



FORESCO
SUSTAINABILITY
REPORTING
2025

INCREASING SUSTAINABILITY STEP BY STEP

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SUSTAINABILITY TEAM



Maarten Maes
Head of Transformation



Nicolas Vancayzele
Sustainability & ISO certification

Genk, 12 June 2026

Dear Reader,

Despite key milestones in 2030 and 2040, sustainability is not a project with an end date for Foresco. It is a journey that we have been building step by step for years and will continue unabated in the future. Not because legislation obliges us to do so, but because we are convinced that responsible business is the only sustainable way forward.

The context in which we operate today is constantly changing. The political and international focus on sustainability sometimes seems less pronounced today than a few years ago. For us, that changes little about the direction we have chosen. Our ambition remains high: to further reduce our impact, improve our processes and take responsibility within the entire value chain.

At the same time, we realise that sustainability is a long-term journey. In recent years, we have made significant strides in terms of circularity, energy efficiency, electrification, safety and transparency. We are seeing more and more clearly the effects of the initiatives we have taken. We are also getting better at measuring our impact and implementing our sustainability initiatives.

However we are not yet where we want to be. Therefore, we continue to invest in further professionalisation, better data and a structural approach that helps us to continuously improve.

2025 was marked by further centralisation and harmonisation within our group. By better aligning processes and collecting sustainability data with increasing accuracy, we will gain more insight into our performance and be able to target improvement. This is how we continue to build a solid foundation for the future.

That future also brings new challenges. The Packaging and Packaging Waste Regulation (PPWR) will have a significant impact on our industry. While such regulations do not always lead directly to increased sustainability, they do create additional administrative obligations.



"For Foresco, sustainability is not a project with an end date."

There is thereby a risk that the intrinsic sustainability of reusable wooden pallets and packaging will not be sufficiently distinguished from less sustainable alternatives. As an industry leader, we remain committed to highlighting the benefits of circular wood packaging and defending a level playing field. I am confident that we will successfully tackle this challenge as well.

What gives me confidence above all is the commitment of our employees, customers and partners. Thanks to their daily efforts, we continue to build a company that is not only growing, but also becoming increasingly responsible, transparent and future-proof.

With this report, we once again provide an open insight into our progress, challenges and ambitions. If you have any questions or ideas, please feel free to get in touch with us.

Jan Ponnet
CEO Foresco

WE ARE FORESCO

Foresco is a pioneer in sustainable solutions for wooden pallets and packaging. With a strong focus on quality, flexibility, reliability, sustainability and safety, we aim to play a leading role in the circular economy. Our ambition: to be the most respected company within our industry in Europe - for customers, employees and our environment.

QUALITY

The best knowledge and experience in our sector has been brought together to completely unburden customers in the way that best suits them and does justice to the environment.

FLEXIBILITY

Solution-oriented with innovative services and products. Always the fastest response time in the market with systems maximally integrated with those of the customer.

SUSTAINABILITY

Leading the way in sustainable business. Towards carbon neutrality in a future where reuse and efficiency are key. With a focus on digitalisation and sustainability.

SAFETY

Safety comes first. We create a safe working environment by focusing on responsibility, training and proactive measures.

RELIABILITY

We manufacture, sort and repair. We always deliver. Just in time. Local. We are the reliable partner for companies mainly in Belgium, the Netherlands, Luxembourg, Germany and Scandinavia.

OWNERSHIP STRUCTURE

Foresco is a private company owned by Dynamica, the investment vehicle of entrepreneurs Jan Ponnet and Cedric De Quinamar.

MANAGEMENT



Jan Ponnet
CEO



Filip Rollier
Country Manager
Belgium



Wim van Dijk
Country Manager
Netherlands



Frank van Hoesel
Purchasing
& IT Director



Jurjen Stavorinus
Commercial
Director



Karen Plessers
CFO



Maarten Maes
Head of
Transformation

"With our network of dozens of sites throughout the Benelux, we are always close by. This avoids unnecessary transport kilometres and reduces CO₂-emissions."

BUSINESS UNITS

NEW PALLETS

New pallets are supplied both customised and standardised and always meet the highest requirements of various industries. As a leading producer, Foresco only buys wood from PEFC-certified suppliers.

USED PALLETS

Foresco collects, sorts and assesses used pallets for quality. Suitable pallets are reused, while damaged ones are repaired and sold as a sustainable and cost-effective alternative to new pallets.

PACKAGING

Foresco provides tailor-made packaging solutions for the steel industry, mechanical engineering, automotive and medical technology, among others, with a focus on safe, efficient and sustainable transport. For large machines and complex shipments, we also work on site.

SERVICE TO PALLET POOL COMPANIES

Specialised services focused on pallet sorting and repair for pool companies. Pallets are assessed for quality and serviceability and damaged ones are repaired according to strict standards, as agreed with the customer.

FACTS & FIGURES 2025

Turnover

€600 million

Customer base

>7,000

Employees

1,800

Annual production

20,000,000

new pallets

Specifications

>5,000

28,500,000

used pallets

250,000

packaging solutions

FORESCO COLLECT, REPAIR & RE-USE

With our innovative software platform, customers can easily have their own used pallets collected and redeployed. Damaged pallets are repaired according to strict quality standards and can then be reused. Collect, Repair & Re-use combines sustainability with cost savings and extends the life cycle of pallets.



FORESCO BE, FORESCO NL, FORESCO SCANDINAVIË AND FORESCO MILTENBERG

Following the merger in Belgium on 1 January 2025 into the entity Foresco BE nv, on 1 June 2025 the 20 different BVs in the Netherlands were also merged into Foresco NL BV. This is to simplify our administrative systems, increase customer satisfaction and achieve a uniform appearance.

Meanwhile, we have also started to integrate our Scandinavian sites. These will eventually continue under the names Foresco DK, Foresco Oslo and Foresco NO. In Germany, the largest branch has now also been renamed Foresco Miltenberg.

FORESCO AND SUSTAINABILITY

In our ambition to be the most respected company in our industry, sustainability plays a central role. For Foresco, this means taking responsibility for our impact on people, the environment and society. This is why we are embedding sustainability more and more strongly in our strategy, our processes and our daily way of working.

OUR SUSTAINABILITY STRATEGY



ENVIRONMENT

CO₂-free production

We are taking responsibility in the fight against climate change. Therefore, we are committed to further reducing our CO₂ emissions and making our production processes more sustainable. By investing in energy efficiency, electrification and renewable energy, we are working step by step towards low-carbon and eventually CO₂-free production.





Encouraging circularity

Circularity is the basis of our business model. Wooden pallets play a crucial role in the logistics chain and lend themselves well to reuse, recovery and recycling. By keeping pallets in circulation as long as possible, we limit the use of new raw materials and reduce the impact on the environment.

Renewable raw materials

Sustainable business starts with responsible raw materials. Wood is our most important raw material, which is why we consciously choose wood from sustainably managed forests. We only work with PEFC-certified suppliers and actively work against deforestation. We are also constantly exploring opportunities to make other materials more sustainable, including through the use of recycled raw materials.

SDG's

-  **07** Affordable and clean energy
-  **09** Industry, innovation and infrastructure
-  **11** Sustainable cities and communities
-  **12** Responsible consumption and production
-  **13** Climate action
-  **15** Life on land
-  **17** Partnerships for the goals






PEOPLE

Attractive and safe working environment

Our employees are the foundation of Foresco. That is why we invest in a working environment where safety, well-being and respect are key. We want to be an organisation where people feel valued, can develop and enjoy working together.

Our core values - respect, cooperation, safety, customer focus and fun - guide how we treat each other and how we build a strong and forward-looking organisation together.

SDG's

-  **05** Gender equality
-  **08** Decent work and economic growth
-  **10** Reduced inequalities

DOUBLE MATERIALITY ANALYSIS

To further shape our sustainability strategy, we conducted a dual materiality analysis (DMA). This analysis helps us understand the sustainability issues that are most relevant to Foresco, both from the impact we have on people and the environment and from the risks and opportunities that sustainability developments bring to our business. The analysis is in line with

the principles of the European CSRD directive for sustainability reporting.

The process consisted of four steps:

- Understanding our context
- Identifying the relevant impacts, risks and opportunities
- Applying a scoring and ranking to the identified issues
- Defining the material issues



GOOD MANAGEMENT

Professionalism and compliance

We want to further professionalise the market by leading by example. We are committed to complying with relevant legislation and our own code of ethics at all times.

TRANSPARENCY

Sustainability requires clear objectives, reliable data and open communication. We are therefore continuing to build a central monitoring system that allows us to accurately track, evaluate and report our sustainability performance. Thus, we create a solid basis for further improvement and for reporting in line with the CSRD guideline.

Our EcoVadis assessment also fits within this ambition. We want to make our efforts not only visible on the ground, but also have them assessed objectively and communicate transparently about our progress and results.

SDG



16 Peace, justice and strong institutions

SUSTAINABLE DEVELOPMENT GOALS (SDGs)

With our sustainability strategy, we are making a concrete contribution to the United Nations Sustainable Development Goals (SDGs). These seventeen global goals provide an international framework for economically, socially and environmentally sustainable development.

On these pages, we highlight the SDGs on which Foresco's activities and ambitions can make the biggest impact.



ON THE WAY TO CO₂-FREE PRODUCTION

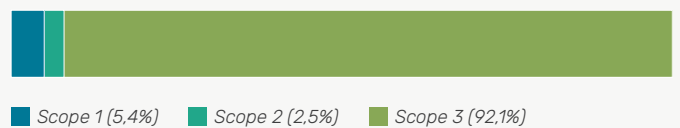
The climate issue was the first priority within our sustainability strategy and it still remains so. We are aware that we are an active contributor to climate change through greenhouse gas emissions from our own operations and those along the value chain. In addition, the effects of global warming also have a direct impact on our business when it affects timber production.

Measuring is knowing. This is why we have been mapping our CO₂ emissions since 2021. This way, we know where we need to focus our efforts to reduce our greenhouse gas emissions. Our ultimate goal is to offer carbon-free products and services to our customers.

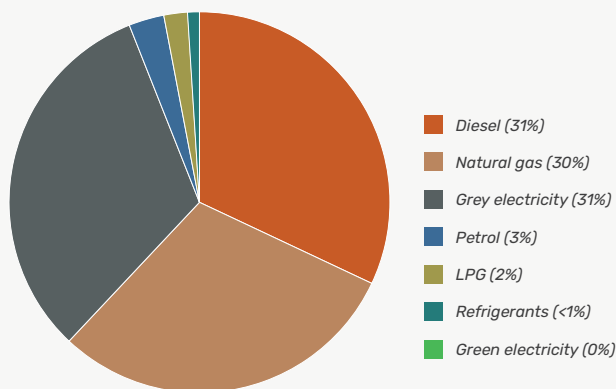
TOTAL CO₂-FOOTPRINT EMISSIONS

In 2025, Foresco had a total carbon footprint of 203,875 tonnes of CO₂ equivalent (market-based). Today, the share of our own activities (scope 1 and 2) causes only 8% of our total emissions. In doing so, we are aware of the challenge of also actively involving our suppliers in the sustainability story.

203,875 T CO₂e

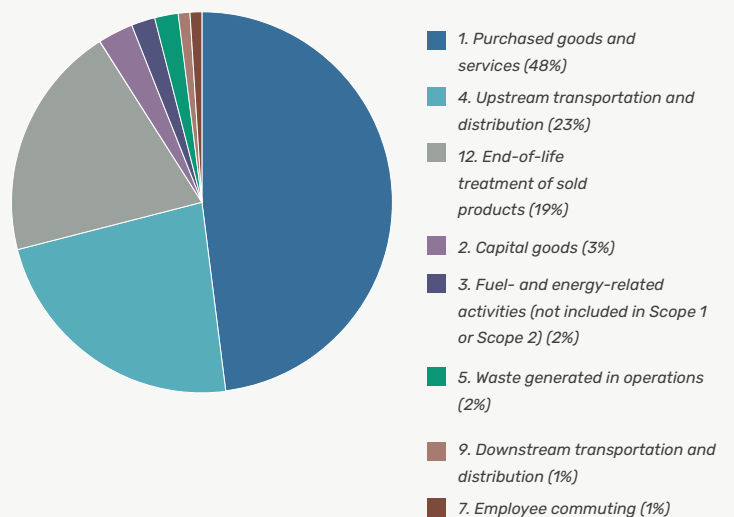


SCOPE 1 & 2 EMISSIONS (16,000 T CO₂e)



Due to continued growth, recent acquisitions and strategic integrations of sites, the distribution between emission sources is changing slightly. Broadly speaking, though, the focal points remain the same. Fossil fuels are used for transport (forklifts, trucks and commercial vehicles) and heating (drying ovens and buildings). We use electricity to run machinery, cool or heat buildings and charge electric vehicles.

SCOPE 3 EMISSIONS (187,875 T CO₂e)



The biggest impact is still in the supply chain, more specifically the sourced raw materials, the associated logistics movements and the end-of-life phase of the product. Wood is by far the most essential raw material for our products, followed by metal (nails) and cardboard. Over 90% of emissions from external transport are caused by supplier transport.

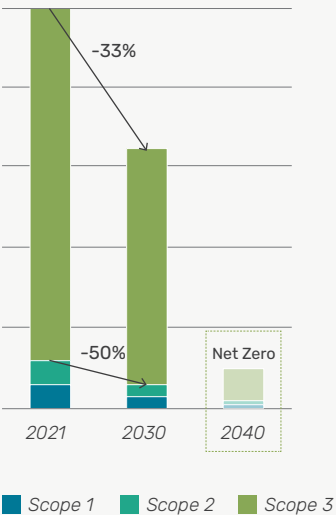


OUR AIMS

Based on this analysis and the Paris Climate Agreement, we have set out our ambitions for the coming years. In the short term, we focus on scope 1 and 2 emissions because we have direct control over them. By 2030, we already want to achieve 50% emissions reductions.

For the reduction of our scope 3, we intend to take several paths in the long term, where collaborations with suppliers and stakeholders in our value chain will be central. Thus, we aim to achieve a 33% reduction by 2030. By 2040, we want to reduce our entire emissions pretty much to Net Zero emissions.

TARGETS



SCIENCE BASED TARGETS

Our targets are set in line with what is prescribed by the Science Based Targets initiative (SBTi) and go even further. In 2024, we committed to have these targets validated by SBTi. In preparation for the submission of our targets to SBTi in 2025, major steps have been taken by the ERP and procurement team to make the necessary data centrally available. The data collection method was further tested in collaboration with an external partner.

An initial transition plan was drawn up in 2025 to achieve the necessary reductions. These targets will be submitted to SBTi in 2026 for validation.

In the coming years, we will continue to refine our data collection methods and the data itself. We will then increase stakeholder engagement to take the necessary measures in consultation with our supply chain and achieve the desired reductions.



OUR SUSTAINABILITY INITIATIVES

We are still not sitting still, as from the previous years of analysis we already started working on several concrete actions and measures to reduce our impact. We focused on our internal business processes (scope 1 and 2) to achieve a measurable impact immediately and took some first steps to reduce our scope 3 impact.

SCOPE 1 & 2

TRANSITION TO RENEWABLE ENERGY

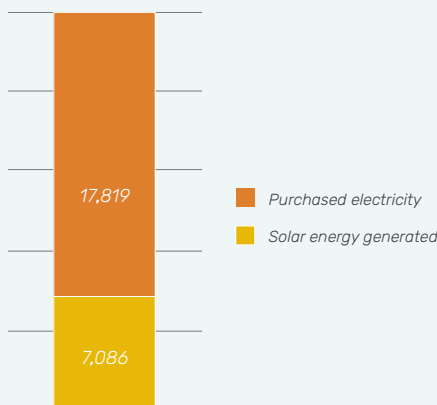
Target: 100% green electricity by 2030

Target: replace fossil fuels with a more sustainable alternative by 2030

Each site is responsible for monitoring its own scope 1 and 2 and improving its energy policy. This is done in consultation with central departments such as Transformation and Procurement. The transformation team supports the sites for larger infrastructure works, such as installing solar panels, and helps look for ways to increase efficiency within the organisation.

The procurement team is responsible for energy suppliers. In the long term, we are moving towards 100% green power.

ENERGY CONSUMPTION (in MWh)



SOLAR PANELS

Target: equip all production sites with solar panels

We want to generate some of our (green) electricity ourselves to be self-sufficient. For this, we install solar panels. By 2025, the following sites together already produced 7,086 MWh of solar energy:

- Netherlands** Assen, Hasselt, Klundert, Middenmeer, Musselkanaal, Putten, Sas van Gent, Valkenswaard, Weert and Zevenbergen
- Belgium** Aalter, Beringen, Beveren, Genk, Ham, Heppignies, Lommel, Sint-Katelijne-Waver and Wilrijk
- Denmark** Taulov

Meanwhile, we continue to explore options for other sites. For example, solar panels will be added in Dongen (NL) and Lessines (BE) by 2026. Energy storage is also being considered to put the generated energy to good use.

On our [website](#) you can follow the yield of our solar panels live.

Power plants

The Foresco sites in Dongen, Klundert, Hasselt, Engesvang and Hjøllund have their own power plants where (own) wood waste is converted into hot water for the purpose of drying pallets, producing electricity (Dongen) and powering a heat network, which is used to heat their own site and neighbouring businesses or homes. In 2025, the total energy generated is 42,636 MWh (net caloric value).



ELECTRIC COMMERCIAL VEHICLES

Target: 100% electric company fleet by 2030
Target: equip every site with charging stations

Since early 2023, we have been resolutely moving towards an electric fleet. For this purpose, plenty of charging stations are being installed at all sites. We are replacing fossil fuels with renewable energy.

ELECTRIC FORKLIFTS

Objective: 90% electric forklifts by 2030

Here too, we are opting for the transition to renewable energy. This year, there has been little change in the composition.

At the end of 2025, the distribution was as follows:

COMPANY CARS (by percentage)

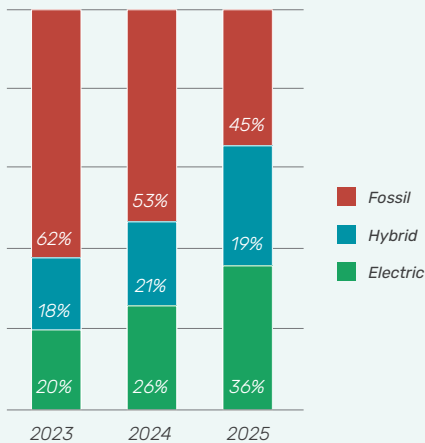


Chart based on Foresco's then entities in Belgium and the Netherlands. The data was not retrospectively adjusted after acquisitions.

FORKLIFTS (by percentage)

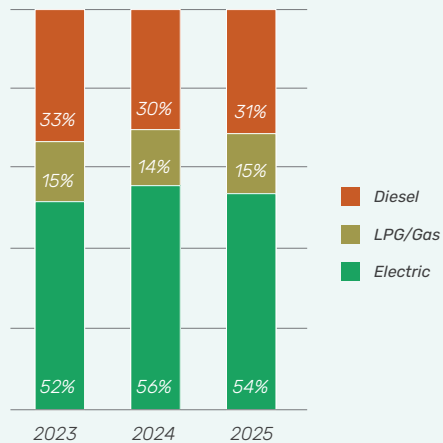


Chart based on Foresco's then entities in Belgium and the Netherlands. The data was not retrospectively adjusted after acquisitions.

Calculation example:

Replacing a diesel forklift (load capacity 3.5 tonnes) with an electric forklift reduces emissions to 19 tonnes of CO₂e per year.

SCOPE 1 & 2

GREEN TRUCKS

We are centralising the management of our own trucks. This will give us better insight into our transport movements, consumption and later their efficiency. In 2025, our electric trucks covered over 110,000 km.

Switching to green trucks brings new challenges and issues, such as the availability of new technologies, driving range, refuelling locations, availability of energy or fuel and possible residual emissions.

Longer-term goals

- We are exploring how to reduce our transport emissions by switching to green forms of logistics, both with suppliers (scope 3) and with our own trucks (scope 1 and 2).
- We examine how to reduce our energy consumption at each site, paying special attention to compressed air leaks and stealth consumption.
- We are investigating CO₂-friendly ways of drying wood, both at suppliers (scope 3) and at our own sites (scope 1).





"By purchasing more dried wood, not only does the transport weight drop, but also more wood can be transported by truck."

SCOPE 3

SUSTAINABLE TRANSPORT

Target: transport by water or rail wherever possible

From road transport to ship

In 2025, we achieved one transport by ship. Although transport by ship is a very appropriate and sustainable choice for us in terms of content, we have faced a wide range of challenges in the logistics sector last year. As a result, we have had to temporarily change our operational priorities and, in some cases, deliberately choose alternative modes of transport.

These choices have always been deliberate, with security of supply and continuity being maintained. For the new year, there is a clear ambition to intensify the focus on transport by ship again, as soon as conditions are more conducive.

PROCUREMENT OF SUSTAINABLE WOOD

Target: 100% certified suppliers from 2024

Since 2025, we have only worked with certified suppliers. As we ourselves have group certification for PEFC (Programme for Endorsement of Forest Certification Schemes), we also require this from our wood suppliers. The programme promotes sustainable forest management and is a first important selection criterion for us to encourage respect for biodiversity, production capacity, vitality and ecosystem services of forests among our suppliers.

Longer-term goals

- We are exploring how to use more recycled materials in our products.
- Wherever possible, we switch to recycled materials, e.g. nails and press bobbins.
- We remain permanently focused on waste reduction.
- We increase the volume of wood with a lower transport distance. In doing so, we choose suppliers closer to the production site.
- We are exploring how to reduce our transport emissions by switching to green forms of logistics, both with suppliers (scope 3) and with our own trucks (scope 1 and 2).
- We avoid transporting wet wood. Purchasing dried wood not only lowers the transport weight, but also allows more wood to be transported by truck.
- We are switching to CO₂-friendly ways of drying wood, both at suppliers (scope 3) and at our own sites (scope 1).
- We make the CO₂ emissions of raw materials and products transparent so that our customers can make conscious choices.

SUSTAINABLE COUNTERBALANCE FOR PLASTIC PALLETS

With the creation of the Sustainable Pallet Association (SPA), Foresco and PGS Group will take an important step to raise awareness of the benefits of wooden pallets within Europe in 2025. The platform arose from the need to base the sustainability debate around cargo carriers more on facts, circularity and the full life cycle of products.



A circular product by nature

According to Jan Ponnet, CEO of Foresco and co-founder of the Sustainable Pallet Association, wooden pallets are already a particularly circular product by nature. "A pallet is used for years, repaired, repurposed and finally completely recycled. That story is often underestimated."

"Within the industry, recovery, reuse and return flow systems have been in place for many years, often keeping wooden pallets in circulation for years. At the end of their life, they are processed into new raw materials or used for energy generation." In addition, wood stores CO₂ throughout its lifetime and is a renewable resource. "We find that sustainability is sometimes oversimplified," says Jan. "Then you see that incorrect and incomplete information is often disseminated, often from powerful lobby groups."

Facts and evidence

With the Sustainable Pallet Association, Foresco and PGS Group aim to build a strong European knowledge platform. The organisation collects scientific studies, life cycle assessments (LCAs) and field data to objectively

compare the environmental impact of wooden pallets with alternatives.

In doing so, SPA focuses not only on customers and logistics players, but also on policymakers and European regulations. Indeed, new legislation around packaging and circularity directly impacts the sector. "We want to ensure that decisions are made based on accurate information and realistic practical experience," Jan said.

Working together as a sector

According to Jan, cooperation is key in this regard. The challenges around sustainability, raw materials and regulation are too big for individual companies to tackle alone. Through the Sustainable Pallet Association, the initiators therefore want to build a wider European network of companies that believe in the power of wood and circular logistics solutions. "We strongly believe in wood as a renewable and circular raw material," Jan concludes. "But it is important that as an industry we also clearly explain why. Moreover, as a leading player, we want to help take responsibility for making the entire sector more sustainable."

sustainablepalletassociation.com

CLIMATE AWARD LIMBURG 2025 FOR FORESCO



Photo: Boumediene Belbachir

Foresco won the Limburg Climate Award in 2025. The award, presented by Het Belang van Limburg and the Belgian Alliance for Climate Action, honours companies that structurally embed sustainability in their organisation. For Foresco, the award is great recognition of the circular approach with which the company has long been committed to reuse, recovery and sustainable innovation within the pallet and packaging sector.

SUSTAINABILITY AT THE HEART OF THE ORGANISATION

According to the jury, Foresco stands out because sustainability is not a separate project but an integral part of its entire business operations. From raw materials and production to transport, energy use and repair, impact and circularity are consciously considered within each link of the chain.



"A scalable and inspiring example for the region."

WOODEN PALLETS AS A CIRCULAR PRODUCT

CEO Jan Ponnet stresses that wooden pallets are already a particularly circular product by nature. "A pallet constantly changes hands, can be used hundreds of times and lasts seven years on average." Foresco buys back used pallets from customers, carefully inspects them and reintroduces them to the market if possible. Damaged pallets are repaired and only the remaining waste wood is processed into raw material for glued plates, among other things.

The award simultaneously confirms Foresco's strong growth in recent years. What started in 2009 as a company with two sites and around 100 employees grew into an international group with around 50 sites and some 1,800 employees across the Benelux, Scandinavia and Germany.

SUSTAINABILITY IN EVERY DETAIL

Operationally, Foresco also continues to invest in sustainability. This includes working with PEFC- and FSC-certified timber, energy-efficient installations and an increasingly efficient logistics approach. Electric vehicle charging points have been installed at several sites and steps are being taken towards more sustainable transport, including through sophisticated trip planning, more waterborne transport and electric transport. Its headquarters in Genk literally symbolises that vision. The new building was constructed largely of recyclable wood and forms the sustainable heart of the organisation.

For Foresco, the Climate Award is not only a culmination of today's efforts, but also an incentive to continue building a forward-looking and circular sector. As the judges described it: a scalable and inspiring example for the region.

A SUSTAINABLE HEAD OFFICE FOR THE FUTURE OF FORESCO



At the end of September 2025, Foresco opened its new state-of-the-art headquarters in Genk. The all-wood building is a textbook example of sustainable and innovative construction. The entire site underwent a major transformation. Old infrastructure gave way to a modern, sustainable and future-oriented working environment, combining efficiency, safety, circularity and appearance. "We didn't want to do a classic renovation," says Head of Transformation Maarten Maes. "The ambition was much bigger: to build a site that shows where Foresco wants to go as an organisation."

FROM INDUSTRIAL SITE TO FUTURE-PROOF ENVIRONMENT

The first site meeting took place on 26 April 2023. A few weeks later, on 15 May, the works officially started. What followed was a large-scale redevelopment of the entire Genk site. Outdated buildings gave way to new production halls, modern office spaces and additional logistics facilities. At the same time, there was a strong focus on sustainability, energy efficiency and safety. For example, all asbestos roofs were removed and replaced with insulated roofs with solar panels. The infrastructure on the site was also completely revamped.

"The site had grown a lot historically, but as a result it sometimes lacked cohesion," Maarten says. "With this transformation, we are creating one professional environment ready for the future."

SUSTAINABILITY AS A STARTING POINT

Foresco's sustainability vision was translated into concrete interventions on the site during the project. There were charging facilities for electric cars and bikes, new high-voltage cabinets for a future-oriented energy network and additional solar panels to generate green energy locally.

Mobility and road safety also received a lot of attention. New entrance gates, barrier islands, signage and automated access control today provide more overview and security on the site. In addition, asphalt roads were replaced with sustainable concrete road surfaces and the entire sewer system was renewed. "Everything was looked at from a long-term perspective," says Manuel Vanderheiden, who was closely involved in implementing the project. "Not just the office had to be renewed, but the entire operation of the site."

MORE ROOM FOR GROWTH AND EFFICIENCY

In addition to the new headquarters, Foresco invested heavily in expanding and modernising its production environment. Thus, a new 2,000 m² hall was built after the demolition of the former cardboard hall.

In addition, a completely new 4,000 m² production hall replaced the old impregnation plant. Existing production halls were also thoroughly tackled. Floors were renewed, plumbing modernised and a new HT oven was installed. New hydrant pipes and additional site lighting increase safety on the site.

"This project is not just about appearance," Maarten stresses. "Above all, it is about creating an efficient and future-proof working environment in which people can work safely, comfortably and professionally."

A PLACE PEOPLE LIKE TO COME TO

The redevelopment of the site not only considered production and logistics, but above all the well-being of employees. Thus, the canteen, changing rooms and sanitary facilities were completely renovated. There were additional showers, a new bicycle shed and ample parking facilities.

A green area was also created around the new headquarters with a vineyard and garden area along the canal. This not only gives the site a sustainable look, but also a distinct identity. "The environment in which people work has a huge impact," says Martin. "We want employees, customers and visitors to immediately feel what Foresco stands for today: professionalism, sustainability and ambition."

SYMBOL OF THE WHOLE FORESCO GROUP

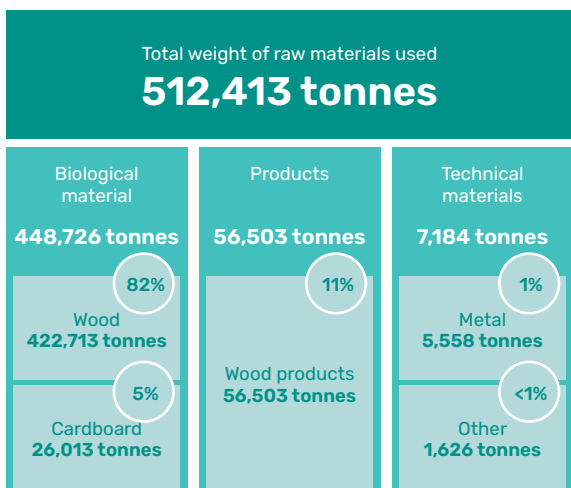
The revamped headquarters in Genk symbolises the broader evolution that Foresco is undergoing as an organisation. From a collection of separate companies, Foresco continues to grow into one integrated group with a shared vision, uniform processes and a strong focus on sustainability. "This site shows how we see Foresco's future," Maarten concludes. "More sustainable, efficient and connected. Not only in words, but also in concrete investments and tangible choices."



"More sustainable, efficient and more strongly connected."

WOOD: OUR RENEWABLE BASE

The basic raw material for our products is wood – a natural and therefore environmentally friendly product. For us, it is more than simply logical to take care of the ecosystems that produce this raw material. Without healthy nature and forests no timber.

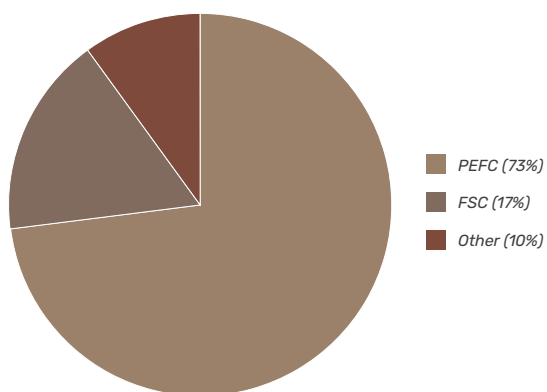


PEFC: SUSTAINABLY MANAGED FORESTS

Working with certified suppliers (PEFC or FSC), gives a guarantee about the control of the origin of the wood, the so-called *chain of custody*. Administratively, however, there are gradations (e.g. 70% PEFC), so a purchased volume does not count in full.

Based on these percentages, nearly 90% of all wood used in 2025 can be classified as sustainable, either through PEFC or FSC certification.

SUSTAINABLE SOURCED WOOD



The percentages are based on procurement data from the sites already working through the central ERP system. For reporting year 2025, this comprises almost 50% of the total wood procurement volume of all sites.

DEFORESTATION-FREE TIMBER

The European Deforestation Regulation (EUDR), also known as Regulation (EU) 2023/1115 or the European Regulation on Deforestation-Free Products, focuses on stopping deforestation and forest degradation. The EUDR imposes stricter rules on the supply of certain raw materials and products in the European Union, including timber.

Deforestation-free timber and sustainably managed forests are standard concerns for Foresco. Although it is new legislation, some obligations are not entirely new, as this legislation builds on the former European Timber Regulation (EUTR).

At the end of 2025, this legislation was amended at the last minute and postponed for a year. This brings some changes for us and for our customers. Foresco has no forests of its own, therefore we take on the role of 'Downstream Operator'.

The thorough due diligence to ensure that the timber does not come from deforestation will therefore be done earlier in the supply chain. Only when first marketed in Europe will a due diligence statement be prepared. In some cases, we still receive this statement and keep it in our records. Our customers, on the other hand, will no longer receive them with the final product. The simplification reduces the administrative burden in the chain, without changing the basic principle: avoiding deforestation.

Despite this change, our procurement policy remains founded on the same principles:

- We only work with carefully selected suppliers. By working closely together, we have a better understanding of the information needed to assess the risk of deforestation and biodiversity loss.
- The wood we use to make our products comes mainly from the European continent. Where timber is imported from outside the European Union, we do a more in-depth risk analysis.
- Our commitment to choose only PEFC-certified suppliers ensures that we have better traceability on the origin of the wood (chain of custody) and that our suppliers have a similar due diligence system.

RE-USE OF PALLETS

Our pallets and packaging are an essential part of our customers' supply chain. The great advantage of pallets is that they can be easily reused. At Foresco, every pallet is therefore suitable for multiple use: our recycling plants prove this day in, day out. We collect a wide range of pallets daily. This aligns us perfectly with the objectives of the new European PPWR legislation, which is strongly committed to reuse, circularity and reducing packaging waste.



Used pallets at our Moerdijk site

FROM DISPOSABLE TO REUSABLE

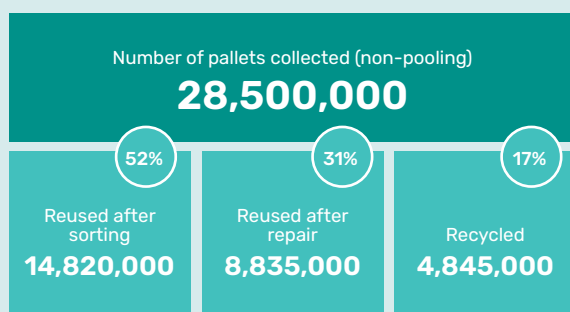
In 2025, Foresco sorted approximately 12 million pooling pallets. Pooling pallets operate within a closed-loop reuse system. In addition, all Foresco sites processed around 28.5 million used pallets of various types and sizes. These pallets continuously change ownership throughout their lifecycle.

Due to the wide variety of formats and specifications, they are often regarded as disposable or single-use pallets. However, together with our customers, we demonstrate that reality can be different. At Foresco, we firmly believe that every pallet is reusable.

SMART SORTING, MAXIMUM REUSE

Pooling or non-pooling, the process remains the same. After collecting the pallets, they are sorted. This is done on the one hand based on reusability: good pallets, repairable pallets and irreparable pallets. Good and repairable pallets are also sorted according to type, dimensions and quality.

One of our challenges and strengths is finding the right match between available pallets and customer demand. By focusing on total solutions to collect and recover used pallets, we can drastically reduce the footprint of pallets. By reusing or repairing a pallet, we extend the life of the product, reduce the use of new wood and also reduce the amount of wood going to waste disposal each year.



Overall figure based on all sites.

Breakdown is an estimate based on historical figures.

WOOD WASTE SORTING: PRESERVING RESOURCES, PREVENTING WASTE

At Foresco, we believe sustainability starts with the way we handle materials. Wood is no ordinary raw material for us, but a valuable material that we want to use as long and smartly as possible. Indeed, by properly sorting our wood waste, we can give it a new life. This way, we reduce waste, lower our carbon footprint and contribute to a circular economy.

FROM RESIDUE TO RAW MATERIAL

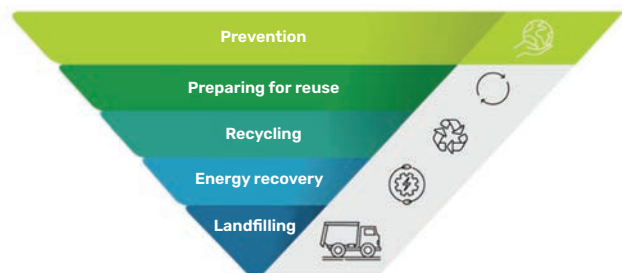
Wood waste is not waste if you use it properly. Within Foresco, we distinguish between different types of residual wood, each with its own application. Clean shavings and sawdust, for example, are used as stable litter, especially in agriculture. Wood residues such as sawing waste and broken pallets are ground up, stripped of metal parts and processed into press blocks or chipboard. Wood that can no longer be used as a material is used as fuel in our own plants, for example to heat drying rooms or buildings. This way, we make the best use of every piece of wood - both as a product and as an energy source.



THE WASTE HIERARCHY: A SUSTAINABLE GUIDELINE

When processing wood waste, we use the waste hierarchy: a five-step model that indicates the most sustainable way of processing it

- 1. Prevention**
We design pallets and packaging so that they last longer and can be easily reused.
- 2. Preparing for reuse**
Used pallets are sorted. What is still usable will be repaired and redeployed.
- 3. Recycling**
Wood waste, broken pallets and damaged parts are processed into new raw materials for other products, such as press blocks and chipboard. This keeps the material in the chain.
- 4. Energy recovery**
We use residual wood that can no longer be used otherwise for energy and heat generation in our power plants and drying kilns.
- 5. Landfill or incineration without recycling**
This is the very last option for us, which we avoid as much as possible.



GOOD SORTING STARTS AT THE SOURCE

To maximise wood recycling, it is essential that it is not mixed with other waste. That is why we ask all our employees, partners and customers to sort consciously. A clean waste stream enables recycling and prevents the loss of valuable materials. Well-sorted boards, chips and sawdust contribute to our common mission: less waste, more reuse and a circular future where every raw material counts.

WASTE FIGURES

The principles of waste hierarchy and proper sorting also apply to our other waste streams. This is good practice. Our waste figures show very clearly that our biggest impact is with wood and cardboard streams.



Waste from all sites

IT MATERIALS ALSO GET A SECOND LIFE



Circularity at Foresco does not stop at wood alone. In 2025, we launched a collaboration with Brainscape. Similarly, in Belgium and the Netherlands, old laptops, screens, cables and toners are collected and sustainably processed through our partner. Useful appliances are given a second life where possible. Materials that can no longer be reused are safely recycled.

Social impact

The collaboration with Brainscape also has a social impact. In fact, Brainscape works with social workplaces, creating opportunities for people distanced from the labour market. This approach both reduces our waste mountain and actively contributes to a circular economy.

brainscape.eu



COLLECT, REPAIR & RE-USE TAKES CONTINUES TO TAKE SHAPE

What started as an ambition to make pallet flows more transparent is growing into an important part of Foresco's circular services. Through the Collect, Repair & Re-use (CRR) platform, eleven customers now manage their pallet flows digitally. This not only makes reuse easier and more efficient, but also more measurable.

FROM PILOT TO BUSINESS AS USUAL

After initial deployments in 2024, CRR continued to evolve in 2025. Meanwhile, Combilo, Haluco, Hoogweg, Scherpenhuizen, SPS, Karpack, The Greenery, JYSK, Technische Unie, wienerberger and BMN Group, among others, have joined the platform.

The system processes intake, issue and return flows on a daily basis. In 2025, Foresco recorded about 850 intake orders for some 400,000 pallets and 1,050 issue orders for some 500,000 pallets. In addition, over 28,000 administrative balance transfers were processed, accounting for about 265,000 pallets. These numbers underline that circular pallet management is now a structural part of daily operations.

"These numbers show that circularity only works when processes are simple and scalable," says Jurjen Stavorus, Commercial Director at Foresco. "With CRR, we combine operational efficiency with sustainable pallet management."



INSIGHT INTO THE ENTIRE CHAIN

Customers get real-time insight into orders, pallet balances and order status through the platform. This creates one central truth for all parties involved. Manual Excel statements are increasingly giving way to a digital way of working that is faster, more reliable and transparent.

Customer feedback has been positive. The ease of use and real-time insight are particularly appreciated. Implementation is also going smoothly. Once processes are aligned, a new customer can often be fully operational within hours.



"With CRR, we combine operational efficiency with sustainable pallet management."

READY FOR THE FUTURE

According to Jurjen, this development fits perfectly with the growing demand for transparency within logistics chains and the upcoming PPWR legislation. "Customers increasingly want to be able to demonstrate how packaging is reused and the impact it makes. CRR helps them make that information available while designing their processes more efficiently."

In addition, the platform provides customers with continuous insight into their pallet flows, making reuse easier to demonstrate and circular performance more measurable. In this way, Collect, Repair & Re-use continues to grow into a practical tool that not only keeps circularity an ambition, but becomes visible in the chain on a daily basis.

foresco.eu/collect-repair-and-reuse

WORKING TOGETHER WITH VALIPAC TO A CIRCULAR ECONOMY

Foresco works every day to ensure a more sustainable use of raw materials. In Belgium, this is done in part through close cooperation with Valipac, the organisation that helps companies sort, recycle and report their packaging waste correctly to the authorities. As an authorised Valipac operator, Foresco BE plays an important role in this.



ONE OF BELGIUM'S LARGEST OPERATORS

Nancy: "Foresco is by far the largest Valipac-approved operator in Belgium. Until the end of 2024, it did so with sites in Diest, Stabroek, Puurs, Lessines, Aalter and Beringen. From 2025, we are operating under the name Foresco BE, with further expansions. Meanwhile, we assist hundreds of customers, from smaller companies to large industrial players, with their packaging obligations. Many companies choose us because of our experience as approved operators. We combine logistics expertise with administrative support, making recycling concrete and feasible for our customers."

PARTNERS IN CIRCULAR GOALS

Valipac was founded in 1997 by the Belgian industry as a joint initiative to fulfil the legal obligations around packaging waste from companies. It was the first organisation in Europe to focus entirely on corporate packaging. Valipac helps companies comply with recycling and reporting regulations and ensures that packaging entering the Belgian market is actually recycled. That approach fits well with Foresco's mission: to build together a circular economy in which raw materials are maximally reused.



"Foresco is by far the largest Valipac operator in Belgium."

COMPLETE UNBURDENING OF CUSTOMERS

Contacts of Foresco in Belgium benefit from its recognised status as a Valipac-approved operator. "When you work with a Valipac-approved operator, all the administration is taken out of your hands," says Foresco sales manager Nancy VanRoy.

Every two months, the number of surplus pallets collected and processed is reported. Wooden pallets that fall outside the standard format or are too damaged to repair are shredded by Foresco and recycled into chipboard or stable litter, among other things. This structured approach gives customers insight into their waste streams and they receive sorting vouchers and a financial compensation of 10 euros per tonne of wood; the recycling lump sum.

CIRCULAR IMPACT

The partnership with Valipac fits perfectly with Foresco's mission: to close material cycles and contribute to a circular economy. Valipac offers companies not only support in this, but also financial incentives that encourage circular behaviour. Through this approach, Foresco BE contributes to national reporting to the Belgian government as well as to making the sector more sustainable. Nancy: "With smart systems, practical solutions and reliable reporting, together we ensure less waste and more reuse."

valipac.be

SUSTAINABILITY STARTS WITH PROCUREMENT

Sustainability does not just start in the factory or at the customer's premises. A significant part of the impact arises much earlier: in the procurement of raw materials. For Foresco, wood is by far the most important raw material. This is precisely why the procurement organisation plays a central role in achieving the group's sustainability goals.

ONE JOINT STRATEGY

In recent years, Foresco has thoroughly professionalised its procurement organisation. Whereas sites used to operate largely independently, today they are increasingly working from one joint strategy. This ensures greater efficiency and economies of scale, and also creates new opportunities to structurally embed sustainability throughout the chain.

SUSTAINABILITY IN EVERY PROCUREMENT DECISION

"A large part of our CO₂ emissions arise in the supply of raw materials," says Frank van Hoesel, Head of Procurement at Foresco. "This is precisely why we can make a direct contribution to our sustainability goals from procurement. Every choice we make, from supplier to transport method, affects our impact."

That responsibility goes beyond price and availability. When selecting suppliers, Foresco looks explicitly at origin, certification, quality and sustainability performance. Since 2025, the group has only purchased wood from sustainably managed forests or recycled sources.

Thanks to PEFC certification and European EUDR regulations, the origin of the wood is fully traceable. Almost every board processed by Foresco is known from which forest it comes. This places Foresco among the forerunners within the European pallet sector in terms of transparent and sustainable wood procurement.

"For us, it is important that sustainability does not stop at fancy ambitions," says Frank. "We want to know exactly where our raw materials come from and under what conditions they were produced."



"Sometimes the biggest sustainability gains are not in what you make, but in what you buy."

FROM FOREST TO PRODUCTION SITE

In addition to sustainable forest management, Foresco is looking explicitly at the impact of transport. Here, too, there are opportunities to further reduce emissions. A good example is the logistics flow from the Baltic States. Instead of transporting timber entirely by truck by road to Western Europe, some of the volumes are brought in by ship. After arriving in Benelux, the wood is further distributed to the various sites.

"I am particularly proud of that," Frank says. "By transporting larger volumes via ship transport, we can significantly reduce truck movements. This not only brings economies of scale, but also a marked reduction in transport emissions."

WORKING TOGETHER FOR IMPROVEMENT

To enable such steps, Foresco is increasingly investing in data, contract management and supplier management. By centrally recording agreements and better monitoring performance, more insight is gained into risks, opportunities and areas for improvement. Within that development, sustainability also plays an increasing role. Suppliers are explicitly involved in Foresco's ambitions and encouraged to take further steps together towards a more sustainable supply chain.



According to Frank, cooperation is key in this regard. "Sustainability is not something you achieve alone. We work with hundreds of suppliers and sawmills in Europe. By taking joint responsibility, we can make much more impact than if everyone operates separately."

PREPARED FOR THE FUTURE

The demand for sustainably produced wood is expected to increase further in the coming years. At the same time, legislation, reporting requirements and expectations from customers are becoming more stringent. This is precisely why Foresco continues to invest in a professional procurement organisation that combines sustainability, transparency and continuity.

"The choices we make today will determine how future-proof our organisation is tomorrow," concludes Frank. "Sustainable timber procurement is not a separate project, but a structural part of how we do business. In doing so, we not only strengthen our own organisation, but also help the pallet sector as a whole become more sustainable."

"A large part of our carbon emissions occur before the wood reaches our sites."

DENC GOES BEYOND PACKAGING

Packaging should protect a product, but today it also contributes to lower costs, more efficient transport and sustainability goals. Within Foresco, DEnC (Design, Engineering & Calculation) plays an important role in this. From this specialised department, Klaas Malda and Nico Govaerts work daily on packaging solutions that bring together technology, cost efficiency and sustainability. From industrial machinery to defence equipment, they are increasingly involved at an early stage to make packaging smarter, lighter, more recyclable and cost-efficient.



Klaas Malda



Nico Govaerts

FROM CHALLENGE TO SOLUTION

DEnC supports both customers and internal teams in developing and optimising industrial packaging. Where Design develops new concepts, Calculation ensures they are technically feasible, producible and cost-efficient. Each route starts with an analysis of the product, logistical requirements and conditions of use. This is followed by design, calculation, optimisation and implementation.

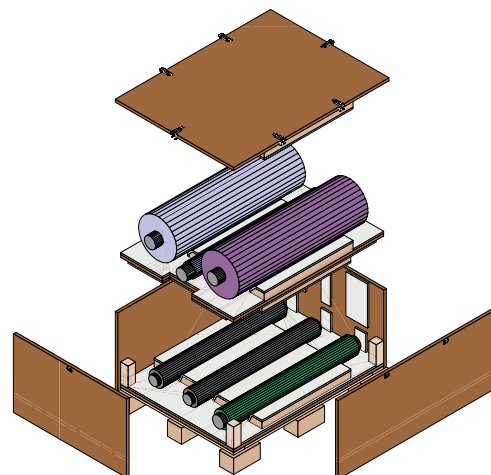
The department works for a variety of customers, including Atlas Copco, Volvo, Toyota, FrieslandCampina and the Dutch Ministry of Defence. Although the products differ greatly, the challenges are often similar: less material, lower cost and lower environmental impact.

SUSTAINABILITY AS A DESIGN REQUIREMENT

According to Nico, sustainability often starts with a simple question: how much material is really needed? "By precisely matching packaging to the required strength and functionality, over-dimensioning can be avoided. This saves raw materials, lowers costs and reduces environmental impact."

A recent example is a project for Atlas Copco. Here, DEnC is working to redevelop existing packaging made entirely of wood. Using clever combinations of wood and cardboard makes packaging lighter, cheaper and more sustainable. The lower weight also provides benefits throughout the customer's logistics chain.

Equally important is the reduction of plastic in packaging. Whereas PE foam was often used in the past, honeycomb cardboard-based solutions are now increasingly chosen. This material is based on wood fibre, is more recyclable and has a lower environmental impact. Such solutions are now being developed for several customers.





LOOKING AT THE WHOLE CHAIN

For DEnC, sustainability does not stop at the material alone. The way packaging is assembled and processed also plays an important role. "Customers are looking more and more critically at recyclability," Nico explains. "This is why we try to design packaging in such a way that materials can be easily separated afterwards. Less gluing, smarter fastening and better thinking about the full life cycle of a package."

In addition, the department looks critically at transport efficiency, stackability and reuse. More and more customers are exploring how packaging can be used multiple times or more easily incorporated into existing return flows. That development fits seamlessly with Foresco's circular ambitions.

"Smarter packaging starts on the drawing board."

INNOVATION IN PRACTICE

DEnC also recently developed a special solution for the Dutch Ministry of Defence. For a new warehouse, special pallet walls were designed with smart infill openings to improve drainage of water from sprinklers in the event of a disaster. The new construction had to meet Defence and Fire Department requirements, while allowing production to take place as usual on existing machinery.

According to Klaas, this is exactly where DEnC's strength lies: translating technical complexity into practical solutions. In this respect, the biggest sustainability gains are often not in revolutionary innovations, but in smart design. Taking a critical look at material use, logistics and reusability from the outset creates solutions that are more efficient and sustainable.

Or as Nico sums it up: "The most sustainable packaging is often not the most complex solution. The biggest gains are usually in smarter design, so that we achieve the same or even better results with less material."

OUR PEOPLE MAKE THE DIFFERENCE

At Foresco, our employees take centre stage. We believe that an attractive, safe, healthy and equitable working environment is the basis for sustainable growth. Therefore, we invest in a culture of open dialogue, mutual respect and equal opportunities. Employees have a say through the Central Works Council and the Committee for Prevention and Protection at Work, among others. Thus, together we safeguard important issues such as working conditions, safety and gender equality.

DEVELOPMENT, WELFARE AND EQUAL OPPORTUNITIES

We translate this vision into a broad HR policy committed to growth, well-being and equal opportunities. We encourage training and development, both through training and on-the-job learning, and work towards clear career paths step by step. At the same time, we are strongly committed to preventing absenteeism, with a proactive absenteeism policy and a focus on mental and physical health.



In the Netherlands, employees can contact external confidants from the Merlin Group. Internal confidential counsellors are active in Belgium. Their accessibility is clearly communicated. There is also a whistle-blower scheme where anyone can report breaches of the law or our code of conduct. In doing so, the whistle-blower enjoys protection against reprisals.

Our approach is inclusive: we offer fair working conditions, promote diversity and do not tolerate any form of discrimination or unsafe behaviour. Thus, we create a working environment where everyone can develop and contribute.

WHO WORKS AT FORESCO?

Foresco continues to grow while operating with a leaner workforce. Our employees come from home and abroad, including Poland, Ukraine and Latvia. On the shop floor, it is mostly men, but the number of women in the office is growing steadily. The age composition is broad: from young starters to experienced staff. And continuing to develop? Yes, definitely. Various options are available in consultation with managers and HR.

Number of employees					
	Own employees			External	All
	Men	Women	Total		
NL	835	88	923	5	928
BE	577	52	629	56	685
DK	54	13	67	0	67
DE	57	4	61	11	72
SE	15	4	19	2	21
LV	2	6	8	0	8
NO	4	0	4	4	8
Total	1,544	167	1,711	78	1,789

FURTHER PROFESSIONALISING SAFETY

Looking to the future and the continuity of our safety approach, we reviewed our organisation. The upcoming retirement of a number of experienced colleagues, combined with the challenges associated with our growing number of sites, prompted us to structure the safety team differently.

GROUP-WIDE APPROACH

Whereas safety used to be organised mainly on a country-by-country basis, today we are deliberately taking a more integrated approach. From now on, coordination is done at group level under the leadership of Carine Steegen. This new structure allows us to further professionalise and unify our working methods across all sites.

TARGETED SAFETY WORK

At the same time, we remain consistently committed to our priority topics. Based on reports, incidents and accidents, we focus on those areas where the risks are greatest and where we can make the most impact. Specifically, we will continue to focus our efforts on:

- Internal traffic, with a particular focus on the safe use of forklifts
- Using nail guns
- Machine safety
- Order and tidiness in the workplace

Through this focused approach, we continue to build a safe and structured working environment for all our employees. Above all, Foresco wants to be a place where people enjoy working and are proud to do so. This requires a solid foundation of safety, opportunities to grow and genuine consideration for each other. In 2026, we will build on this together, with room to grow and look after each other!



THE INTERNAL CODE OF CONDUCT AS THE FOUNDATION OF OUR CULTURE

At ForeSCO, we believe that our people are the heart of the organisation. A safe, respectful and stimulating working environment is therefore essential to grow together. We value openness, equality and commitment and we actively work to create a culture, where everyone feels welcome, heard and valued. Our internal code of conduct applies to all employees and is based on the following seven pillars.



1. INCLUSIVE WORK ENVIRONMENT

We strive for a stimulating working environment where people feel engaged and where safety and cleanliness are key. Each team member treats others respectfully and is responsible for his or her own actions.

We value openness, integrity and reliability, and we encourage open communication between colleagues and their supervisors on all aspects of the working environment. Colleagues are encouraged to discuss relevant issues with their manager. If this is not possible, an employee can turn to another manager in whom he or she has confidence. As an inclusive, innovative and dynamic organisation, we recognise and encourage the unique and diverse contributions of individuals.

Foresco's commitment to diversity and inclusion is anchored in the following principles:

- Inclusion is at the core of our business purpose and values and is good for our people, customers and community.
- We are all responsible for an inclusive and diverse workplace.
- We encourage people to be themselves and share their ideas.
- We treat each other fairly and with respect.
- We give our people space to reach their full potential.

2. EQUAL OPPORTUNITIES

Foresco offers equal opportunities to all colleagues, regardless of their background or personal characteristics. Discrimination based on race, colour, disability, sexual orientation, gender or belief will not be tolerated. Recruitment, selection and promotion are based on objective and non-discriminatory criteria. Diversity is valued and all colleagues are expected to respect and support this principle.

In case of problems or concerns about this, employees can contact their supervisor, the HR manager or the Compliance Officer.

3. CODE OF CONDUCT

Foresco will not tolerate violence, theft or other inappropriate physical or verbal behaviour, both in the workplace and during working hours. This includes threats, physical attacks or damaging other people's property.

4. CONFIDENTIALITY POLICY

We respect the privacy of our employees and customers and protect their personal data and comply with the GDPR and other privacy laws. We process personal data only for legitimate purposes and do not share it without written consent, unless required by law. Medical data are requested only when necessary. Naturally, this data will always be treated confidentially.

5. DISCRIMINATION COMPLAINTS

Any form of harassment or discrimination is prohibited. Employees who experience or observe this should report it to their supervisor, HR manager or confidential advisor. Harassment can include coarse language, unwanted touching, sexually oriented images or comments, threats, bullying or racist jokes.

6. OCCUPATIONAL HEALTH AND SAFETY



Foresco is committed to providing a safe and healthy working environment and preventing workplace accidents. Therefore, health and safety programmes, rules and regulations apply at each site. Employees must comply with this, attend relevant training courses, report risks to the plant manager or QHSE manager and take appropriate action.

7. PROTECTION OF HUMAN RIGHTS

Foresco is committed to human rights and does not tolerate slavery, child labour, forced labour or human trafficking. We expect the same standards from our partners. Among other things, Foresco subscribes to the Universal Declaration of Human Rights and the EU Charter of Fundamental Rights. To ensure this, our principles include the following:

- No child or forced labour, including in the supply chain.
- Freedom of association and representation.
- Equal treatment for all.
- Fair pay, at least in line with collective agreement or statutory minimum salary - also for foreign temporary workers.
- Healthy, safe working environment with tools to make work less physically demanding.
- Only purchasing and processing PEFC-certified wood.
- Ethical business: no bribery or corruption, including towards customers, suppliers or third parties.

INTEGRITY AS A COMPASS

Because we at Foresco want to lead by example, we are committed to complying with relevant legislation and our own code of ethics at all times.

BUSINESS CONDUCT AND INTEGRITY

At Foresco, we have a clear and binding code of conduct for all our employees. This internal code of conduct is the foundation of our corporate culture and emphasises integrity, respect, safety and responsible behaviour. We do not tolerate inappropriate behaviour, discrimination or violations of our values. Transparency and open communication are actively encouraged so that employees feel safe to ask questions or share concerns.

ANTI-CORRUPTION AND FRAUD

Integrity in our operations also means that we have strict rules on anti-corruption and fraud. For example, we do not allow cash payments in product transactions and have clear guidelines around accepting gifts or benefits. In this way, we avoid conflicts of interest and maintain fair and transparent trading relationships.

Employees and external stakeholders can also use our whistle-blowing scheme to report possible wrongdoing confidentially, with full protection for the reporter.

SUPPLIERS

Our principles apply not only internally, but also in our cooperation with partners. Suppliers are asked to subscribe to our Supplier Code of Conduct, which includes respect for human rights, fair working conditions and ethical business practices. We also only work with certified wood suppliers.

INFORMATION SECURITY

Furthermore, we invest in cyber security to protect our organisation, employees and customers, including through preventive measures and insurance against cyber risks. This is how we build a reliable and future-proof organisation step by step.

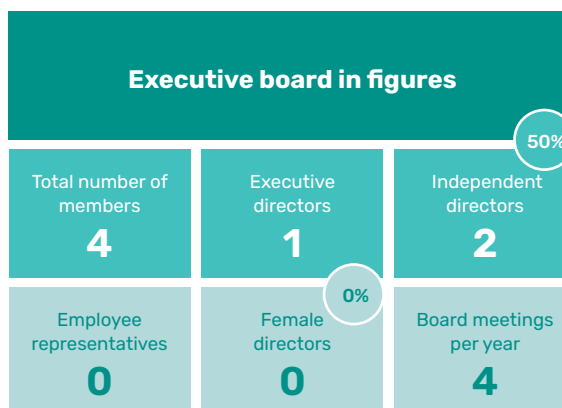


GOVERNANCE AND SUPERVISION

Professional and responsible business practices form the basis of our operations. As a market leader, we not only want to comply with applicable laws and regulations, but also contribute to the further professionalisation of our sector. The board of directors plays a central role in this. Sustainability is one of Foresco's strategic pillars and is therefore structurally included in decision-making at board level.

EXECUTIVE BOARD

The board consists of Jan Ponnet (CEO and owner), Cedric De Quinemar (owner and non-executive director), Francis Deprez (independent director) and Jan Piet Valk (independent director). The board meets four times a year and oversees the company's strategic direction, compliance, investments and budgets. In addition, the council monitors the progress of the sustainability targets and adjusts where necessary.



WORKING TOGETHER ON A CIRCULAR SUPPLY CHAIN

In a circular economy, it is not just about reusing materials, but mainly about smart collaboration within the chain. For CHEP, this has been the basis of its business for many years. With millions of reusable pallets in circulation, the company helps organisations worldwide organise logistics processes more efficiently and sustainably. In the Benelux, CHEP works closely with Foresco in this respect. A partnership in which quality, longevity extension and continuous improvement are central.



“Together, we extend the lifespan of millions of pallets.”

Poolingmodel als duurzame basis

CHEP is the global leader in pooling solutions for pallets, containers and crates. Instead of selling pallets, CHEP rents them within a closed circular system. Used pallets are collected, checked, repaired and redeployed. This keeps raw materials in use for longer and prevents waste.

"Reusability is central to our model," says Wim Schievers, Manager Sub-Contracted Plants at CHEP. "By reusing pallets again and again, we limit the need for new raw materials and reduce waste streams. At the same time, we ensure that customers can always count on consistent quality and availability."

Extending life through cooperation

Within that circular model, Foresco plays an important role. At five locations in Belgium and the Netherlands, Foresco inspects and repairs CHEP pallets according to established quality guidelines. This significantly extends the lifetime of pallets and keeps materials in the chain for as long as possible.

"I work with plant managers and the management of Foresco on a daily basis to align planning, quality and capacity," says Wim. "That requires short lines of communication and mutual trust."

The cooperation between the two companies goes back decades and originated even before several sites became part of Foresco. Meanwhile, the partnership is firmly established within CHEP's Benelux organisation.

Investing in improvement together

According to Wim, the strength of the cooperation lies mainly in the joint ambition to continuously make processes smarter and more sustainable. "It goes far beyond a traditional customer-supplier relationship," he stresses. "We invest in automation together, share knowledge and constantly look at how processes can be set up more efficiently."

There are also benefits at the operational level. Smarter processes ensure less waste, higher efficiency and stable quality within the chain. In doing so, both parties jointly contribute to a more circular supply chain.

Partnership with impact

Of course, growth also brings challenges. Changes within organisations, new technologies and rising sustainability expectations require constant adaptation. This is precisely where Wim says the collaboration proves its worth.

"By communicating openly with each other and jointly looking for solutions, we continue to take steps forward," he says. "That's what makes this collaboration strong. We are not just looking at today, but more importantly at how we can make an impact together in the long term as well."

[chep.com](https://www.chep.com)



BUILDING ON SUSTAINABILITY STEP BY STEP

In recent years, Foresco has grown into a strong international group with dozens of sites across Europe. That growth brought not only new opportunities, but also the challenge of organising sustainability and compliance ever more consistently and professionally. According to sustainability project leader Nicolas Vancayzeele, 2025 was therefore mainly about centralisation, automation and building a solid foundation for the future. At the same time, the results of previous investments in electrification, energy efficiency and own power generation are becoming increasingly visible.

A BETTER GRIP ON DATA AND PROCESSES

One of the biggest challenges within an international group like Foresco remains collecting reliable sustainability data. Whereas sites used to have to submit a lot of data manually, 2025 saw a strong commitment to centralisation and automation.

"Together with our ERP and procurement team, we have made huge strides in correcting, structuring and automating data," Nicolas says. "As a result, there is much less pressure on local sites today. Moreover, we now have much more consistent insight into our performance as a group."



"Sustainability is not a black-and-white story. It's about taking small, realistic steps every day."

This professionalisation move was also necessitated by Foresco's strong growth in recent years. Through several acquisitions, the organisation grew into an international group with dozens of offices across Europe. "We come from different local organisations and SMEs, each with their own systems and ways of working," says Nicolas. "Today, we are taking more and more steps towards one unified approach in terms of sustainability and compliance."

That improved data quality also translates into more concrete results. For example, Foresco saw a clear improvement in Scope 1 and Scope 2 emissions linked to energy consumption by 2025. At the same time, more of its own green power was generated through solar panels at various sites.

"The investments we have made in recent years in electrification of machinery, plants and the fleet are really starting to have a visible effect," Nicolas said. "This shows that structural investments pay off in the longer term."

FROM AMBITION TO VALIDATION

Ambitions are also high for 2026. A key focus will be getting Foresco's climate targets officially validated through the Science Based Targets initiative (SBTi).

"We set those climate targets three years ago," Nicolas explains. "Now we want to take the next step by having them officially assessed and validated. That's an important milestone for us." In addition, Foresco aims to further professionalise in the areas of environment and safety. Both areas will be integrated into one central management system at group level, with the aim of achieving ISO 14001 and ISO 45001 certifications.

"There, too, we want to create more uniformity as a group," Nicolas says. "Not because certificates are the goal in themselves, but because they help organise processes structurally better."

DEALING WITH CHANGING LEGISLATION

At the same time, the sector faces a rapidly changing European regulatory landscape. Consider the CSRD, the EUDR and the new packaging legislation PPWR.

"Europe wants to take big steps forward, but its practical impact is sometimes underestimated," Nicolas says. "We see that deadlines shift, application areas change and concrete guidelines are regularly still unclear. This sometimes creates uncertainty for companies. Yet Foresco remains deliberately pragmatic,"

"This uncertainty should not distract us from what is really important," he stresses. "We are always looking for the right balance for ourselves, our suppliers and our customers. That pragmatism is really in Foresco's DNA."

NOT PERFECTION, BUT PROGRESS

According to Nicolas, the key to success lies mainly in support within the entire organisation. Both directors and local plant managers play a crucial role in this. "You can only successfully roll out this kind of route if the management is fully behind it," he says. "But at the same time, we also try not to make it more complicated than necessary. We are working step by step, priority by priority."

That approach fits perfectly with how Nicolas himself looks at sustainability. "Sustainability is not a black-and-white story in which one company does it perfectly," he concludes. "It's an ongoing process where you try to make better choices every day. Not with one giant innovation, but with many small, realistic steps that together make a big difference."

"Perfection does not exist.
Progress does though."



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