

Annual report 2017-2018

Corporate Social Responsibility



Review of an eventful year

'We were put to the test.' This is how Aad van Marrewijk and Jacques de Jong summarised their review of the financial year. But they also quickly added: 'We all pulled together and came through with flying colours. Even when faced with adversity, the ATM ship stays on course.'

Aad and Jacques together make up the ATM management team. Aad is Managing Director and Jacques manages Compliance & Public Affairs. A year ago, they were still using terms like 'stability' and 'calmer waters' in their annual review. But they also stated that ATM would never rest on its laurels. That characteristic served the company well in 2017. To say the least, things were very busy and all in all it was a highly dynamic year.

Transparent
The stormy conditions that every once in a while arose primarily had to do with perception and public opinion. A great deal was said and written about ATM last year. As a waste processor we are sitting in a glass house. We are aware of that and this is not a problem. We are transparent by nature. But sometimes a story is created in the press and by the political establishment, and therefore also in society, that is difficult to compete against. For example, we were rather negatively presented in a television documentary without any context and on the basis of old information. That creates a poor perception and gives cause for speculation. When this happens, society loses sight of the fact that our goal is to protect the environment and to make complex waste streams harmless and suitable for reuse. Our modern society produces new materials at an increasing pace for which suitable processing options are still to be found when they reach the waste stage. Legal frameworks are often still lacking at that point. We then start looking for

solutions together with government organisations in these situations. When substances such as GenX, MTBE, PFOS and PFDA hit the news, it seems as if we are not alert when accepting these materials. Or even worse, that we originated these materials. The wrong perceptions can have far-reaching consequences. For example, in Bunschoten, where our remediated soil was used the wrong way at the wrong location. In spite of all the necessary permits and certificates, the product then gets a bad reputation. You cannot just erase this. And this is reflected in this year's operating result.'

Innovations
The situation in 2017 alone required all hands on deck. Since the BRZO (Decree on Major Accident Hazards) regime applies to us, the inspection team tends to challenge us big time. This provides us with new insights and enables us to continuously improve ourselves.' The dynamics Aad and Jacques spoke about also had everything to do with a wide range of innovations. We commissioned Phase 1 and 2 of our new storage shed. Phase 3 will follow in September 2018. Our storage satellite TTS in Sluiskil is proving its added value now that the first major volumes have been delivered. The collaboration with CFS Weert is resulting in mutual knowledge enrichment and the optimisation of one another's processing capacity. We are also increasing our share in the circular economy with the acquisition of the 70,000 m² location and plant of our neighbouring com-

pany. We are investigating the possibilities here of using remediated soil as a raw material for the production of various substances, such as asphalt and concrete. We continue to innovate and invest. The new incinerator in our flue gas scrubbing plant also deserves mention in this respect. After the earlier replacement of the electrostatic filter and the new air cooling system to come in the future, this will involve a total investment of 30 to 40 million euros. This will enable us to continue to comply with the applicable and increasingly stricter emission standards in the future. And of course it also creates potential for growth.'

Confidence
According to Aad and Jacques, the level of investment shows that ATM is maximising the full confidence of its parent company, Renewi. 'We are part of a large and solid Group and are given opportunities to continue to grow in terms of knowledge and innovation. Furthermore, according to recent surveys, ATM also has the confidence of its customers, and employees feel strongly committed to the company. We celebrated our 35th anniversary with them in 2017 and together we are setting a course towards a good future. Together we have demonstrated that you can forge ahead even under conditions of adversity. Sometimes you have to be put to the test to prove your raison d'être. The dynamics coming from the outside have resulted in increased vigilance and togetherness internally within the organisation. There is indeed no resting on our laurels.'

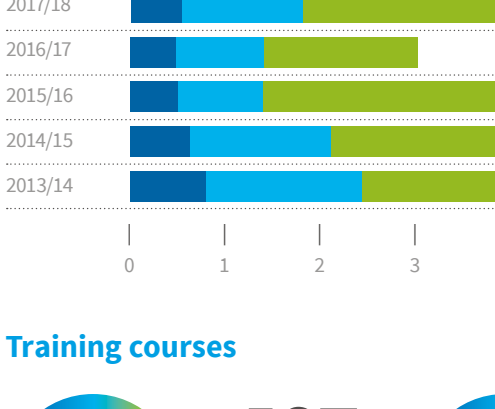
Our people

	Unit	2017/18	2016/17	2015/16	2014/15	2013/14
Number of employees	Absolute	219	216	214	213	212
Number of employees	FTE	210.8	207.7	205.5	203.7	202.5
Operational	%	78.3	77.8	77.1	75.6	76.7
Female	%	17.5	18.1	18.0	19.1	19.8
Part-time	%	12.8	13.5	12.2	12.5	12.9
Average age	Years	43	44	44	45	46
Staff turnover	%	5.9	7.4	6.1	7.1	5.2

The next financial year our workforce will have an additional 23 employees. The former Van Ganssewinkel branch, which was acquired in 2017, is now an ATM subsidiary.

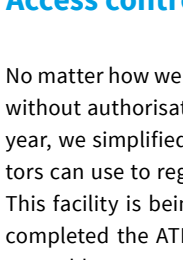
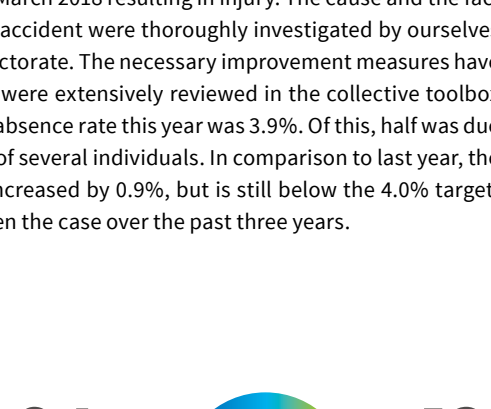
Although our workforce only increased by 3 colleagues, we welcomed 18 new colleagues last year. We said farewell to 4 colleagues who had reached retirement age. We expect to see another 24 retirements over the coming 10 years. A succession plan has been developed in view of the company's growth ambitions and company continuity. Last year, we had a total of 21 vacancies to be staffed, 3 of which are outstanding. The search for a Software Engineer proved to be especially challenging. On average, 20 staffing agency workers worked with us and we provided 2 students with an internship, 93% of all employees have a permanent contract. From 1 branch in Weert has also become part of Renewi.

Service accrual as at 1 April of the financial year



We have loyal colleagues. 78% of all colleagues have been employed for more than 5 years and 9 colleagues celebrated their 25th anniversary this year. The largest group of colleagues are in the 45-54 age range. The average age is 43. A declining trend is clearly visible here: 32% of colleagues now are younger than 35. Last year, we celebrated our 35th anniversary as an organisation. 3 colleagues have been with the company from the outset.

Age accrual as at 1 April of the financial year



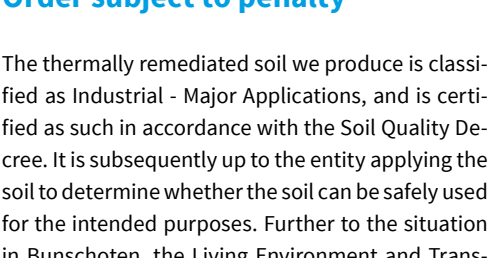
Our organisation is multicultural and includes 12 different nationalities. 7 colleagues live and work abroad. We now have branches in Belgium, Germany and Spain.

20% of our colleagues and staffing agency employees live in the Municipality of Moerdijk. We consciously post job openings locally to promote local employment.

Employee participation

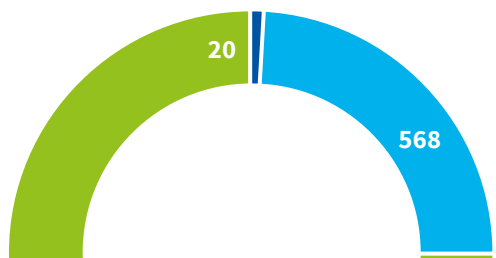
Employees are represented by the Works Council. The Works Council was reconstituted this year. During the elections, 7 positions were up for re-election and 16 colleagues stood for election. The Works Council currently has 9 members from all departments in the organisation. Last year, they issued recommendations and provided consent for the purchase of the neighbouring lands, the new profit distribution scheme, the holiday schedule and the lease regulations.

Risk reports

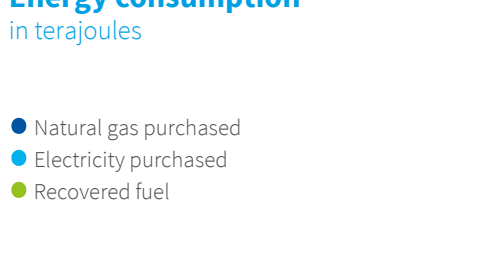


In comparison to the last two years, the number of risks reports dropped by 30%. Reports of high-risk situations especially decreased. Comparatively speaking, it was the reports of high-risk actions that increased: a sign that we are increasingly watching out for each other and calling each other to account. We are happy with these reports. This way, we keep each other on our toes and it also enables us to improve. We had 18 situations requiring first-aid involving 11 colleagues and 7 contractors. Enough reason to devote special attention to this over the coming year.

Accidents without absence



Accidents with absence

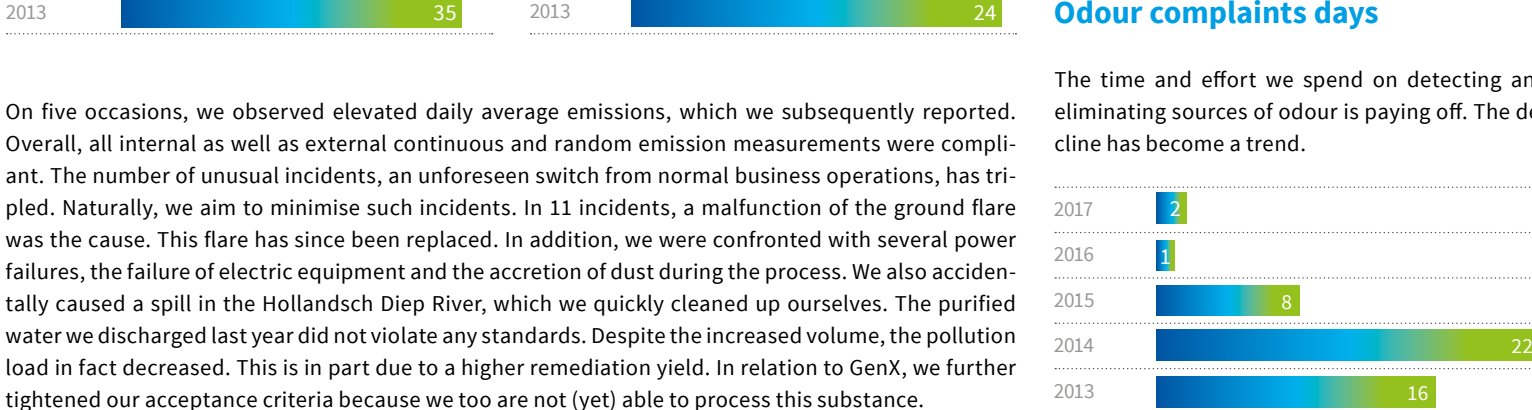


Illness-related absences in %



After 1,129 days without any accidents resulting in absence, a colleague of the logistics crew fell on 13 March 2018 resulting in injury. The cause and the factors contributing to the accident were thoroughly investigated by ourselves as well as the SZW Inspectorate. The necessary improvement measures have been implemented and were extensively reviewed in the collective toolbox meetings. The sickness absence rate this year was 3.9%. Of this, half was due to the long-term illness of several individuals. In comparison to last year, the sickness absence rate has increased by 0.9%, but it is still below the 4.0% target. Fortunately, this has been the case over the past three years.

Training courses



The past year was a positive year for training. Compared to last year, there were 22 additional training days and compared to five years ago, this represents an increase of 49%. This year, in addition to our Operator A and Operator B training course, we have added the Operator C training course to our internal basic vocational training programme. 6 operators have since taken advantage of this programme.

Access control

No matter how welcoming we may appear, no one is given access to our site without authorisation. Access registration is mandatory for everyone. Last year, we simplified this process through an online portal that our contractors can use to register in advance and go through the safety instructions. This facility is being used extensively: over 2,550 contractors successfully completed the ATM safety exam, received their personal access pass and were able to start working well-prepared.

Employee satisfaction

	2018	2016	Benchmark
Enthusiasm	7.0	7.3	7.1
Commitment	7.7	8.1	7.4
Loyalty	7.7	7.8	7.5

Despite the slight decrease, our colleagues fortunately continue to be ambassadors for our organisation. This is also reflected in the low turnover of staff.

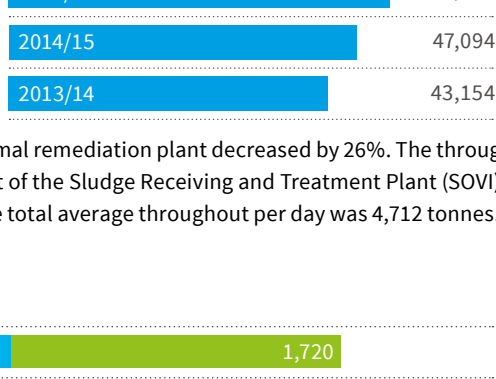
Our planet

	Unit	2017	2016	2015	2014	2013
Intake	Kilotonnes	2,096	1,03,897	98,189	89,564	89,305
Disposal	Kilotonnes	1,967	2,141	2,001	1,762	1,958
Reuse	%	95	95	95	95	95
Energy Efficiency	Index	50.9	46.0	55.2	60.9	66.9
CO ₂ emissions	Kilotonnes	259	272	263	202	205*

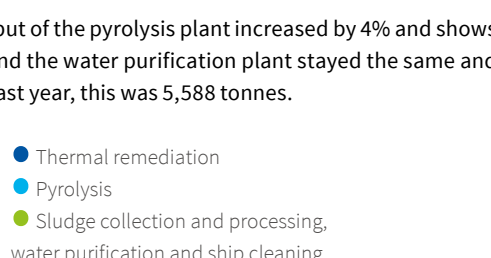
For many years, we have been recycling 95% of the waste we process suitable for reuse. Over the calendar year we took in 3% less waste in comparison to the previous year. The intake is exclusive of 1,024 kilotonnes of remediated soil held in stock at our former neighbouring company. The Energy Efficiency Index (EEI) has increased. Although the throughput of the thermal remediation plant was lower this year, its energy consumption remained virtually the same.

Order subject to penalty

The thermally remediated soil we produce is classified as Industrial - Major Applications, and is certified as such in accordance with the Soil Quality Decree. It is subsequently up to the entity applying the soil to determine whether the soil can be safely used for the intended purposes. Further to the situation in Bunschoten, the Living Environment and Transport Inspectorate (IL&T) started up an investigation. This is of course legal in itself. Via the customer, the entity applying the soil and the supplier you end up at the producer. In spite of our objections to the intended and definitive order subject to penalty, the IL&T decided to impose the order, albeit with changes. IL&T continues to be of the opinion that ATM has violated the legal standards relating to the remediation of its soil. For this reason, it is argued that the product certificates are 'unreliable'. ATM was and is of the opinion that it remediates its soil entirely in accordance with the applicable legal standards. It goes without saying that we attach high value to the quality of the end-product. In a number of areas, our acceptance and remediation process is even more stringent than the legal standards. The fact that we did not violate the standards was confirmed by our certifying body SGS. It simply extended our BRL certificates in September 2017. We openly shared the order and our point of view with them. SGS is of the opinion that there are no violations of the applicable standards documents as suggested by IL&T. We therefore look forward to the outcome of our appeal to the Council of State with confidence.



Energy consumption in terajoules



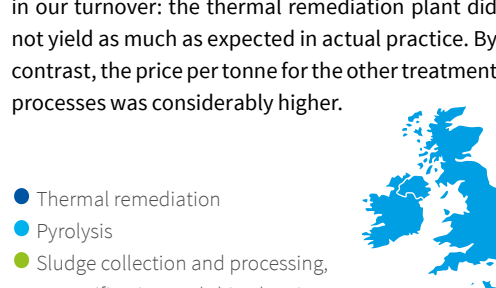
In 2017, our substitute fuels provided 73% of our energy needs. This represents a reduction of 2% in comparison to the year before. Of the 568 terajoules of electricity we 'purchased', 11 terajoules came from our own solar panels. We also largely provide for our own heating needs: the released residual heat is reused for ship cleaning.

Emission reports



On five occasions, we observed elevated daily average emissions, which we subsequently reported. Overall, all internal as well as external continuous and random emission measurements were compliant. The number of unusual incidents, an unforeseen switch from normal business operations, has tripled. Naturally, we aim to minimise such incidents. In 11 incidents, a malfunction of the ground flare was the cause. This flare has since been replaced. In addition, we were confronted with several power failures, the failure of electric equipment and the accretion of dust during the process. We also accidentally caused a spill in the Hollandsch Diep River, which we quickly cleaned up ourselves. The purified water we discharged last year did not violate any standards. Despite the increased volume, the pollution load in fact decreased. This is in part due to a higher remediation yield. In relation to GenX, we further tightened our acceptance criteria because we too are not (yet) able to process this substance.

Unusual incidents



Company notifications

We announce scheduled works from regular business operations, such as maintenance activities, in advance to our local government and the local community. There were 30 such notifications during the past calendar year, none of which resulted in a complaint.

Odour complaints days



The time and effort we spend on detecting and eliminating sources of odour is paying off. The decline has become a trend.

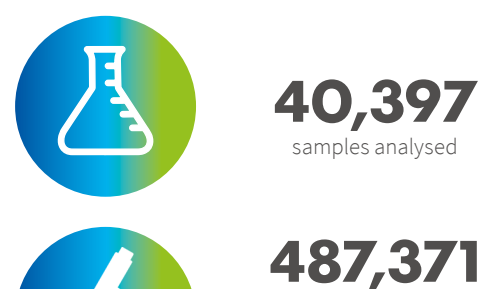
Supervision

In September 2017, there were two days where we had 3 multidisciplinary BRZO inspection teams at our premises, effectively amounting to 6 inspection days. Although many aspects had the approval of the teams, and we received some compliments, the stark figures initially were disappointing: 10 violations: 2 Category 2 violations and 8 Category 3 violations. Planned actions have been defined to alleviate the violations and to further optimise our safety management system. During the re-inspections that have since been conducted we were shown to be on schedule and the audited violations were alleviated. In view of the amount of work that has been accomplished since the last inspection we are looking forward to the 2018 inspections with a great deal of confidence. Furthermore, in 2017 we had 8 environmental inspections, 7 by the Living Environment and Transport Inspectorate (IL&T). The OMWB also conducted 6 scheduled visits.

Diffuse emissions

Diffuse emissions can inadvertently be released by shut-off valves, slide valves, pumps and flanges. New measuring technologies, such as FLIR cameras and the associated registration and follow-up system have helped us prevent this since 2014. Approximately 3,150 potential leakage locations are structurally monitored. In four inspection rounds, 44 leaks were detected and sealed within two weeks in 2017. The OMWB also uses FLIR cameras for monitoring purposes.

Social investments



During the past year, we again sponsored social life in the Municipality of Moerdijk. Employees who did voluntary work could also count on a financial contribution.

Our profit

	Unit	2017/18	2016/17	2015/16	2014/15	2013/14
Gross turnover	€1,000	101,123	103,897	98,189	89,564	89,305
Contribution margin	€1,000	64,842	66,889	63,702	59,912	62,155
Operating result	Index	88	112	108	93	100
Invested capital	Index	71	139	125	132	100
Operational cash flow	€1,000	24,104	14,640	21,705	12,362	26,207
Receivables turnover	Days	28	46	29	57	73

Investments

Aside from maintenance costs, we invested 9.1 million euros last year. This is 56% more than in the previous year. Currently, we are putting the finishing touches on the 4,700 m² storage shed, we installed 5,758 m³ in storage tanks and made preparations for the new incinerator, which will be larger and better than the old one. We also built a new workshop for our Technical Services department, an R&D Laboratory, a new Operating Control Centre for the SOVI operators, and we invested in new shovels and ATEX certified trucks for the logistics team. The Hazardous Waste Division assumed responsibility for the acquisition of our neighbouring company.

Thermal remediation throughput in tonnes



Pyrolysis throughput in tonnes



SOVI and wastewater purification throughput in tonnes



In comparison to last year, the throughput of the thermal remediation plant decreased by 26%. The throughput of the pyrolysis plant increased by 4% and shows a rising trend over the past five years. The throughput of the Sludge Receiving and Treatment Plant (SOVI) and the water purification plant stayed the same and shows a balanced picture over the past five years. The total average throughput per day was 4,712 tonnes. Last year, this was 5,588 tonnes.

Production volume in kilotonnes



SOVI and wastewater purification throughput in tonnes



The total production volume is 16% lower than last year. In relation to the maximum permitted capacity, the utilisation of the thermal remediation plant was 74%, the pyrolysis plant was 91% and the water-related activities 94%.

Turnover in %



Local purchasing

The total turnover last year was 101.1 million euros, a decrease of 3% compared to the year before. Our initial estimates had projected an increase of 5% in our turnover: the thermal remediation plant did not yield as much as expected in actual practice. By contrast, the price per tonne for the other treatment processes was considerably higher.

Local purchasing

€11.9 mln We also contributed to the economy in the municipality of Moerdijk this past year. Where we were able to buy locally, we did.

Supply in %

Quality

40,397 samples analysed

487,371 individual parameters were tested, on average 12 per sample

Compared to similar companies in the waste sector, our customers are more satisfied and customer loyalty is 38% higher. They appreciate the long-term partnership. Naturally, we nourish these long-term relationships! 51% would recommend us to others due to our excellent service and high quality.

	2018	2014	Benchmark
Average customer satisfaction score	8.2	8.4	7.8
Net promoter score (NPS)	46%	40%	8%

45% of all supplies are to check the processability of the analysed waste materials, and 30% is due to additional process controls. Furthermore, this year we commissioned a separate and larger R&D laboratory where we simulate processes and test possible optimisations.

