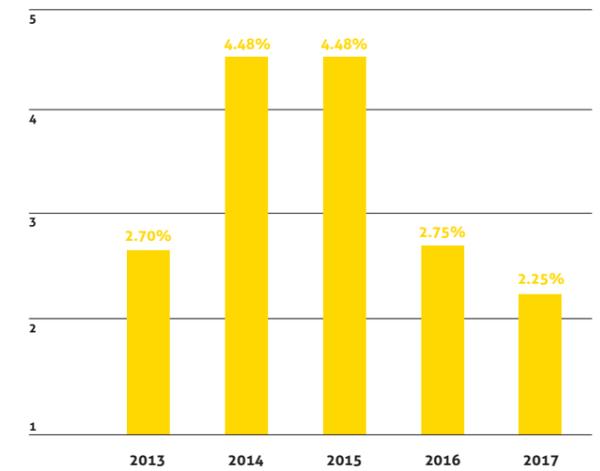


The non-consolidated turnover for the year 2017 has increased significantly by more than 14% compared to last year, rising from €124,712K to €142,630K.

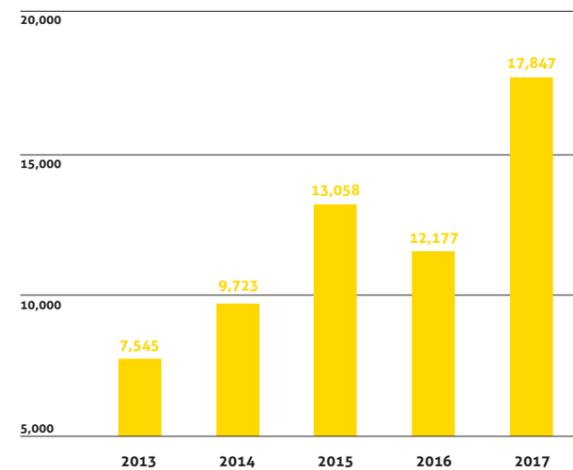
## EBITDA evolution of the EBITDA (in % of the consolidated turnover)



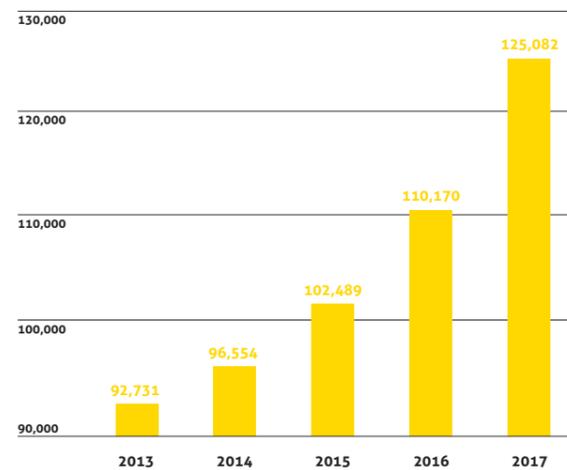
## EBIT evolution of the EBIT (in % of the consolidated turnover)



## Investments evolutions on the investments (in KEUR)

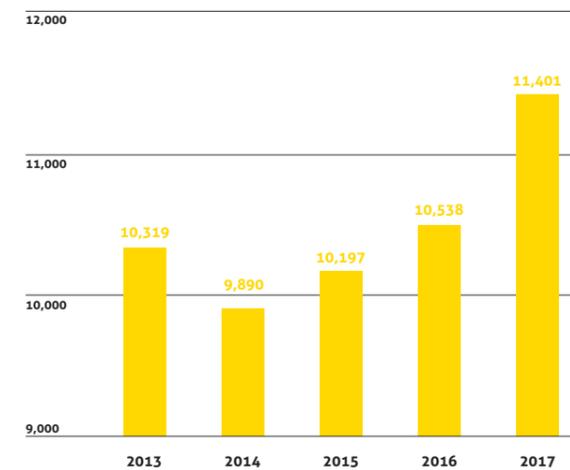


## Turnover evolution of the turnover (in KEUR)



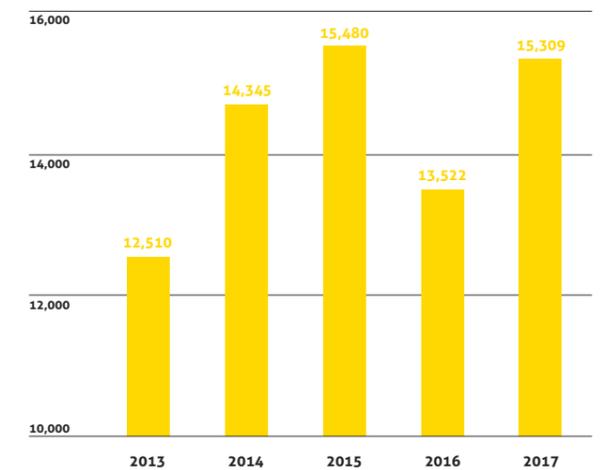
## Amortisations

evolution of the amortisations (in KEUR)  
excluding amortisations consolidation goodwill



## Operational cash flow

evolution of the operational cash flow (in KEUR)





# Sustainable partnerships

“We are always prepared to go that extra mile to give your waste flows a new and sustainable destination as much as possible. By excelling in a high-performing logistics system. And developing high technology for the processing of a series of essential waste flows. By engaging in partnerships we keep our finger on the pulse in the increasingly more complex (waste) world. Focusing on a joint objective, each partner uses its strengths, within its own decisiveness and capacity. The key word is confidence, an active process that requires sufficient openness and effort but where we need to be convinced that this will make us move forward more rapidly. Furthermore the objectives must be formulated in a clear and precise way by all parties in a form of collaboration that is sufficiently flexible and that makes sure that the interests will continue to match in the long term.”

*Dieter Grimmelprez, COO, Head of R&D Strategy, Vanheede Environment Group*

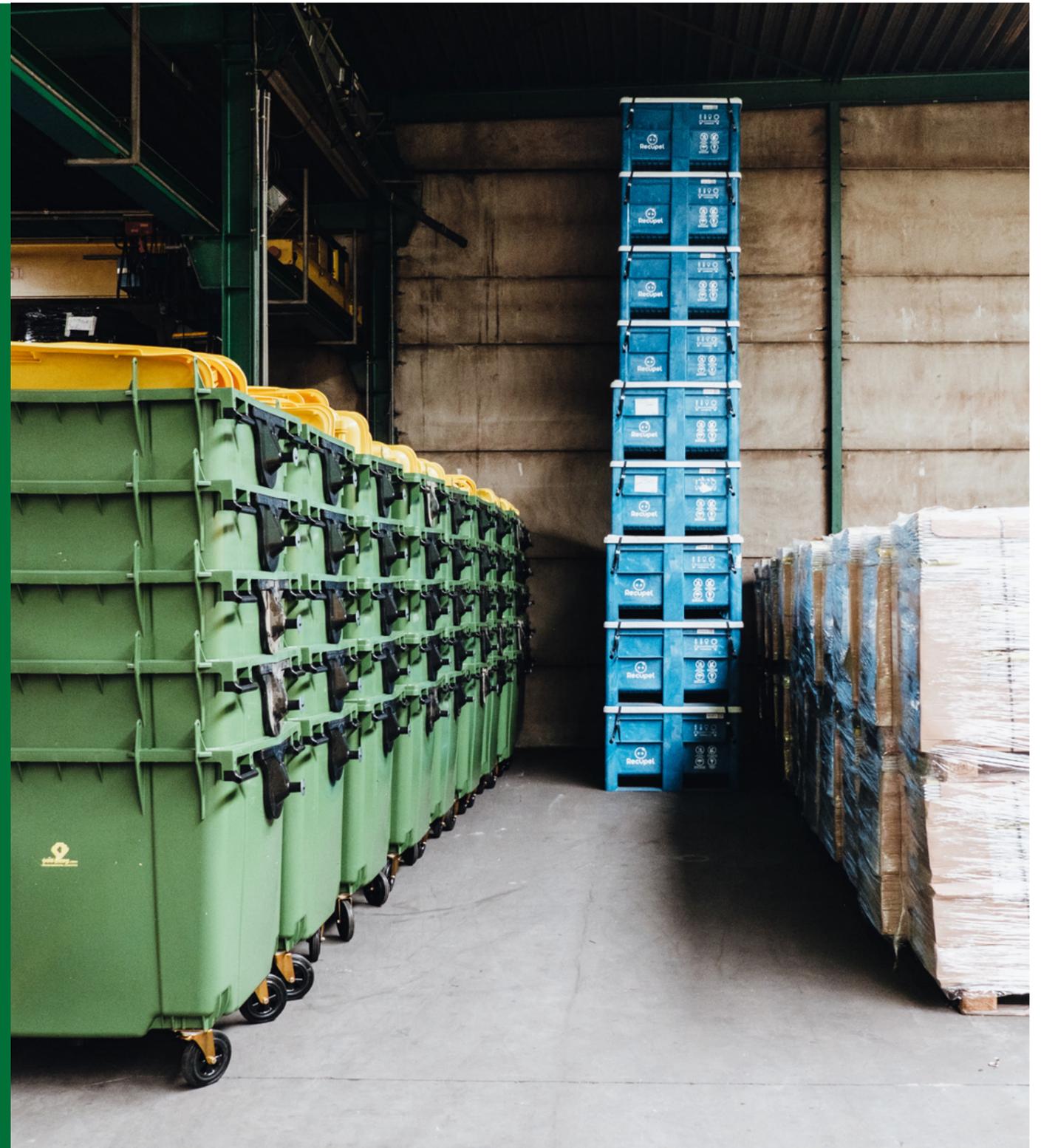


# About this sustainability report

## Scope en approach

This 13th sustainability report covers all activities of Vanheede Environment Group nv, in Belgium and in France. We report on the results of the operating year 2017 and make use of the GRI standards, option Core. Being a family group, Vanheede acknowledges the importance of annual reporting on its sustainability performances. Previous versions of the sustainability report can be consulted on [www.vanheede.com](http://www.vanheede.com).

CEO David Vanheede is a permanent member of the Board of Directors (Vamastine bvba), where also Caroline Vanheede (Vanica bvba), Commercial Manager and Claudette Descamps (Imdaca nv), Director, are permanent members. They get assistance from the advisory committee, consisting of two external specialists, Mr. Arnold Deceuninck and Mr. Karel Gielen, and one internal specialist, Mrs. Evelyne Vanheede-Decrans.



## Stakeholder and company interest in balance

The process for determining the strategic focal points for a sustainable future went over 3 phases:

### 1. An internal brainstorm on the key questions:

- What is the added value of Vanheede? Where does Vanheede make the difference for its own business, its employees, society, the environment as well as its customers?
- For which (social) trends/challenges does Vanheede seek to provide a solution?

This resulted in a longlist of relevant topics, which was measured against the CSR sectoral passport for waste processing companies, drawn up by our professional federation Go4Circle and some sustainability reports from peers in Belgium and abroad.

### 2. In second fase it was determined which challenges also constitute 'material' aspects.

These are aspects that are important for the long-term strategy of Vanheede and at the same time respond to the (reasonable) expectations of our stakeholders. In order to understand who our stakeholders are, which interests they represent, how much impact they have on our operation and/or to which extent they support our organizational goals, we have determined their relevance (stakeholder mapping) taking into account the following criteria:

- What is the impact/influence of the stakeholder on Vanheede?
- What is the interest of the stakeholder for Vanheede?

Stakeholders in the dark yellow circles (high extent of power and interest) are of priority importance to Vanheede. For determining and realizing our ambitions their expectations and interests are guidelines. With respect to the stakeholders in the light yellow circles, we wish to respond to their expectations by keeping them well-informed or satisfied. At first instance we mainly searched the answers on the stakeholders' interests with a number of internal stakeholders: some employees and executives shared their insights and challenges for the future.

### 3. In 2015 we have extended this exercise with a number of external stakeholders.

Within the special CSR think tank we have decided not only to use the international GRI reference framework for sustainability reporting but also to examine in which way we can contribute to the Sustainable Development Goals (SDGs). The fresh views of the think tank members on entrepreneurship and the opportunities and challenges that lie ahead of us, really has given us a wider perspective.

### 4. In 2016-2017 we shifted from the GRI G4 guidelines to the GRI standards in terms of reporting standard.

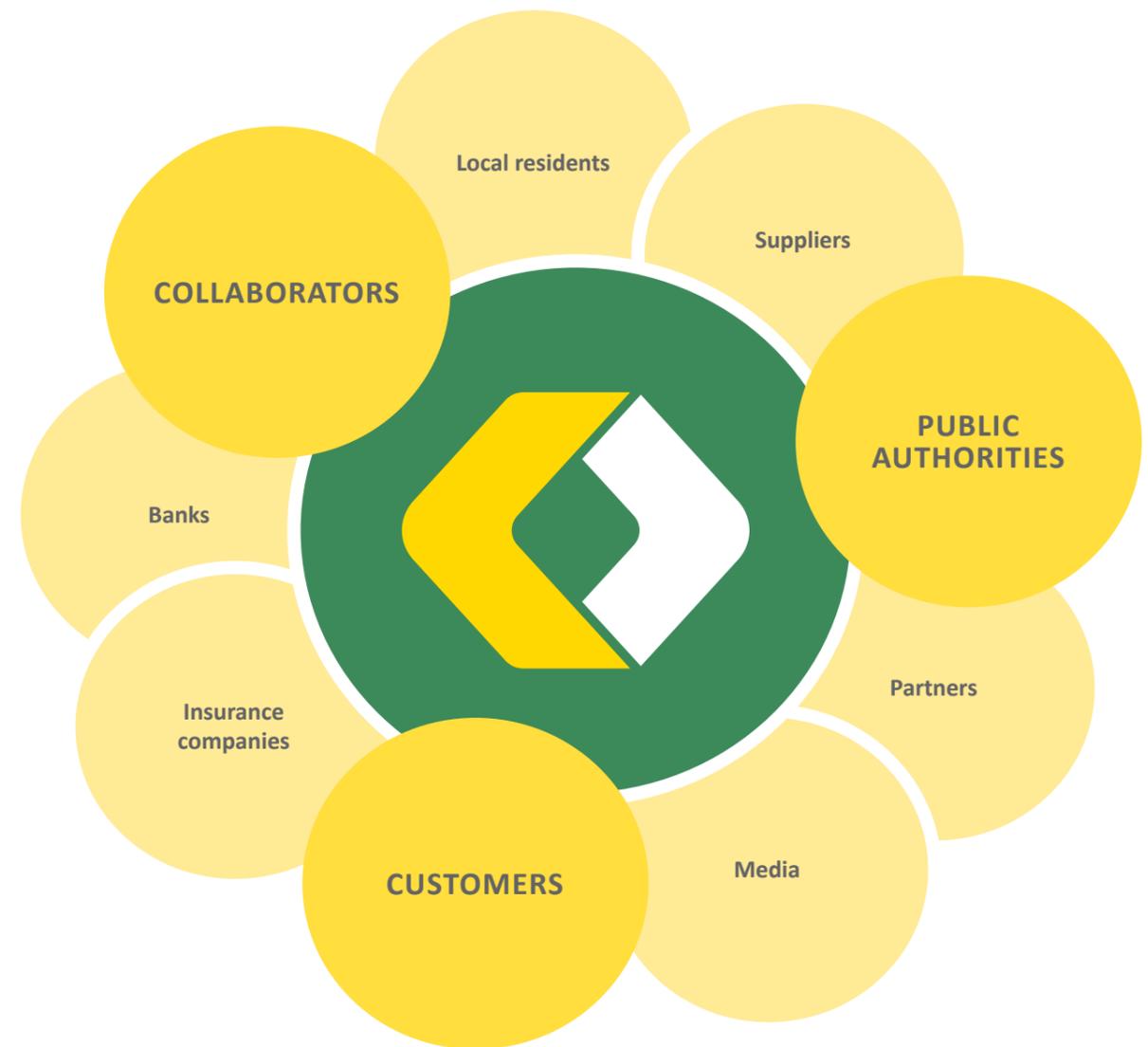
### 5. The 50th anniversary of Vanheede (2018) was the perfect occasion to submit a few of our essential stakeholders to some in-depth interviews on the most relevant sustainability topics.

The results of these stakeholder interviews have been integrated throughout the text. In addition Vanheede's sustainability policy was submitted to a thorough analysis in cooperation with the students in Master of Business Administration and Commercial Sciences at KULeuven, Brussels campus within the scope of the subject of Corporate Social Responsibility (lecturer Anouk Van de Meulebroecke). The students worked as a team and realized the following:

- An analysis of the most relevant SDGs,
- A benchmark with other environmental companies,
- An evaluation of the performances, as well as suggestions for improvement.

This sustainability report covers every single engagement we make on an extensive list of the most relevant SDGs for Vanheede:

1. Responsible consumption and production (SDG 12)
2. Sustainable cities and communities (SDG 11)
3. Life below water and on land (SDG 14+15)
4. Sustainable industry, innovation and infrastructure (SDG 9)
5. Affordable and sustainable energy (SDG 7)
6. Good health and well-being (SDG 3)
7. Decent work and economic growth (SDG 8)
8. Partnerships for the goals (SDG 17)



# GRI reference index

GRI-standard	Reference
<b>GRI 102 GENERAL DISCLOSURES</b>	
<b>1. Organizational profile</b>	
102-1 Name of the organization	5
102-2 Primary brands, products and/or services	5-7
102-3 Location of the organization's headquarters	Back cover
102-4 Number of countries where the organization operates	5
102-5 Ownership and legal form	49
102-6 Markets served	5
102-7 Scale of the organization	7
102-8 Workforce	33
102-9 Describe the supply chain	<a href="http://www.vanheede.com/en/corporate-sustainability/">www.vanheede.com/en/corporate-sustainability/</a>
102-10 Significant changes during the reporting period regarding the organization and its supply chain	n/a
102-11 Describe which way the precautionary principle is applied	<i>About yesterday, About tomorrow</i>
102-12 Externally developed CSR charters, principles or other initiatives subscribed by the organization	9
102-13 Memberships of associations, where the organization exercises functions, provides financial contributions or considers its membership a strategic instrument	<a href="http://www.vanheede.com/en/corporate-sustainability/">www.vanheede.com/en/corporate-sustainability/</a>
<b>2. Strategy</b>	
102-14 A statement from the Board of Directors about the relevance of sustainable development for the organization and its strategy	<i>About tomorrow</i>
<b>3. Ethics and integrity</b>	
102-16 Intern ontwikkelde missie- of beginselverklaringen, gedragscodes en uitgangspunten met belang op vlak van MVO	<i>About tomorrow</i>
<b>4. Governance</b>	
102-18 Governance structure	49
<b>5. Stakeholders engagement</b>	
102-40 List of relevant stakeholder groups engaged by the organization	51
102-41 Percentage of employees covered by a collective bargaining agreement	100%
102-42 Basis for identifying and selecting stakeholders with whom to engage	51
102-43 Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	<i>Personal contact</i>
102-44 Most important feedback from stakeholders and how the organization has responded to that	<i>See various quotes trough this report</i>
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102-45 Operational structure, report boundaries	49
102-46 Explanation of the process for defining the report content and implementation of reporting principles	9, 51
102-47 List of material topics	51
102-48 Restatements, if any, of information given in previous reports	n/a

GRI-standard	Reference
102-49 Significant changes in reporting compared to previous reporting periods	n/a
102-50 Reporting period	49
102-51 Date of most recent report	June 2017 <a href="http://www.vanheede.com/en/corporate-sustainability/">www.vanheede.com/en/corporate-sustainability/</a>
102-52 Reporting cycle	49
102-53 Contact point for questions regarding the report or its contents	<i>Kim Delvoeye, kim.delvoeye@vanheede.com</i>
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consolidated turnover **125,082** KEUR

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EBITDA **16,278** KEUR

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net result **-931** KEUR

---

corrected  
own capital **51,278** KEUR

---

balance sheet total **117,151** KEUR

---

solvency ratio **43.77%**

---

liquidity ratio **1.13**

# About yesterday

## About yesterday

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# From flax farmer to waste collector and processor

Herwig Vanheede and his wife Claudette Descamps took the first step towards waste collection in 1968. In this period the flax sector (Herwig Vanheede was a flax trader) was having a hard time and many flax traders were looking for a challenge in a new activity. It was impossible to assess at that time that this activity would develop into a real 'environmental industry'.

"Both Herwig and I were born in the flax sector. Herwig was a flax manufacturer with heart and soul, but when we got the chance to take over a transport company specializing in the collection of industrial waste in 1968, we took this chance with both hands. Herwig rapidly realized that apart from waste transport the recovery of glass, cardboard and other waste streams was the future. Transport was our base activity, but the processing of the various waste streams became equally important."

*Claudette Descamps*

The growth of our company was in line with that of various companies from the Leiestreek (Lys Valley) and the increasing social interest in waste and the environment. By means of several take-overs we have extended in time all over Belgium and in northern France. We have continuously adapted ourselves to the needs of our customers and proactively responded to changes in environmental legislation.

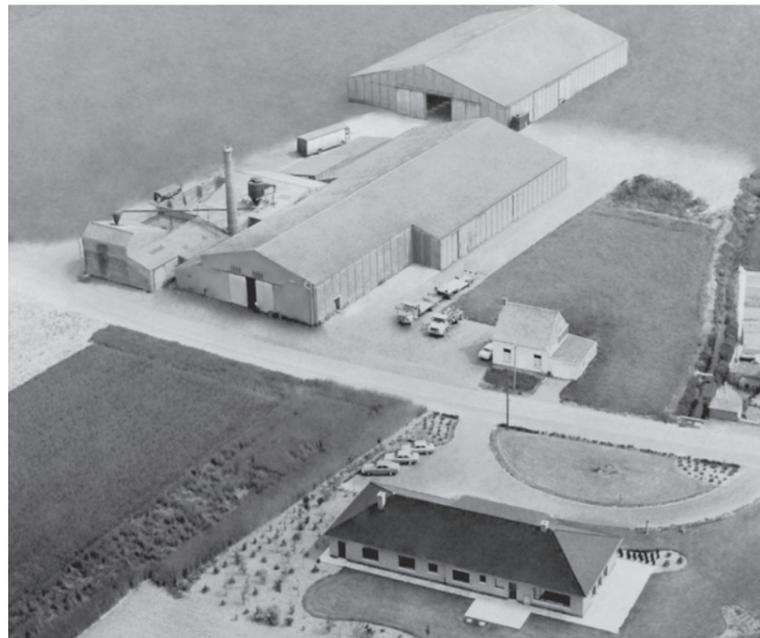
We jump on the train of the future and proactively participate in the reflections on nature conservation, sustainability and alternative energy. Together with our employees we would like to perform at least equally well in the years to come.



**"By working hard we managed to set up a complete waste transport and waste processing company. Herwig took care of the customer contacts. I was in charge of the practical organisation, administration and planning. This way we made a perfect team. We highly value the family character of our company and invest both time and money in a good relationship with our employees. Unfortunately we had to say goodbye to Herwig in '99 but I know for sure that, just like I am, he would have been proud to see that our children are continuing our life's work."**

*Claudette Descamps*

# History



**1968**  
**Start waste transport**  
 Herwig Vanheede and Claudette Descamps say goodbye to the flax sector and engage in waste transport (as the one-man business of Herwig Vanheede). We got more and more work and several of our flax workers came to join us in the waste sector.

**1970-1979**  
 In the years '70 Vanheede substantially extended its activities. Herwig had a very good view on the sector and rapidly realized that apart from waste transport, the recovery of glass, cardboard and other waste flows was the future. Thus in 1974 we started to collect glass in Belgium and three years later, also in France. In 1979 we started to collect waste with wheelie bins. In 1979 also the first office workers were employed, one of whom was Greet Ramon who is still working with us now.



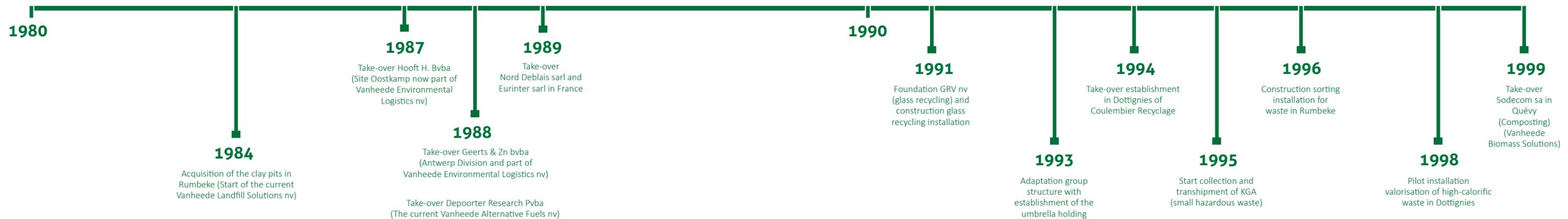
## 1980-1989

As a result of various take-overs in the years '80 we extended all over Belgium and in northern France. In 1983 we realized the take-overs of Vervoer Eeckhout G. pvba (which became Transport Vanheede International bvba) and Dujardin Gebroeders pvba (which became Vanheede Container Services bvba). One year later we acquired the clay pits in Rumbeke (start of the current Vanheede Landfill Solutions nv), then followed by the take-overs of Hooft H. bvba in Oostkamp and of Geerts & Zn bvba in Antwerp (part of Vanheede Environmental Logistics nv). In 1989 we realized the take-overs of Nord Deblais sarl and Eurinter sarl in France, together constituting the current Vanheede Environnement sas, which entailed the start of waste collection in France.



## 1990-1999

In the years '90 waste management and environmental legislation evolved enormously. We have anticipated in time and continuously adapted to the needs of our customers. For example, in 1995 we started with the collection and transhipment of small hazardous waste (KGA), a year later we built a sorting installation for waste in Rumbeke and in 1998 we opened a pilot installation for the valorisation of high-calorific waste in Dottignies.



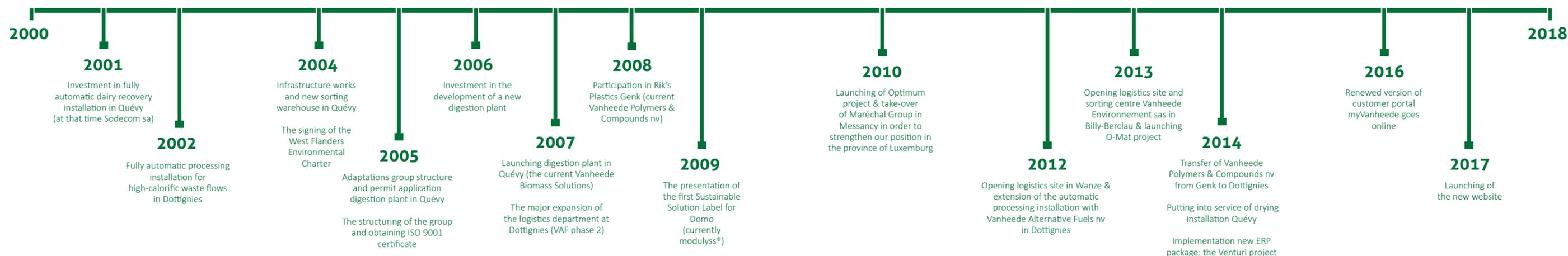
## 2000-2009

At the beginning of the 21st century the automation process within Vanheede continues. We successively invested in automating a dairy recovery installation in Quévy, a PMD sorting installation in Rumbeke and a processing installation for high-calorific waste flows in Dottignies.



## 2010-2018

The one-man business of 1968 now employs more than 700 people. We transport not only waste, but now have more than 260 trucks on the road every day to collect the waste flows of more than 13,000 customers and to process that into new raw materials or energy. Hence we are one of the leading companies in the field of waste management in the Benelux countries and northern France. Using the motto 'Managing Your Materials' we wish to achieve this status both inside and outside Europe.



# Employees of the early days

Greet, Gerda and Patrick have been working at Vanheede between 35 and 40 years and have seen the company grow from a small-scale family business to a large environmental company. Greet Ramon started 40 years ago as an all-round clerk.

Patrick and Gerda joined our team a few years later, Gerda was responsible for the private containers and Patrick was recruited for invoicing.



"I was amazed by the energy and willpower of Mrs. Vanheede ... it stimulated us to contribute with full enthusiasm in the further growth of the company. The first computer arrived only in 1985 when Vanheede took over the company Hooft in Oostkamp. The first computer took the size of an entire room and was used exclusively for invoicing and accounting operations. Technology has changed a lot since then."

*Gerda Reynaert*

"Herwig was a very social man. Herwig showed as much care and concern for his customers as for his collaborators. Some customers of that time, like GB (now Carrefour), Lano, Beaulieu & Makro are still customers today."

*Patrick Bouckaert*

"I was in charge of the incoming phone calls, as well as dispatching and invoicing. At that time everything was still realized manually: using a telephone and a mechanical typewriter at the parental home, we kept all transactions on factsheets. At that time we had about 7 drivers, one of whom was Frans Calis, who is still employed at Vanheede. We exclusively used dumpsters. It was only later that the first compactor truck for wheelie bins was purchased. It drove from Geluwe to Ypres and De Panne and from Bruges to Waregem. Today we have 17 compactor trucks that are on the road 5 days a week in order to empty the wheelie bins of about 5,000 customers. One of the first compactor truck drivers recruited by Vanheede was Rik Staelens who still is working at Vanheede full of enthusiasm."

*Greet Ramon*

# Processing waste throughout the years

## The evolution of waste composition

With the clean-up of a landfill in the vicinity of Oudenaarde, where according to the minutes at the local authorities until the early years '70 household waste was dumped, we learned that household waste of those days was quite different from what it is now. Plastic was still rather new. Packaging was often in paper. Construction and demolition waste (which back then mostly consisted of stones, roof tiles and only now and then concrete) could not be recycled. And for organic waste (food residues, garden waste) there were still no digestion installations or composting installations like today. Therefore the residues of waste mainly consisted of an inert fraction (ground and stones) mixed with pure organic waste.

At landfills for industrial waste the situation was somewhat different. More production waste with a more varied composition was dumped there: more plastics and in some cases even chemicals or substances that presented a huge hazard for public health. And because a landfill site back then was not constructed as it is now, this waste could easily get into contact with the ground water and thus contaminate the subsoil.

## New landfilling techniques

Fortunately the landfilling techniques have evolved gigantically in the last couple of decennia. Landfills are now equipped with thick leak-proof plastic foils. Leaks, if any, are detected by means of modern equipment. The leachate (rainwater infiltrating through the waste) is collected and purified in professional purification installations and the methane that is released when the organic waste is digested, is extracted for the production of electricity and heat.



## Recycling technology

Whereas landfilling used to be the standard in the past, it now constitutes the final piece in the circular economy. For all the materials we collect we first of all go looking for a new destination. In our various recycling centres we have a variety of industrial installations to sort and pre-treat large volumes of waste. Our objective is always to further process the waste into raw material or energy. For example plastic waste is processed into granulates that are being reused in production processes. Food waste is processed into a soil improver for agriculture. During the digestion process of organic waste a lot of energy is released, which is converted into electricity and heat.

And non-recyclable plastics and textile waste streams are converted into alternative fuels for the cement and lime industries. We want to offer the appropriate solution for every type of waste. Certain waste streams however cannot be recovered or recycled any more. In that case our landfill site provides a grateful and necessary solution.

## Salvage Harold of Free Enterprise

On 6 March 1987 the Harold of Free Enterprise capsized on its way from Zeebrugge to Dover, about 6 km off the Belgian coast. The disaster took the lives of 193 people. The ship was 131.91 m long and 23.19 m wide and at the moment of the disaster it had 80 crew members, 600 passengers, 81 passenger cars, 3 buses and 47 trucks on board. Vanheede participated in the salvage of the ship that started on Tuesday 7 April, one month following the disaster.



## The logo history

The basis of the current logo originated in the year 1993 when an umbrella holding company was founded. The shape is inspired by that of a skip container. The logo represents a filled container underneath with on top of that an empty container, turned upside down. Throughout the years the logo has been updated already a few times in order to finally end up with the current version.

## Landfilling with bicycle clips around the ankles

The first driver at Vanheede was Marcel Grillet. In the meantime Marcel is enjoying his well-deserved retirement, but when it comes to telling anecdotes, Marcel is the first to recall some memories.

“When I was ready to unload my container on a landfill site in Wevelgem, I suddenly felt something crawling up. It was a rat that was crawling inside my trouser leg. There used to be rats on the landfill site because the sorting was not so thoroughly realized. I was lucky to get the rat down again ... Since then I always go to the landfill wearing bicycle clips around my trousers ... This was not about to happen again.”

Marcel Grillet



## The Woolly Mammoth

At the landfill site in Rumbeke in 2001 a remarkable discovery was excavated. During the mining of clay from Ypres in the deep pit Fransis Calis discovered some skeleton bones. The biggest part was delivered to the Royal Belgian Institute for Natural Sciences (KBIN). Years later it was confirmed that the examined piece is a shoulder blade of a woolly mammoth. The animal would have lived between 10,000 and 115,000 years ago. This event immediately entailed the creation of the Mammoth Path that was constructed throughout our clay pits in Rumbeke.

# In 20 years' time a five-fold increase of the workforce

In the initial years Mrs. Vanheede was responsible for the recruitment of employees.

"I immediately saw who I had to deal with. And I must say that my gut feeling has not let me down that often. I met my employees in the morning and in the evening and then took the time to have a chat. When I detected something was wrong, I invited them to my office to have a personal conversation. Back then it was still possible, because we had a restricted group."

*Claudette Descamps*

Following Mrs. Vanheede, Caroline Vanheede has been engaged in recruitments for a couple of years. Until Wim Cannaert joined the group in 1999 as Human Resources Manager.

"In 1999 there were 125 people employed within the Vanheede Environment Group. The recruitments were still kept in a personnel register, the wages were processed with paper declarations. In the meantime the group has 608 motivated employees. This remarkable growth in workforce of course is not without reason. Because of a thorough specialization in terms of processing possibilities (including landfill sites, digestion plants, ...), the further

extension of our logistics activities and the further development of the Environmental Services department (including hazardous waste and cleaning up), we had and still have a need for extra employees."

*Wim Cannaert,  
HR Manager Vanheede Environment Group*

In the meantime the HR Department has been strengthened with 8 extra employees. Where HR initially consisted of personnel administration, it now covers an entire personnel management.

But the HR department cannot do this all by itself. We cannot achieve our objectives without a fundamental and constructive cooperation with the management team, the internal HR communication tower per site, the people in charge on the workflow, all employees and external people involved.



**"In the beginning there was mainly personnel administration, now we refer to personnel management."**

*Wim Cannaert, HR Manager  
Vanheede Environment Group*

**Vanheede is 12 sites,  
264 trucks, 1,850 waste  
streams and, most  
importantly, 608 people.**



**608 people across  
12 sites**

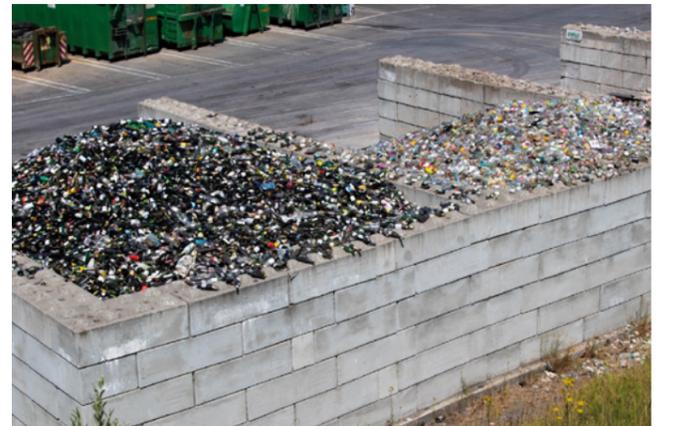
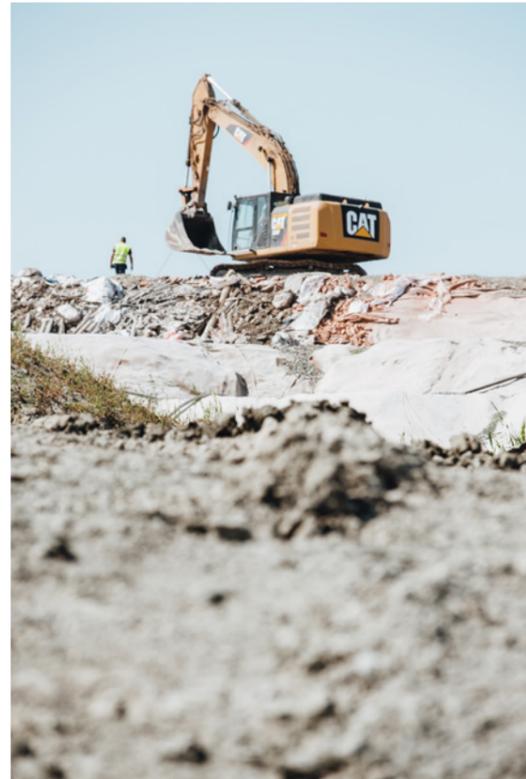
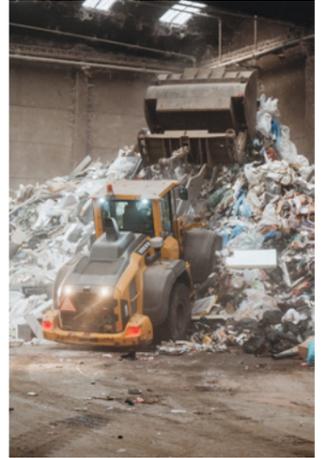


264 trucks on the road every day



Picture: Sven Boehme

1,850 waste streams  
in Benelux and  
Northern France



But, above all,  
608 motivated  
workers







## Edition

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## Concept and realisation

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## Printing

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## Sustainable waste management: interested?

Being a pioneer in sustainability, Vanheede Environment Group has presented itself already for 50 years as the ideal partner for the processing of waste of companies pursuing a social responsibility. We will be pleased to transform your waste into something beautiful and will not hesitate to verify whether your waste stream qualifies for recycling or any other valorisation method. Tell us your (waste) story and we will shape it!

