



Vebeego Annual Report 2021

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Foreword

2021 was similar to the coronavirus year 2020 in many ways. The trains, airports, and offices where we do our jobs were sometimes eerily empty. Many of our customers needed to scale up and down and keep pace with the changing measures. At the same time, the demand for our services from the healthcare sector was high and we were able to benefit from the extra attention to hygiene. It was yet another VUCA year: *Volatile, uncertain, complex and ambiguous*. A year full of uncertainties, with threats as well as opportunities.

We are proud of having achieved a robust result with good financial figures in such a year. We are also impressed by the flexibility with which our companies have anticipated and responded to the sometimes rapidly changing circumstances. It reinforces our belief that we must nurture entrepreneurship within our businesses, including the space for making decisions that goes with it.

Strategy continued, hectas acquisition

In 2021, despite the uncertainty, we chose to continue to pursue the strategy that had previously been initiated. We have continued the development of Designing our Future, our 2020 design, with which we are heading towards our goal of eleven large companies in four countries. An important step in this was the acquisition in 2021 of hectas Facility Services. This acquisition, the largest in our company's history, was completed in early 2022. We have been looking for a suitable party in Germany to strengthen our position as a facility service provider for years. During the acquisition, we looked closely at the connection with standards and values, as well as the cultural fit.

Executive Board: new role deepened, on the path to greater diversity

The Executive Board experienced its first year in a different role and composition. With Ton Goedmakers as Vebege's new CEO, in 2021 the Board further fulfilled its role as strategic architect of Vebege and established the corresponding tasks and responsibilities. In addition to Giuseppe Santagada and Mark van Haasteren joining, both as COO, in 2021 it was decided in proper consultation to find new people for the positions of CFO and CHRO. This change will be directly used to create more diversity at board level, so that this area of Vebege too will be able to accurately reflect our society.

Our impact: meaningful work

Vebege wants to take the lead as an inclusive employer. We want to make an impact by creating meaningful jobs in which everyone is able to take part, including people with a distance from the labour market and people with a migration background.

In 2021, we chose Great Place To Work as (GPTW) a way to continue systematically working towards good employership. In addition to employee satisfaction and engagement, the methodology measures the level of diversity and inclusion. The aim is that, following in the footsteps of Vebege in Switzerland, all of our companies will ultimately earn the GPTW certificate.

Increased awareness for social return

Not only do we want to make an impact on people, the environment and society, we want to be able to measure this impact effectively. We sought collaboration for this purpose with the Impact Institute in 2020. In cooperation with them, we are going to express the creation of meaningful work and active contribution to a circular economy in hard figures. This is the start of a larger movement, in which we learn to – literally and figuratively – better value the social return of business activities such as ours, both within and outside of VebeGo.

Diversity & sustainability

In order to be future fit, VebeGo operates in an inclusive and sustainable manner. VebeGo has been a pioneer in the area of impact: in 2021 we sharpened our impact strategy, with a focus on SDG 8 (honest work and economic growth) and SDG 12 (responsible consumption and production). In addition to our efforts in the area of meaningful work, we dedicated ourselves to diversity in the workplace in 2021. VebeGo organised a webinar on the topic of inclusion for Diversity Day, and we also signed the Diversity Charter. VebeGo has a high level of diversity in terms of gender (71% women), age and background, but this is markedly lower among management levels. That's something that we are going to improve: more women deserve a place in managerial positions.

Our companies are going to report their sustainability results according to the approach of the Global Reporting Initiative. Alongside nine other Dutch companies, in 2021 we announced our commitment to supporting the objectives of the Science Based Targets initiative. At VebeGo, we are actually going to go one step further: we want to work in a fully CO₂ neutral way by 2030. To this end, the CO₂ neutral project was initiated in 2021. As part of this, in the Netherlands we are moving towards having a completely fossil-free fleet based on electric vehicles in 2025. 2021 was also the year that we reached the target of producing 100 million litres of clean drinking water together with Made Blue.

Socially involved

Meaningful work, sustainability and diversity are long-term endeavours. But sometimes immediate action is needed, as it was during the floods in Limburg, Germany and Belgium in the summer of 2021. Our companies and their employees rolled up their sleeves and helped to make homes liveable again, making use of materials that we provided for that purpose, among other things.

Appreciation for services

In redesigning our company, we have drawn up preconditions to create more added value for customers and to make sure we excel in our services with innovative concepts. In 2021, we received recognition for our services in various areas, in the form of certificates and awards such as the Green Park Award, the Golden Service Award and the Best Practice Award. We can also see this appreciation in the higher scores for our companies in the Net Promoter Score (NPS).



Employees of Care clean up at an affected company in Liege

Further change in 2022

Over the coming years, the organisational designs and the strategic plans made in 2021 will take on more shape and substance. In 2022, we will again invest a great deal of time, money and energy into organisational changes and the IT investments involved, which we believe will allow us to benefit from the strength of the collective that Vebego is. A large family business with its own distinctive story, as evidenced by the fact that we were awarded the Family Businesses Award 2022, and a mission shared by everyone. An attractive employer, which is a great thing to be in the currently very tight labour market. An organisation with a lot of expertise across the companies, with plenty of opportunities to exchange knowledge and to work together to create innovations, for employees, customers, the environment and society. This year we will also be making the preparations for the celebration of our 80th anniversary in 2023.

We want to thank all of our employees for their meaningful work in 2021, and all of our customers for their trust and appreciation over the past year.

Ton Goedmakers, CEO

Ronald Goedmakers

About us

Profile

We are VebeGo. With nearly 32,000 employees in 2021, active in cleaning, healthcare, landscaping and facility management. We work for customers in Belgium, Germany, the Netherlands and Switzerland. Our headquarters are located in Voerendaal, near to the place where, in 1943, the international family business that we are today was first founded.

VebeGo is a company of the people, for the people. A business with a strong and recognisable culture. Shareholder value and growth are not our primary drivers; a healthy financial return is the basis for achieving our ambition. We look beyond the following quarter, and consider the interests of our customers, our employees, the organisation and society as a whole. This is done based on the core values of VebeGo, and to which anyone can always hold us accountable, now and in the future. The values that guided our founder are an important inspiration. That sense of family is and remains the driving force behind VebeGo. It is the “glue” that binds our employees working in four countries.

Our goal

From day one, now almost eighty years ago, everything we do is focused on providing meaningful work. Good work based on quality of life and quality for our customers. For everyone who wants to work, we have a job that matters. In that way, we help our customers to excel at their work and we build a better society at the same time. We are convinced that the world is at its best when everyone is able to take part. Working from this belief, we want to become Europe’s most inclusive employer and inspire others to contribute as well.

Key figures

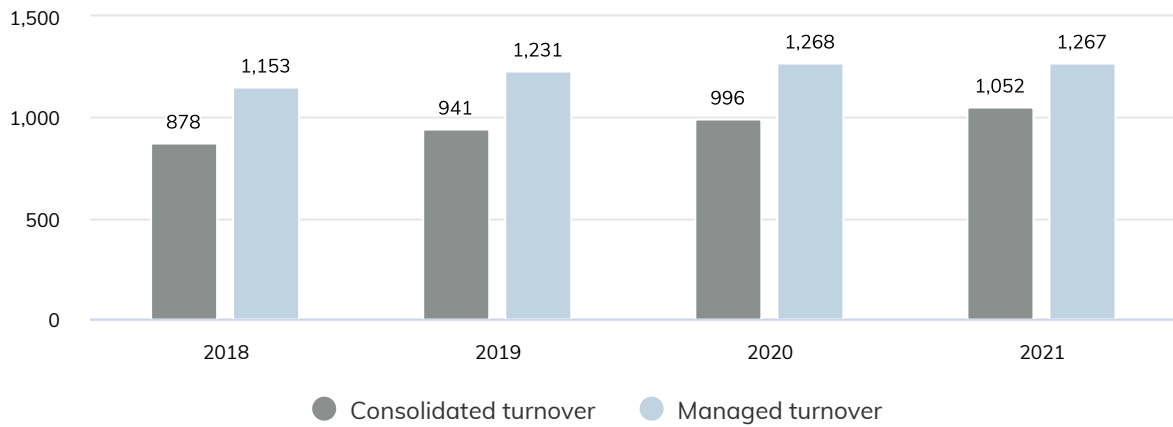
Managed and consolidated

At Vebege we use the terms 'managed' and 'consolidated'. The consolidated turnover of €1,052 million includes the turnover of all companies over which Vebege has predominant control. The revenues of the joint ventures are fully included in our managed turnover. In 2021, we had more than 128 companies with a joint turnover of €1,267 million. The link between Vebege's managed and consolidated figures is as follows:

(in euro x thousands)	Consolidated		Joint ventures		Managed	
	2021	2020	2021	2020	2021	2020
Net turnover	1,052,209	995,998	214,759	271,659	1,266,968	1,267,657
Cost of sales	830,536	789,294	160,070	204,873	990,606	994,167
Profit before selling and administrative expenses	221,673	206,704	54,689	66,786	276,362	273,490
Selling and administrative expenses	187,365	183,141	40,127	52,127	227,492	235,268
Operating result (= EBIT)	34,308	23,563	14,562	14,659	48,870	38,222
Number of employees	2021	2020	2021	2020	2021	2020
Employees as at 31 December	25,395	25,624	6,413	8,467	31,808	34,091

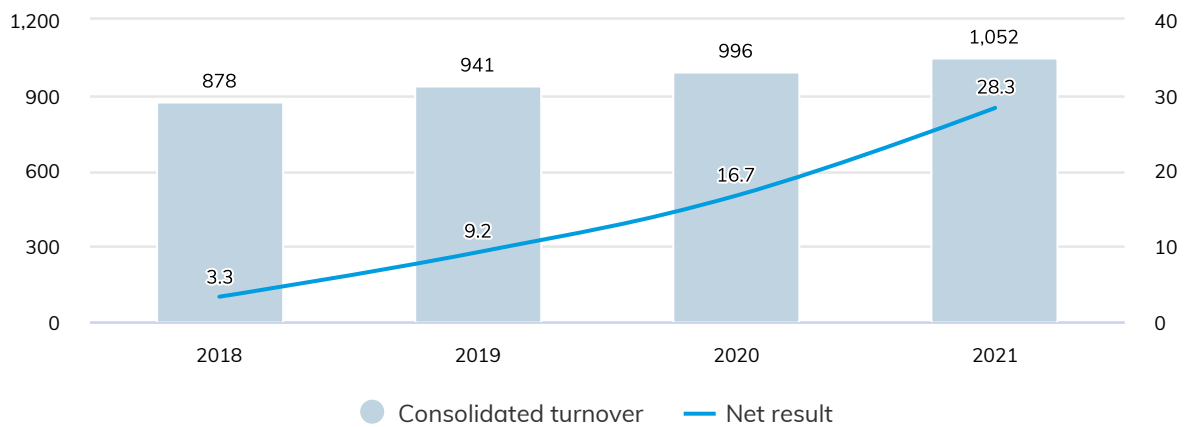
Turnover

in millions of euros



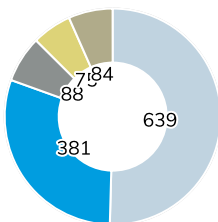
Turnover and net result

in millions of euros



Managed turnover per segment 2021

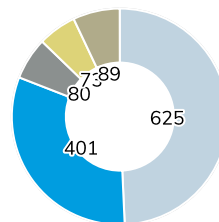
in millions of euros



- Cleaning
- Healthcare
- Facility mgmt
- Landscaping
- Other

Managed turnover per segment 2020

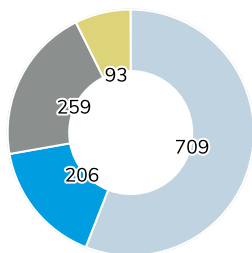
in millions of euros



- Cleaning
- Healthcare
- Facility mgmt
- Landscaping
- Other

Managed turnover by country 2021

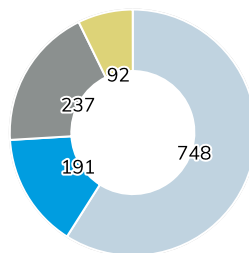
in millions of euros



- The Netherlands
- Belgium
- Switzerland
- Germany

Managed turnover by country 2020

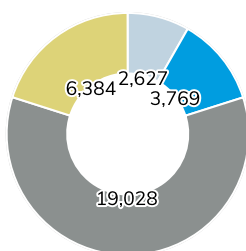
in millions of euros



- The Netherlands
- Belgium
- Switzerland
- Germany

Managed number of employees per country 2021

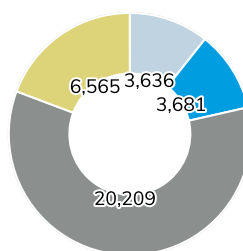
Total: 31.808 employees



- Belgium
- Germany
- The Netherlands
- Switzerland

Managed number of employees per country 2020

Total: 34.091 employees



- Belgium
- Germany
- The Netherlands
- Switzerland



“There are always ways to support people who are in a difficult situation”

Sinisa Radat was a skilled plasterer and enthusiastic basketball player. However, due to burnout, he was no longer able to exercise his profession and was dependent on sickness benefits for his income. An employee of Swiss insurance company Mobiliar heard about Sinisa’s situation and put him in contact with Vebego AG. He was then able to start working here as a concierge in the canton of Uri. Partly thanks to the Vebego reintegration programme, Sinisa was able to slowly but surely expand his employment to 60%.

The integration program ended after three months, which also brought an end to Sinisa’s work as a concierge. Marco Baumann, Vebego sector manager in the canton of Uri: “However, we were very satisfied with the partnership, and wanted to keep him employed with us. That’s why since May 2021 we have employed Sinisa full-time as a cleaner specialised in façade cleaning. We are delighted that we have been able to support Sinisa in his difficult situation, and that he has proven to be an extremely valuable employee. It proves once again that even though the situation may seem hopeless, there is always a solution!”



VebeGO 2025 Strategy

In order to achieve our goal, we must collectively strengthen our position in the market. That is why in 2017 VebeGO began developing the “VebeGO 2025” strategy. The strategy, which has now been partially implemented, is focused on transforming VebeGO from a group of autonomous companies into a powerful collective in 2025.



Our strategy focuses on four stakeholders: our customers, our employees, society and our organisation. We want to offer added value by creating meaningful work, by contributing towards a better world and by making sufficient returns to ensure continuity and independence.

Customers: added value

We were originally a cleaning company. This is still our largest activity across the countries. Over time, products, expertise and related services have been added. These regard specific services for segments or large customers in aviation, public transport, healthcare and industry. But we have also added items such as landscaping, provision of care and care services, personnel services, property expertise and technical maintenance. On the one hand, our added value is in service solutions that are close to the customer's primary process, such as the cleaning of cleanrooms or production sites, for example. At the same time, we provide added value to customers with unique, specialist services, such as, for example, façade management and integrated facility management. In any event, we strive for healthy long-term relationships with customers.

Goals

- Autonomous growth in the selected markets, with a high customer rating based on NPS for our employees and our services (NPS higher than 0).
- Leading and highly visible (mental market leader) in our markets, initially for our customers in order to be commercially successful. As well as this we want to be recognised in the labour market as being an attractive employer.

Employees: meaningful work

We strive for every employee to experience their work as meaningful. This means work that makes them feel appreciated, that they enjoy doing and that is meaningful to others. It also means work in which their talents are optimally utilised, because this ensures growth; both for our employees themselves and for our organisation. Meaningful work is part of a group-wide programme for sustainable employability and is measured annually.

Goals

- Our employees appreciate and understand the meaning of their work and feel proud and involved in the services that we provide. We also pay attention to the social, vital and financial welfare of our employees. We measure this with the Meaningful Work methodology. After positive experiences in Switzerland, from 2022 we will be working with the market-based GPTW methodology.

Society: all activities make a positive contribution

Sustainable and inclusive entrepreneurship is the norm for Vebego. The impact of our work contributes towards the Sustainable Development Goals (SDGs), a universal call to protect people and the planet. Our primary goal is SDG 8: decent work and economic growth. Anyone who wants to work will have the opportunity to do so with us. As well as this, we are contributing to SDG 12, responsible consumption and production methods for a safe and clean environment, which we achieve by working in a CO₂ neutral and circular manner.

Goals

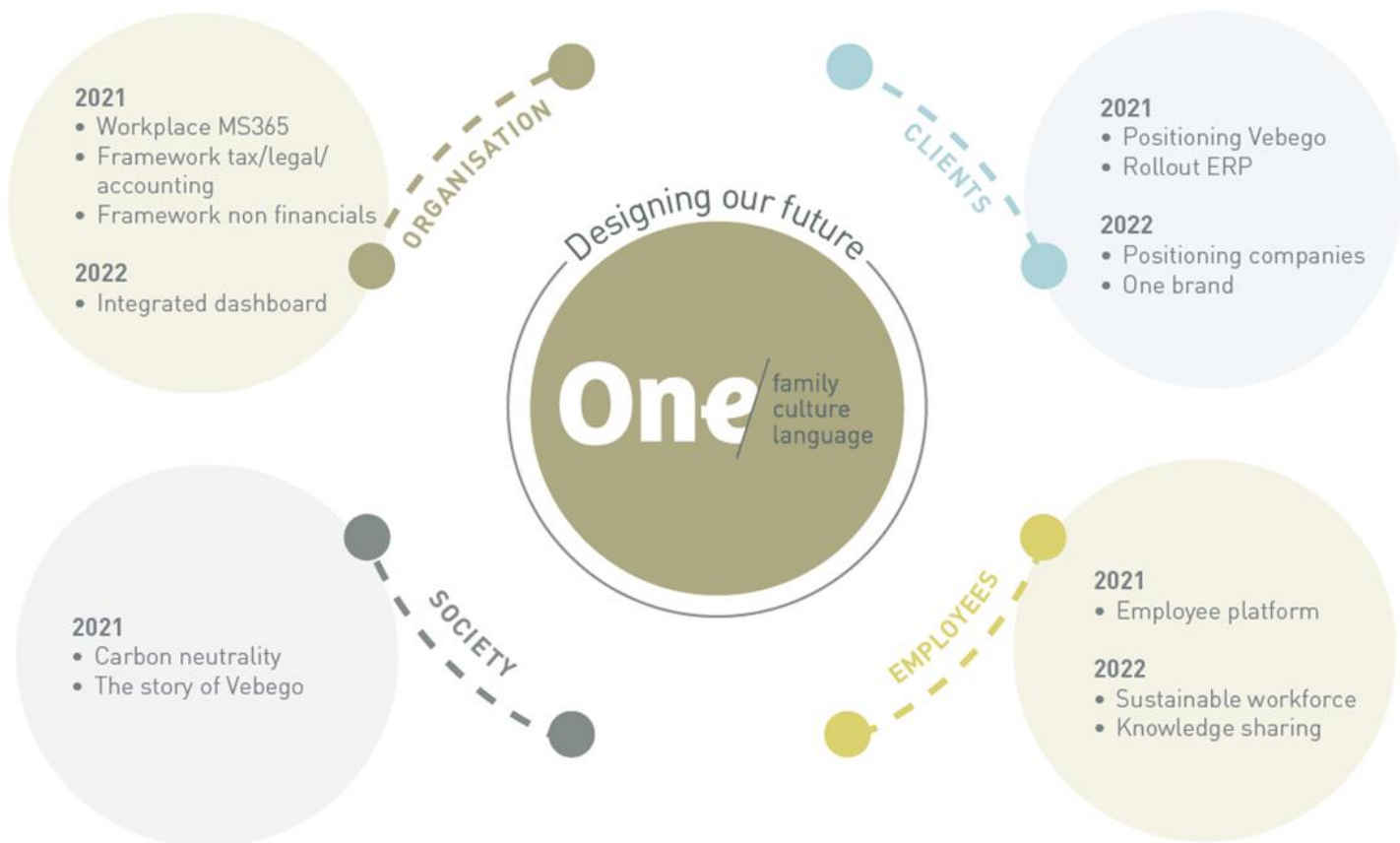
- The work we offer our people is meaningful, diverse and inclusive (SDG 8). By 2030, our work will be fully CO₂ neutral and circular (SDG 12). We will be measuring SDG 8 and SDG 12 using GPTW and EcoVadis, and will report according to the GRI framework.

Organisation: healthy return

We strive for sustainable profits in order to ensure our organisation's continuity and independence as well as to achieve our impact goals.

Goals

- An annual target return on the managed turnover of > 4%.



One family. One culture. One language.

As part of the VebeGo 2025 strategy, in 2020 we started various new initiatives and projects under the heading “One family. One culture. One language”. The aim here is keeping VebeGo fit and healthy, so that we can continue to provide the best quality service after 2025, and that we are able to offer meaningful work to as many people as possible. The most important project within VebeGo 2025 is Designing our Future, which began at the end of 2020.

Designing our Future

The principle of Designing our Future (DoF) is that, by 2023, VebeGo will be made up of eleven large companies in four countries, active in care, landscaping, cleaning and facility management. We gave shape to this in 2021 this by merging and selling existing companies, as well as by purchasing new companies.



More strength as the thought market leader



Learning more from each other



More efficient, simpler, and clearer to organise



More growth and development opportunities; greater attractiveness to the labour market



Quality of service provision

The rationale for large companies

The Netherlands

In the Netherlands there will be five large companies in landscaping, healthcare, facility management, cleaning and products & systems. The companies active in healthcare, facility management and products & systems already have sufficient scope and continue along the same road that they have set out on. We will strengthen the organisation where necessary, for example Yask has renewed its management team and acquired CoSource, where the technical expertise will be housed.

The three Vebego landscaping companies (Axent Groen, Attender Groen and Brouwers Groenaanemers) are working together towards becoming the most fun, smart and green landscaping company in the Netherlands – a goal we want to have attained by 2023. A new management team will be appointed as of the end of 2021. We will formulate the request for advice regarding the new organisation and the integration of the three companies midway through 2022.

From 1 January 2023, we will be serving our customers in the Netherlands as one large cleaning company, to be formed by the existing companies Balanz Facilitair, Fortron, Hago Nederland, Hago Airport Services, Hago Rail Services, Hago Food & Industry, Stoffels Bleijenberg and Westerveld. A new management team was appointed at the beginning of 2022. The year 2022 will be centred around the further design of the new organisation and the continuation of the existing business.

In 2021, preparations were made to transfer all employees with expertise in the areas of IT, procurement, recruitment, legal affairs and sustainable employability from the holding company to the new Vebego Service & Expertise (VSE) company. Officially launched in January 2022, VSE wants to further optimise customer management, processes and the organisational model in 2022.

Belgium

For Belgium, it was decided to create one company in healthcare (Altrio) and one company in facility services (Care). The two Belgian companies Assist at Home and De Mangelaar, both active in the service vouchers (private cleaning), were acquired by TRIXXO dienstencheques in October 2021, including all employees and customers.

Germany

In order to further strengthen the activities in facility services in Germany, Vebego acquired the German cleaning group hectas Facility Services in its entirety, including all employees (8,100 in total), customers and ongoing contracts, as of January 2022. In 2022, we are working towards gradually integrating our current German company Servico Gruppe and hectas into one large new facility services company on the German market. The Dutch hectas organisation will be integrated into our Dutch cleaning company in 2023.

Vebego Germany also sold its 50% interest in Personal-Profi and Pflege-Profi as of 1 July 2021.

Switzerland

VebeGo in Switzerland is focused on setting up IT and back-office processes to be simpler and more efficient. All supporting services will be managed centrally. Once this transformation is complete, we will formulate an approach to bring about further synergies through the formation of a single, strong and large facility services company. For niches activities (data models for property information) or activities with a strong local focus in Western Switzerland, specialised companies will remain active.



“We want to become a well-balanced European company”

From more than one hundred and fifty LTD companies and approximately eighty businesses to eleven large companies, in the four core countries and the domains in which we are already active. This organisational change will take shape within the Designing our Future project that was initiated at the end of 2020. The COOs Mark van Haasteren (responsible for the Netherlands and Belgium) and Giuseppe Santagada (Germany and Switzerland) discuss the steps that have been taken since then. “Given the goals we have and how much progress we have made towards accomplishing them, we have definitely reached the point of no return.”

Designing our Future is, among other things, aimed towards making Vebege one single company. What do you think is the most important aim of the transition?

Mark: “We are going from more than one hundred and fifty LTDs and around eighty companies to eleven large companies in the countries where we will be active as of 2022 (Belgium, Germany, The Netherlands, Austria and Switzerland) and in the domains in which we already operate, namely facility management, healthcare, cleaning and landscaping. This means that we will be merging companies and that we are going to simplify processes and (IT) systems. This is the bigger picture, in the ‘backdrop’, whilst in the foreground there will more of a cultural change: we are going to start working (together) in a different way, operating as one company per segment as well as visiting the customer even more than we already do now. An important goal is to become a mental market leader; we want to be the first name that comes to mind when people think about meaningful jobs in facility management, landscaping, cleaning or care. That change in culture is ultimately more important than the change in structure. A change in culture is a lasting, long-term change”.

Why is this transition important for Vebege?

Giuseppe: “We now have nearly eighty years of success behind us, and we want to keep it that way. Not by making as much profit as possible, but by improving quality and being more proactive in influencing our sectors and our values for our customers.”

Mark: “We currently work in a very tender-driven way, for example, in which we are often situated at the end of the commercial process. As a mental market leader, we want to make sure that we are more frequently involved before the tenders come on the market, which will allow us to grow and become more powerful.”

Designing our Future indeed has a lot of influence on the business operations of Vebege’s companies. What will this mean for their day-to-day activities?

Mark: The individual companies within a segment will be merged into one large company per segment. The commercial side will often remain regional, but activities such as marketing, IT, finance and HR will be managed more centrally within the large company.”

Giuseppe: “Of course, you can’t carry out changes such as this all at once. That is why we not only talk about the challenges, but above all about the benefits of building this new structure and creating a single brand. This is probably even more important for the companies in Germany and Switzerland, because these companies have traditionally been very autonomous.”

Mark: “Besides this, daily business of course carries on as normal. To make sure we know what’s going on ‘outside’, every month we sit down with each company to see how things are going with the business, with our people and with our customers. We do this with the management teams from all the companies, and it is really valuable for us. It ensures that we, but more importantly the companies themselves, stay in touch with reality.”

The acquisition of hectas, early 2022, is an important pillar for development in Germany. Can you tell us more about that?

Giuseppe: "In the Netherlands, Vebego is in first place when it comes to cleaning. But in a country like Germany, where our turnover is €47 million with the company Servico, we do not have the critical mass needed for our growth ambition. The acquisition of hectas – active in Germany, the Netherlands and Austria– instantly makes us one of the twenty largest players in Germany in the area of facility services and cleaning. This purchase gives us the size, structure, the *footprint* and the competencies that we are looking for in the context of Designing our Future."



Vebego wants to become a mental market leader within the domains and countries in which it operates. How are you going to go about that?

Mark: "At the moment, when we sit down in a meeting somewhere, we often have to explain who we are and how big we are. By structuring the organisation as large companies, we are automatically situated among the top companies in every segment. This immediately makes us more visible. Visibility involves more things, however. During the coronavirus pandemic, we had a very important role in the area of care and cleaning, for

example, but we mainly acted in the background. In the future, we want to sit at the table on talk shows and be called directly by the government in The Hague. We want to do this for all segments in which Vebego operates – think of topics such as working in a greener way, increasing sustainability, for example.

Giuseppe: "We are going to define specific customer segments in which we want to become market leaders. Our business is currently being run in an extremely opportunistic way, which means that we are unable to create USPs for all our customers. By defining the customer segments, we can approach the market and the customers more from a data-driven point of view, and we can establish our position before a tender comes on the market. 'Focus' is the key word here."

How does thought leadership (mental market leadership) contribute to Vebego's ultimate goal of creating meaningful work and impact on society?

Mark: "By becoming a "mental market leader", we exercise our power of attraction on the market. At the same time, we want to gain more appreciation for the work we do. The handyman, receptionists and cleaners all play a very important role. If we stop, then the offices and hospitals are immediately down, but this really needs to be far more visible. Our care company Altrio in Belgium is doing a very good job in that regard, as we see from the way that they are helping people in Ukraine. And during the coronavirus pandemic, Altrio was the first company to deploy mobile testing sites, news which made it into the headlines. This creates a positive vibe for Altrio, which attracts professionals as a result and builds appreciation for the profession."

Giuseppe: "By becoming more visible, we can create more meaningful jobs for our people and make a positive impact on society. In Germany and Switzerland, meaningful work has more to do with the way we work, how we deal with people and what we expect from them. There are also schemes in place in the Netherlands that can help people with a distance to the labour market to find a job. We do not have these arrangements in facility services within Germany and Switzerland. The ultimate goal - meaningful work - is the same for all of us, but the path towards it will differ from country to country."

The current tight labour market is making it very difficult to find people, but also to keep them. How is Vebegeo going to make sure staff remain with the company?

Giuseppe: "Many people with part-time jobs often only work a few hours a week, and sometimes also for various companies. For us within management, it is therefore our challenge, as well as our obligation, to make sure all our employees are involved and that they experience their work as meaningful. That's why once a year, in Switzerland at least, we organise a Vebegeo festival so that employees from across the different regions and companies can get to know each other better. This allows us to get our employees involved with the Vebegeo culture, and to thank them for the fantastic work they do. By playing music from their home country and dancing and enjoying it together, among other things, we want them to feel at home with Vebegeo, and at the same time with their own 'roots'. We do this so that our people will feel recognised by and proud to work for Vebegeo."

Mark: "The integration of companies means that some jobs will disappear, but we are also growing, and new jobs are emerging in the large companies. At an individual level, it may happen that a person's job will disappear or change. We are therefore trying to include everyone in the process as much as possible."

Vebegeo wants to become one large European company. How are you approaching that?

Mark: "We once started out as a regional Dutch company, but that hasn't been the case for a long time now. Internally, we try to give everyone equal attention, both in terms of countries and segments. We want to become a well-balanced European company. We are still growing in this respect, but all segments and all countries must become equally important."

The best of both companies

The purchase of hectas brings with it additional organisational changes. In Germany, for example, hectas and Servico are being integrated into one facility services company for the German market (under the name Vebegeo). In the Netherlands, hectas will form part of the cleaning company in the making. The Dutch part of hectas is taken from the German organisation for this purpose. Giuseppe: "The processes and IT systems will also be aligned. Our aim here is to have a neutral, open and transparent process in which somebody from hectas and Servico is always involved. We are comparing the systems of both companies, weighing them up against each other to see which system is best. We will make the final decision together, so that everyone is included in the process."

Point of no return

Mark: Looking back over the past year, we have already taken many steps for Designing our Future. In the Netherlands, the designs for by the green company and the cleaning company are complete, and there is one facility management company. In Belgium, there is one healthcare company and we have begun restructuring the facility services company. We have also sold and purchased a number of companies, and we have made considerable progress towards establishing a single administrative system. In short: we made choices, and we saw them through. Given the goals we have and how much progress we have made towards accomplishing them, we have definitely reached the point of no return."



Altrio offers mobile Covid test locations at schools



Sustainable partner

In October 2022, Care Belgium will receive the internationally recognised United Nations (UN) sustainability certificate from the Belgian Chamber of Commerce. In order to receive this certificate, the company as SDG Pioneer had to attain the VCDO (Voka Charter for Sustainable Enterprise) certificate three times within five years, and have completed a successful action for each of the seventeen SDGs.

The initiative to put Care Belgium's sustainability actions into a charter was begun by Chantal Moerenhout, working as head sales manager in the sales department of the Belgian cleaning company. "Care Belgium has been active in the field of sustainability for years, with projects far away and close by. We have been dedicated to educating girls in countries where this education is not available with Plan International for twenty years. We have also been supporting a school in Antwerp set up for children with autism spectrum disorder for over a decade. Both projects are structurally embedded in the policy.

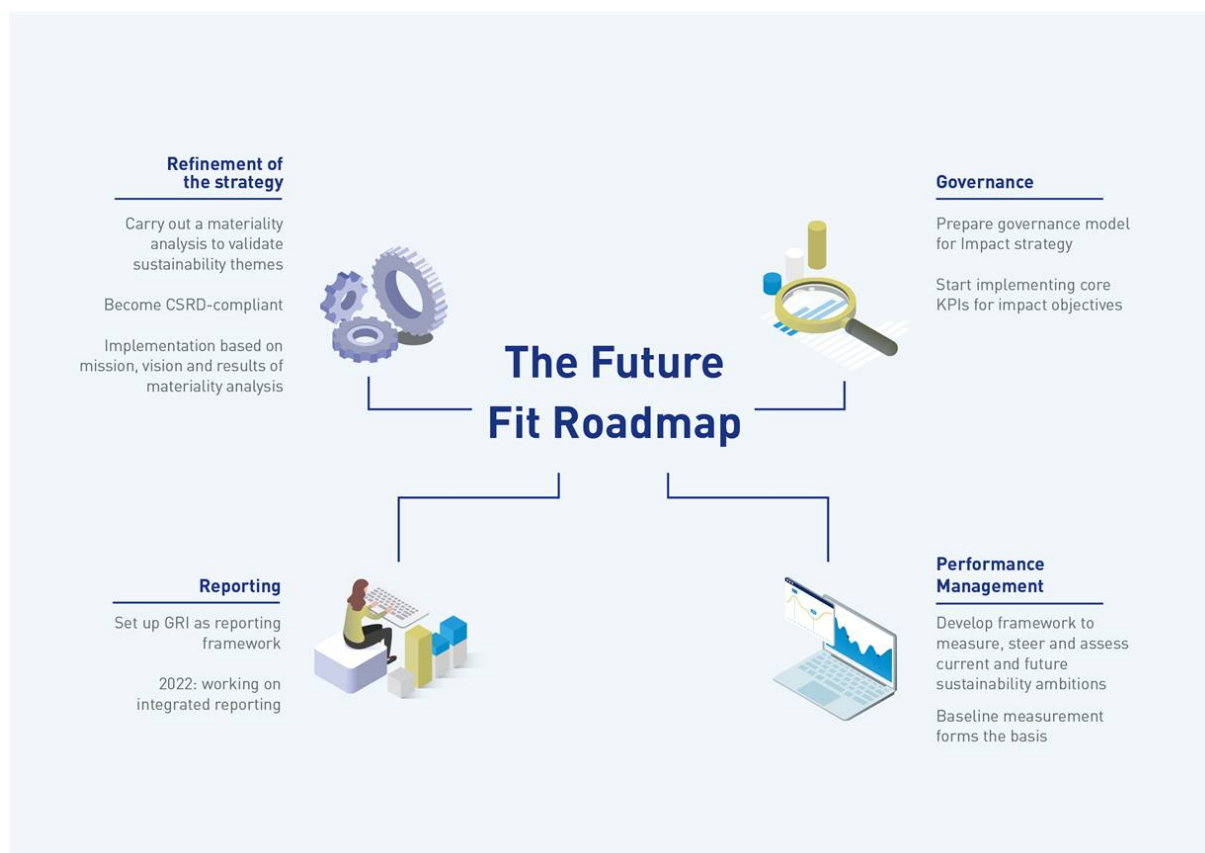
Since 2016, Care Belgium has been committed to clean drinking water with the "A litre for a litre" campaign (as part of the MADE BLUE project) in order to compensate for its water consumption. We have now given back 62.5 million litres of clean water to society in places in the world where this is not available. I'm incredibly proud that we're receiving this certificate based on this and all of the SDG actions we've set up in recent years. This means that future customers will know that they are working with a truly sustainable partner."

Impact strategy 2022-2025: measurable and future-proof

The world is changing extremely rapidly. Climate change is becoming real, and the shortages of labour and raw materials are having consequences for many industries. Sustainable and responsible business with concern for people, society and the environment is the new standard. Many companies are setting ambitious goals in this area, with the goal of accelerating the transition towards a circular and inclusive economy. This transition is needed in order to remain future-proof and relevant and is being further fuelled by ambitious legislation. The EU Green Deal, for example, will have consequences for all major EU companies, and therefore also for VebeGo.

Inclusive and circular business practices

Our core activities are almost entirely related to the social domain. The knowledge, people and resources we put to use in this area is what enables us to make the most impact. We are also taking our responsibility towards combating climate change and the consequences it has by addressing the environmental effects of our operations. Inclusive and circular business practices are the standard for VebeGo. We do this by creating meaningful work for our employees and contributing towards building a better world at the same time. With regard to the latter, we also want to support external stakeholders in making sustainable choices in favour of the planet.



Refining the strategy

In 2021, Vebego refined and redefined its impact strategy for the 2022-2025 period. The strategy is implemented by Vebego across all business units. The impact organisation will be given further shape. For all objectives, we are formulating an action plan and setting up processes and systems. The internal step-by-step plan titled "Fit for the future" has been formulated for this purpose: the plan consists of four steps, presented clearly below. The "Governance" step states that achieving non-financial KPIs will not be voluntary at Vebego. The result will count towards the management bonus from 1 January 2023.

Choosing focus: investing in SDG 8 and SDG 12

The United Nations (UN) has established seventeen sustainable development goals (SDGs) for 2030. Altogether they make up the global sustainability agenda that, across different dimensions, provides direction for an approach to making the world a better place. In 2021, Vebego definitively chose to use these SDGs as a guideline and refined its own impact strategy on the basis of these goals. We are going to focus on supporting two specific SDGs that will allow us to optimise our returns in terms of people, environment and society.

As our primary goal, we chose SDG 8: decent work and economic growth. We create meaningful jobs by empowering vulnerable people and reducing cultural differences and income inequality. This contributes to the quality of our services, the loyalty of our employees, and their happiness and health. We want to establish a more inclusive corporate culture where everyone feels valued and comfortable.

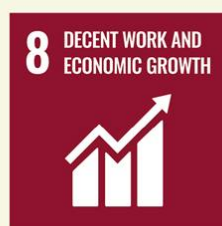
Goals:

- In 2030, people with a distance to the labour market will make up 30% of the workforce. We still need to establish a definition for this at group level so that this concept is the same for all countries, and a measuring instrument must also be set up.
- In Diversity and Inclusion (D&I), our focus will be directed towards increasing diversity, particularly gender and ethnic diversity, at management and board level (i.e. vertically), as was officially confirmed through the signing of the Diversity Charter. Midway through 2022 we will begin to carry out a scan of the organisation, using GPTW as a tool for the measurements.

In addition to this, we are actively contributing to SDG 12, responsible consumption and production, to protect the planet and meet the demands of our customers. We take our responsibility in combating climate change and its consequences. By 2030, we want to be CO₂ neutral and circularity will have a prominent place in our business operations.

Goals:

- CO₂ neutrality by 2030, certified by an external institute. A generic roadmap will first be drawn up, after which this will be refined into one approach per company.
- Circular business: EcoVadis certification. By the end of this year, all companies should have a prepared a plan of action for achieving silver or gold level certification by 2025.



SDG 8

Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



SDG 12

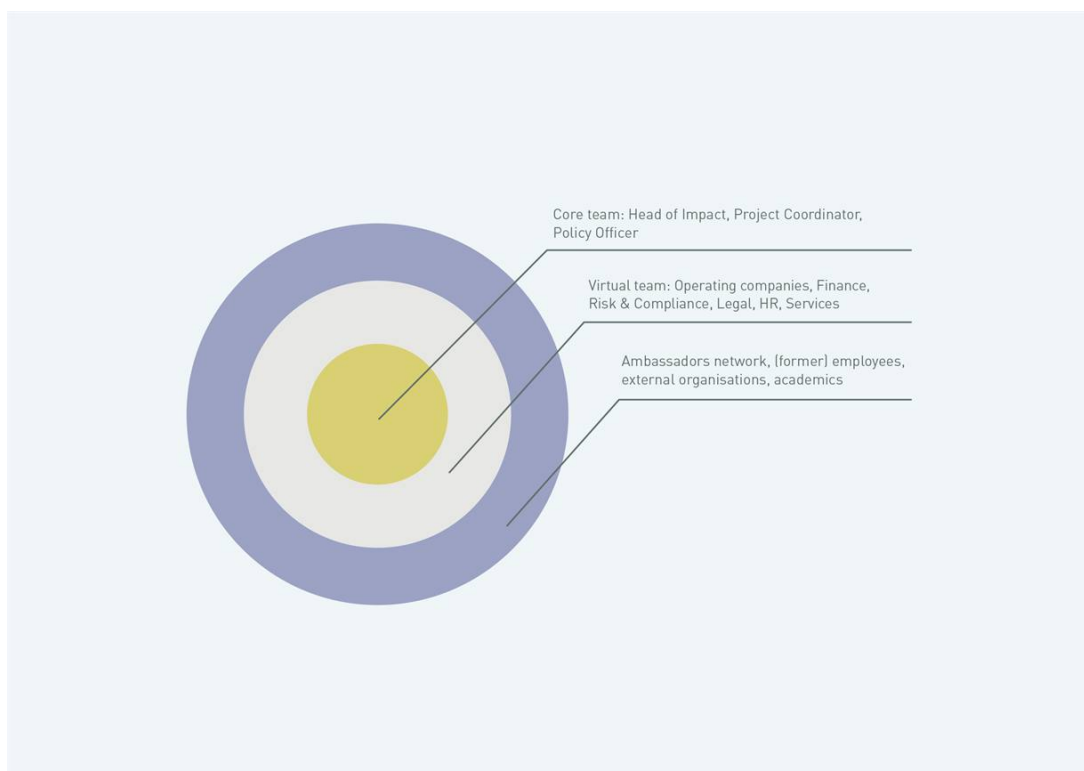
Responsible consumption and production

Ensure sustainable consumption and production patterns.

Governance

In 2021, the new Head of Impact was appointed; this person reports to the Board of Directors. Under his leadership falls the Impact team, which consists of:

- the Core Impact Team: centrally organised, responsible for strategy, policy, coordination, stakeholder management, positioning.
- the Virtual impact team: local representation, ensures execution of strategy in the operating companies, provides input for policy and projects.
- Ambassadors and sponsors: internal and external parties who represent us and support us in the implementation of strategy and policy.



Impact governance

Reporting

In choosing SDGs 8 and 12, we also immediately create concrete starting points for the implementation of our strategy. In 2021, we decided that our companies will report their results according to the GRI approach. In doing so, we will translate the objectives of the SDGs into KPIs that fit our company. These parameters then allow us to report our impact results, and thus be accountable to all stakeholders about our contribution to sustainable development. GRI is the most widely used principle for non-financial reporting worldwide. It helps organisations understand their external impacts on the economy, the environment, and society.

Using GRI is also important for VebeGo with regard to the preparation of a sustainability report in accordance with the European Corporate Sustainability Report Directive (CSRD). As VebeGo, we give the highest priority to ensuring compliance with this guideline, which will come into force from 2024/2025. The CSRD requires companies to publish information on environmental and social matters, the treatment of employees, respect for human rights, anti-corruption and bribery, and on diversity on company boards (in terms of age, gender, educational and professional background). With the GRI standards that we will be using, we will have everything in place for this in good time.

Carry out a materiality analysis

First steps taken to determine sustainability themes

An important part of GRI is a thorough materiality analysis. In the process of this analysis, the company establishes its most relevant (sustainability) topics. What are the material topics that really matter and what are the related effects? In a materiality analysis, an organisation examines the agendas, opinions and priorities of internal and external stakeholders. This makes it clear which – sometimes as yet undiscovered – themes and problems will be important for business operations over the coming period, and which sustainability initiatives deserve (additional) attention.

Vebege management gave an initial indication of the topics on which we want to make our impact in 2021. During the 2021 Vebege Management Summit, two groups of twenty managers indicated which GRI themes they consider to be relevant to Vebege. Through ongoing and future analyses, we are going to supplement and refine this list with the insights of our other stakeholders: employees, customers and society. From 2023, our final themes will be connected to KPIs.

Materiality

Top 100 Vebege managers	Priorities	GRI Code
Economic performance	SDG 8	201
Employment	SDG 8	401
Health and safety at work	SDG 8	403
Training & education	SDG 8	404
Diversity and equal opportunities	SDG 8	405
Freedom of association	SDG 8	407
Energy	SDG 12	302
Biodiversity	SDG 12	304
Emissions	SDG 12	305
Waste	SDG 12	306

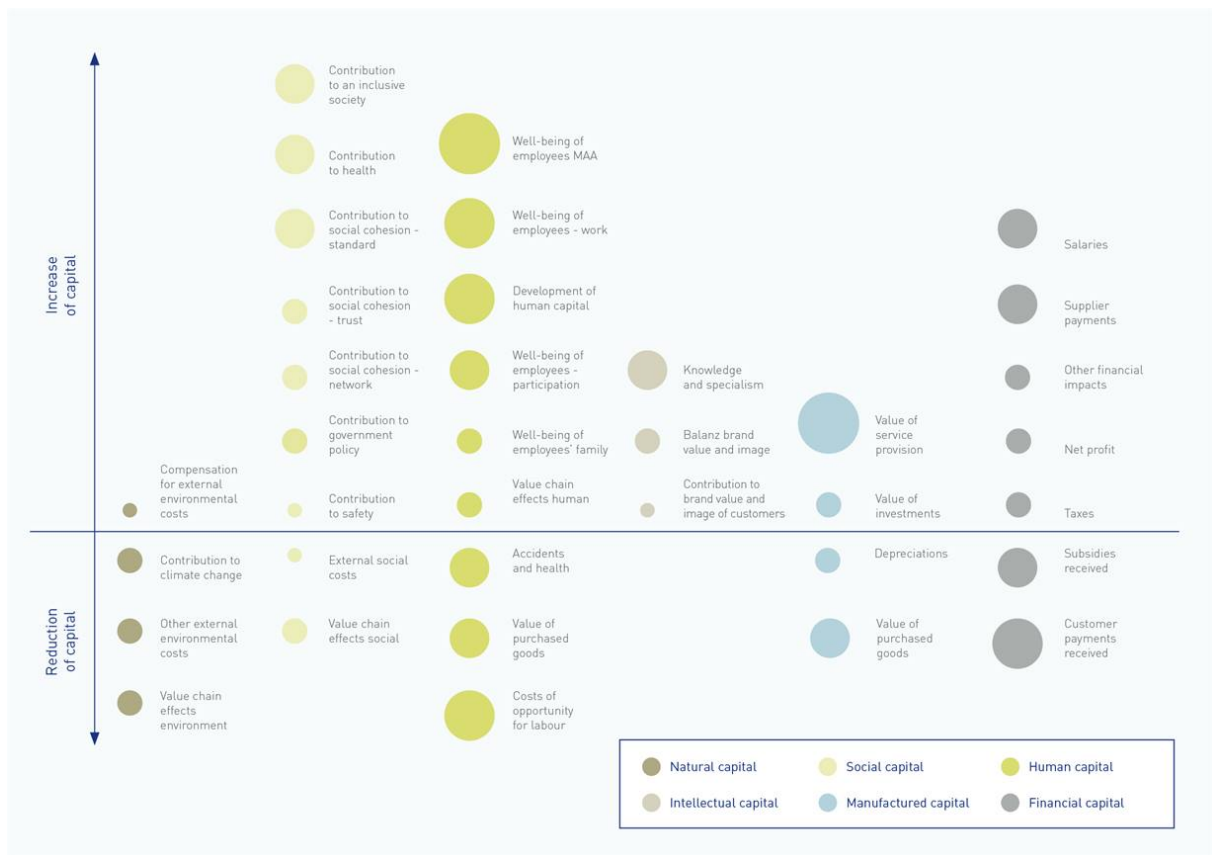
One language: EcoVadis and Great Place To Work

In order to objectively compare our economic, environmental and social performance with our peers and with other organisations, we decided in 2021 that we will work with all our large companies to achieve the EcoVadis and GPTW certifications, with the goal being for all eleven companies to have achieved both certifications by 2025. Vebege Switzerland has had the GPTW certificate since 2020, and successfully passed all relevant follow-up tests again in 2021.

The next step: measuring impact

In 2021, we as Vebege selected the SDGs 8 and 12. Following this, a series of zero measurements on these SDGs will take place in our companies in 2022. For CO₂ emissions, this was already done in March 2022. As a pilot, in 2021 an impact analysis was performed at Balanz Facilitair, focusing on “distance to the labour market”. This Vebege company wants to be the largest social entrepreneur in facility services in the Netherlands.

The results of the pilot show that Balanz Facilitair demonstrably creates extra value for people and for society. The company provides meaningful work and ensures the development of its employees through training, job coaching and building up work experience. The company also contributes towards an inclusive society, With the management of accommodations, the company promotes safety in society. and it works to ensure a clean working and living environment. The analysis shows that Balanz Facilitair still has some room for improvement regarding the environment. The company’s energy consumption contributes to CO₂ emissions. Precious water is used for cleaning, and cleaning products also contribute to air pollution.



Outlook

Impact analyses are planned for 2022 for these companies, among others:

- Hago Next is working alongside Impact Institute on impact measurements, aimed at the sustainability of cleaning products and the sustainable employability of employees.
- Vebego Airport Services is working alongside Impact Institute on an impact measurement of Scope 1, 2 and 3 (CO₂ emissions, waste processing and energy consumption).
- The Vebego Landscaping Companies are currently determining the scope of the impact measurement on the themes of biodiversity and labour participation.

The road ahead for impact measurement is as follows:

2022: Baseline measurement of CO₂ footprint + D&I.

2022: Completing materiality analysis for GRI.

2022: Formulate Impact KPIs for Executive Board and Managing Directors.

2023: Impact woven into Planning & Control cycle.

2024: Integrated annual report 2023 with assurance (CSRD compliant).

Our results

Turnover

VebeGo

For the first time in the long VebeGo history, the consolidated turnover exceeded €1 billion, an absolute milestone. Turnover increased by 5.6% to €1,052 million; in 2020 this was €996 million. Organic growth in 2021 amounts to 2.8%. The increase in the consolidated turnover is also due to VebeGo acquiring the majority of the shares from NG2 Holding at the end of 2020, and therefore including the turnover for the whole year in the consolidation in 2021.

The coronavirus crisis also had a major impact on the individual contributions of companies in 2021. Just like last year, the turnover of the companies operating at the airports (Amsterdam, Zurich and Brussels) and at the large event venues was under significant pressure. VebeGo's consolidated turnover has nevertheless remained stable. This is due to the stable turnover in the landscaping and healthcare sectors. In addition to this, in 2021 the cleaning companies were able to maintain the turnover level with additional work. The increase in value of the Swiss Franc also had a positive impact on turnover (+0.6%). The impact of acquisitions and divestments over the 2021 financial year is very limited. The total managed turnover, where the contribution from the joint ventures counts fully, remained stable at €1.27 billion (2020: €1.27 billion).

Belgium

In 2021, the consolidated turnover in Belgium increased to €176 million (2020: €138 million). In particular, the expansion of our share package in NG2 has contributed significantly to this strong increase. This acquisition helps to improve VebeGo's position in facility services. We also see that our healthcare activities have grown organically. The facility companies and the service voucher companies have had a difficult year, just as in 2020, but have managed to maintain the turnover. Most of the service voucher companies were sold by VebeGo at the end of 2021. The Belgian activities account for approximately 17% (2020: 14%) of VebeGo's total turnover.

Germany

Our businesses in Germany have been able to maintain sales or – in the case of the temporary employment activities – achieve growth. In 2020, almost all activities in Germany suffered greatly from the coronavirus crisis. Our temporary employment agency having lost 30% of its turnover in 2020, we see recovery in 2021 with the company growing by more than 10%, but this still remains below the level of 2019. The facility activities were able to maintain turnover in comparison to the previous year. We see a recovery in turnover in hotels, general cleaning has remained stable. The total turnover of the companies that are active in the German market amounted to €92 million (2020: €88 million), 9% (2020: 9%) of Vebego's total turnover.

The Netherlands

In the Netherlands, the turnover of all activities amounted to €551 million (2020: €551 million). The cleaning companies and the landscaping sector have managed to maintain turnover. Facility management has recorded more turnover than in 2020 due to organic growth. In the commercial activities, we see a decline in the sale of regular cleaning agents, machines and materials. The increase in disinfectant-related products and materials has remained the same compared to 2020. The cleaning activities in the healthcare sector have grown slightly; the healthcare companies have developed in line with expectations. The share of Dutch activities in 2021 is 52% (2020: 55%) of Vebego's total turnover.

Switzerland

Turnover increased to €234 million (2020: €219 million). This increase is entirely due to organic growth, primarily in the area of facility management. Due to a number of large new clients, turnover was positively affected. Vebego Airport Zurich's work has improved slightly compared to 2020. The regional Swiss company Cleaning Service also showed strong growth of more than 17% this year. Vebego is active in Switzerland in facility services, healthcare and maintenance. Switzerland has a share of 22% in Vebego's turnover, just as in 2020.

Trend in results

The net result for 2021 was €28 million (2020: €17 million), a return of 2.7% (2020: 1.7%). The improvement relative to 2020 has a number of causes. One important reason is the increase in turnover of 5.6% and the improvement in margin on this turnover. A margin improvement that was also partly caused by a number of releases in 2021 of reservations that were included in 2020. The companies in the Netherlands also benefited from the one-off reduction in social security costs. In addition, the increase in turnover in 2021 (5.6% compared to 2020) did not lead to a significant increase in costs at an indirect level, as a result of which the indirect cost percentage decreased. Furthermore, in 2021 most companies chose to postpone short-term investments and expenses, such as filling vacancies or starting projects, for as long as possible. Due to the ongoing uncertainty around the development of the coronavirus crisis.

From the beginning of 2022, Vebego started catching up on the investments in the organisation, especially in the context of the Designing our Future project; these are expected to lead to a lower result in 2022. Later in this chapter, we will discuss the expectations for 2022 in more detail.

Taxes

In 2020, Vebego developed a new Tax Control Framework (TCF). In 2021, this TCF was fully implemented and functional in the Netherlands. After this implementation, in 2022 we will begin developing a similar framework for Belgium, Germany and Switzerland. Based on our impact goal and our effort to reduce inequality, we also act as responsible taxpayers. In addition to complying with tax laws and regulations, we also want to deal ethically with our tax obligations. Both aspects are part of our Tax Control Framework. Transparency about our fiscal policy to all relevant stakeholders is an important basic principle. Where we pay taxes is determined by our business operations and the countries in which we perform them. We explicitly do not view taxes as a profit centre.

Balance sheet

VebeGo's capital position remains strong. Solvency is 31.7% (2020: 29.3%). The increase is due to the positive result over 2021. The total guarantee equity (group equity minus goodwill plus a provision for deferred taxes) increased to €126 million (2020: €102 million). The increase in the guarantee equity is due to the increase in group equity. The balance sheet total increase was due primarily to an increase in cash and cash equivalents, short-term debt and higher group equity. On the balance sheet date, the cash and cash equivalents, after deducting short-term debt to credit institutions, was €172 million.

VebeGo's financial position improved further in 2021 relative to 2020, due to the greatly improved result, corrected for depreciation, the changes in the provisions and changes in the working capital. Increased income tax paid, fixed asset investments, long-term debt repayments and dividends paid had a dampening effect on improvement. The cash flow from investment activities in 2021 was around the same level as 2020. We have plenty of our own resources in order to finance VebeGo's strategic vision and the subsidiaries' underlying plans.



Abbas brothers from Syria working as painters for Yask

The Syrian brothers Fathi (41) and Fahad Abbas (46) started their integration process as residence permit holders in the municipality of Gennep in September 2018. Guided by Asha Jodha, reintegration consultant at Stichting INTOS, they came into contact with Mark Vonken of Yask Facility Management: “Yask is responsible for the operation of the indoor sports facilities in Gennep, including the Pica Mare sports centre. Here we work alongside local parties, including 4Events.”

In consultation with 4Events board member and Yask colleague Twan Maasen, the Abbas brothers – employed in Syria as plasterers – were able to start work at Pica Mare from September 2021, where, led by Jack Knops, they painted the sports hall and pool at a blazing speed. Fahad: “We learned plastering and painting from our father. We are very pleased that we can continue to practice our profession in the Netherlands.” However, the work here is completely different, Fathi adds: “Everything is organised here, the working hours, the breaks; everyone knows what they have to do.”

The job for the Municipality of Gennep will be completed in June this year, and Yask will go in search of new parties who want to hire the two brothers for painting assignments.



Impact

Employees

Work that has meaning, work that makes a positive impact every day

Every person is unique and has their own talents. As VebeGo, we strive to ensure that all our employees can develop these talents – at the workplace, but also as people. We have an eye for specific needs and talents, and will always lend an ear in good times and in bad, because we believe that our employees can only provide good work for others when they feel good in themselves. And furthermore, if we pay attention to the talents of our employees, then this contributes to growth, both our employees themselves and for us as an organisation.

VebeGo wants to be more than just a logo on the payslip. We recognize that our employees are valuable beyond our company. By increasing the impact of our employees, we increase our impact on the world. Cleaning, care, landscaping and facility management are activities that create prosperity. We owe it to our employees to make sure this value is better and more widely communicated, in order to increase respect for the work they do, and to generate more awareness of the substantial contributions that this work makes towards well-being in our society.

VebeGo's ambition is to offer meaningful work to as many people as possible. Within HR, one of the ways we do this is by actively working on diversity and inclusion and by approaching employees with appreciation. One of the pillars of HR that strongly contributes to making a positive impact is meaningful work. By ensuring that we provide meaningful work for our own employees, we also offer our customers and their employees as well as society the most added value.

— 'For us it is only natural that our organisation, and more specifically the employees who work for us, reflect the society in which we live. We are society. That helps us. And we are proud of it. The intrinsic motivation to 'do good' drives us.' (HR Vision 2019)

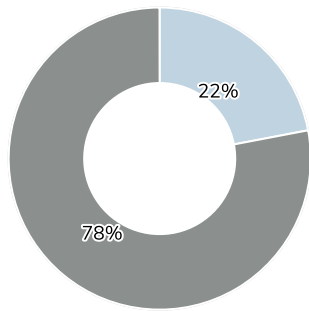
Number of employees

The number of (managed) employees at the end of 2021 amounts to 31,808. The decrease in comparison to 2020 (34,091) is due to the sale of a number of joint ventures in healthcare (in Belgium, Germany and the Netherlands) and the service voucher companies in Belgium. 78% of our employees work part-time, 71% are women.

Number of employees per country (managed)	2021	2020
Belgium	2,627	3,636
Germany	3,769	3,681
The Netherlands	19,028	20,209
Switzerland	6,384	6,565
Total	31,808	34,091

Working time

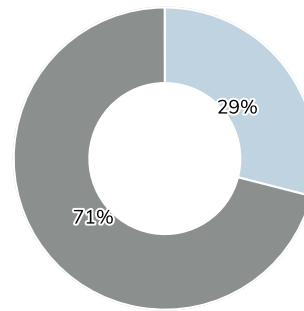
31,808 employees (18,043 FTE) *



● Full-time ● Part-time

Division male-female

Total: 31.808 employees *

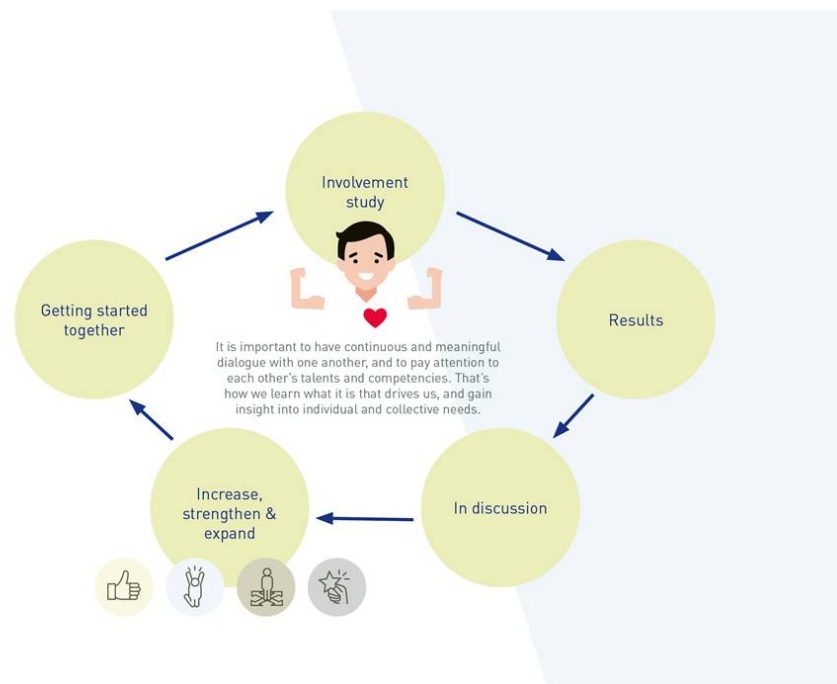


● Male ● Female

* Employees are the total number of employees from the consolidated companies and our joint ventures

Great Place To Work

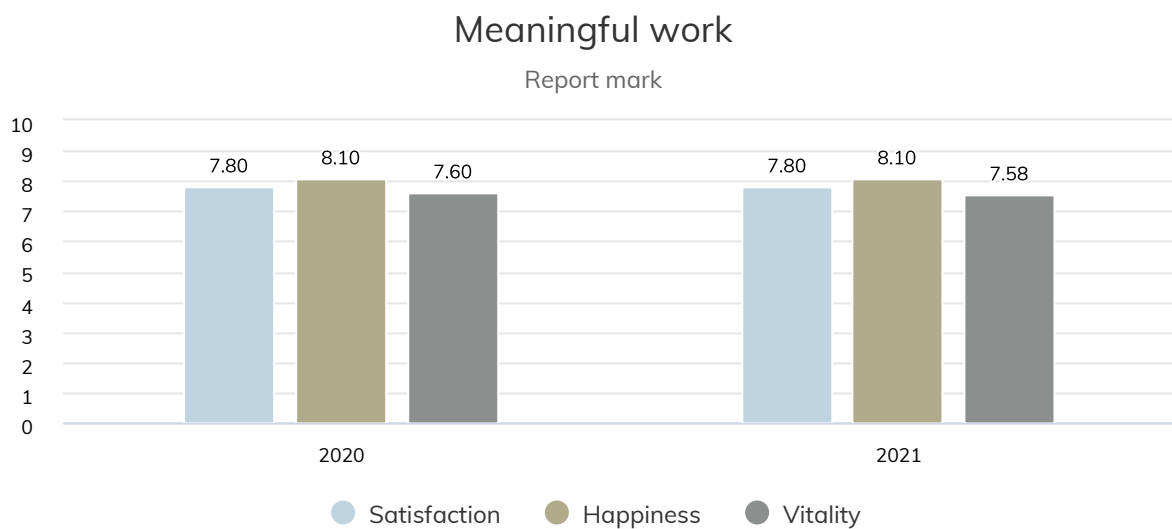
Not only do we offer meaningful work, but we also want to measure its effect. In 2021 – just as in 2020 – working at VebeGo was valued with a satisfaction rating of 7.8. A total of seventeen VebeGo companies conducted the Meaningful Work study in 2021, with responses from 3,794 employees. Following after VebeGo in Switzerland, from 2022 we will be starting to use Great Place To Work (GPTW) in Belgium, Germany and the Netherlands. This internationally known methodology gives us insight into how we can increase, strengthen and broaden aspects such as employee engagement or the level of diversity and inclusion. The goal is that all of our companies will have obtained the GPTW certificate by 2025, VebeGo thus profiles itself as an attractive employer for existing employees and potential employees. Great Place To Work is therefore also an essential component of our employer branding and labour market communication.



Measuring meaningful work

– 'In Switzerland, the labour market is tight. People can choose. That is why we are doing everything to be attractive and to improve our reputation. Since the beginning of 2020, we have had Great Place To Work certification. This helps to ensure that we are indeed recognised and acknowledged as an attractive employer. It really strengthens our image.' Remo Wehli, Director of People & Transformation, VebeGo AG

AG



Diversity & Inclusion

VebeGo has been driven by inclusive entrepreneurship ever since its establishment. We believe in the power of differences. Our family business must be a place where everyone can work, regardless of ethnicity, origin, age, ability to work, or gender. A place without a glass ceiling. We are convinced that our organisation will become stronger if we embrace diversity. For us, it is natural that our organisation and the people who work with us, reflect the society in which we live. We are society: our organisation is made up of more than one hundred nationalities.



Signing of the Diversity Charter on 28 October 2021

Vebego signed the [Diversity Charter](#) on 28 October 2021. In the Diversity Charter, we described our specific challenge in the area of diversity and inclusion (D&I) in the workplace: we want to reduce differences throughout our organisation. There is a specific focus on increasing gender and cultural diversity within management. By signing the charter, we have committed ourselves to this challenge as an organisation. One of our sub-targets is to ensure that diverse talent is represented. The first steps have been taken in making the inflow process objective. For example, the entire

recruitment process has been analysed on the basis of scientific insights. With the help of this analysis, improvements were made to the job vacancy texts and a checklist for writing these job vacancy texts in an inclusive way was created.

On 1 January 2022, the new law directed at creating a balanced gender ratio in corporate boardrooms. Vebego currently meets the target of 40% women on the Supervisory Board and is working hard to achieve the 33% standard for the Executive Board in 2022.

The way we work

Corona has given a huge boost to modern working. We work in more hybrid way, and at more varied times. In May 2021, we conducted “Successfully working together remotely” survey in the Netherlands for the second time. Partly through this survey, we know that our staff enjoy travelling less and being more in charge of their own time. Just over half (55%) of employees said they prefer to work from home for 50% of the time and at the office for the other 50%. We are happy to facilitate this, because we see working from home as a good addition to working in the traditional workplace. We offer room for personal interpretation, based on the needs of the employee. This is in line with our approach in which we focus on the employee’s talent and providing coaching based on what is needed. We also focus on output and encourage a healthy lifestyle.

1 Report from “Successfully working together remotely” survey, May 2021

Study results May 2021

Our findings and figures among 477 colleagues (staff or managers) in the Netherlands



In 2021, we continued the process of arranging a proper home workplace for our colleagues who support the primary process. VebeGo provides equipment such as desks, chairs and monitors, so that employees can work from home in a safe and pleasant manner. The fact that this approach is worthwhile can be seen from the fact that employees experienced fewer physical health complaints in May 2021 than in November 2020 (22% compared to 32%).

In Switzerland, the possibility of working from home is also considered to have advantages for many employees, as is a flexible approach to work, which motivates our employees to work optimally even when at home. Working from home is therefore also viewed here as a good addition to working in the office.

Modern working also calls for new forms of leadership. Remote working has consequences for personal employee leadership; it thus requires a (minor) change for our managers. We are developing several modules that will help them to master this new form of leadership. By working with people from other organisations within VebeGo and by discovering new forms of leadership together, everyone will soon be speaking the same language in their own way.

Working safely

We believe it is important to provide everyone with a pleasant, safe and healthy workplace, especially since work is a place where our employees spend a large part of their time. We want to provide a workplace where everyone feels at home, where everyone is allowed to be, and where the individual needs of employees are listened to, so that everyone enjoys going to work. This also means being able and allowed to work safely, both for our employees and for our customers. The word "safety" here goes beyond technical safety. It's also about employees – the majority of whom work with our customers on site – feeling safe, and about measuring how safe we are. We are glad to take responsibility for this as an employer. Working safely is a prerequisite: *we work safely or we don't work at all.*

Outlook

The transition to eleven large companies will also require a lot of energy and attention from our employees, managers, HR team and works councils in 2022 and 2023. We are facing changes in processes, structures and teams, but above all we are working on a cultural change, with "one family, one culture, one language" as our goal. These are changes that we make collectively and carefully, with full attention to employees.

In 2022, we will expand our family with more than 8,000 new colleagues, who we will welcome from hectares into our VebeGo family. This is an important step in meeting our growth ambition, because at the same time the shortage in the labour market continues to pose a risk to our services. That's why we are going to keep work hard on building a strong position as the most attractive employer in facility services. We are going to continue to increase awareness and the level of inclusiveness and diversity within VebeGo. Finally, GPTW certification is a goal for all VebeGo companies by 2025.

Clients

As Vebego, we want to excel in the service we provide to customers. Several innovative concepts for customers were developed in 2021.

Leading the way in healthcare

One of our new proposals is “Capacityd”. We want to relieve the burden on healthcare and healthcare professionals, partly through smart technology. Through track & trace systems in cleaning trolleys and sensors on site, we can ensure quick cleaning and efficient logistical occupation of beds, among other things.

Together with other parties in healthcare, Assist has taken the initiative for knowledge and network platform De Praktijk (in Dutch), which aims to future-proof our healthcare system. Alongside healthcare professionals, De Praktijk includes scientists, politicians and other thinkers and doers from the public and private sectors who gain and bring knowledge and expertise, with the aim of driving radical changes.

Workplace concepts



Alba Haus Basel, Switzerland

In 2021, we also took follow-up steps for the development of workplace concepts. We've now been unburdening companies with the management of their workplaces for some time with YourOFFICE. In 2021, we started two even more ambitious projects: the development of the Alba Haus at Basel and the redevelopment of a large office building of the Swiss bank UBS. With the Eindhoven High Tech Campus as a shining example, Vebego is a partner in creating thriving ecosystems in both places.

In collaboration with KPN, Yask developed “GIIO”, an optimally facilitated working environment for employees and visitors in which, on the basis of personal attention, data and tools, Facility Management is taken to a higher level.

Other initiatives: fair and event

In order to increase its brand awareness, Vebego took part in the PROVADA fair in the autumn of 2021, which focuses on parties that are active in the world of property and project development. Taking part in the fair made it clear that Vebego can serve as a valuable addition to parties in the property and project development world. Vebego is going to further develop service concepts for these markets and will further strengthen its relationship network in this segment. Vebego will also take part in PROVADA in 2022.

Care Belgium organised the second edition of the Airlocked cleanroom conference, in collaboration with Alpheios and partners Dastex and PMT. With the conference theme “One step beyond”, about (sustainable) innovation in cleanrooms and laboratories, Care wants to profile itself as a specialist in cleanroom cleaning in the biotechnology, pharmaceutical and semi-conducting industry.

Awards



Hago Rail Services and NS win Best Practice Award

Facilitair).

Due to their successful partnership during the coronavirus period, five VebeGo combinations were nominated for the Best Practice Award issued by the Code for Responsible Market Conduct. Hago Zorg was ultimately able to win gold alongside Hago Nederland and the Erasmus MC, and Hago Rail Services won the silver together with NS.

Winning the Dutch Family Business Award 2022 in April 2022 was primarily a token of appreciation for and a great compliment to all VebeGo employees and their meaningful work.



Team Deltion Zwolle of Balanz became cleaning team of the year

VebeGo received a number of great awards in 2021. Brouwers Groen from De Moer won first prize of the Green Park Award that was awarded by the European Landscape Contractors Association (ELCA), while Brouwers Groen scooped up the grand prize through the construction of Tilburg Spoorpark, the largest citizens' initiative in the Benelux.

The Golden Service Awards, aimed at rewarding remarkable achievements within the cleaning sector, included no less than two VebeGo winners in 2021. Nasuh Demirtas (Hago Rail Services) was named Manager of the Year, and Cleaning Team of the Year 2021 went to Team Deltion in Zwolle (Balanz



“Tilburg Spoorpark has become a beautiful park, with a very clear social function”

Tilburg Spoorpark opened in 2019. The plot in the middle of the city, formerly an NS marshalling yard and the logistics hub of Van Gend & Loos, has been transformed into a vibrant city park. Brouwers Groenaanemers, part of Vebego, was the main contractor and took care of the construction; this project won the company the European Landscape Contractors Association’s Green Park Award in 2021.

Park manager Sophie Peters is proud of “her” park. “This was the largest citizens” initiative within the Benelux area. The park is operated and managed by local Tilburgers. There is a volunteer organisation with sixty-five people that makes sure the park stays clean and safe. Tilburg residents can meet up, have a picnic, climb a tower, kick a ball around, skate, take the BMX on the cycle track, play on the water square. The park is also home to the scouts, an after-school care facility and a beach volleyball club. It has really become a beautiful park for local Tilburgers, with a very clear social function.”

Net Promoter Score

Vebege strives for long-term relationships with its clients, partners and suppliers. In order to continuously receive customer feedback, we introduced Net Promoter Score (NPS) in 2020 as a measurement method at the majority of our 100% companies.

In the meantime, we carried out second, third and sometimes fourth measurements at all our companies over the course of 2021. The methods vary from relational (what do you think of company x) to transactional (what did you think of experience x), depending on the needs and the specific business. The weighted average of all NPS scores across all companies within the group is +43. The results varied from an NPS of +2 to +85, with an average response of 29%.



Items that score well across the entire portfolio of companies are the quality of service, the on-site contact person and our ability to “think along” with our customers. One aspect that requires attention is proactivity. In conversations with clients and during the next series of surveys, we will look at what (the need for) proactivity exactly means for clients.

Besides this, we are seeing that the coronavirus situation is having a positive effect on a number of companies. Hygiene is higher on the agenda, its importance has become more prominent, and this is reflected in a more positive valuation. The biggest

risers are Care, from +3 to +31, Hago from +40 to +56 and Hago Zorg from +23 to +42. The highest total scores are in the name of Alpheios in Belgium (score +74) and Move Consultants in Switzerland (score +69). In the meantime, the attention within the NPS programme has shifted from embedding to optimisation. Vebege organises workshops with all companies to collectively exchange knowledge and resolve bottlenecks with each other.

Great flexibility, accelerated innovation

Looking back over the services provided by VebeGo companies during the coronavirus period

2021 was largely dominated by the coronavirus. Over the last year, we again had to keep up with and adapt to the measures and developments in order to perform our services at airports, on trains, in (home) care and in the office environment. What did our companies do in 2021? What were the biggest challenges, have any new innovations arisen, and if so, what are they? For this annual report, we discussed these questions with Rob Westerlaken (Director of Client Solutions), Cynthia Smit-Cromberge (Director of HR at Hago Zorg), Jochem Martens (General Director of Altrio thuisverpleging) and Walter van der Wilt (Operational Director of Yask Facility Management).



Walter van der Wilt, Cynthia Smit-Cromberge, Jochem Martens, Rob Westerlaken

Back to work at last

The meeting took place at the end of March 2022. Everyone is relieved that the measures have been released, as Walter van der Wilt explains: "The need for employees to meet up with each other again is very high. We are now able to start working everywhere again. At Yask, we also do a lot of work for the public sector. We operate sports halls and municipal swimming pools, for example, and that work was completely shut down. Sport activities are now allowed again, and the public is also allowed to use the facilities."

Scaling down and scaling up

Now that corona seems to be making its retreat, it is time to look back over the crisis that the virus caused. As Rob Westerlaken says, “The change was enormous, both for customers and for employees. Passenger numbers on trains and at airports continued to be very low throughout 2021. Customers saw their sales drop, and at Client Solutions we therefore had to scale down considerably. Now that everything is getting back on track, we have to quickly find trained employees again.”

Massive drive and commitment

The coronavirus crisis has demanded a lot from customers and Vebege employees. Fortunately, there was very high flexibility and willingness to help among the companies. Jochem Martens puts his company Altrio forward as an example: “Our customers, which include hospitals, GP practices and residential care centres, were extremely reliant on us throughout the entire coronavirus crisis. We performed many PCR tests in Belgium, at GP practices, but also in patients’ homes before they went to the hospital. We also worked for vaccination centres and provided mobile testing teams. Our employees have risen above themselves, with tremendous drive and commitment. Our nurses have had months where they worked for 20 to 25 days straight.”

Learning to deal with labour differently

A lot has changed in a short time during the coronavirus period. The question that many people are asking themselves is how fundamental these changes are. According to Rob Westerlaken, the coronavirus crisis has made it clear that we must learn to deal with work differently. “For airports and rail services, flexibility in the deployment of people will become the norm. Customers have seen how vulnerable they are if they only think in terms of growth scenarios. As Vebege, we need to come up with smart solutions that do not create a burden for our employees. For example, by more frequently developing combinations in which we are always able to offer people work, but not necessarily at the same location.”

Internal mobility

Cynthia Smit-Cromberge (Hago Zorg) adds: “We have had good experiences in this area with our Flexpool. Employees of Vebege companies whose work fell through have temporarily started working at our healthcare companies. This internal mobility across the companies is something we can develop further.”

Way of working permanently altered

Walter van der Wilt is convinced that the way we work has been permanently altered. “Working from home is here to stay. In offices, the emphasis is on meeting with colleagues, sparring and developing with each other. This of course has consequences for Yask as an FM service provider. We have recently been developing new concepts: what should the workplaces of the future look like? Why will employees keep going to the office? Corona has furthermore led to more attention for installations and for safety in buildings, and proper ventilation has also become more important.”

Acceleration in healthcare

Cynthia Smit-Cromberge also believes that the coronavirus period has brought innovation to her company. “We have provided many additional services to our healthcare customers over the recent period. As Hago Zorg, we want to develop from a cleaning company to a healthcare service company. This process has rapidly accelerated during the coronavirus period.”

Maintaining attention

Jochem Martens believes that the crisis has ushered in yet another important innovation. “The healthcare sector has become more open to constructive collaborations, at least in Belgium. A new mindset has emerged, giving more focus on innovation and further embracing the use of technology and remote monitoring, for example.” Walter van der Wilt adds that “Our services became visible during the corona period. “Cleaning, disinfection and hygiene were suddenly top priorities at companies. We obviously want to maintain that attention.”

Society

CO₂ and the environment: less negative impact, more positive impact

VebeGo wants to make a positive impact and actively reduce any negative impact. We deal in a sustainable manner with employees and customers, but also with the environment. We take our responsibility in combating climate change and its consequences. We do not just want that ourselves. Our customers also expect us to contribute concretely to their climate goals. Our goal is that we will work in a CO₂-neutral manner within all of our activities no later than 2030.

Electric vehicle fleet measures

We will be taking various measures in the coming years in areas of focus such as the fleet of vehicles, work clothing and accommodation. VebeGo facilitates this sustainability by entering into framework contracts with partners who contribute to our goals and objectives.

From 2022, we are going to accelerate the process of making our leased fleet sustainable by switching to an electric fleet; in the Netherlands, this must be completed by 2025 at the latest. Given that availability of electric cars is under pressure as a result of the coronavirus crisis and the war in Ukraine, we will be implementing these measures in phases over the next two years.

By making the fleet of vehicles sustainable, there will already be a significant reduction in CO₂ emissions by 2025. We have already offset the CO₂ emissions of the entire fleet over 2020 and 2021 through investments in a VCS certified Agroforestry project in India. Through diversification of 500,000 hectares of existing agricultural land, this project will reduce CO₂ emissions by more than 700,000 tonnes.



Fortron uses a hybrid 45-metre truck mounted AWP (the first in the Netherlands) which operates fully electrically during operations. Fortron is working on the development of a 100% electric car/truck platform.

CO₂ emissions

CO ₂ emissions per category (tonnes)	2020	2019
Lease cars	12,687	13,574
Commuting	2,548	2,892
Heating	1,302	1,317
Electricity	705	731
Business trips	283	332
Fuel	350	241
Company vehicles	40	6
Air travel	5	33
Total	17,920	19,126

In 2019 and 2020, we collected a lot of data on our companies' CO₂ emissions, and in 2021 we used this data to map out Vebego's CO₂ footprint. Part of the CO₂ roadmap is setting up an adequate, group-wide process for reporting our emissions. We are optimising the current system so that from this next financial year we can report emissions in a timely and reliable manner. The 2021 figures will only be available at the end of May, which is why we only show the figures for 2019-2020 here.

Generic and business specific roadmap

In April 2022, we will be drawing up a generic roadmap based on the information we have gathered over the past two years. This will state which measures Vebege can take to reduce CO₂ emissions, for example in the area of mobility, work clothing and accommodation. If desired, each company can use this generic roadmap to create its own company-specific roadmap, in which the company will indicate which aspects they have under control, and what company-specific measures they are going to take. Based on the specific roadmap, Vebege can provide guidance and assess whether the measures taken are indeed effective in achieving our goal – to work in a fully CO₂ neutral way by 2030.

Work clothing and accommodation

For work clothing, CO₂ neutrality is a requirement for every purchasing process. Together with the companies, we are currently going through a selection process so that over the course of 2023 a CO₂ neutral range of our work clothing will be available.

CO₂ reduction is part of the business case in every decision for (new) accommodation. CO₂ reduction will be an explicit part of the strategic accommodation plan. At a local level, our companies often manage their energy consumption through environmental management systems and have their energy reduction objectives certified according to ISO 140001.

EcoVadis

To be fully CO₂ neutral by 2030, we are asking all our suppliers to work in a CO₂ neutral way. To gain an insight into the CO₂ emissions produced by our suppliers, we are going to work with the Carbon Action Module by EcoVadis. EcoVadis manages a (global) collaboration platform that enables businesses to evaluate their suppliers' sustainability performance. By 2022, fifty of our top one hundred suppliers need to have the EcoVadis label, for example, and steps have been taken towards further CO₂ reductions with regard to our suppliers' services.

Our customers consider it important that our CO₂ emissions are certified by an external party. We will therefore be working towards CO₂ certification for our companies over the next few years. The emission quotas and footprint of our cleaning activities will be measured by SGS in the first half of 2022.

Less water consumption, more water elsewhere

We use a lot of water as part of our service. Our companies have established the goal of endeavouring to use one less bucket – 20 litres – of water for each hour of cleaning. We already save water now when cleaning surfaces by selecting innovative materials and techniques. In partnership with MADE BLUE, Vebege has been committed to converting this reduced negative impact into a positive social impact since 2015. Each litre of water that was not used is made available, together with MADE BLUE, as drinking water in developing countries. More than 100 million litres of clean drinking water have now been made available in places in the world where that is most needed.



“Window film package for employees has measurable impact on energy use”

Energy costs are rising, and the Earth is warming up. For that reason, Hago Zorg took the initiative to help employees better insulate their homes. All employees were able to receive a free package of insulating window film to help them save money on their energy bills. Hundreds of packages were ordered in less than two months.

Ingrid Kornips is project manager of the Hago Zorg Environmental & Sustainability project group, which every year devises an initiative to create visible and measurable impact. She calculates out loud the impact of the window film, the leading idea in 2021. “We have sent out 390 packages of insulating window film, with each package insulating 2.5 m² of window, that means an 975 m² of better insulated windows. That leads to a saving of 13,065 m³ gas per year, which then results in a reduction of 23,517 kilograms of CO₂.”

VebeGo Foundation

The VebeGo Foundation initiates, organises and facilitates social projects that contribute to our mission: working towards a better future for children and young people up to 25 years of age. We do this near and far, around the themes of work, care and education. The VebeGo Foundation is financed from an annual contribution by VebeGo. In addition to the work of the VebeGo Foundation, individual VebeGo companies also support independent volunteer initiatives and community partners.

My Project

We support employees who make an effort for society with "My Project". Many of our colleagues are often working on a regular basis to make the living environment of the people around them more beautiful, healthier and more enjoyable, for example, by being involved with a sports club or volunteering at a local community centre.

In 2021, seventy applications from twenty-four different companies were honoured, and €35,000 was donated. There were only six requests from outside the Netherlands, in 2022 the foundation will focus on making My Project more public, including through an internal promotion campaign in all countries.

Building trips

The VebeGo Foundation organises building trips to Sri Lanka and Morocco in order to literally build the future with colleagues and local parties.

The building trips and many other volunteer activities from My Project could not take place in 2021. Due to the pandemic and the measures it entailed, there was also much less volunteer work that could be done with the strategic partners. That is why we have chosen, in 2021, to financially support already completed projects and, together with our partners, take a critical look at how we could lend them some extra support in the form of a donation.

Strategic partners

In the Netherlands, the VebeGo Foundation works alongside Stichting Jarige Job. In the year 2021 the Foundation explored new collaborations in the Netherlands as well as in Belgium. Before the summer of 2022 we will announce a strategic partnership in the Netherlands with Sam& voor alle kinderen. The partnership focuses on extending the reach of this organisation. In Belgium, we will work with non-profit organisation FEESTvarken. FEESTvarken works to fight poverty in Belgium through making sure children living in poverty have a happy birthday, among other things.





“If everyone does something for someone else, the world gets better”

Since the end of last year, Josine Dekker has been Strategic Partners & Projects coordinator at the Vebego Foundation: “Our goal is that all our colleagues know that we are there, know what it is we do and what we can do for *them*. That’s why in November and December 2021 I was travelling almost every day as part of the My Project campaign, planting seeds.

This is now starting to bear fruit, and we’re getting a lot more requests. The partnership with Stichting Jarige Job was also continued in 2021. Our companies helped to pack 2,388 birthday boxes during eight team outings, and the annual packing marathon took place in October. We also explored collaboration with a new partner. Volunteer work is extremely important. I think that everyone has the right to a life that is as enjoyable and pleasant as possible.

If everyone does something for someone else, the world gets better. This is how I try to motivate others to do something too.”

Opportunities and risks

While 2020 and 2021 were defined by the coronavirus crisis, since 24 February 2022 the Russian invasion of Ukraine has controlled the world news as a humanitarian crisis that knows no equal. The war appears to affect all countries in the world, and its political and economic consequences are difficult to predict. The aftermath of COVID-19, and especially the war in Ukraine, will certainly have an impact on VebeGo, but the extent of this impact in the short and longer term is hard to determine at present.

Consequences of the war in Ukraine

The macroeconomic consequences of the war are already visible. The sharply rising raw material and energy prices are the first to stand out and are affecting VebeGo directly. Fuel costs are rising quickly, and the purchase costs for cleaning products and materials are also increasing as never before. We also see risks for our customers and our employees, and in the development of the cost prices of our services. For example, many customers are indirectly affected by the various boycott measures. VebeGo employees are also going to feel the consequences of the war; the sharply rising prices for food and energy are putting a heavy burden on a large number of our employees. Pressure on our employees' purchasing power can lead to more stress and therefore to a higher chance of absenteeism and long-term loss, Especially if we consider the fact that the coronavirus crisis is still lingering. Many variables are not yet easily quantifiable and there is still little insight into – government implemented – economic recovery packages and sector-oriented subsidies related to the war in Ukraine.

The companies' management teams are working hard to prepare mitigating measures in all of these areas, but it is still very unclear how long the war will last and what the final consequences will be. VebeGo can currently exercise the most influence by supporting its own employees as much as possible and helping them where possible. Attention to the causes of absenteeism and employee guidance is high on the agenda. Maintaining ongoing discussions with clients is of course already a part of VebeGo's service provision, but the intensity of this will certainly increase in the coming period so that we can quickly scale our services up or down, and so that we can fully assist our customers, even during these uncertain times.

Other risks

The war in Ukraine has made nearly all other risks seem less important. Nevertheless, Vebego must continue to keep an eye on other developments that may affect the company. The coronavirus crisis seems to be over, but what will the consequences be if it turns out that the coronavirus keeps coming back every year or every autumn? The expectation is that absenteeism will then structurally increase. In addition, there remains the risk of a temporary lockdown in the event of a sharp increase in the number of infections, with all the consequences this would have for both the financial results and the mental resistance of Vebego. Rising inflation has been a concern for quite some time; the war in Ukraine has only driven that inflation further. The pressure to increase the minimum wages (particularly in Germany) or to adjust collective labour agreements will in the meantime entail an increase in the cost price for Vebego. The development of the office market in the post-coronavirus era is an important issue for all companies operating in facility services. The amount of m² required will shrink, which poses a risk for the cleaning companies. At the same time, it is also expected that the office spaces will be used differently, which creates opportunities for our cleaning companies and the companies operating in facility management.

The remaining challenge: attractive employership

The impact of the coronavirus crisis and the war in Ukraine are significant, but affect us indirectly. Furthermore, nothing is changing with regards to our vision and what we stand for as an organisation. We still want to be that meaningful employer. The pandemic has opened up new opportunities and accelerated a number of issues, and has also shown us what is possible even when there is not much that we are able or allowed to do. COVID has called for a different focus or for the adjustment of priorities on a number of themes.

The shortage in the labour market poses a direct risk to Vebego and its services. At all levels, finding and retaining well-qualified staff is a challenge. Individual subsidiaries sometimes have hundreds of open positions. In the current market, job seekers have plenty of choice and all the room to be more critical in their job search. In time, this may have direct consequences for our services: will we still be able to deliver on our promises to customers?

The most important mitigating measures are to reduce staff turnover and absenteeism. You don't have to look for a replacement for something (or someone) if it doesn't go away. In addition, hybrid working – for our colleagues who support the primary process – will continue to play a role in the requirements of a potential employee. We are also offering this to our current employees, as well as communicating it via our job vacancies.

We believe in the power of differences. Our family business must be a place where everyone can work, regardless of ethnicity, origin, age, ability to work, or gender. A place without a glass ceiling. We are convinced that our organisation will become stronger if we embrace diversity, which will at the same time enable us to (partially) compensate for the shortage in the labour market. One of the ways we are achieving this is through the Talent in Sight programme, which allows us to see what talents someone has, which role fits with those talents what kind of development is desired. In this way, we can deploy people's talents optimally and respond to the market in a timely manner.

The flip side of the war in Ukraine is that the people who have fled their country can immediately start work in the Netherlands. This will offer them livelihood security and self-esteem and can help us deal with the shortages in the labour market.

Complexity in laws and regulations

Vebego's choice to move towards a limited number of large companies is, in view of the increasingly complex laws and regulations that we are faced with, a good decision. The government, accountants and the tax authorities are setting more and more requirements. In order to remain in control, we work from the holding company with an internal audit process that provides a comprehensive checklist and a data book every quarter. The checklist is continuously monitored and adjusted to current relevant laws and regulations and any incidents.

The large companies within Vebego go over this checklist every quarter. The holding's internal audit team checks the completed checklists by means of a sampling procedure. For this purpose, they primarily verify whether the rules have been properly observed and whether any deficiencies have been resolved. In 2021, we set up a Tax Control Framework in the Netherlands that will be further rolled out in the other countries from the first quarter of 2022. Our external audit of the financial statements is performed by Deloitte.

The arrival of the large companies also gives a further boost to the quality improvements within the administrative organisation. In Switzerland, more and more administrative tasks are carried out centrally by the largest operating company: Vebego AG in Zurich. In the Netherlands, the arrival of shared services has been an important step in the efficient organisation of administrative and back-office processes (including remuneration, purchasing, invoicing). Nearly all Vebego cleaning companies within the Netherlands are already making full use of this. Vebego is actively ensuring that companies are organising their back offices in a more collective way within each country. In the Netherlands, the shared service centre has been expanded with the expertise teams for HR, sustainable employability, IT, procurement and legal affairs as of 2022. All Dutch companies will purchase these services from the collective back office.

IT Security

The results of the annual security audits show that information security at Vebego is continuing to improve year to year. As previously announced, data classification was implemented in the central IT environment in 2021. It was also decided that a larger number of Vebego companies will use the central IT infrastructure. This facilitates the mutual cooperation between the Vebego companies and ensures the improvement of their IT security. This will be implemented over the next few years.

Financial impact risks

The risk profile is on the one hand determined by the geographical spread of the services across Belgium, Germany, the Netherlands and Switzerland, and on the other hand by the diversification in the services such as facility services, care, landscaping, facility management and products & systems. Due to this combination of factors, there is a varying risk appetite. The business model, the focus on the market, the processes and the continuous monitoring of KPIs make it possible for the individual companies to anticipate any growth or decline in the market very quickly. Risks and opportunities are assessed and addressed both centrally and locally.

The risk appetite follows from the strategy and the set goals, and can be divided into the following categories:

- **Strategic:** risks are taken in order to enable autonomous growth. With the commitment, drive and innovative capacity of the employees, Vebego is able to convert risks into opportunities.
- **Operational:** through years of experience in the companies, it is possible to take risks in a well-considered fashion. Proven concepts and working methods are implemented both centrally and de-centrally. In addition, Vebego also takes well-considered large corporate (IT) project risks if there is necessity and if doing so supports the long-term strategy;
- **Financial:** the financial policy is cautious, with a focus on (organic) growth and financing without dependence on credit institutions. Liquidity and credit risks are kept to a minimum*;
- **Financial reporting:** There are limited estimation uncertainties in the financial administration;
- **Compliance:** Vebego's objective is to be 100% compliant with laws and regulations and with its own internal procedures and rules of conduct. A dedicated Risk & Compliance department monitors this compliance. Fulfilling agreements made with customers and suppliers and good employership are of paramount importance at Vebego.

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Currency risk

Vebego is active in the European Union. The currency risk is minimal because the Vebego companies invoice their customers in local currency, and also pay their employees and suppliers in local currency.

Price, cash flow, liquidity or credit risk

Liquidity risk is the risk that Vebege will not be able to meet its financial obligations. Vebege's approach to liquidity risk is to ensure that Vebege always has sufficient liquid assets available to meet the obligations when they are due, both under normal circumstances and under stressful circumstances. This risk is controlled by sufficient availability of money and credit lines.

Credit risk within Vebege arises from the possibility that customers and other counterparties may not be able to settle their obligations towards Vebege. The debtor management departments of the Vebege companies monitor this credit risk on a weekly basis. Vebege's credit risk is limited, given the distribution of the many customers across a large number of sectors and countries.

Resilience

The extent and duration of the war in Ukraine, in combination with the aftermath of the coronavirus crisis, are the most important factors influencing our strategic and operational risks. The impact on Vebege depends on individual factors as well as factors that are related to each other. We do not see any cause to further adjust the system of internal risk management in 2022. It is not possible to determine the consequences of risks that may occur in the future but are not addressed in the current system of risk management. Vebege has shown in the past that it is resilient in this area and is able to adapt the organisation to rapidly changing circumstances. Vebege is a strong and solid family business that is conservatively financed and can tolerate a blow.

Our external audit of the financial statements is performed by Deloitte.

Outlook 2022

For the third year in a row, our outlook for the year ahead is accompanied by a great deal of uncertainty. After COVID, now the war in Ukraine is a crisis in all aspects, the consequences of which are barely conceivable.

The 2022 budget is focused on the large strategic project Designing our Future. In 2021, Vebege began the process of strengthening the organisation, thereby also strengthening its market position. The intention is to, in 2022 and 2023, form a total of eleven large companies in Belgium, Germany, the Netherlands and Switzerland, that will operate in cleaning, facility management, landscaping and healthcare.

The year 2022 will therefore involve strong investment in the organisation in the area of HR, IT systems and costs associated with the integration of the companies. The budget takes into account the slowly decreasing impact of the coronavirus pandemic. In the long-term, Vebege also aims to merge and further strengthen its activities in facility services, healthcare and temporary employment in Belgium and Germany; these activities will be supported by a shared service centre located in the country in question. The acquisition of the hectas group in early 2022 also contributes towards an acceleration of growth and ambition in Germany. In Switzerland, the transformation of the current facility services provider, Vebege AG, was already initiated at an earlier stage.

The Vebege companies are constantly working to improve and renew their services, with the goal of serving clients better and more efficiently, but also mainly to reduce workloads and to make the work more enjoyable for the employees. We include the R&D investments that were made in this area in the current operations; these investments do not meet the criteria for capitalisation on the balance sheet.

The result for 2022 is expected to be significantly lower than for the 2021 financial year. This is mainly due to the investments and the large number of strategic projects that have been rolled out in order to be able to grow into the powerful collective Vebege wants to be in 2025. During the preparation of the plans for 2022, the invasion in Ukraine was not yet in the picture. The extent to which these dramatic events will draw a line through Vebege's plans cannot yet be predicted. The strategic vision for 2025 remains in place, but it may be necessary to adjust in certain areas. The management teams of the Vebege companies are following the (daily) news constantly and taking immediate concrete actions for their own organisation if necessary. The Executive Board is occupied with the longer-term consequences and adjusting at a strategic level. It is precisely now that being able to respond quickly and adequately to the rapidly changing environment is a prerequisite to making and being able to make the right decisions for the short and the longer term, in the interest of Vebege and all stakeholders, so that in 2022 we can do more of what it is that drives us: doing good.

Our Management

VebeGo is managed by the Board of Directors, consisting of Ton Goedmakers (CEO) and Ronald Goedmakers (member, also responsible for impact/sustainability and communication).

Responsibility for the day-to-day management of VebeGo lies with the Executive Board, which is comprised of the Board of Directors and five other members. In 2021 these were Ferry Muller (CFO, including risk, compliance, governance and IT), Giuseppe Santagada (COO for Germany and Switzerland), Mark van Haasteren (COO for Belgium and the Netherlands), Niel Cortenraad (CSO) and Peter van Montfort (CHRO, including leadership, meaningful work and talent management).



Niel Cortenraad, Peter van Montfort, Ton Goedmakers, Giuseppe Santagada, Mark van Haasteren, Ronald Goedmakers, Ferry Muller

In 2021, changes were initiated in the composition of the Executive Board. Ton Goedmakers was appointed VebeGo CEO as of 1 January 2021. He took over this role from Ronald Goedmakers, who was CEO for 16 years. Ronald remains part of the Board of Directors. VebeGo also reinforced its Executive Board with COOs Giuseppe Santagada and Mark van Haasteren as of 1 January 2021. The other changes will be implemented during 2022.

These changes will include the appointment of a new CFO and CHRO; the desire for more diversity within the Executive Board will be expressly taken into account here. CFO Ferry Muller will leave the organisation in the spring of 2022 after twenty-six years of service. His successor will start on 1 September 2022. Until that date, Ronald Goedmakers will temporarily take over the duties of the CFO. CHRO Peter van Montfort will transfer his portfolio to his successor over the course of 2022. Peter will remain involved in the organisation in another role. The Board is very grateful to Peter and Ferry for their years of commitment and involvement at VebeGo.

Developments

The organisational change also changes the Executive Board's role towards the VebeGo companies. The Executive Board will take on the role of strategic architect. It will focus on strategic growth and allocate financial resources to the companies within the framework of our group strategy. This gives the companies the necessary space to operate on their own. With a consistent form of management and with clear mandates and KPIs, they are stimulated in their entrepreneurship and in increasing their impact. Since 2021, the operational management of our four core countries has been entrusted to two COOs, both of whom also have a seat on the Executive Board. The companies regularly report to the COOs about progress and developments.

The group strategy is determined by the VebeGo holding company, that nurtures our unique culture and is responsible for portfolio management, collaborations & acquisitions, and non-financial and financial audits. The holding company assesses the plans of the companies and provides direction and support, where this has added value for the collective. This includes things such as IT security, brand policy, auditing, the top 50 talent development, impact and culture.

Corporate Secretary

With structural changes at board level and a more strategic role for the holding company, there was a need for a Corporate Secretary. This new role has been filled by Suzanne van Nieuwenhuijzen since early 2022. In this role, she is the link between the Board of Directors, the Executive Board, the Supervisory Board and the board of the Trust Office Foundation which manages VebeGo's shares on behalf of the Goedmakers family.

Change to top-level corporate structure

At the end of 2021, changes were made to VebeGo's top-level corporate structure. These changes aim to simplify the structure and end overseas companies. On 31 December 2021, the current Supervisory Board was appointed as supervisory body of VebeGo B.V., as a continuation of its appointment to the now dissolved company VebeGo International N.V., founded under the laws of Curaçao. For a short period in 2022, the Supervisory Board will hold authority for two entities (VebeGo B.V. and VebeGo Holding N.V.). After approval of the 2021 financial statement, VebeGo Holding N.V. will be dissolved and VebeGo B.V. will become the head of the group.

Supervisory Board

The Supervisory Board is a sounding board and advisor to the Board of Directors. In addition, the Supervisory Board supervises the policy of the Board of Directors and the general running of the company in its entirety.

During the year under review, the Supervisory Board consisted of five people: two women and three men: Pamela Boumeester (Chairperson), Loes van Rijsoort Willem Cramer, Ton Goedmakers Sr and Jan van Hoek. Former Chairman of the Supervisory Board, Arend Vos, stepped down on 1 January 2021.

[This overview](#) contains the personal details of the Supervisory Board members.

When putting together the Supervisory Board, individual experience and expertise are considered, as well as the specific role that a member can take. We also look at the full range of expertise and roles within the Supervisory Board. The goal is to have a heterogeneous, complementary team in which the members complement and reinforce each other, but also provide each other with sufficient counterbalance and sharpness. In addition to individual requirements, for future vacancies Vebego will also take diversity within the Board into account.

The corporate governance policy, as stated in the [Vebego & Good Governance](#) code, has been satisfied over the year.

Was signed

Board of Directors

Ton Goedmakers, CEO

Ronald Goedmakers

Voerendaal, 19 May 2022



Message from the Supervisory Board

This was yet another year in which COVID-19 played a major role. However, there was an important difference. In 2020, the Supervisory Board was closely involved with operations. Continuity was at stake; we were actively involved in thinking about issues such as the cash flow at companies. In the past reporting year 2021, we were able to focus again on our actual role: monitoring Vebege's policy and strategy, supervising the financial state of affairs, and providing requested and unrequested advice.

This year we paid extra attention to the acquisition of hectas Facility Services. An exciting, large acquisition, in which we have been intensively concerned with whether this is the right step: does the acquisition contribute to Vebege's mission and strategy? As with the Board of Directors, our answer to this was a resounding "yes". In the further course of the acquisition process, we also considered as a Board whether the Vebege and hectas cultures fit together, and we also participated in the due diligence that preceded the final acquisition.

The Board is pleased with the result for 2021. The result is good, both despite and thanks to COVID. Due to COVID-19, there was more focus on hygiene, more work in home care, more work in the hospitals, more work in disinfecting buses, for example. At the same time, Vebege companies in other areas – such as cleaning at airports and on trains – had to constantly scale up and down because the demand among customers kept changing.

The Board is satisfied with the performance and functioning of the Board of Directors. Ton Goedmakers' first year as CEO went smoothly. COVID and the hectas acquisition have not adversely affected the progress of Designing our Future. In 2021, important steps were taken in the basic design of several new companies and towards Vebege being able to organise work processes in a more unambiguous and efficient way. The step of giving two COOs responsibility for the operational management of the four core countries has been taken.

In general, in 2021 conditions for more connection between companies and countries were created. Vebege is radiating more and more unity and actively giving substance to the slogan "One family. One culture. One language. This is done in the process of working towards fewer legal entities, but also in the development of a new brand strategy and in increasing Vebege's visibility. During the year under review, there were active efforts towards better representation of women at board level. Among other things, this has led to the appointment of Suzanne van Nieuwenhuijzen as Corporate Secretary. The process to search for a new female CFO and a female CHRO has been initiated.

As a Board, we try to use a quarter of our time to look back: is everything running in good order, what is written down on paper, what is going to come of it? For the rest of our time, we prefer to look ahead; the meetings and the agendas have been set up accordingly. An important part of our added value lies in providing advice over Vebege's future. Vebege has embraced the United Nations' SDG 8 (decent work and economic growth) and SDG 12 (responsible consumption and production) as a guideline in making an impact, for example. As a Board, we are actively involved in thinking about how Vebege can translate these development goals into usable KPIs: when have we as Vebege achieved what we want to achieve? We also provide advice on ways to further strengthen Vebege's name as an attractive employer.

The Board met in person five times in 2021. In addition, the Supervisory Board had many telephone discussions with the Board of Directors about the acquisition of hectas. In the summer of 2021, the entire Supervisory Board visited Brouwers Groenaanemers in Tilburg, along with Vebege's certificate holders. Vebege's contribution to improving biodiversity was discussed during this visit, as well as the Tilburg Railpark project, where Brouwers Groenaanemers, as main contractor, provided a climate-robust environment with space for play, exercise, recreation and even camping.

As a Board, we conducted a self-assessment in 2021. In doing so, we looked at the effectiveness of our work and at the mutual cooperation, among other things. We will assess our own internal findings with an external party in 2022. There were no changes in the Board in 2021. We have decided not to supplement the Board for the time being.

We hereby present you with the 2021 Annual Report prepared by the Board of Directors. The 2021 financial statements have been audited by Deloitte Accountants B.V. and are accompanied by an unqualified audit statement from an independent auditor. The financial statements have been approved by our Supervisory Board. We can endorse the result appropriation proposal included in the financial statements. We recommend that the General Meeting adopts the 2021 financial statements.

Was signed

Supervisory Board

Pamela Boumeester, Chair

Willem Cramer

Ton Goedmakers sr.

Jan van Hoek

Loes van Rijsoort

Voerendaal, 19 May 2022

VebeGo Holding 2021 Abbreviated Financial Statements

1.1 Instructions for the reader

The abbreviated financial statements are a summarised version of the 2021 VebeGo Holding N.V consolidated financial statements. These abbreviated financial statements do not contain all of the information that is provided in the complete financial statements and should be read in conjunction with the complete financial statements, including the accounting principles and explanation of the various items contained therein. The 2021 VebeGo Holding N.V. financial statements are available from the company (only in Dutch).

1.2 Principles in the creation of the consolidated balance sheet, profit and loss account and other financial statements

The VebeGo Holding N.V. consolidated financial statements, from which these abbreviated financial statements were derived, were prepared in accordance with Title 9, Book 2 of the Dutch Civil Code.

Click [here](#) for the list of capital interests that are important for the insight required by law.

Consolidated balance sheet as at 31 December 2021 (before profit appropriation)

(in thousands of euro)

Assets	31.12.2021	31.12.2020
Intangible fixed assets		
Goodwill	17,658	18,774
Other intangible fixed assets	<u>6,589</u>	<u>5,899</u>
	24,247	24,673
Tangible fixed assets		
Land and Buildings	11,842	11,838
Machines and installations	16,524	15,840
Other fixed operating assets	<u>16,306</u>	<u>15,622</u>
	44,672	43,300
Financial fixed assets		
Participations in affiliated companies	14,493	14,598
Deferred tax assets	1,296	1,837
Other receivables and loans	<u>2,041</u>	<u>1,667</u>
	17,830	18,102
Current assets		
Inventory		
Trading stocks	<u>5,207</u>	<u>6,682</u>
	5,207	6,682
Receivables		
Trade receivables	125,680	118,176
Other affiliated companies	98	265
Other receivables, prepayments and accrued income	<u>21,352</u>	<u>20,917</u>
	147,130	139,358
Cash and cash equivalents	<u>174,817</u>	<u>135,357</u>
	413,903	367,472

Liabilities		31.12.2021		31.12.2020
Group equity				
Share of Vebege Holding N.V. in the group equity		138,170		117,020
Third-party share in the group equity		<u>-102</u>		<u>-432</u>
		138,068		116,588
Provisions				
For pensions		29		49
For taxes		5,130		4,219
For reorganisation		5,565		9,034
For self-insurer status under WGA		9,851		6,440
For anniversary bonuses		4,255		2,807
Other provisions		<u>5,246</u>		<u>3,356</u>
		30,076		25,905
Long-term liabilities				
Credit institutions		2,526		3,811
Mortgages borrowed funds		2,178		2,250
Subordinated loans		225		225
Investment commitments		12,556		8,634
Other liabilities		<u>62</u>		<u>242</u>
		17,547		15,162
Short-term liabilities				
Credit institutions		2,724		3,187
Supplier credits and trades payables		44,519		38,109
Taxes and social security contributions		47,349		41,140
Other liabilities, accruals and deferred income		<u>133,620</u>		<u>127,381</u>
		228,212		209,817
		413,903		367,472

Consolidated profit and loss account for 2021

(in thousands of euro)

	2021	2020
Net turnover	1,052,209	995,998
Cost of sales	<u>830,536</u>	<u>789,294</u>
Profit before selling and administrative expenses	221,673	206,704
Selling and administrative expenses	<u>187,365</u>	<u>183,141</u>
Profit after selling and administrative expenses	34,308	23,563
Financial revenue and expenditure	<u>-1,236</u>	<u>-812</u>
Result of ordinary activities before taxation	33,072	22,751
Taxation on result of ordinary activities	-11,543	-5,607
Result from participating interests	<u>7,312</u>	<u>95</u>
Result of ordinary activities after taxation	28,841	17,239
Share third parties	<u>-549</u>	<u>-577</u>
Result	28,292	16,662

Consolidated cash flow statement 2021

(in thousands of euro)

		2021	2020
Cash flow from operating activities:			
Operating result		34,308	23,563
Adjustments for:			
- Depreciation and other value adjustments		20,817	18,778
- Changes in provisions		3,260	13,341
- Changes in working capital:			
. Changes in short-term receivables	-7,295		12,504
. Changes in inventory	1,475		-30
. Changes short-term liabilities excluding credit institutions	18,070		274
		<u>12,250</u>	<u>12,748</u>
Cash flow from company operations		70,635	68,430
Received interest	322		648
Received dividends	3,095		4,084
Tax paid on profits	-8,118		-1,999
		<u>-4,701</u>	<u>2,733</u>
Cash flow from operating activities		65,934	71,163
Cash flow from investment activities			
Investments in (in)tangible fixed assets	-22,197		-20,034
Disinvestments in (in)tangible fixed assets	1,007		4,351
Investments/disinvestments in consolidated companies	505		-2,200
Investments/disinvestments in non-consolidated companies	5,197		14
Long-term loans granted	-553		-165
Repayments received for long-term receivables	313		83
		<u>-15,728</u>	<u>-17,951</u>
Cash flow from investment activities		50,206	53,212
Cash flow from financing activities			
Income from long-term debts	0		533
Repayments on long-term debts	-1,537		-754
Dividends paid	-8,374		-6,202
Paid interest	-1,456		-1,353
Credit institutions movements	-463		2,218
		<u>-11,830</u>	<u>-5,558</u>
Cash flow from financing activities		-11,830	-5,558
Net cash flow		38,376	47,654
Exchange rate and conversion differences		1,084	110
Funds movements		39,460	47,764
Balance of funds at beginning of year under review		135,357	87,593
Balance of funds at end of year under review		174,817	135,357

The funds balance amount attributable to third-party interests at the end of the reporting year was €0.6 million (2020: €1.3 million).

Independent auditor's report

To: Board of Directors of Vebego Holding N.V.

Our opinion

The 2021 summary annual accounts (hereinafter “the summary annual accounts”) of Vebego Holding N.V. in Curaçao were derived from the audited 2021 annual accounts of Vebego Holding N.V.

In our opinion, the enclosed summary annual accounts are consistent in all material aspects with the 2021 annual accounts of Vebego Holding N.V. audited on the basis of the principles as described in point 1.2 of the explanation.

The summary annual accounts consist of:

1. The consolidated balance sheet as at 31 December 2021;
2. Consolidated profit and loss account for the year 2021;
3. Consolidated cash flow statement for the year 2021.

Summary annual accounts

The summary annual accounts do not contain all of the explanatory notes required by Title 9 Book 2 of the Dutch Civil Code. Therefore, consideration of the summary annual accounts and our opinion cannot replace consideration of the audited annual accounts of Vebego Holding N.V. and our corresponding audit opinion.

The audited annual accounts and our corresponding audit opinion

We issued an unqualified opinion with the audited 2021 annual accounts of Vebego Holding N.V. in our audit opinion dated 19 May 2022.

The Board of Directors' responsibilities for the summary annual accounts

The Board of Directors is responsible for compiling the summary annual accounts on the basis of the accounting policies described in the explanatory notes.

Our responsibilities

Our responsibility is to provide an opinion whether the summary annual accounts are consistent in all material respects with the audited annual accounts based on our work, performed in accordance with Dutch law, including the Dutch Standard 810 “Assignments to Report on Summary Annual Accounts”.

Eindhoven, 19 May 2022

Was signed

Deloitte Accountants B.V.

R.H.M. Hermans, MSc RA

The official Annual Report 2021 of Vebego Holding N.V. was written in Dutch and this document represents its English translation. This translation has been completed with the utmost care, but has no official status and therefore no rights can be derived from it.

Abbreviations and concepts

Abbreviations

CO ₂	Carbon Dioxide
COO	Chief Operating Officer
CFO	Chief Financial Officer
CEO	Chief Executive Officer
CHRO	Chief Human Resources Officer
CSO	Chief Strategy Officer
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Report Directive
DoF	Designing our Future
D&I	Diversity and Inclusion
ESG	Environmental, Social, Governance
GPTW	Great Place To Work
GRI	Global Reporting Initiative
KPIs	Key Performance Indicators
NPS	Net Promoter Score
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goals
TCF	Tax Control Framework
VCS	Verified Carbon Standard

Concepts

Meaningful work

We strive to ensure that every employee experiences their work as meaningful. This means work that makes them feel appreciated, that they enjoy doing and that is meaningful to others. It also means work in which their talents are optimally utilised, because this ensures growth; both for our employees themselves and for our organisation. We also pay attention to the social, vital and financial welfare of our employees. Meaningful work is part of a group-wide programme for sustainable employability and is measured annually, with its own methodology up to and including 2021, and gradually with GPTW from 2022.

Designing our Future

Name of the transition programme aimed towards keeping VebeGo future-proof.

EcoVadis

Evidence-based online platform with supplier sustainability assessments. This allows companies to assess the ESG performance of their global suppliers. The platform's central objective is to make the quality of a company's CSR management system measurable through policies, actions and results. The assessment is modelled on twenty-one CSR criteria, based on international standards for sustainable development. The results are presented in a scorecard that provides a clear overview of a supplier's strengths and areas for improvement.

Future Fit

Internal programme for refining and strengthening VebeGo's sustainability strategy.

Consolidated turnover

The total turnover of all companies in which VebeGo has predominant control.

Managed turnover

Vebege's turnover, including the turnover of the joint ventures.

Global Reporting Initiative

International Network, founded in 1997, which focuses on developing a framework of standards and principles that enable organisations to measure and report on their ESG performance. By now, more than 70% of all organisations are using this framework to report their sustainability efforts.

Great Place To Work®

An internationally known and recognised employee platform with more than 35 years of research and data. In addition to employee satisfaction and engagement, the methodology measures the level of diversity and inclusion.

Impact

Vebege's social contribution, primarily focused on SDGs 8 and 12.

One family. One culture. One language.

Second phase (2021-2025) of the Vebege 2025 strategy.

Sustainable Development Goals

Seventeen goals to make the world a better place by 2030. The SDGs were agreed upon by the member states of the United Nations. They are a global compass for challenges such as poverty, education and the climate crisis. In its contributions to these goals, Vebege focuses on SDG 8, decent work and economic growth, and SDG 12 responsible consumption and production.

Vebege 2025

Name of Vebege's 2017-2025 strategy.

About this report

This is the annual report of Vebege Holding N.V. for 2021. Here you will find an [overview of the group companies](#) that fall under Vebege Holding.

Production

Composition, editing, other, photography:

Vebege Corporate Communications

Texts: [Ravestein & Zwart](#), Nijmegen

Photography: [Carin Deben](#), [Renée de Groot](#), [Jasper Loeffen](#), [Dida Mulder](#), [Dennis Vloedmans](#),

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