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VebeGo Annual  
Report 2020  
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The official Annual Report 2020 of Vebego International N.V. was written in Dutch and this document represents its English translation. This translation has been completed with the utmost care, hut has no official status and therefore no rights can be derived from it.

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# About us

## Profile

In 1943, family business Vebege started with the establishment of the window cleaning company, Hago, by Tonny Goedmakers. Since then, Vebege has grown into a powerful collective, with subsidiaries and joint ventures in Belgium, Germany, the Netherlands and Switzerland. We have more than 34,000 employees working in cleaning, landscaping, facility management, personnel services and healthcare. We offer specialised services, resources and expertise in these areas. Vebege strives for healthy growth, as it is a precondition for continuity and independence. But what really drives us is 'doing good': we want to offer all our employees meaningful work. We believe that this allows us to provide the most added value for our customers and their employees and for society.

## Our goal

Vebege is an independent family business with a great ambition: to make a positive impact on ten million people on a daily basis in 2025. In all four countries where we operate – Belgium, Germany, the Netherlands, Switzerland – we want to have a strong presence at customers who, like us, want to appreciate the significance of our work and our employees. We want to give our employees a better position in our society. They must get the appreciation that they deserve. From us, from our customers, from end users and from society.

## Family business

We are a family business of people, for people. A business with a strong and recognisable culture. Shareholder value and growth are not our primary motivations. We look beyond the following quarter, and consider the interests of our customers, employees, and society as a whole. This is done based on the core values of Vebege, and to which anyone can always hold us accountable, now and in the future. The values that guided our founder to making the right decisions are an important inspiration. That sense of family is and remains the driving force behind Vebege. It is the cement that binds our 34,000+ employees in four countries.





# Foreword

We look back on an eventful year with major challenges. A corona year in which our clients had a difficult time and we suffered loss of revenue at several companies. Fortunately, we were able to compensate those losses within our group. As a result, on balance, we achieve slight growth with a positive result for 2020. We are proud of this result and happy with it. However, it is not the greatest profit for us. In 2020, more than ever before, flexibility and caring for each other were called upon – important

values for VebeGo and for the people who work there. People helped each other at all levels of our company. Due to our familial and social culture, we have been able to take a stand against the coronavirus. For us, that is the greatest achievement in 2020. The same is true for the increased appreciation in society for the work that our people do. That is the kind of impact we want to make, now and in the future.

## Hygiene as a highly valued weapon

It was quite a shock in 2020. More and more, the coronavirus began to take control over our lives. The cleaning work at large customers such as NS, Ziggodome and the airports in Amsterdam, Zurich and Brussels, came to an abrupt halt. The continuity of our companies and the future of our work were suddenly uncertain. What are the consequences of the pandemic for our sector? But also: how do we guarantee valuable jobs for our people? There were major concerns, but also new opportunities appeared: hygiene turned out to be one of the most important weapons to beat the virus. Cleaning was an essential profession. This fact was further emphasized in the Netherlands by the King, who specifically thanked cleaners in his Christmas address. Our work received respect in society. This public appreciation made our people even more proud. We want to maintain and further stimulate that appreciation and pride, as part of our goal to provide meaningful work to people.

## Flexible pool helps reduce the pressure on healthcare

After the corona crisis broke out, initiatives were started at almost immediately at all levels within VebeGo. The crisis exposed what we actually already knew: we are close to each other and close to the customer. We work on the basis of strong values, with the freedom to also act as we see fit. By setting up a flexible pool, we have tried to deploy elsewhere, as effectively as possible, the approximately 1,000 employees whose work was cut. Many employees, who would otherwise have had no work, were able to still do important work. For example, people who worked at Rotterdam Ahoy supported the Erasmus UMC cleaning team. In this way, we could also immediately contribute to helping healthcare.

The year demanded a lot of flexibility from everyone. As a company, we weathered the storm due to the resilience of our own employees, but also due to all of those customers who remained faithful and open to innovative solutions. At the same time, the contrast was sometimes great. Painfully enough, many employees in Belgium, Germany and Switzerland ended up (temporarily) unemployed. Many sectors in the Netherlands came to a standstill, while healthcare had an acute need for cleaners.

## Increased awareness for social return

An important goal for the coming years is to further increase VebeGo's impact on people, environment and society. We set high standards as the 'most inclusive employer'. We want everyone to participate, including people who with distance from the labour market and people with a migrant background. More women deserve a place in managerial positions. Not only do we want to make an impact, we also want to be able to measure it effectively. We sought collaboration for this purpose with the Impact Institute in 2020. Together with the Institute, we will express in hard figures the creation of meaningful work and the active contribution to a circular economy. It is the beginning of a larger movement in which we learn to better value the social return of business activities such as ours, literally and figuratively, both inside and outside of VebeGo.

## Towards a new structure

At VebeGo, we consider a family value such as caring for each other, to be self-evident. We saw this year what you can accomplish when you support each other on the basis of common values. At VebeGo, we want to further embed such cooperation. We made strategic choices in 2020 with "Designing our Future" that will take shape in 2021 and beyond. We are working towards larger companies. By sharing knowledge and organising work processes more efficiently, we can offer customers more added value and, at the same time, build strong brands. As a result, we become more attractive as employer. The ultimate goal is to make more impact.

## One family. One culture. One language.

Ton Goedmakers has been VebeGo's new CEO since the beginning of 2021. Thus a new generation of Goedmakers is at the helm. Each generation has different emphases in a different time. At the same time, Ton comes from the same family, shares the same culture and speaks the same language as his predecessors. After the pioneering work by the first generation and the growth, diversification and internationalisation by the second generation, the third generation now faces the challenge to further professionalise VebeGo based on the collective's strength. Maintaining the entrepreneurship that is VebeGo: being close to the customer, because that is and remains the place where it is possible to make an impact.

Ton Goedmakers, Chairman

Ronald Goedmakers

# Key figures

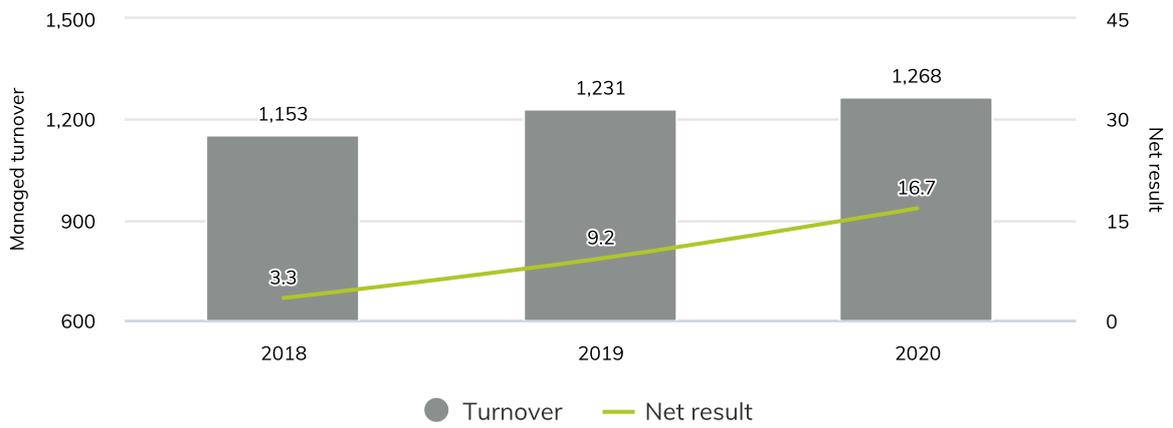
## Managed and consolidated

At Vebege we use the terms 'managed' and 'consolidated'. The consolidated turnover of € 996 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 2020, we had more than 150 companies with a joint turnover of € 1,268 million. The link between Vebege's managed and consolidated figures is as follows:

(in euro x thousands)	Consolidated		Joint ventures		Managed	
	2020	2019	2020	2019	2020	2019
<b>Net turnover</b>	<b>995,998</b>	<b>940,870</b>	<b>271,659</b>	<b>290,568</b>	<b>1,267,657</b>	<b>1,231,438</b>
Cost of sales	789,294	764,892	204,873	222,719	994,167	987,611
<b>Profit before selling and administrative expenses</b>	<b>206,704</b>	<b>175,978</b>	<b>66,786</b>	<b>67,849</b>	<b>273,490</b>	<b>243,827</b>
Selling and administrative expenses	183,141	166,398	52,127	53,230	235,268	219,628
<b>Operating result (= EBIT)</b>	<b>23,563</b>	<b>9,580</b>	<b>14,659</b>	<b>14,619</b>	<b>38,222</b>	<b>24,199</b>
Number of employees	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Employees as at 31 December	25,624	27,234	8,467	9,171	34,091	36,405
In FTEs	14,795	15,025	4,436	4,764	19,231	19,789

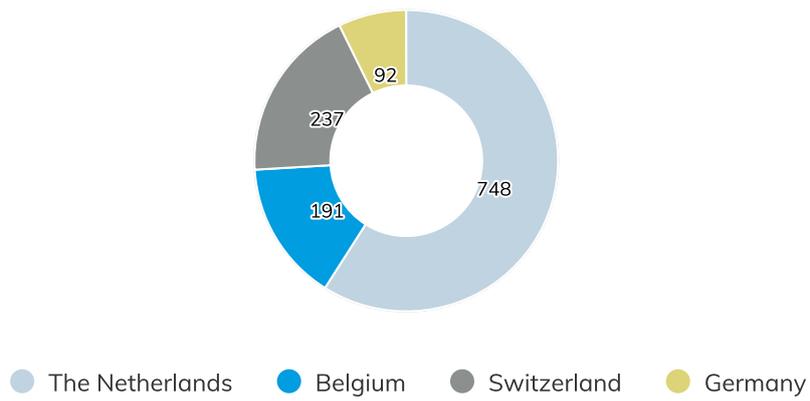
## Managed turnover and net result

in millions of euros



## Managed turnover by country 2020

in millions of euros



# VebeGO 2025 Strategy

In order to achieve our goal, we must collectively strengthen our position in the market. That is why VebeGO developed the “VebeGO 2025” strategy starting in 2017. 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.

## 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, cleanrooms and industry. But we have also added items such as landscaping, provision of care, personnel services, circular solutions 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. At the same time, we also 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.

## Collaboration and uniformity

A crucial part of VebeGO 2025 is our positioning as providers of added value. The second strategy point is visibility in the market as a powerful collective. We closely align the individual positioning of the companies with the VebeGO-wide positioning, based on our motto: “Alone you can go faster, but together you can go further”. In order to strengthen this positioning, in the coming years, we will reduce the number of brands with which we present ourselves. The transition that has been initiated stimulates entrepreneurship and cooperation between companies, for example, in their marketing and exchange of knowledge. Internally, we also make better use of the collective’s potential by making the processes, systems and organisational models in the companies much more uniform. By 2025, this approach should lead to more time to pay attention to customers and employees, greater recognition in the market and more financial room to make an impact. That is, and remains, our primary goal: to make more impact on customers, employees and society.

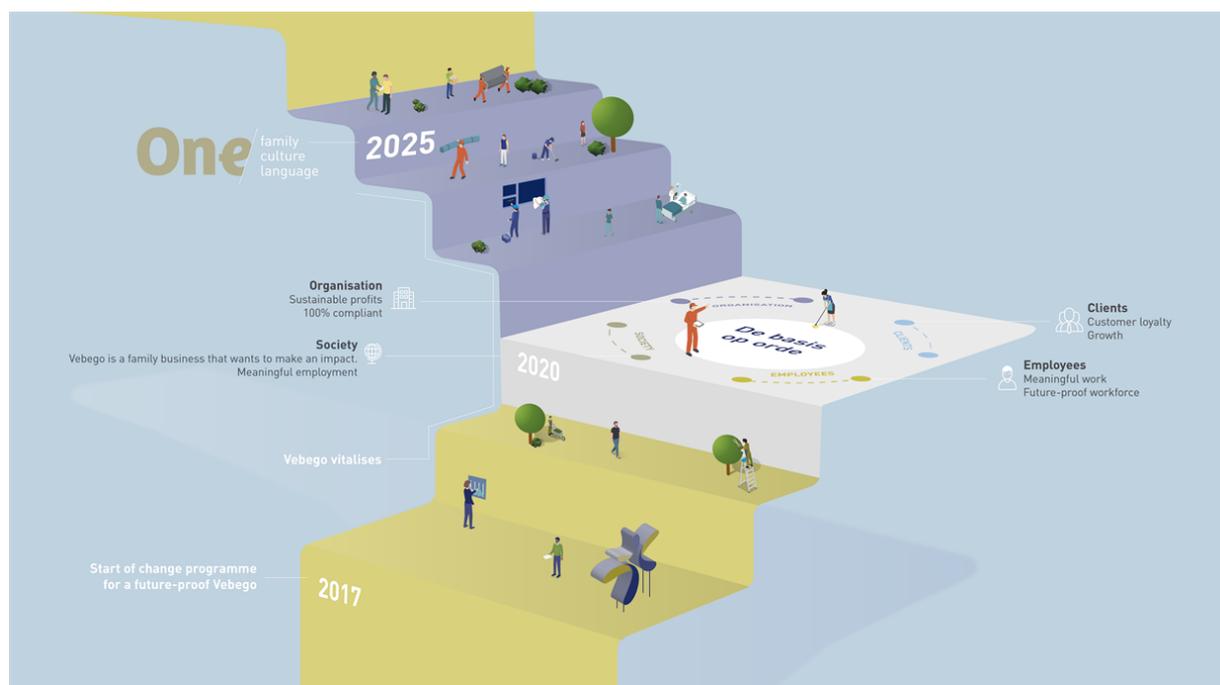
**The key goals of our strategy are:**

- Strong autonomous growth in the selected markets, with a high customer rating based on Net Promoter Score for our employees and our services.
- 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.
- Customers, end users and in time, the entire society have increasing appreciation for our employees and the important work that they do every day. Our impact goal is therefore: appreciation from everyone for the meaningful work we do together every day, with a large diversity of employees. We offer an opportunity to everyone who wants to work.
- 100% compliant: we always work within the framework of the law and the standards and values that we set ourselves.
- Sustainable profits to ensure continuity and to achieve our impact goals.

# A new phase: One family. One culture. One language.

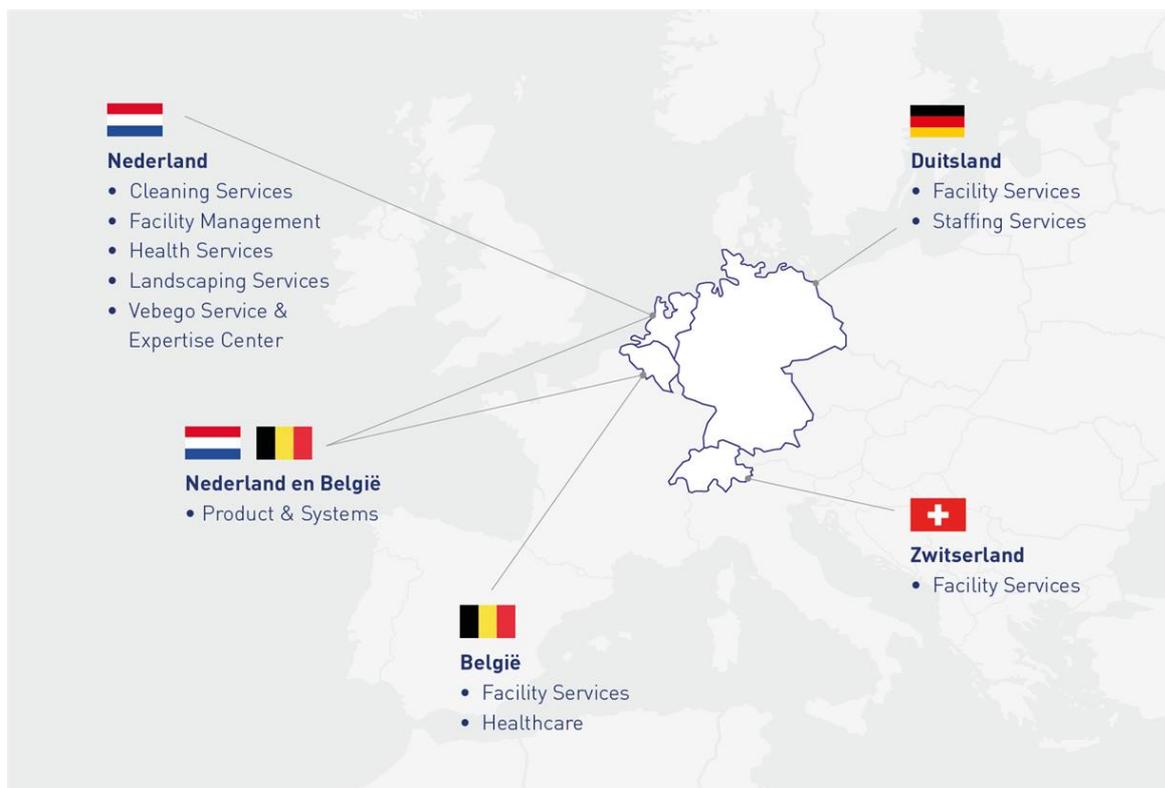
The VebeGo strategy is focused on growth and impact. Over the last three years, we have brought order to the foundation of our organisation with “VebeGo vitalises”. Much has been achieved: we work together better, IT and processes have become more clear-cut. We have also gained more understanding of our impact on customers, employees and society. The foundation for further growth has been established in recent years so that we are ready for the next step.

The next five years will begin under the banner *One family. One culture. One language.* with various new initiatives and projects, in addition to projects that run through the first phase of VebeGo 2025. All of the projects serve the same, collective objective: To keep VebeGo healthy and fit so that we continue to provide the best quality service after 2025 and offer meaningful work to as many people as possible. Examples of projects are improving the positioning of the companies, achieving CO<sub>2</sub> neutrality in 2030 and developing an audit framework for companies in order to properly safeguard all of the governmental requirements and expectations.



## Designing our Future

The most important project within VebeGo 2025 is “Designing our Future”. This project focuses on building a strong organisation that consists of a select number of effective companies that can further develop into leading players in their market. By restructuring VebeGo and simplifying entities, we want to enable further growth, impact and more effective work. This restructuring was decided upon at the end of 2020 and the first phase has begun. We have now detailed further how we wish to approach the restructuring into larger companies and in which phases that will occur. The intention is to form eleven large companies in Belgium, Germany, the Netherlands and Switzerland, active in cleaning, facility management, landscaping, personnel services and healthcare, in 2023. These companies are becoming even more attractive to work with and for, due to entrepreneurship, smart and flexible processes and all attention for customers and employees.



Countries and activities

## The Netherlands

The plan is to form five large companies in the Netherlands within two years, companies that are active in cleaning, landscaping, healthcare, facility management and products & systems. The intention is also to expand the existing service and expertise centre with a few new functions and to build additional expertise in the manner in which we can properly and efficiently support all of the Vebege companies in the Netherlands in the short and longer term. These intended decisions entail changes. The Works Councils will be closely involved for this purpose. We will take great care in setting up the transition process. Employees who experience a change in work due to the combining of companies will be able to count on careful guidance.

## Belgium, Germany and Switzerland

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. In Switzerland, the transformation of the current facility service provider, Vebege AG, already began in 2018, with the goal of becoming a leading service organisation in cleaning and facility services in 2023.

## Fewer systems, fewer companies: more cooperation, more control

Vebege has always given entrepreneurship plenty of space. The company has benefited from this policy. It was perhaps the secret behind the success and turbulent growth: a wide range of activities in several countries, once eight, now four. The downside is that gradually a multitude of operating companies, holding companies, work procedures and systems have arisen. Ferry Muller is Chief Financial Officer at Vebege and also responsible for risk, compliance, governance and IT. He outlines the consequences: 'Vebege traditionally works from a basis of freedom and responsibility. For almost every new idea, a private limited company was set up and often also a

holding company in order to limit risks. Many companies have their own tools, their own controller and their own back office. Within Vebege, there are 20 financial systems, more than 140 legal entities and 80 companies with a serious profit and loss account. There are 40 full audits per year and 50 reviews at the joint ventures. All of this is a lot of work, operationally - for example, how do you arrange the auditing at all those companies? - as well as legally.

## Internal and external drivers of change

The pressure to work with all of those systems and companies has become even greater in recent years. It is clear to everyone internally that there is much efficiency to be gained by setting up smart and flexible processes and by combining knowledge and expertise that all of the Vebege companies can use. But there is also a lot of outside pressure. 'Over the past five or six years, we have been dealing with increasingly complex laws and regulations, such as the Wet ketenaansprakelijkheid [Sequential Liability Act], Wet op de identificatieplicht [Compulsory Identification Act], the AvG [GDPR]. Developments in the IT field are very fast. It is almost impossible to keep all of those individual companies up-to-date and also not at all effective. In addition, the management of risks for large companies such as Vebege has changed fundamentally. As parent company, you have to be able to demonstrate much more than before that you are in control, that you have an understanding of all the companies under you, that you recognise and manage risks at the level of the entire group.'

## Simplify business processes, integrate back offices

For Muller, "Designing our Future", an important part of Vebege 2025, brings two worlds together. Vebege's strategic choice to restructure the group and to have fewer companies with more effectiveness and more impact, fully aligns with his wishes as CFO. It is now becoming entirely possible to simplify the business operations and to benefit much more from Vebege's strength as a collective through integration of back-office processes.

'Designing our Future saves us time, energy and money because we have fewer legal entities and more focused support from shared services. We are going to organise our specialists and our knowledge and expertise in one place. This not only provides extra assurance in terms of continuity, we can also focus much more on quality improvement in areas such as accounting, taxes, accountant, bank, personnel, finance and auditing. At the same time, we also become more in control, have better control and know for sure that we are compliant. This double benefit also occurs in IT. Now that we are going to arrange IT more centrally, there will not only be economies of scale in e.g. workplace management, but we will also immediately strengthen our cyber security.'

## Legal Tax Framework

The design for the Vebege restructuring is complete, the further implementation now follows. A great deal has already been put into motion in the last years, such as central purchasing departments in the Netherlands and Belgium and a financial back office for the Dutch cleaning companies on one platform. But there is also still plenty of work to be done in 2021 'at the back-end', as Muller calls it, including the merger of almost 30 small companies. An important step in 2021 will also be the development of a Legal Tax Framework for all of Vebege. Muller: 'We want to establish a fixed set of standards for tax legislation and regulations, a review framework against which all companies will be assessed. This allows us to meet the requirements of our stakeholders, such as the Tax and Customs Administration and the accountant. This makes it easier for all of the companies to comply with all the rules and to avoid and reduce risks.'

# Impact

Doing good is in our genes. That is why we believe it is important to contribute to the United Nations Sustainable Development Goals, on the way to a more sustainable and better world in 2030. We have started the dialogue with our stakeholders and analysed Vebege's business activities (business portfolio). On this basis, we decided to focus, as a collective, primarily on our contribution to SDG 8 (*decent work and economic growth*) and SDG 10 (*reduce inequalities*).



## Focus on SDGs 8 and 10

We believe that in our role as employer, we make the greatest impact and can reduce inequality. We endeavour to offer more and more inclusive employment and want to provide meaningful work to all our employees; we also believe it is important that they also truly experience this as meaningful themselves. We want to empower our employees, let them come out from the shadow and offer them opportunities. We guarantee this internally, among other things, by ensuring an inclusive culture. We also pay a lot of attention to the sustainable employability of our employees and to their social, vital and financial welfare. This requires us to provide facilitating leadership and people who know how to provide space for talent and initiatives. We have formulated an HR vision that serves as the basis for this transition and this form of leadership.

We structurally monitor the welfare of our employees, using the scientifically substantiated measuring method Meaningful Work. But it goes further than that. It is our dream to be able to ensure that there is more social appreciation for the type of work that our people do. Still too often, the professions at the basis of our labour market are looked down upon, while their contribution is essential to maintaining a pleasant, clean and safe living environment. We want to strengthen the social position of these professional groups by making the importance of their work visible, so that they receive the appreciation they deserve.

We also support and encourage our companies themselves to develop various projects, programmes and initiatives that contribute to the SDGs. This concerns initiatives that have a positive impact on customers and end users, for example, because they affect their services or the immediate environment in which our companies operate.

In making impact, the companies are supported with advice by the Vebego holding company. Vebego focuses on SDG 8 and SDG 10. At the same time, we give all companies freedom of choice. For example, we do justice to the broad portfolio of Vebego and its companies and to our subsidiaries' need to align with customer and market developments.

# Our results

## Turnover

### VebeGo

VebeGo's consolidated turnover increased by 6% in 2020 to € 996 million; in 2019, it was € 941 million (+7%). Organic growth remained limited by 2% in 2020. The increase in the consolidated turnover is mainly due to VebeGo acquiring the majority of the shares from two joint ventures in 2020 and including the turnover from those shares in the consolidation in 2020. The corona crisis has had a major impact on the individual company contributions. The companies that work at the airports (Amsterdam, Zurich and Brussels) have substantially lower revenues than in the previous year. The companies that work with the large event sites and in the temporary employment sector also show negative growth figures. Nevertheless, VebeGo's consolidated turnover remained stable due to the stable turnover in the healthcare sector and because the cleaning companies were able to keep the turnover level with extra work. There were no major purchases or sales in 2020. The increase in value of the Swiss Franc barely affected turnover. The total managed turnover, where the contribution from the joint ventures counts fully, ended up at € 1.27 billion (2019: € 1.23 billion), an increase of 3% compared to 2019.

## Belgium



In cooperation with the universities of Antwerp and Ghent, Altrio provided over 100,000 Covid-19 tests through mobile test teams

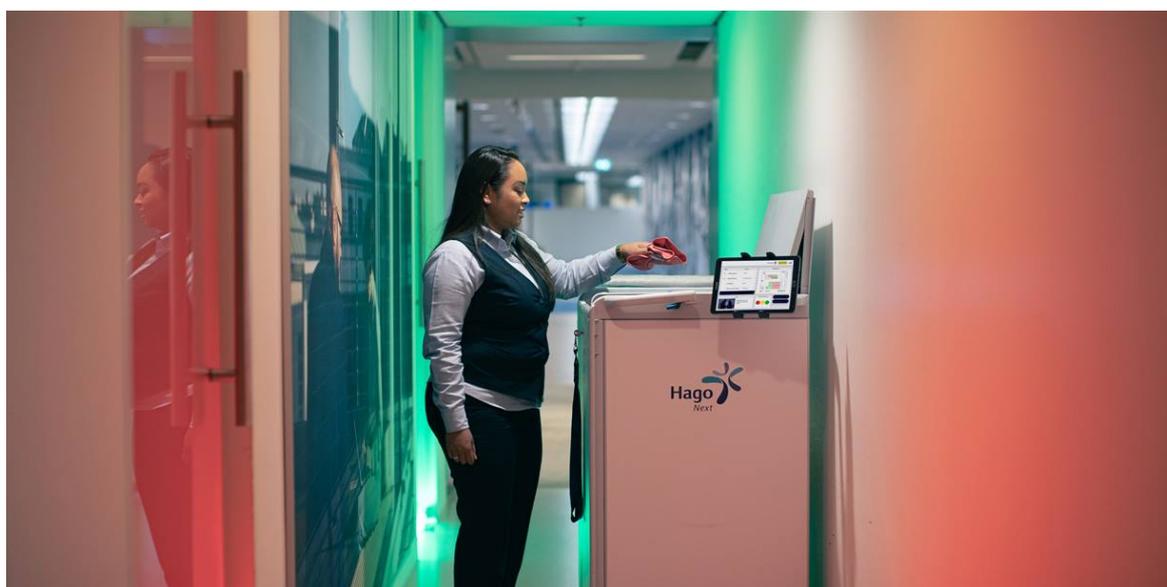
The consolidated turnover in Belgium grew significantly to € 138 million in 2020 (2019: € 74 million). In particular, the acquisition of the shares from a joint venture partner contributed € 36 million to this sharp increase. The facility companies and the service voucher companies had a difficult time in 2020 due to the corona crisis. On the other hand, home healthcare showed positive turnover development. The Belgian activities account for approximately 14% (2019: 8%) of Vebege's total turnover.

## Germany

The activities in Germany suffered the most within the group from the corona crisis. Our temporary employment agency lost 30% of its turnover compared to 2019. The facility management activities also shrunk compared to the previous year. In particular, the companies that are active in hotels and logistical services at the large department stores had to make significant reductions. Home healthcare remained stable. The total turnover of the companies that are active in the German market amounted to € 88 million (2019: €114 million), approximately 9% (2019: 12%) of Vebege's total turnover.

## The Netherlands

The turnover from all activities in the Netherlands increased to € 551 million (2019: € 544 million). The cleaning companies managed to maintain their turnover due to additional work (among other things, disinfection). The landscaping sector had few issues with corona (a lot of outdoor work) and managed to maintain the turnover. Due to the start of a new contract at the beginning of 2020, Facility Management experienced significant growth. In the commercial activities, we see a decline in the sale of regular cleaning agents, machines and materials, but a sharp increase in agents and materials that are related to disinfection. The cleaning activities in the healthcare sector grew slightly and the healthcare companies have developed in line with expectations. The share of the Dutch activities in 2020 is 55% (2019: 58%).



Hago Next successfully introduced the Smart Hygiene concept, cleaning based on data analysis and sensing technology

## Switzerland

The turnover increased to € 219 million (2019: € 209 million). This increase is partly due to the activities in facility management. Due to a number of large new clients, turnover was positively affected, despite the pressure from the corona crisis. There was also a lot of extra corona-related work, such as disinfection and extra rounds of cleaning. Vebege is active in Switzerland in facility services, healthcare and maintenance. Switzerland has a share of 22% (2019: 22%) in Vebege's turnover.



In 2020, CarePeople made a significant contribution to the establishment of Basel's first vaccination centre. Since then, our medical staff have administered up to 1,000 vaccinations a day.

## Trend in results

In the years 2018 and 2019, VebeGo invested a great deal in the organisation. VebeGo is a family business with a long-term focus and with objectives that go beyond the next financial year. The long-term investments (among other things, in IT systems and in the expansion of shared services) produced their first benefits in 2019 with a decrease in overhead costs and improvements in operations. Expectations for 2020 were high, the budget was based on a considerable increase in turnover and result. The arrival of corona cancelled many of the plans made. For example, the companies in the segments affected by corona had significant reductions in result in 2020. Nonetheless, VebeGo achieved a positive result in 2020, which was higher than in 2019. The financial statements contain a provision of € 7.5 million for the announced organisational change, "Designing Our Future", which had a negative impact on the 2020 result.

The net result for 2020 was € 17 million (2019: € 9 million), a return of 2% (2019: 1%). The companies within the group that were less vulnerable to corona were able to compensate for the lesser results from other VebeGo companies. The improvement compared to 2019 stems partly from the result from the acquired joint ventures that were fully consolidated in 2020. The main cause, however, is the fact that in 2020, we stopped all expenditures that did not directly contribute to the primary process. In particular, the investments with a longer-term horizon were put on hold during the first corona wave. A temporary hiring freeze was also instated for jobs outside of the direct operation. The great uncertainty that gripped all companies and certainly also VebeGo shortly after the outbreak of the corona crisis in March, necessitated these measures.

The suspension of the short-term and long-term investments and the temporary hiring freeze are not structural in nature. The corona crisis showed how important it is to keep looking ahead; the previous investments in IT systems, for example, ensured that we could quickly switch to working from home. In order to prevent an exodus, an internal flexible pool was set up after the end of the first quarter in order to deploy employees who work in severely hit sectors, such as airports and event locations, in areas such as healthcare, for example. VebeGo had already begun to catch up at the end of 2020; it is expected that this will lead to a substantially lower result in 2021. Later in this chapter, we will discuss the expectations for 2021 in more detail.

## Taxes

Based on our impact goal and our effort to reduce inequality, we also act as responsible taxpayers. We developed a new VebeGo Tax Control Framework in 2020. This will be rolled out in the Netherlands starting in the first quarter of 2021. After this implementation, we will begin with a similar Framework for Belgium, Germany and Switzerland. 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. Our business operations and the countries in which we perform them determine where we pay taxes. We explicitly do not view taxes as a profit centre.

## Balance sheet

VebeGo's capital position remains strong. Solvency is 29.1% (2019: 28.8%). The increase is due to the positive result over 2020. The total guarantee equity (group equity minus goodwill plus a provision for deferred taxes) increased to € 102 million (2019: € 89 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 € 132 million.

VebeGo's financial position improved in 2020 compared to 2019 due to a higher cash flow from operational activities as a result of the considerably improved result and as a result of changes in the provisions and the working capital. The cash flows from investment activities and financial activities in 2020 were around the same level as 2019. We have plenty of our own resources in order to finance VebeGo's strategic vision and the subsidiaries' underlying plans.



Hågo  
Rail Services

Nilsson

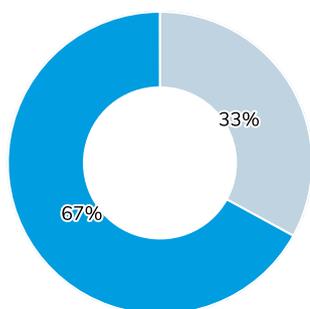
# Impact

## Employees

As HR, we translate VebeGo's mission and vision into HR policy and HR processes. We want to mean something as VebeGo, we want to matter. To make a difference, side by side, with room for everyone who wants to participate and be involved. Being able to offer continuity and meaningful work. Knowing why you matter. Every single day. Meaning something to all our customers. And making a positive contribution to society. Reaching people, making them happy and having a positive impact on the lives of others. That is what drives VebeGo, every day once again. It is also the guiding principle in everything we do for our employees as HR. In line with this fact, the following steps were taken in 2020

### Number of employees 2020

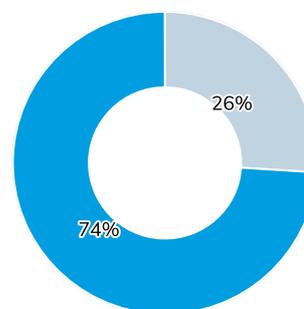
34,091 employees (19,231 FTE) \*



● Full-time ● Part-time

### Division male-female

Total: 34,091 employees \*



● Male ● Female

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

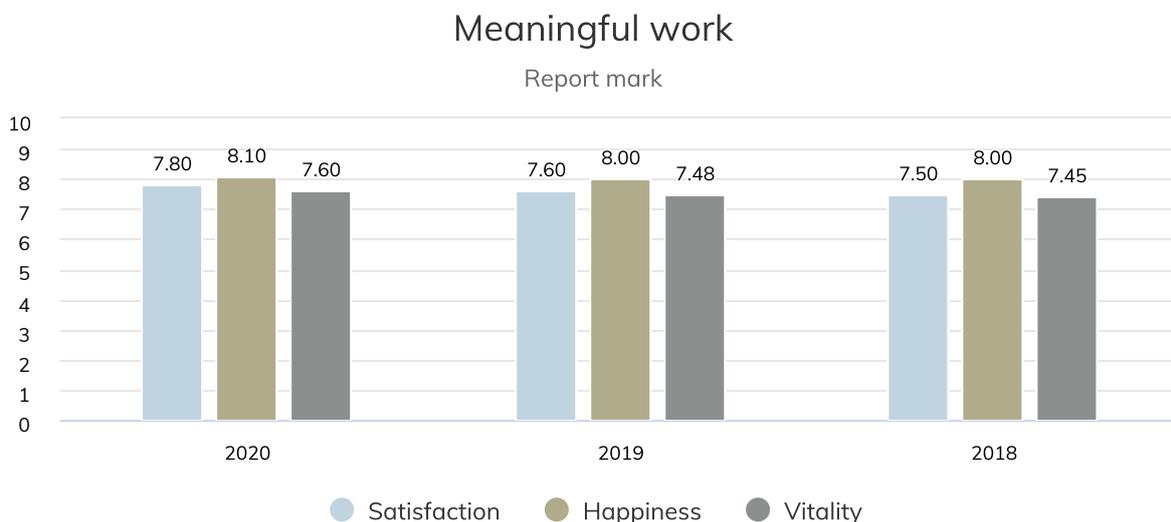
The number of employees at the end of 2020 is 34,091, where the decrease compared to 2019 (36,405) is due entirely to the effects of the corona pandemic. Two-thirds of our employees work part-time, 74% are female.

## Vital Professionalism

*Vital Professionalism* is one of our strategic projects for 2025. We work within the Vital Professionalism programme on four cornerstones: Meaningful Work, Vitality & Health, Career & Mobility and Training & Development. We provide education and training about the various themes in the programme. Everything revolves around people. After a successful start at Hago Zorg, the programme will now be implemented across VebeGo. Westerveld, Hago Rail Services and Brouwers Groenaanemers, among others, began implementing Vital Professionalism in 2020. Vital Professionalism enables us to contribute to SDG 8 (the emphasis is here) and SDG 10.

### Meaningful Work

VebeGo stands for meaningful work. Work that you enjoy getting up for in the morning, that you enjoy doing together, that makes you feel important and that allows you to make the most out of your talents. In short, work you can be proud of.



In order to be able to constantly offer meaningful work to our employees, we want an understanding of the points where action and improvement are necessary. We do this with our own Meaningful Work survey. We translate the resulting insights into concrete actions so that we, as HR, can contribute structurally to meaningful work. Every day once again. Working at VebeGo was rated a satisfaction score of 7.8 in 2020, an increase compared to last year (2019: 7.6). A total of 21 VebeGo companies conducted the Meaningful Work study in 2020, with responses from 6,660 employees.

In this corona period, the importance of meaningful work is only increasing. In order to emphasise this, we have shared great initiatives under the name #mywerkisvansignificis to show what our employees do and what they do. We have also investigated the impact of the corona on our organisation with the study "Working together successfully at a distance". This study was conducted in May 2020 and November 2020. These are the figures from the study in November 2020:

## Study results, November 2020

Our findings and figures from 465 colleagues



Source: Report on survey Making remotely working together a success

### Vitality & Health

Employees in the 2020 Meaningful Work survey gave an average score of 8.1 for 'Happiness' (in 2019: 8.0) and a score of 76 for 'Vitality' (score 0-100; in 2019: 75). We are extra proud of these results because they were achieved in a difficult corona year. We do our best to provide optimal emotional and mental support to our colleagues in this challenging time. Colleagues can call upon an online psychologist via OpenUp for issues such as (work) stress and dealing with loneliness. Emergenz offers trauma care and aftercare, for example, for our people who work in hospitals. In addition to mental welfare, financial vitality is also very important. Vebege sees its responsibility in supporting employees in this matter. We do this together with the Budget Coach Group through (online) workshops and financial consulting discussions. Example of this approach: Mohamed Aziem, who works at Hago Rail Services, explains in [this video](#) how he was helped to become financially fit once again.

### Career & Mobility

The programme *Talent in View* reflects upon a person's talent, for what role this talent is suited and what development is required. In this way, we can optimally deploy people's talents and respond to the market in a timely manner. The internal job bank was launched in June 2020 in order to strengthen this growth and development perspective for our people, This initiative enables us to increase the internal mobility between our companies. In concrete terms, we also set up an internal flexible pool during the corona period in order to loan out employees, who could not perform their regular work, to a different Vebege company where there was high demand for employees. In total, more than 1,000 colleagues were able to find replacement work via the flexible pool, of which 244 employees could be deployed across the companies.

In addition, we continue to develop the content and significance of the work for our employees and we are open to utilising technological developments in order to make the work lighter, easier and more interesting.

### Training & Development

Lifelong learning is crucial for everyone who works at Vebege. This is because the complexity of the work is increasing. Technological and organizational innovations and increasing demands from customers and society require different competences. In order to facilitate these requirements, we offer comprehensive opportunities in, among other things, coaching, leadership programmes, basic training, language training and other professional courses.

## We are society.

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, which means that our organisation has more than one hundred nationalities. That accessibility is one of our most important characteristics and with that, we contribute to [SDG 10](#). It helps us to meet the major challenges on the labour market (increased retirement age, ageing of the population, scarcity). At the same time, we can and want to do more. That is why we are working with a project group to increase awareness and the degree of inclusiveness and diversity in our organisation. We develop tools that encourage inclusive employment practices. It regards, for example, the way in which you write recruitment texts, organising 'a good conversation' in culturally diverse teams and measuring diversity in the organisation.



Our Topacademy students in Maasstad Hospital in Rotterdam

## Distance to the labour market does not exist in our organisation

We believe that anyone can work with us, certainly also people with additional challenges, because we are good at human work. In a number of our specialised companies, which originate from partnerships with social employment facilities, more than 2/3 of the employees have an occupational disability. Our Dutch companies now employ approximately 3,500 people with a distance to the labour market. That is 17% of the total number of employees in the Netherlands. There are approximately 4,000 employees with an occupational disability working at VebeGo. They are 12% of the total number of VebeGo employees.

It is a major challenge for us to reach these target groups effectively and to offer visible added value as an employer. We do this by increasing our visibility as an employer. We also respond to requirements such as part-time work and we offer maximum flexibility with regard to scope of work. Everyone who wants to work, has an opportunity with us. In addition, we continue to develop the content and significance of the work for our existing employees and we are open to utilising technological developments in order to make the work lighter, easier and more interesting.

## Safety in the workplace

Working safely is an absolute priority within our companies. Through safety training, instruction videos and manuals, we ensure that our employees obtain the proper tools in order to be able to work safely. When we prepared employees in a short amount of time last year to work in hospitals, we made short instruction videos to prepare them for this purpose.

## Looking ahead

We continue to work hard in the coming period on rolling out and optimising our program, Vital Professionalism. Other topics on the HR agenda for 2021-2022 are:

- A smarter HR system and platform that enables us to communicate faster with our employees.
- Optimising our Performance & Competence Cycle, focusing on sustainable employability, meaningful work and increasing ownership.
- Strengthening and communicating our position in the labour market as the most attractive employer in facility services.
- Implementing additional tools to measure and positively impact employee satisfaction and the significance of work.
- Applying the impact of the coronavirus in our favour (for example, home offices, mobility, housing and leadership).
- Increasing awareness and the degree of inclusiveness and diversity within Vebego.

These instruments and programmes will have a direct impact on achieving our mission: Vebego vitalises work and care, for customers, employees, society and organisation, in order to ultimately contribute to making a daily positive impact on 10 million people!

# VebeGo sets the example as training company

VebeGo AG is a forerunner within VebeGo in terms of making and measuring impact. The Swiss business group has more than 6,000 employees in total and works systematically on a role as a meaningful, attractive employer. Since January 2020, VebeGo is the first Swiss company in facility services to be certified as a Great Place to Work. Already previously, in 2019, VebeGo was recognised as Great Start to Work. VebeGo is therefore an example for all of VebeGo and for other companies as an attractive training company, as a workplace that provides high quality training.

## Opportunities for school-leavers

VebeGo AG invests in the development of employees with targeted training and education, among other things. Through its own VebeGo Academy, it provides follow-up training that offers employees the opportunity to grow in professional competence, responsibility and salary. In addition, with the 'Learning Company' project, VebeGo AG offers opportunities to newcomers to the labour market. The participants in this project receive multi-year basic training and they work independently all that time on objects where VebeGo provides building cleaning. The project currently has 21 participants, says Heinz Bucher, who was responsible for the practical training until the end of 2020. 'It is a varied group, with 15-year-olds who still have to go to school, 20-year-olds who have been searching unsuccessfully for work for some time, but also, for example, a somewhat older refugee. Students are obligated to attend school one day a week. There are also internal 'Learning Days' every month that are attended by students from all over Switzerland. That is always a great day, with a mix of theory and practice and always finishing with a written test at the end of the day.'

## Major shortages

VebeGo fulfils its role as practical trainer for social reasons as well as for enlightened self-interest. Bucher: 'We have been actively working in this manner as a learning company for five years now. We also keep everyone on board, if possible. That is part of our social profile: we want to offer people a Great Start to Work. At the same time, the project also provides for an increase in new employees. Professionals are in very short supply in Switzerland. We can hardly find any people. This project allows people to get to know us, so they can see that we are a versatile employer with many opportunities. It works: one-half to three-quarters of the students also remain associated with VebeGo afterward.'

## Nice family

However, not everyone gets a job just like that after the training, Sina Vetter emphasises. She took over the project from Heinz Bucher starting in 2021. 'You have to be good at your work and you have to fit with our values. We also cannot just hire every person we have trained ourselves. Our third-year students, in particular, are considered very well-trained and can be deployed immediately in professional practice. They are very much in demand and sometimes go to work elsewhere. The nice thing is that some of them nevertheless do return after a time, because they think VebeGo is a nice family.'

## Recent Successes

Sina Vetter wants to place even more emphasis in the coming years on measuring the impact of the project. How many students remain at Vebego, how many want to remain? Where do the rest go, what does their further career look like? She feels supported by a few successes. In May 2020, Vebego AG was named one of the ten best large employers in Switzerland. In the last Culture Audit, which is a mandatory component of the Great Place To Work methodology, the participants in the Learning Company project gave Vebego a very high rating.



## Great Place to Work: 'Every day is different'

Vebego wants to make an impact and does this, among other things, by providing employees with a meaningful job. It measures this impact at several companies with Meaningful Work, a self-developed, scientifically tested method. But there are also other options to provide meaningful work and to measure whether that makes a contribution. Yask, a specialist in facility services with more than 500 employees, uses the Great Place to Work methodology for this purpose.

Jordy Hendriks (33) has been working as facility manager at Yask since 2017. His first assignment was at Eurocontrol, the company that is responsible, for part of Europe, for all air traffic above an altitude of 7.5 kilometres. Since the beginning of 2021, he has been working on behalf of Yask at GGD (Gemeentelijke Gezondheidsdienst [Municipal Health Service]) South Limburg, Acute Care. As a facility manager, he is responsible for, among other things, the deployability of ambulances in the region. He thinks it is a great assignment: 'It is challenging and varied work. Every day really is different. I do all of the operational management, from arranging housing to ensuring that the right medication is present in the ambulances. But I am also responsible, for example, for contract management and all purchasing processes.'

## Employees come first

In previous jobs, Hendriks saw that employees were sometimes viewed merely as a means to an end. He thinks that is truly different at Yask. 'The employee really does come first here. That is largely embedded in the culture. People at Yask are doers, solvers. Service-oriented, no-nonsense. We help each other, pay attention to each other. For example, there is a Vlog of the Week in which employees talk about their work and expertise on their own intranet. There is time and space to tell your story. That is true for individual employees, but also for entire teams that sometimes work primarily at the client site.'



Jordy Hendriks

## Constant dialogue

Nevertheless, attention for employees is not just a matter of culture. It is also entrenched organisationally and strategically. Hendriks: 'It begins with the cornerstone "Yask and the employee" as part of the Yask strategy. As a company, Yask conducts a constant dialogue with employees about questions such as: Do you enjoy the work, does your work suit you, can you utilise your talents, do you feel appreciated, do you feel fit and energetic? The interests of the employee ultimately take precedence over those of the customer: if an employee does not feel comfortable somewhere, we look for a different workplace. Yask also sets clear, measurable goals for itself. For

example, in terms of employee satisfaction, we aim for a minimum score of 8+.'

## Happy Box

Looking after each other at Yask is embedded in the business operations and is always made concrete when possible. There is a development programme that everyone can use. Every quarter, a Great Place to Work Barometer is set up that leads to improvement actions where necessary. Yask even has an Employee Experience manager, Karlijn Hendriks. Hendriks himself is a driving force within Yask for the Great Place To Work work group. Among other things, this group came up with the idea of a Happy Box, a bag of goodies that managers can draw upon when they want to thank or compliment colleagues in a playful manner. In addition, Hendriks coaches a group of Yask managers in using the Me + U methodology. This development method is based on eight employee motivators and combines them with feedback from colleagues, manager, customer, supplier or someone from the personal environment.

## Heart for the matter

With "Yask & the employee" as the cornerstone for implementing the strategy, Yask consistently focuses on the job satisfaction of its own employees. It ensures good mutual cooperation and makes the company attractive as an employer. It raises the question whether and to what extent customers also benefit from this approach. Hendriks does see solid added value for customers. 'The true Yask employee cares about the business. I know from experience that that gets seen and appreciated.'



## Clients

VebeGo 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. We performed a baseline measurement at 23 companies and various companies have now also conducted a second or third measurement. 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. We work with a set of fixed questions that are the same for every company. It is possible to add variable questions for each company about a specific service, market situation or area of attention.

The results varied from an NPS of -6 to +88. A number of companies have not yet included all of the clients during the implementation because they first want to gain more experience with this way of measurement. All clients will be approached in 2021. The response was on average 28%. Items that score well across the entire portfolio of companies are the quality of the service, the contact person on site and the 'thinking along'. One aspect that requires attention is proactivity. In conversations with clients and in the next series of surveys, we will look at what (the need for) proactivity means exactly to different clients.

In addition to the customer feedback surveys, we conducted a so-called 'mirror survey' in the baseline measurement among employees with the question: what do you think the client thinks? As a result, awareness grew within VebeGo that listening to the client in a structured and more objective manner can lead to other, unexpected insights. The mirror survey compared the questions from the client survey with the employee's opinion about that client group. In 2021 and beyond, an NPS measurement will be performed at least once per year. There are already several companies that perform measurements two to four times per year, including transactional measurements that are conducted throughout the year.

# Diederik Gommers: 'Cleaning is crucial for us'

He is the face of the intensive care units in the Netherlands and was often heard and seen on radio and TV during the past corona year. But he is much more than a spokesman and OMT (Outbreak Management Team) member. In daily life, Diederik Gommers is department head of Surgery, CSA (Centrale Sterilisatie Afdeling [Central Sterilisation Department]) and outpatient treatment at Erasmus MC. We talk to him, between his busy work, about hygiene, disinfection and cleaning. For him, everything revolves around teamwork. 'We have to do it together. That is applicable for all of the Netherlands in the corona crisis, but it is just as necessary in my hospital.'

Hand hygiene



Diederik Gommers

Due to corona, we had to face the facts. The fight against viruses and infectious diseases will always remain. Had we paid too little attention to hygiene and disinfection perhaps in recent times? According to Gommers, hand hygiene, in particular, made a comeback. 'Hands are the main cause of transmission of microorganisms such as corona. That is why we must wash our hands. We, as a society, did learn that lesson once again. The fact that there is now almost no flu demonstrates that we can already fight infections reasonably well if we observe basic hygiene.'

## New ICU

According to Gommers, the attention paid to hygiene at Erasmus MC was already well in order before corona. Also certainly in the ICU, where this requires extra precision. "We have had a new ICU since 2018, where every patient has his/her own room. Since then, we have achieved a perfect reduction in transmission and there has not been a single outbreak. But then we also had to work incredibly hard. At the time, we went from 44 ICU beds to 100 beds in a short time. Many extra patients, a lot of extra work, a lot of haste. Hygiene in all of those extra rooms had to be optimal."

## Quality of healthcare

The upscaling entailed a need for additional cleaning services. Hago Zorg provides this and other services at Erasmus MC. In order to be able to meet the additional demand, the Vebego company deployed cleaning employees, who normally work at Rotterdam Ahoy, at Erasmus MC. Says Gommers: 'Hago Zorg trained and scheduled a group of cleaners in no time. We needed that very quickly and at the proper level. Cleaning and disinfection are crucial to us.' Gommers sees cleaners as part of the team. 'The work of cleaners is part of our healthcare quality. I know how important the contact is between nurses and cleaners. You must definitely be able to rely on each other in a crisis situation such as this, in which every available room counts.'

## Matter of knowledge

Cleaning at Erasmus MC requires teamwork, but it is also a matter of knowledge, says Gommers. 'You have to know something about how microorganisms are transmitted. The drain of a sink may look clean, but it can still be a major source of contamination. One is primarily concerned with safety and health. That means paying attention to details. For example, not bringing the same wipe from one patient's room to another patient's room.' Gommers suspects that the attention paid to cleaning and hygiene will also increase outside of healthcare in the coming years. 'When people return to the office soon, the importance of a clean and safe workplace will be a serious issue. Take all those flexible workspaces in offices. They require more attention regarding the danger of transmission.'

# YourOffice: support and service for the work environment

The official kick-off of the Workspace-as-a-Service concept took place at the end of 2020. Under the name YourOffice, companies receive support in the management and innovation of their working environment. The service is broad and ranges from IT to catering, from cleaning to sustainable office furniture, from childcare to company training. Elena Tachatos is project leader of YourOffice. 'The working environment has a major impact on employee satisfaction and effectiveness. A pleasant workplace with good conditions ensures that you are attractive as an employer. In Switzerland, there is still much to be gained in small and medium-sized enterprises.'

## All possible services

At YourOffice, the services are always tailored. Tachatos: 'We start with a needs analysis. This is followed by a design based on the corporate culture and all possible services that are needed at the customer's location. We are single point of contact throughout the entire process of management and innovation. In this way, we can fall back on external project partners in the area of sustainability and circular economy, IT and science.'



Yond building in Zürich

## Three worlds

After completing the mechanical engineer programme, Elena Tachatos opted for a facility management study. 'In facility management, three worlds come together: people, technology and the economy. That really appeals to me.' As YourOffice's project manager, she can now fully utilise her interests to create an optimal working environment for companies. 'It works, there was a lot of interest immediately. I also feel at home in the Vebege family culture. And it is never boring: Corona demands new strategies with the combination of working from home and the office.'

MOVE Consultants is the largest Swiss data manager and real estate consultant for our clients. Among other things, they offer layout/staffing planning and operational concepts for leased space, support for building owners and in renovations and planning and management of relocations. During the corona pandemic, MOVE consultants also support and advise our clients in the optimisation of existing office space with customised workspace concepts.

# Ultimate relationship test Vebege Airport Services Belgium and Brussels Airport

Brussels Airport wants to improve the passenger experience and sees cleaning as an integral part of this. Right from the first meeting, Vebege supported the airport's vision, explains Ine Hox, Head of Passenger Services. The preparations for the new collaboration with Vebege were in full swing when the coronavirus suddenly appeared. The airport came to a standstill and the partnership was immediately put to the test. How did the start-up of this large project and the cooperation proceed in crisis times?

At [Brussels Airport](#), cleaning in the last 25 years has mainly been characterised by technical cleaning. 'Cleaning was viewed as a necessary task, but that was the end of it,' Hox explains. 'That is why we were searching for a new partner who could help us make a difference in passenger and staff experience, also through cleaning. It is crucial for Brussels Airport that the total experience of passengers, employees and customers is central throughout the entire journey. Vebege's range of services, their innovations in cleaning techniques and expertise in the field, but also their explicit appreciation for the cleaners were in line with our goals as an airport.'

## Closed borders

The airport entered into the collaboration with Vebege early 2020. A large-scale transition that already requires a lot of time and preparation in 'normal' circumstances. On top of everything, the corona crisis occurred. Brussels Airport came to a standstill and Belgium closed its borders. In this uncertain situation, Vebege and Brussels Airport laid the foundation for a solid partnership. Hox: 'The situation changed each time: lockdown, no lockdown, travel ban or no travel ban. As a new service provider, Vebege faced the challenge: how do we get all of the materials and people in Belgium and how do we deal with a situation that differs completely from what we agreed with each other in advance? Together, we had to constantly coordinate everything. There was also a constant upscaling and downscaling of staff. Fortunately, we saw Vebege put a mechanism of professionalism and project management into effect. The Vebege team sought alternative transport routes, arranged for access permits and ensured that the transition ran smoothly and in a timely manner. We got through the corona year together. That gives me a lot of confidence in the cooperation in the future.'

## Roll up your sleeves

Michel Möller is Director at Vebege and first point of contact for Ine Hox. He had similar experiences. 'Solving the logistics puzzle was a huge task. We had to adjust all of the plans, goals and objectives and therefore focus on what was possible. Only a limited number of employees were allowed to work at the airport, as a result of which we had to get the job done with a small team. Continually adapting our services and adjusting to the constantly changing situation. We really did that together with Brussels Airport. Everybody, literally, rolled up their sleeves. Members of both management teams, for example, helped to unload trucks full of materials, resources and cleaning machines and distribute them over the airport. It was an exceptional situation that put our collaboration to the test, but also immediately strengthened it,' says Möller.



## Selfies with a new outfit

The efforts of the transition team were also seen by others. 'The cleaning team thanked me for choosing VebeGo,' says Hox. 'They were really enthusiastic about their new materials and outfits. Everyone made selfies right away. The cleaners feel appreciated. This contributes directly to the quality of their work and the more positive experience by passenger and staff employees. We often received complaints about the airport's cleanliness. We barely had any this year, even in the summer when flying resumed again. A good sign, given the emphasis on cleanliness in this crisis.'

## Innovation due to cleaners

The appreciation for cleaning work is crucial in VebeGo's approach, Möller explains. At Brussels Airport, but also with every other customer. 'We need the ideas from our cleaning staff in order to innovate. They are the closest to their work, passengers and airport employees. At Brussels Airport, we brought ideas together, including the introduction of shift starts and organising workshops with groups of cleaning employees. We will also be introducing an employee innovation platform in the near future. In addition, management is approachable and visibly present in the workplace. With small steps, we try to make an impact on the cleaners' work in times of crisis with training, innovations and participation. It gives much more meaning to the work. We also receive feedback from our colleagues that they feel appreciated and that the work they perform also really contributes to increasing the passenger and staff experience at Brussels Airport.'

# Impressing with a healthy living environment

Brouwers Groen has been part of the Vebego family since 2018. Ronald Kusters, co-owner of the landscaping company, acquired several new contracts in 2020 for the management and maintenance of public space. 'Sustainability and inclusiveness are becoming increasingly important in tenders. Our framework, 'The healthy living environment', enables us to make these issues tangible and measurable.'

Brouwers Groen keeps innovating in order to respond to the changing market. 'It is increasingly more important within our sector to link the management and maintenance of the physical space to social tasks and participation of users, companies and organisations involved. Just like in other sectors, sustainability and inclusiveness play an increasingly greater role in customer requests. We can respond to this need in a very natural way. Letting people participate and contribute to a healthy living environment is in our DNA. We don't require any additional commercial incentive for this purpose. The only thing that we must do is use our intrinsic motivation even better and promote it more strongly,' says Kusters.

## Winning through quality

More and more, Brouwers Groen customers want to actively contribute to people's living environment. Government tenders must meet criteria such as sustainability, social return, citizen participation and circularity. Kusters: 'We make these abstract terms concrete with solutions and solid data. In doing so, we go one step further than others and go outside of the beaten paths. With an independent citizen satisfaction survey and relevant KPIs, we make our added value concrete. We do this based on our framework, "The healthy living environment". We won several contracts in 2020 based on quality with this approach, three contracts in Eindhoven and one for the Tilburg municipality.'

## Interactive dashboard

'The healthy living environment' enables Brouwers Groen to make customers' requirements concrete. The company shows relevant KPIs in detail on an interactive dashboard, such as CO<sub>2</sub> emissions, civilian reports, employment for people with a distance from the normal labour market and much more. 'What is happening is that many municipalities pursue the usual green methods and also develop policy on this basis,' Kusters says. 'We want to break this status quo and create new rules for our living environment. We do this with long-term solutions where we also have the resources and knowledge to implement them. For example, we use vines around lampposts for the Tilburg municipality in order to combat petrification. We also proposed to not clean up leaves, but to let them decompose directly into the soil. The leaves become food for plants and their growth again increases the volume of greenery.'



Ronald Kusters

## Citizens' needs

Kusters sees behavioural change as the key to success. That begins with building support, including among citizens. 'We encourage them to think along with us. Citizens can really influence their municipality's landscaping policy, even if 30 to 50 percent of the land is private property. We use our satisfaction survey to measure to what extent people value their current living environment. What is really relevant? Where can we save costs? What should the future of the living environment look like? We combine these insights with demographic data. As a result, we can provide customers with a versatile, interactive and up-to-date view of citizens' actual needs and then also respond to them.'

# Society

## CO<sub>2</sub> 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 combatting 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 CO<sub>2</sub>-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, accommodation and work clothing. We will make our leased fleet of vehicles more sustainable by switching to an electric fleet in phases. VebeGo facilitates this sustainability by entering into framework contracts from the holding company with partners who contribute to our goals and objectives. All of the VebeGo companies can use this option. The companies themselves can decide for even more ambitious objectives and also do so partially. Making the fleet of vehicles sustainable leads to a significant reduction in CO<sub>2</sub> emissions. We temporarily compensate for the remaining CO<sub>2</sub> emissions through investments in certified Gold Standard sustainability projects.

## Accommodation and work clothing

CO<sub>2</sub> reduction is part of the business case in every decision for (new) accommodation. 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. CO<sub>2</sub> neutrality in work clothing is a requirement for every purchasing process starting in 2020.

## Baseline measurement of CO<sub>2</sub> footprint

In order to be able to measure the progress of our activities, we will conduct an initial baseline measurement of our CO<sub>2</sub> footprint for all of Vebego in 2021. Based on this measurement, we will determine with which measures we can further reduce our footprint in order to achieve our goal in 2030. We will create a clear roadmap with the measures to be taken.

## 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, Vebego has been committed since 2015 in converting this reduced negative impact into a positive social impact. 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.

# Vebeego Foundation

The [Vebeego Foundation](#) (in Dutch) initiates, organises and facilitates social projects. Projects that contribute to our mission: working towards a better future for children and young people up to age 25. We do this near and far, around the themes of work, care and education. The Vebeego Foundation is financed from a fixed annual contribution by Vebeego. In addition to the work of the Vebeego Foundation, individual Vebeego 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 people around them more beautiful, healthier and more enjoyable. For example, by working at a sports association or volunteering in a community centre. Vebeego employees in the Netherlands and Belgium can apply for a financial contribution for the volunteer work or social project in which they are involved. We have supported 37 such projects since 2017. Recent contributions regarded materials for making cuddly toys for children in the hospital, a buddy bike for a nursing home and the purchase of jogging suits for a youth football team. There are currently 14 'ongoing' projects that cannot be executed due to the restriction by the Covid-19 measures.

## Building trips

The Vebeego Foundation organises building trips to Sri Lanka, Ghana and Morocco, among others, in order to literally build the future with colleagues and local parties. We chose these 'target countries' because a relatively large number of Vebeego employees originally came from there. Since its establishment, 541 employees have participated in 36 trips. These employees came from the various Vebeego companies in Germany, Belgium, Switzerland and the Netherlands. We started measuring the impact of the building trips on our employees in 2016. We use a survey to measure the impact at three moments: prior to the building trip, after the building trip and one year after its completion. We see that participation has a positive impact on the connection between colleagues from different functions, countries and companies. Collaborating with the local population also creates a greater understanding of other cultures. Employees also do volunteer work in their own neighbourhood after a project. This increases the social impact of our projects.

## Strategic partners

In the Netherlands, the Vebeego Foundation works with [Stichting Jarige Job](#) and [Oranje Fonds](#) to support children and young people. We will be looking for new strategic partners in the Netherlands and Belgium in the coming year.



World cleanup day

The building trips and many other volunteer activities from My Project could not proceed in 2020. There was also much less volunteer work that could be done with the strategic partners. This was not possible due to the Covid-19 pandemic and the corresponding measures. That is why we have chosen, in 2020, to financially support old, already completed projects and, together with our partners, take a critical look at how we could provide them with extra financial support through a donation.

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# Measuring impact

## Looking differently at the value of work

VebeGo wants to make an impact. Contributing to meaningful employee lives and contributing to a more social and sustainable economy. It follows the path of the impact economy, an economy in which we learn to look more broadly at the costs and benefits of business activities. Michel Scholte, director of Impact Institute, has been supporting VebeGo since 2020 with the calculation of its social value. He sees enormous potential: 'VebeGo can become one of the world's leading companies in meaningful work and also inspire other companies to do the same.'



Michel Scholte, CEO Impact Institute

Michel Scholte (34) has a clear vision of how the Netherlands can move faster towards a sustainable and social future. He was voted 'Minister of the New Economy' on behalf of [MVO Nederland](#) (Maatschappelijk Verantwoord Ondernemen Nederland [Corporate Social Responsibility Netherlands]). As director of [Impact Institute](#), he supports companies that share his vision – "in a nutshell: being friendly for people, animals and the environment" – and found a match with VebeGo in this regard. "Making an impact is in VebeGo's DNA. It is so deeply embedded in the company that it doesn't like to pat itself on the back. That is noble, but also logical: you don't pride yourself on something that is normal for you. At the same time, it is certainly important to measure and convey the value of the impact that you make. As an employer, VebeGo is committed to meaningful work. The company also creates a great deal of social value. The Impact Institute helps VebeGo gain more understanding of this value by also actually calculating this 'return'. When you know what your impact is as VebeGo, you get a better grasp of it. So you can then really manage and make decisions based on it."

## Three cornerstones

How does the Impact Institute help to make Vebege's ambitions tangible? 'The three main cornerstones for Vebege are meaningful work, inclusiveness and sustainability,' Scholte explains. 'Vebege can excel on these fronts and make a substantial contribution to the impact economy. Vebege has large ambitions, particularly regarding meaningful work, it wants to be the most inclusive employer. In order to measure the value of working at Vebege, among other things, we collect aggregate data from employees. For example, how is the distribution in educational background, ethnicity and gender? How inclusive is this group? Where are there opportunities and which groups should receive more opportunities? Factors such as age, work satisfaction and income provide insight into the degree in which Vebege provides meaningful work.'

## The value of work

According to Scholte, the value of work almost cannot be overestimated. 'Work is often seen as a cost item, while it is actually an enormous company asset. The value of issues such as happiness, development and training is now invisible on the balance sheet, though they do really represent actual financial value. Work is important for a meaningful existence. It helps to aim for goals, broaden social networks and provide self-development. Vebege provides a large group of people opportunities for work and participation in society that they do not get elsewhere. Vebege is therefore also an emancipation company and a training company.'

## Global issues

Those who want to make an impact also have to look at global issues such as climate change. According to Scholte, a family business such as Vebege dares to look far ahead. 'Where will we be in 2030? Or 2050? What does the future look like for the next generations? Due to the scale in which Vebege operates, they can make a serious contribution toward reducing CO<sub>2</sub> emissions. We therefore help them gain insight into the impact of means of transport, energy consumption and supplier emissions.'

The world is changing rapidly. Investors are committing themselves to the SDGs (Sustainable Development Goals) more and more often and those who do not comply face criticism. 'Investors are increasingly critical regarding inclusiveness and sustainability,' says Scholte. 'As a frontrunner, Vebege can also translate its impact figures into customers. By choosing Vebege, customers contribute to collective global objectives. Vebege is well-prepared for the challenges of the 21<sup>st</sup> century. It fights for appreciation of critical professions, such as cleaners, and actively endeavours for revaluation of craftsmanship. When Vebege actively directs on its impact, it can become a real global leader as a meaningful employer.'



## Balanz Facilitair takes the lead in measuring impact

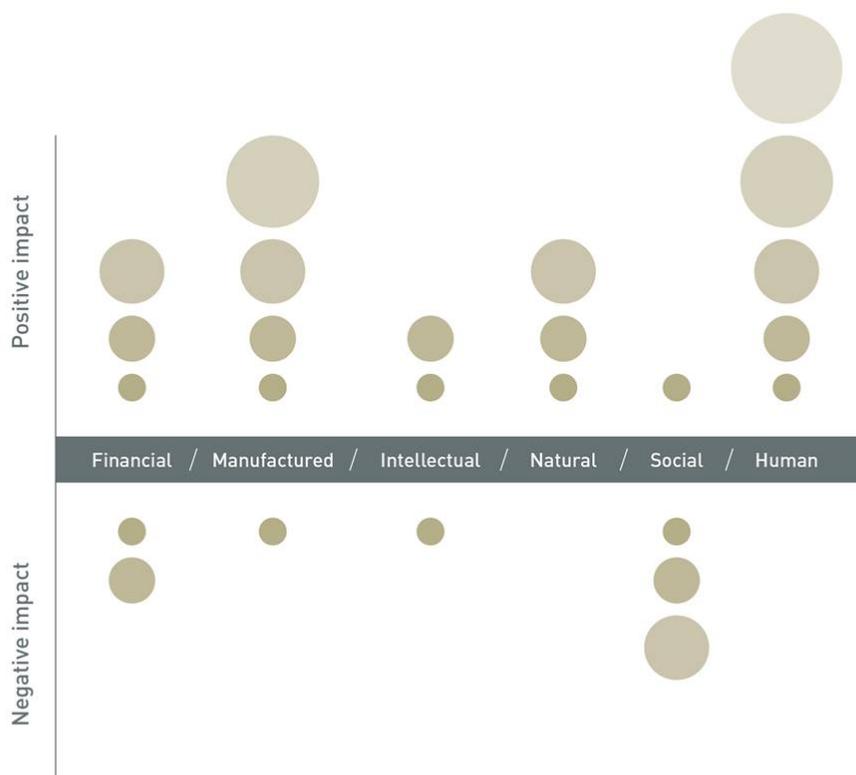
Balanz Facilitair is currently doing a pilot with the Impact Institute in order to better identify its impact. The pilot consists of two parts. The first step is to make a qualitative estimate of Balanz Facilitair's wide impact on employees, customers and the environment. Then Balanz Facilitair will focus further on matters in which it wants to excel, such as providing meaningful work and a bridge for people at a distance from the labour market.

### The value of meaningful work

Peter Paul Wiegmans is Managing Director of Balanz Facilitair. He is participating in the pilot based on intrinsic motivation, but also based on business interest. 'Our mission is that we want to give everyone a meaningful role. As a Vebege company, we want to bring out the best in people by offering them meaningful work. At the same time, we want to be able to explain to stakeholders what impact we make. Because the added value of Balanz Facilitair is much greater than just the service we provide. We have approximately 1,000 employees. More than 60% of my colleagues have a distance to the labour market and fall under the Participation Act and WSW (Wet Sociale Werkvoorziening [Sheltered Employment Act]). What does it mean that we provide work to this target group? What does it mean to them, their financial situation and their welfare, as well as that of their family? And what does it mean for our partners in the social domain: what is the effect of meaningful work on issues such as welfare benefits and security? Impact Institute helps us to study and calculate these types of correlations, also using national data. We all know that having work is important for a meaningful existence. The value of this fact can be in the thousands of euros per year per person, corrected for income. This value is probably even greater for someone with a distance to the labour market. It is exactly this value, which is normally not visible and not sufficiently incorporated in daily decisions, that we want to bring into the open.'

## Example company for labour market regions

According to Wiegmans, the pilot provides more knowledge about what is impact and how you measure it. 'It is instructive that we must be very specific, with data and with setting goals. The baseline measurement will be an important first result. For this purpose, Impact Institute uses, among other things, the results from our employee satisfaction survey and our Net Promoter Score. After the baseline measurement, we can direct in a more focused manner on impact and substantiated communication. As a company, for example, we would like to also demonstrate our impact in the long-term on the level of labour market regions. We are active in 11 of the 35 labour market regions in the Netherlands and want to demonstrate, as an exemplary company, how we provide Social Return on Investment in a measurable manner.'



Impact Institute measures Balanz Facilitair's impact on these six capitals

## Six capital descriptions



### Financial capital

All assets that are a form of money or other financial assets, including contracts.



### Intellectual capital

Intangible assets, with or without legal rights. Intangible assets include intellectual property, organisational capital and intangible assets related to the organisation's brand and reputation.



### Social capital

Value embedded in groups of people – from family to the global community – and that encompasses these social connections, networks and standards.



### Manufactured capital

All tangible assets, including the assets used for manufacture (material assets). These also include the tangible assets of semi-finished and finished products.



### Natural capital

All inventories of natural resources. It includes living and non-living natural resources, including scarce resources, the climate and ecosystems that produce benefits for current and future generations.



### Human capital

The productive capacity that is contained within individual people, including their health and competencies.



# Materiality

## Materiality: specify own sustainability themes

Vebege does not only want to make an impact, but also wants to be able to measure and report on this in a targeted manner. Companies that work on sustainability and their reporting in this area generally do so on the basis of so-called 'material themes': themes that really matter to them. As a company, you select a select number of topics that are social in nature or relate to the economy or the environment. These could be topics that affect stakeholders' opinion and decisions. These can also be topics that, according to the management, have a significant impact on sustainability. As soon as the own material themes have been determined, it is possible to link non-financial KPIs to them and then to start measuring them.

### List of topics

As the first step in this process, Vebege is working hard to determine its own material themes. To better understand what is happening in the world around us, where we can have an impact and how we can apply the right focus in both our strategy and reporting, we started making a list of topics that are really relevant for Vebege in 2020. We also carried out a short sector analysis and looked at suitable frameworks for reporting. We also mapped out the various stakeholder interests, in general terms.

### Materiality analysis in 2021

As a next step in 2021, we will carry out a materiality analysis in which we determine what the material sustainability issues for Vebege actually are. In a dialogue with the most important stakeholders, we will deepen our initial insights. We will also test to what extent our current strategy and reporting meets their needs and whether there are additional themes that we can focus more on. The results from the materiality analysis and the stakeholder dialogues will enable us to continue to define the non-financial issues.



# Opportunities and risks

## Approach per company

VebeGo is active in several markets in various countries, all of which have their own dynamics. The companies identify their strategic and operational risks on an annual basis. The mitigating measures are discussed each quarter. These files receive maximum attention from the local management. There are also a number of themes and risks that are important for almost all our activities and countries. We approach these issues on a VebeGo-wide basis. The most important theme is the development of the economy and social developments in the post-corona era.

## Macroeconomic consequences of the corona crisis

It is currently still unclear what exactly will be the macroeconomic consequences of the corona crisis. The growth models for each country in which VebeGo operates are also different. The role of the different governments in economic recovery packages and sector-oriented subsidies has major consequences, directly and indirectly, for VebeGo's clients. The early discontinuation of support measures can lead, among other things, to more bankruptcies, cutting facilities expenditures or cutbacks in landscaping. We also note that the different market segments in the crisis have developed their own dynamics, which will also affect the recovery phase after the corona crisis. The companies' management periodically reports on the development within the sector where they operate; the Executive Board uses this information and its own analyses to monitor the medium-term plans and, where necessary, to adjust them through mitigating measures.

## Microeconomic consequences of the corona crisis

The corona crisis caused a significant increase in attention for hygiene and the living environment. This is a positive development for VebeGo companies. In segments such as healthcare and the food industry, clients require more cleaning, extra hygiene measures and more material. The training courses and expertise that we offer are very much in demand across the countries. The demand for our services in these segments is increasing significantly. It is quite conceivable that due to this crisis, the importance of proper cleaning and hygiene will receive an extra boost. Based on our expertise, we contribute there by providing additional instruction and information to clients as well as employees. The companies that operate in healthcare were in the frontline during the corona crisis. Precisely here, VebeGo has been able to make a demonstrable contribution to combatting the crisis. We expect that the competition will increase regarding facility service providers in healthcare. At the same time, we expect that we will continue to convince clients with our knowledge, skills and experience – crucial factors in healthcare. The development of the office market in the post-corona era is an important issue for all companies operating in facility services. The number of m<sup>2</sup> will shrink, which is a risk for the cleaning companies. However, it is also expected that the use of office spaces will be laid out differently, which creates opportunities for our cleaning companies and the companies operating in facility management.

## The challenge that remains: working on vital professionalism and attractive employment practices

The environment in which we live and work changes constantly. This fact is true for all of the countries and sectors in which we operate. Corona has accelerated some issues and brought others to a halt. Nevertheless, the impact of corona on our work and on employment practices is limited in the long-term. There are greater, permanent developments. Employees must continue to work longer due to the increase in the retirement age and/or a decreasing pension benefit. There also continues to be a shortage in the labour market regarding our executing occupations (cleaners, gardeners, healthcare personnel) because fewer and fewer practically trained young people are entering the market. Both developments mean that the average age in our organisation is

increasing. As the age increases, the recovery time that is required after performing work also increases; employees take longer in order to be able to start the new day rested and full of energy. This is a risk for VebeGo. At the same time, it is also an opportunity to organise it better for our employees and to create a place where people can go to work healthy and full of energy until they retire. That is why we focus on the vitality of our employees with our Vital Professionalism programme.

In addition to physical health, this programme also focuses on mental, financial and emotional well-being. All four factors are essential for how we make and do the work in a meaningful, healthy and sustainable manner, now and in the future. The programme also makes us more attractive as an employer. We are also attractive by, for example, investing in professionalism and training and by recognising, embracing and welcoming every talent in our organisation. We do that everywhere in our organisation, from cleaner to director, from gardener to healthcare manager. This makes our powerful collective even more powerful. In this manner, we also strengthen our position in the market, increase our name recognition in the labour market and work every day on our position as one of the most inclusive employers in the Netherlands. These efforts contribute substantially to our goal: a positive impact on people.

## Complexity in laws and regulations

VebeGo has been confronted the last few years with increasingly more complex laws and regulations. In the Netherlands, in particular, the regulatory pressure increases more each year, but also in the other countries, we see more requirements from, among others, the government, accountants and tax authorities. 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 process this checklist every quarter; smaller companies do this twice per year. The holding's internal audit team checks the completed checklists through a sampling procedure. For this purpose, they primarily verify whether the rules have been properly observed and whether any deficiencies have been resolved. We set up a Tax Control Framework in 2020 that will be implemented as of the first quarter 2021.

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

We are working on further improving the quality of our administrative organisation in order to be able to continue to meet the requirements that are set. Cooperation between the companies in the different countries is important for that purpose. In Switzerland, more and more administrative tasks are performed 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 (among others, remuneration, purchasing, invoicing). All VebeGo cleaning companies in the Netherlands already make full use of these shared services. VebeGo actively endeavours to have its companies organise their back offices more jointly per country. In the Netherlands, for example, the intention is to expand the shared services with HR expertise, sustainable employability, IT, purchasing and legal matters. All Dutch companies will purchase these services from the collective back office.

## IT Security

The number of *ransomware* and *phishing* attacks is still increasing. This is a reality against which VebeGo must also arm itself. Investments were made in previous years to increase the security and to set up a Security Operations Centre (SOC) that monitors 24/7 and acts, if necessary, where all of the infrastructure components are monitored. The rollout of a mandatory *security awareness* programme was begun in the second half of 2020 in order to also make our employees more alert to these types of issues. The introduction of data classification will dominate 2021, with the goal of being able to better secure personal data and other sensitive data. We also continue the annual internal *security audits*, where security is evaluated at all our companies and improved year after year.

## Financial impact risks

The degree and speed of recovery after the corona crisis has the most important impact on our strategic and operational risks. The impact on VebeGo depends on individual factors and factors that are related to each other. We do not see any need to further adjust the system of internal risk management in 2021. It is not possible to determine the consequences of risks that may occur in the future and that are not addressed in the current system of risk management. However, 2020 does show that VebeGo is quite capable of adapting the organisation to rapidly changing circumstances. VebeGo is a strong and solid family business that is very conservatively financed and can tolerate a blow.



# Outlook 2021

Given the high degree of uncertainty, it is not easy to look ahead to 2021 in proper and substantiated terms. Vebege has asked all its companies to make a number of scenarios in order to prepare the 2021 budget. We do not work on the basis of a uniform framework, but we ask for customisation because the differences are large per country and per sector. Vebege expects an increase in demand for services in the second half of 2021, particularly at the airports, event locations and with the 'leisure' clients. After opening, sectors that were severely hit during the lockdown will experience explosive demand.

The result for 2021 will be lower than this financial year, mainly due to catching up of investments that were not made in 2020. A number of large strategic projects will also be rolled out in the coming year in order to be able to grow into the powerful collective Vebege wants to be in 2025. These projects regard, for example, increasing the sustainable employability of our employees, the further rollout of a standard digital workplace, sharing knowledge and expertise across the companies, positioning our companies and reducing our CO<sub>2</sub> footprint.

The most important project for the coming years is 'Designing our Future'. In 2020, Vebege began strengthening the organisation and with that, also its market position. The intention is to form a total of eleven large companies in 2023 in Belgium, Germany, the Netherlands and Switzerland, that will operate in cleaning, facility management, landscaping, personnel services and healthcare. It is also the intention to expand the existing shared services in the Netherlands with new positions and expertise teams that can provide professional support to all Vebege companies in the Netherlands. The proposed restructurings will also lead to changes in the organisational structures starting in 2021. The Works Councils will be closely involved for this purpose. Employees who experience a change in work due to the combining of companies will receive proper guidance. In the longer term, the number of jobs will increase due to the expected growth.

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, supported by shared services in those countries. In Switzerland, the transformation of the current facility services provider, Vebege AG, already began in 2018. After completing this transformation, a roadmap will be drawn up with the goal of realising additional synergies and to have one company in Switzerland for cleaning and facility services.

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



# Our board

## Board of Directors

VebeGo is managed by the Board of Directors, consisting of Ton Goedmakers (Chief Executive Officer) and Ronald Goedmakers (member, who is 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. They are Ferry Muller (Chief Financial Officer, including risk, compliance, governance and IT), Giuseppe Santagada (Chief Operating Officer (COO) for Germany and Switzerland), Mark van Haasteren (COO for Belgium and the Netherlands), Niel Cortenraad (Chief Strategy Officer and Secretary) and Peter van Montfort (Chief Human Resources Officer, including leadership, meaningful work and talent management).

The Board of Directors and the Executive Board currently only consist of males. Nonetheless, we strongly believe in the importance of diversity and inclusiveness. For future job openings, VebeGo, in addition to individual requirements, will also critically examine the diversity within the Executive Board.

## Developments

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 Giuseppe Santagada and Mark van Haasteren as of 1 January 2021. This step anchors the importance of customers, companies and employees even more firmly in VebeGo's top management. Giuseppe has been working at VebeGo since 2018 and was previously Division Director in Switzerland. He is responsible for the Swiss and German VebeGo companies as Chief Operating Officer (COO) in the Executive Board. Mark has been working at VebeGo since 2019 and was previously Division Director in the Netherlands. He is responsible for the Dutch and Belgian companies as COO in the Executive Board.

VebeGo will strengthen its organisation in the coming years by making many small companies into eleven large companies, with the goal of further increasing the impact for customers, employees and society. As a result, the classification in five divisions will be eliminated in 2021 and the role of Division Director will be cancelled. All companies will then report directly to their COO in the Executive Board.

## Ton Goedmakers Sr.: 'It is good to make room in a timely manner'

Vebege was founded in 1943 and has gradually developed into an international family business. In previous years, the company transferred to the third generation of Goedmakers, who have now become shareholder. Ton Goedmakers (1980) was appointed CEO as of 2021 and succeeds his uncle Ronald, who will continue to support him in the management. Ton Goedmakers Sr. is happy with the transition. 'In our family, we have the tradition that we take a step back fairly early. My father was in charge until he was 57-years-old. I, myself, stopped when I was 60, after having been in charge until the age of 54. It is good to make room in a timely manner. It makes you less vulnerable as a company. Not so much grows under large trees.'

Now that the third generation has taken over the management, the Vebege governance has been brought into alignment via an update to our Governance code. Ton Goedmakers Sr.: 'Control at Vebege was well-organised, but will now be adapted to the new situation. The company's interest will also continue to prevail over individual interests. The third generation now faces a nice new challenge. Further professionalisation and utilisation of the collective's strength, while maintaining the entrepreneurial culture that is in our DNA. And of course, properly transfer the company once again, in due course, to the next generation.'

## 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 reporting year, Vebege's Supervisory Board consisted of six people, two females and four males. Former Chairman of the Supervisory Board, Arend Vos, stepped down on 1 January 2021. Vebege's Supervisory Board now has five members, two females and three males: Pamela Boumeester (Chairperson), Willem Cramer, Ton Goedmakers Sr., Jan van Hoek and Loes van Rijsoort. [This overview](#) contains the personal details of the Supervisory Board members.

When composing 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 entirety of expertise and roles in 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. For future job openings, Vebege, in addition to individual requirements, will also critically examine the diversity within the Supervisory Board.

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

Was signed

Board of Directors

Ton Goedmakers, Chairman    Ronald Goedmakers

Voerendaal, 17 May 2021



# Message from the Supervisory Board

Covid-19 caused a serious disaster in March 2020. It was certainly a very stressful time for the first few weeks and months. Suddenly, everything was uncertain. As the Supervisory Board, it is our primary task to help and advise the Board of Directors. We have therefore, for some time, worked more intensively with the Board of Directors and, where appropriate, also with other members of the Executive Board. At the beginning of the Covid period, we had an extra meeting with the Board of Directors every two weeks. The Board also explicitly invited us to join them in viewing and considering issues. After all, as members of the Supervisory Board, we also saw how other companies acted during this crisis.

Our role as Supervisory Board in time of crisis was to help consider and help out with all of the questions and choices that were presented. The first step in a situation like this is to always look at the finances and the continuity of the business operations. What is the liquidity situation, do we have enough cash? What contracts will be lost in the short term, which companies and which units will be hit the hardest? We actively helped to consider all of the conceivable scenarios. How big is the risk that customers who are having problems do not pay? And if that is the case, do we then talk to the bank? Could it be an option to postpone the payment of taxes? What are the government regulations for each country? In everything we did, we tried to help the Board of Directors reflect on the consequences of possible steps. What are the consequences, for example, if VebeGo makes use of government schemes?

The Supervisory Board would like to extend VebeGo's management major and explicit compliments for the decisive and courageous approach to the crisis. Appropriate use was made of government schemes, but only when that was necessary. For example, VebeGo used the temporary unemployment scheme in Switzerland, but not the NOW (Tijdelijke Noodmaatregel Overbrugging voor Werkgelegenheid [Temporary Emergency Bridging Measure for Sustained Employment]) scheme in the Netherlands. Among other things, quick action was taken to form a flexible pool with approximately 1,000 employees. Attention for customers and market opportunities did not diminish. On the contrary: the opportunities that the crisis sometimes provided as well were often seized. There was an active response to customers' needs for more frequent cleaning and disinfection. The same is applicable to the commercial activities, with extra sales of cleaning and disinfecting products.

During the past corona year, the management did not only focus on business-critical processes. Caring for people is part of VebeGo's DNA and that characteristic came to the fore very clearly in the past year. There was also plenty of attention paid to the employees. Practical support in the form of facilities for working from home, but also sincere communications from the Board of Directors that motivated and supported people. These efforts have helped to make people feel connected within VebeGo.

In this context, the Board is very satisfied with VebeGo's result over 2020. The loss of turnover in certain companies and in specific sectors was compensated elsewhere in the group. The result is therefore positive on balance. It is also important to state that the result, in addition to the diversity in the portfolio and the ability to acquire more work in certain areas, is also due to the high quality of the customers who have continued to pay.

In the midst of the corona crisis, steps were also taken in 2020 in the further rollout of the strategy. With "Designing our future", the Board of Directors has opted for a different group structure. VebeGo is working towards a structure with fewer companies, more integration of back offices and more bundling of expertise. The new structure must lead to more efficient processes, stronger brands and more added value for customers. In parallel to this professionalisation, it is important to ensure clear responsibilities in the company management. Over the past year, VebeGo has further prioritised good governance. The Executive Board, established in 2019, previously ensured that the current Board of Directors is closer to the entire company. In 2020, it was decided to expand the Executive Board with two Chief Operating Officers who are responsible for the Swiss and German VebeGo companies and the Dutch and Belgian VebeGo companies, respectively. This step anchors the importance of customers, companies and employees even more firmly in VebeGo's top management.

It was also decided in 2020 that Ton Goedmakers (the third generation of Goedmakers) would become the new CEO starting in 2021. Such a transition is not self-evident, but has proceeded in a proper, natural manner. Everyone was treated fairly in a careful process. As Supervisory Board, we have provided full confidence after several discussions.

The Supervisory Board met twice in person in July and December 2020 and scheduled two additional meetings that were conducted fully via MS Teams. In addition, members of the Supervisory Board conducted many one-to-one discussions, discussions and select groups due to Covid-19. Arend Vos left the Supervisory Board at the end of 2020 and is now head of the Vebego Stichting administratiekantoor [Administration Office Foundation]. This change means that the shareholder's interests have been allocated more clearly, which also contributes to good governance.

We hereby present you with the 2020 Annual Report prepared by the Board of Directors. The 2020 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 2020 financial statements.

Was signed

Supervisory Board

Pamela Boumeester, Chairman

Willem Cramer

Ton Goedmakers Sr.

Jan van Hoek

Loes van Rijsoort

Voerendaal, 17 May 2021





# VebeGo International 2020 Abbreviated Financial Statements

## 1.1 Instructions for the reader

The abbreviated financial statements are a summarised version of the 2020 VebeGo International 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 2020 VebeGo International 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 International 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.

# Group balance sheet as at 31 December 2020 (before profit appropriation)

(in thousands of euro)

Assets	31.12.2020	31.12.2019
<b>Intangible fixed assets</b>		
Goodwill	18,774	20,357
Other intangible fixed assets	<u>5,899</u>	<u>3,824</u>
	24,673	24,181
<b>Tangible fixed assets</b>		
Land and Buildings	11,838	13,067
Machines and installations	15,840	15,989
Other fixed operating assets	<u>15,622</u>	<u>15,320</u>
	43,300	44,376
<b>Financial fixed assets</b>		
Participations in affiliated companies	14,598	15,209
Deferred tax assets	2,023	157
Other receivables and loans	<u>1,667</u>	<u>1,537</u>
	18,288	16,903
<b>Current assets</b>		
<b>Inventory</b>		
Trading stocks	<u>6,682</u>	<u>6,574</u>
	6,682	6,574
<b>Receivables</b>		
Trade receivables	118,176	123,900
Other affiliated companies	265	2,441
Other receivables, prepayments and accrued income	<u>20,921</u>	<u>23,420</u>
	139,362	149,761
<b>Cash and cash equivalents</b>	<u>135,352</u>	<u>87,588</u>
	<b>367,657</b>	<b>329,383</b>

Liabilities	31.12.2020		31.12.2019
<b>Group equity</b>			
Share of Vebege International N.V. in the group equity	110,060		93,060
Share of Vebege International B.V. in the group equity	6,449		12,687
Third-party share in the group equity	-432		-919
		116,077	104,828
<b>Provisions</b>			
For pensions	49		69
For taxes	4,219		4,395
For reorganisation	9,034		1,757
For self-insurer status under WGA	6,440		2,727
For anniversary bonuses	2,807		335
Other provisions	3,356		3,875
		25,905	13,158
<b>Long-term liabilities</b>			
Credit institutions	3,811		2,540
Mortgages borrowed funds	2,250		2,321
Subordinated loans	225		225
Investment commitments	8,634		5,125
Other liabilities	242		477
		15,162	10,688
<b>Short-term liabilities</b>			
Credit institutions	3,187		969
Supplier credits and trades payables	38,109		38,252
Taxes and social security contributions	41,820		39,227
Other liabilities, accruals and deferred income	127,397		122,261
		210,513	200,709
		<b>367,657</b>	<b>329,383</b>

# Group profit and loss account for 2020

(in thousands of euro)

	2020	2019
<b>Net turnover</b>	995,998	940,870
Cost of sales	789,294	764,892
<b>Profit before selling and administrative expenses</b>	206,704	175,978
Selling and administrative expenses	183,141	166,398
<b>Profit after selling and administrative expenses</b>	23,563	9,580
Financial revenue and expenditure	-812	-777
<b>Result of ordinary activities before taxation</b>	22,751	8,803
Taxation on result of ordinary activities	-5,542	-4,405
Result from participating interests	95	4,844
<b>Result of ordinary activities after taxation</b>	17,304	9,242
Share third parties	-577	-23
<b>Result</b>	<b>16,727</b>	<b>9,219</b>

# Group cash flow statement 2020

(in thousands of euro)

	2020	2019
Cash flow from operating activities:		
Operating result	23,563	9,580
Adjustments for:		
- Depreciation and other value adjustments	18,778	18,603
- Changes in provisions	13,341	1,290
- Changes in working capital:		
. Changes in short-term receivables	12,488	-5,296
. Changes in inventory	-30	-445
. Changes short-term liabilities excluding credit institutions	290	5,521
	12,748	-220
Cash flow from company operations	68,430	29,253
Received interest	648	485
Received dividends	4,084	7,006
Tax paid on profits	-1,999	-3,250
	2,733	4,241
<b>Cash flow from operating activities</b>	<b>71,163</b>	<b>33,494</b>
Cash flow from investment activities		
Investments in (in)tangible fixed assets	-20,034	-18,005
Disinvestments in (in)tangible fixed assets	4,351	2,462
Investments/disinvestments in consolidated companies	-7,550	-4,246
Investments/disinvestments in non-consolidated companies	14	-3,440
Long-term loans granted	-165	-1
Repayments received for long-term receivables	83	325
<b>Cash flow from investment activities</b>	<b>-23,301</b>	<b>-22,905</b>
	47,862	10,589
Cash flow from financing activities		
Income from long-term debts	5,883	412
Repayments on long-term debts	-754	-326
Dividends paid	-6,202	-4,653
Paid interest	-1,353	-1,134
Credit institutions movements	2,218	957
<b>Cash flow from financing activities</b>	<b>-208</b>	<b>-4,744</b>
Net cash flow	47,654	5,845
Exchange rate and conversion differences	110	693
Funds movements	47,764	6,538
Balance of funds at beginning of year under review	87,588	81,050
<b>Balance of funds at end of year under review</b>	<b>135,352</b>	<b>87,588</b>

The funds balance amount attributable to third-party interests at the end of the reporting year was € 1.3 million (2019: € 0.6 million).



# Independent auditor's report

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

## Our opinion

The 2020 summary annual accounts (hereinafter 'the summary annual accounts') of Vebego International N.V. in Curaçao were derived from the audited 2020 annual accounts of Vebego International N.V.

In our opinion, the enclosed summary annual accounts are consistent in all material aspects with the 2020 annual accounts of Vebego International 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 group balance sheet as at 31 December 2020;
2. The group profit and loss account for the year 2020;
3. The group cash flow statement for the year 2020.

## 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 International N.V. and our corresponding audit opinion. The summary annual accounts and the audited annual accounts do not reflect events that have occurred since the date of our audit opinion on 17 May 2021.

## The audited annual accounts and our corresponding audit opinion

We issued an unqualified opinion with the audited 2020 annual accounts of Vebego International N.V. in our audit opinion dated 17 May 2021.

## 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, 17 May 2021

Was signed

Deloitte Accountants B.V.  
R.H.M. Hermans, MSc RA

The official Annual Report 2020 of Vebego International 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.

## **Colophon**

This is a publication from Vebego International N.V.

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