



Building a sustainable tomorrow

Annual Report 2025



Quicklinks

- 01 Message from the CEO
- 02 Our strategy
- 03 Business performance
- 04 Risk management and governance
- 05 Supervisory board
- 06 Sustainability statement
- 07 Financial statements
- 08 Other information
- 09 Appendices



Table of contents

Message from the CEO	4	6. Sustainability statement	79
2. Our strategy	7	6.1 Approach to sustainability reporting	80
2.1 Building a sustainable tomorrow	8	6.2 General information and sustainability reporting principles	91
2.2 The world around us: our drivers and influencers	9	6.3 Environmental information	98
2.3 Our markets	10	6.4 Social information	132
2.4 Strategy 2024-2026: Focus, Transform, Expand	11	6.5 Governance information	146
2.5 How we create value for society	18	6.6 EU taxonomy	149
2.6 The BAM Experience	20	6.7 Sustainability statement annex	158
3. Business performance	23	7. Financial statements	163
3.1 Financial performance	24	8. Other information	224
3.2 Sustainability performance	28	8.1 Independent auditor's report and limited assurance report on sustainability information	225
4. Risk management and governance	40	8.2 Articles of Association provisions governing the distribution of profit	236
4.1 Risk management	41	8.3 Anti-takeover measures	237
4.2 Corporate governance and capital information	51	8.4 List of principal subsidiaries, joint arrangements and associates	238
4.3 Supervisory Board and Executive Board	54	9. Appendices	239
4.4 Executive Committee	58	9.1 Royal BAM Group nv shares	240
5. Supervisory board	60	9.2 Ten-year overview	242
5.1 Report of the Supervisory Board	61	9.3 Glossary	243
5.2 Remuneration report	70		



Key figures

€ 7,040

Revenue

(million)

2024: 6,455

€ 400.3

Adjusted EBITDA

(million)

2024: 333.3

5.7

Adjusted EBITDA margin

(in %)

2024: 5.2

€ 211.0

Net result

(million)

2024: 82.2

€ 0.81

Earnings per share

(in €)

2024: 0.31

€ 0.30

Dividend per share

(in €)

2024: 0.25

€ 883

Cash position

(million)

2024: 763

23.4

Solvency ratio

(in %)

2024: 23.0

13.0

Order book

(billion)

2024: 13.0

2.5

Safety Incident frequency

(IF Total)

2024: 2.9

5.9

Scope 1 and 2 CO₂ emissions intensity

(in tonnes per € million revenue)

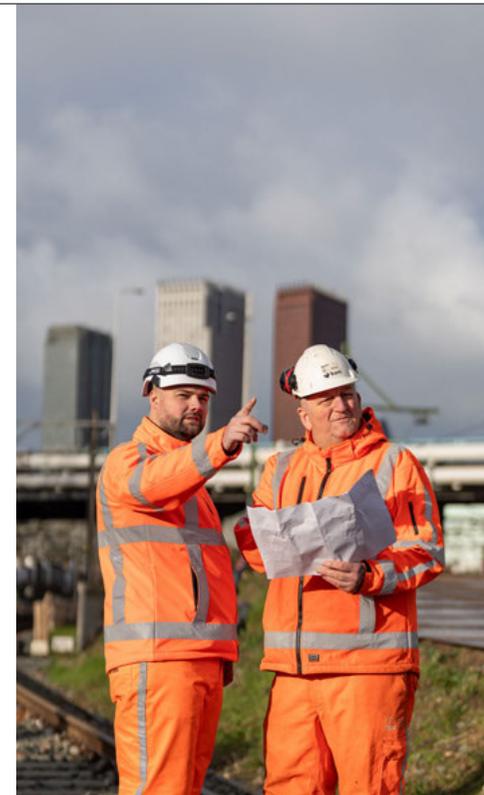
2024: 7.5

1,496

Scope 3 emissions

(in kilotonnes)

2024: 1,644 (recalculated)



14,167

Number of employees

(in headcount)

2024: 13,771

(in FTE)

2025: 13,323

2024: 13,172

Message from the CEO

Dear reader,

From the demand for affordable housing and accessible transport to supporting climate adaptation and the energy transition, I am reminded every day that the construction industry is essential to meeting society's needs. The way we meet that need, however, is an increasingly pressing question.

Owing to CO₂ emissions, waste and other impacts, our industry is a significant contributor to climate change. But we can do better if we choose. I truly believe that profitability and sustainability can coexist in construction: our choice is not between one or the other, but whether to play a positive role or a negative one. At BAM, we have chosen the positive route. We are defining sustainability targets for the impacts we can control, aiming to be more society-friendly and setting a good example for our subcontractors.

By choosing sustainability, we can build schools, hospitals and homes that look beautiful, are practical and which bring people joy for decades to come, all without creating problems for future generations. It is complex and difficult, and there are dilemmas in defining what is and is not sustainable, but we can do it.

Personally, I am proud to work at a company in which our 14,167 people bring our strategy, Building a sustainable tomorrow, to life every day. BAM continuously tries to do better across the value chain by thinking about how we do what we do; for example, by using more sustainable concrete, steel and asphalt, and developing a homebuilding concept that is faster, cleaner, and circular. This requires persistence and patience, but I believe BAM is showing how construction can meet the needs of our society both today and tomorrow – and do so profitably.



Construction of Green Bridge ecological corridor, part of the Cross Tay Link Road, Perth, United Kingdom



Ruud Joosten
CEO Royal BAM Group nv





Strong financial performance

We can see the results of our approach in BAM's strong financial performance across our two divisions in 2025: the Netherlands and the United Kingdom and Ireland. Also BAM Belgium performed well. All our businesses performed well, with BAM Bouw en Techniek (Netherlands) and BAM Construct (United Kingdom) the standout businesses in terms of revenue, growth and performance. Overall, BAM reported an adjusted EBITDA margin of 5.7% compared to 5.2% last year. Revenue grew by 9% over the course of the year to €7.0 billion.

Turning to our sustainability performance, we continued to make good progress on our CO₂ emission reductions. Meanwhile, our employee engagement scores increased compared to the previous year. We share more information on our Environmental, Social and Governance performance in our sustainability statement.

It is exciting to see BAM firing on all cylinders. Particularly pleasing is that our 2025 results came from normal business and autonomous growth, with no disposals or other factors to consider. During the year, we expanded our land bank for sustainable housing in the Netherlands, and we maintained a strong and diversified order book in the Netherlands along with the United Kingdom and Ireland. Earnings visibility continued to improve as more clients opted for longer-term framework and partnership contracts, and we continued to fill our bidding pipeline with high-quality tenders. All this demonstrates the underlying strength of the company.

Our geographical focus on the United Kingdom and Ireland, the Netherlands and Belgium meant we were not exposed to tariffs or the related challenges of being active in the US or China in 2025. That said, like all players in the construction industry, BAM is not immune to geopolitical risk factors. Political instability slows decision-making and can call previously agreed policies into question. At present, however, the commitment to and need for sustainable solutions remain strong across all our markets.

Good progress on our strategy

2025 was the second year of BAM's three-year strategy cycle: Focus, Transform and Expand. As planned, we put more focus on Expand. However, Focus will continue to be important to avoid unacceptable risks and finalise legacy projects.

Strategically, we are on track. Under Transform, BAM is moving further into segments that fit our sustainability goals, and these choices now claim a bigger share of our portfolio. The change we began in 2020 has progressed considerably. Five years ago, BAM was active in all segments worldwide; today we are a more targeted company – active in segments that are attractive from a sustainability perspective and which allow us to use our skills and capabilities to the full.

Going forward, we will expand by deepening our presence in our existing markets rather than spreading ourselves more thinly across new ones. We will focus on a limited set of customers and on doing things better. The construction markets in the United Kingdom and Ireland, the Netherlands and Belgium are worth more than €400 billion, and with revenues of around €7 billion, we have room to manoeuvre.

“I truly believe that profitability and sustainability can coexist in construction: our choice is not between one or the other, but whether to play a positive role or a negative one. At BAM, we have chosen the positive route.”



Creating the conditions for sustainable performance

Of all our successes in 2025, the one I am most proud of is the BAM-wide introduction of the six Life Saving Rules and eight Safety Principles. When I visit our sites, I see that people really embrace our safety culture. While construction brings inherent risks, we should not accept people being injured by their work: every accident or incident is one too many. We have invested time, energy and money into improving the safety of everybody in the company and our subcontractors on site. I want every colleague working for BAM to get home safe and well every day. This is a top-management priority, heavily supported by the Group, and it is encouraging to see how it has been embraced by the divisions. We will continue to make safety a priority across the company in 2026 and beyond.

Wellbeing is another important aspect at BAM. It is essential to have a workplace in which everyone feels supported, respected and valued. Feeling comfortable is about creating a culture in which we look out for one another. Our people should feel free to speak up when something doesn't feel right and feel empowered to act.

“Going forward, we will expand by deepening our presence in our existing markets rather than spreading ourselves more thinly across new ones. We will focus on a limited set of customers and on doing things better.”

As a company, we need creativity and innovation to address society's sustainability challenges. We will therefore always need qualified people as we must consider the entire context around a project. This requires a wider range of perspectives, including different voices from people from diverse backgrounds. It is essential that we nurture a workplace environment in which everyone feels included; first and foremost because it is the right thing to do, but also to help us attract the diverse talents we need to deliver on our sustainability strategy.

Looking ahead

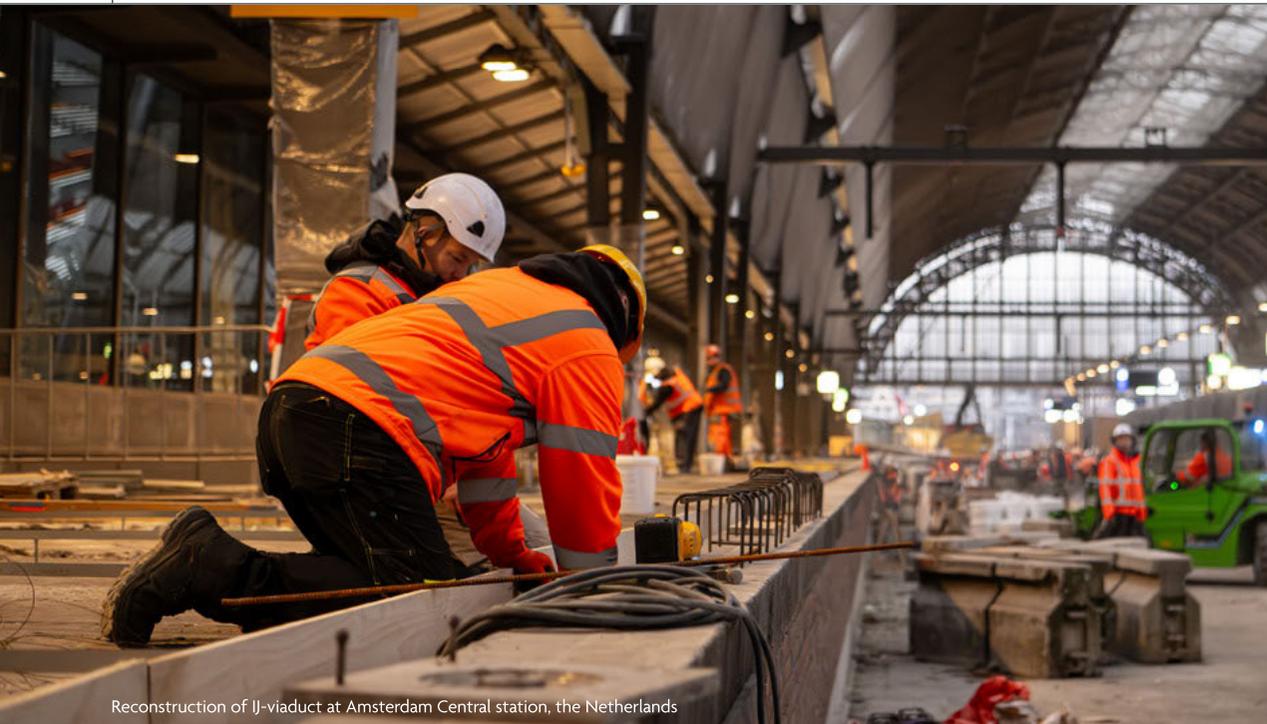
Safety will continue to be the top priority for BAM in 2026 as we strive to reduce workplace accidents and incidents. On the strategy front, we will build on the progress we made in 2025 by turning our attention to the final phase of our current strategy cycle, Expand, as well as developing and preparing for the start of the next three-year strategy cycle. We will also continue to work on attracting, retaining and motivating the talented people we need to fuel our future growth plans.

On the financial front, we are proud to report an adjusted EBITDA margin of 5.7%, which is at the high end of the range of our strategic target between 4% and 6% by the end of 2026. I look to 2026 with confidence, underpinned by the solid level of our order book. For 2026, BAM expects to deliver further growth in revenue and adjusted EBITDA.

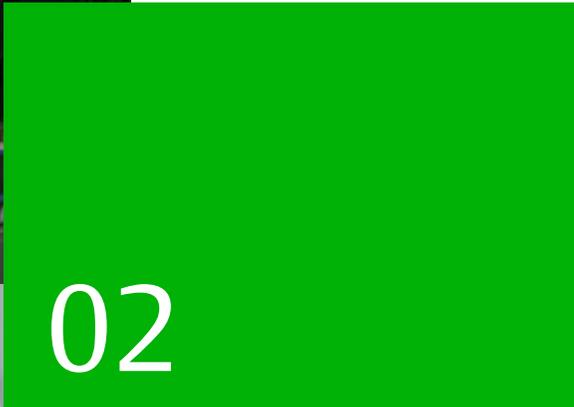
Let me finish by thanking everyone throughout the organisation for your hard work. I'm proud to see everyone supporting our sustainability vision, making 2025 a truly positive year for BAM.

Bunnik, the Netherlands, 25 February 2026

Ruud Joosten,
CEO Royal BAM Group nv



Reconstruction of IJ-viaduct at Amsterdam Central station, the Netherlands



Our strategy

Building a sustainable tomorrow **8**

The world around us **9**

Our markets **10**

Strategy 2024-2026: Focus, Transform, Expand **11**

How we create value for society **18**

The BAM experience **20**



Construction of Greystones Community College, Co. Wicklow, Ireland



2.1 Building a sustainable tomorrow

Our mission

BAM operates at the heart of society. Every day, we help people live their lives as safely, securely, and comfortably as possible. We build, maintain and improve homes, offices, schools, universities, hospitals, and leisure facilities. We improve the road networks, railway lines and airports that businesses and leisure travellers depend on. We build and upgrade vital infrastructure to support the energy transition. And we strengthen coastal defences and water-management schemes to ensure a safe and healthy future for ourselves and future generations.

Our ambition is to transition from grey to green, a strategic journey we began in 2020. In doing so, we can help to build a sustainable tomorrow and lead the industry shift from traditional, carbon-intensive construction to low-carbon, circular and future-proof solutions. Achieving this ambition requires a strong, engaged workforce. With The BAM Experience we are investing in our people, our culture and the capabilities needed to deliver long-term value.

At the same time, we operate in a world shaped by political, economic, social, ecological and technological forces outside our direct control. These dynamics affect our clients, our supply chains and the availability of talent and materials.

Our business and sustainability strategy is designed to turn these realities into opportunities by ensuring we are selective about the work we do and how we do it. The latter includes investing in industrialised and low-carbon solutions and focusing on long-term value for people and planet rather than short-term volume.

2.2 The world around us: our drivers and influencers

Political uncertainty, evolving regulations and global supply chain pressures influence why, where and how we develop an area for housing, build a road, upgrade a railway line and all the many other things we do. Below is an overview of our main drivers and influencers.

Geopolitics and the EU

European policy frameworks now shape the requirements around the homes, infrastructure and public facilities we deliver. Examples include the EU's Green Deal strategy and related Fit for 55 implementation package, the Energy Performance for Buildings Directive (EPBD), the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD) and the EU Taxonomy sustainability classification.

Economic conditions

Inflation, interest rates and public-sector budgets affect investment in housing, education, healthcare and infrastructure. Our markets are competitive and fragmented, which is why we have focused on predictability, quality and value-based delivery.

Labour and skills shortages

This is a major challenge for everyone in construction, impacting not just physical building work but everything behind the scenes, from digital solutions to the implementation of industrialised construction. It follows that we must continue to create the safe, inclusive and purpose-driven environment that helps us to attract and retain talented people.

Materials and supply chain

Scarcity of materials, volatile prices and rising expectations for circular and low-carbon alternatives influence design and delivery choices. Both require close collaboration with suppliers to secure what we need while also reducing Scope 3 emissions.

Climate and ecology

Climate change is intensifying the demand for climate-resilient and future-proof assets. Flooding, heat stress and eroding coastlines are reshaping infrastructure needs, while the energy transition is accelerating investment in grids, electrification and renewable integration.

Technology and innovation

Digitalisation, data, automation, Artificial Intelligence (AI) and industrialised construction enable faster, safer and lower-carbon delivery. As a result, client expectations are evolving as they increasingly seek delivery certainty, sustainability-driven procurement and renovation or retrofit solutions where possible. Regarding AI specifically, BAM has implemented several measures to ensure the secure use of generative AI solutions, compliance with legislation and to raise awareness and understanding of the risks and opportunities.

In this environment, our mission and strategy reinforce one another. By staying selective and focusing on the right products, markets and relationships, and investing in sustainable and industrialised working practices, we can turn these challenges into opportunities to build a sustainable tomorrow.

2.3 Our markets

Rigorous focus

Royal BAM Group operates across four primary domains: housing and buildings, transportation infrastructure, energy and utilities infrastructure, and environmental and climate resilience.

Each one is driven by one or more major challenges, such as:

- Housing availability and affordability
- The energy transition, climate resilience and mobility
- The renewal of ageing infrastructure.

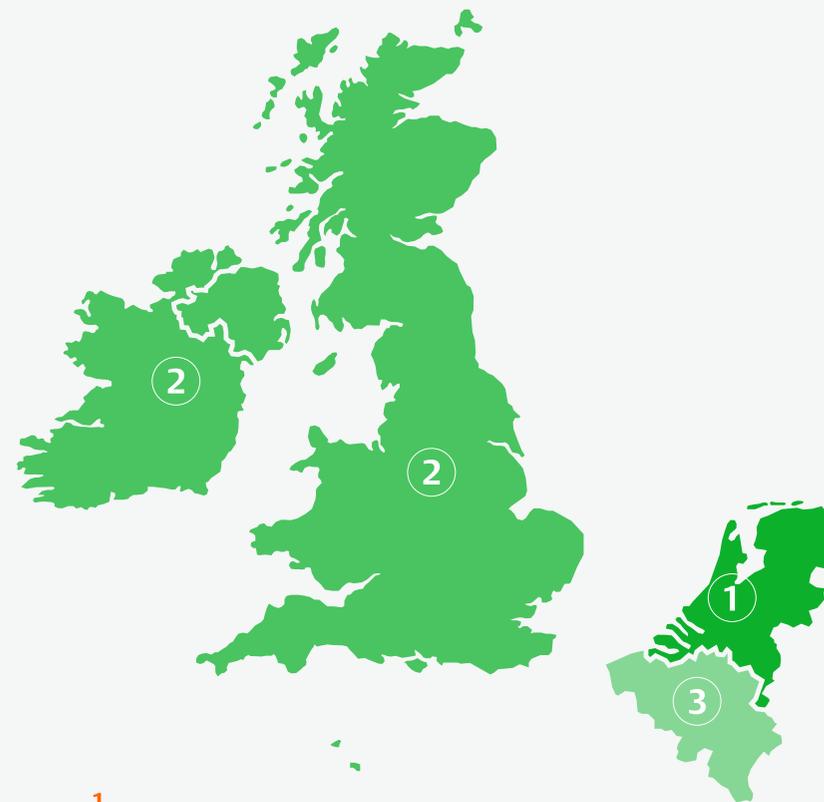
These transitions create long-term demand across our markets in the Netherlands, the United Kingdom and Ireland, and Belgium, and shape where and how we choose to compete.

Meeting housing needs calls for scalable newbuild solutions and improvements to the energy efficiency and climate-resilience of existing homes. BAM's low-carbon construction methods, industrialised production models and innovative retrofit capabilities help accelerate delivery while also supporting clients who face planning and environmental hurdles.

The energy transition is reshaping national infrastructure. Renewable power generation, electrification and, in the UK (and to a lesser degree in the Netherlands), the expansion of nuclear power, demand new designs and more robust and larger-capacity grids. This is driving long-term investment in grid upgrades, substations and associated infrastructure.

Our markets are fragmented and highly competitive, with rising material costs, competition for talent and tightening environmental standards putting pressure on margins. This reinforces the need for selectivity and being disciplined in the choices we make. We compete on value, not on lowest price, and focus on opportunities that align with our commitment to sustainability and strengths in digital innovation, industrialisation and risk-balanced delivery.

To guide these choices, we work in product-market combinations (PMCs). These define where we operate, why and how sustainability influences our position.



1
Netherlands
division

BAM Infra Nederland
BAM Bouw en Techniek
BAM Residential
BAM Specials

2
**United Kingdom,
Ireland**
division

BAM Infrastructure
BAM Construct and Ventures
BAM Contractors (Ireland)

3
Belgium

BAM Interbuild
Kairos

2.4 Strategy 2024-2026: Focus, Transform, Expand

The 2024-2026 strategy consolidates the progress achieved between 2020 and 2023 while advancing BAM's transformation toward growth. You can find more about this in [Our strategic evolution](#). The three pillars – Focus, Transform, Expand – are being implemented in parallel as part of a continuous strategic evolution towards growth and expansion in the period 2027-2030. There is a degree of overlap between the previous and future strategy phases.

Focus



Transform



Expand



Focus

Under Focus 2024-2026, we focus on selecting profitable work that aligns with our sustainability targets to remain predictable, profitable and sustainable.

This involves being highly selective regarding markets and clients, as well as disciplined and controlled in our selection and delivery of projects. We therefore continue to concentrate on building our presence in our selected product-market combinations (PMCs), preventing portfolio or market-segment 'creep' and ensuring we continue to fill our pipeline with the right kinds of projects.

In the Netherlands, the focus is on (cost)efficiency in residential, being selective in non-residential projects and focusing on civil projects that contribute to sustainability, such as land stations for wind parks. This focus is underpinned by process capability: digitalisation and repetition through industrialisation. All this helps to lower our risks.

In the United Kingdom and Ireland, we focus on projects that drive predictability through having appropriate contract and commercial mechanisms with 25-30 core clients. Building relationships with select key clients provides certainty and opportunities to grow our capability. Alongside this, we are working to enhance our core and value-chain capabilities, such as advisory, design and engineering.

BAM has also brought Focus to our contract and tendering models. Our stage-gate process evaluates tenders for financial viability, strategic fit, partnership potential and sustainability alignment, ensuring each project supports our long-term financial and strategic goals. See [How we select the right contracts and tenders](#) for more information.

We have strengthened our risk discipline by choosing not to pursue large one-stage design-and-build tenders. Instead, we focus on framework agreements and two-stage tendering. These approaches enable earlier collaboration with clients, greater design maturity and improved visibility of cost and delivery, all fully aligned with BAM's ambition to be predictable, profitable and sustainable. See [How we select the right contracts and tenders](#) for more information.

In November 2025, BAM Infraconsult bv, our civil engineering consultancy in the Netherlands, signed an agreement with Van Oord for the intended sale of Xbloc. Xbloc's activities include the design and construction of innovative concrete armour units for protecting shorelines, ports and marine infrastructure. Xbloc is a global player while BAM's activities now focus on the Netherlands, the United Kingdom and Ireland and on Belgium.



Civil engineering for high-voltage electricity connection between Borssele and Rilland, the Netherlands

Transform

Under Transform 2024-2026, we transform products and services to evolve further, becoming more digital, scalable and sustainable.

The goal with Transform is to move away from one-off projects in favour of scalable and repeatable industrialised construction. This represents a fundamental change and is central to growing and expanding the business in line with our vision.

Key here is to concentrate on markets and clients with whom we can differentiate ourselves on sustainability, industrialised production, innovation, process leadership and strong relationships. These are the drivers that will transform our product and service offerings. Internally, we are encouraging a cultural transformation by asking our engineers to find job satisfaction in refinement, repeatability and optimisation – 'getting better at what we do' – rather than novelty for its own sake.

For the Netherlands, Transform means growing the number of biobased, industrialised Flow homes within residential, investing in sustainable asphalt through the AsphaltNu joint venture, and electrifying our vehicle park and equipment.

The Flow concept for timber-based homes encompasses multiple innovations: a customer experience centre, parametrical design, digital file-to-factory ordering, the use of biobased materials, robotics and more.

In renovating and remodelling, we use drones, 3D modelling and off-site manufacturing to fabricate energy-saving 'wraps' for inefficient homes.

Each wrap is tailored to the exact dimensions of the intended building before it arrives on site. Similarly, digitalisation, standardisation and repeatability are also being used in infrastructure renewal, with sensors and predictive analytics being employed to identify, prioritise, schedule and manage repairs and maintenance at the optimal moment.

For the United Kingdom and Ireland, Transform is most obviously seen in the education and health markets, and by building cross-business propositions with a client-centric approach. In education, we are building clusters of schools and hospitals under framework agreements that encourage learning loops and economies of scale. The result is standardised but customised designs that are efficient to build and sustainable. On the client-centric axis, we serve a select group of top clients rather than looking to broaden our client base. We invest in understanding their needs more deeply with the aim of working together more extensively.

Across our regions and product-market combinations, we look to join forces to deliver cross-division opportunities through key account management. We are also changing the way we serve multi-asset clients by providing them with one point of contact for all BAM organisations.

We are using generative AI in various fields. An example is to support tender teams in analysing and querying large sets of tender documentation. This Tender Assistant can also write proposals for the teams. We are also continuing our development activities aimed at strengthening our digital and operational capabilities. This includes the implementation and further rollout of SAP S/4HANA, which supports process standardisation, enhanced data quality and improved project management. We are also continuing our efforts to develop sustainable materials, such as Groenr lower emission concrete and biobased insulation.



Expand



Under Expand 2024-2026, we expand and increase our efforts to capture new opportunities, such as growing in energy markets and renovating and retrofitting.

Expand applies the foundations of Focus and Transform to start the process of building our position and capabilities in high-growth markets that align with our sustainability values. Expand within Strategy 2024-2026 forms a bridge to the next strategy period.

In the Netherlands, Expand involves scaling up our timber- and bio-based industrial housebuilding concept, including leveraging our existing land bank. It also involves growing in home renovations and expanding in power grids and infrastructure solutions, EV infrastructure, inland flood protection, bridge renovations and rail. As part of this, BAM expanded its land bank in 2025. This included the acquisition by BAM subsidiary AM area developers of a 50,000 m² former industrial site in the north of Amsterdam. It was one of the largest acquisitions in the Netherlands in recent years. The intention is to create a vibrant urban district with around 1,600 new homes and space for light industry, offices and hospitality.

In the United Kingdom and Ireland, we see opportunities to transform our role in the energy transition market by diversifying and innovating our capability in grids, electrification and nuclear Small Modular Reactors (SMRs). Rail electrification and related civil works are further areas with potential, as well as energy solutions for non-residential buildings.

A key aspect of expanding our business in the Netherlands and the UK and Ireland will be to increase the degree of divisional cross-selling. We will also further the move to a client-centric key account model, with one BAM for the customer.

Finally, we will consider acquisitions that would allow us to exploit what we already know and do well, or which would accelerate our performance in our product-market combinations.

Our strategic evolution

From broad ambition to focused brilliance

Our 2024-2026 strategy is part of a decade-long transformation (2020-2030) aimed at achieving profitability by creating sustainable value for clients and society. This means prioritising work that aligns with our sustainability objectives and delivers long-term impact. We select profitable projects that fit our strategy, partner closely with clients and encourage collaboration and diverse perspectives. We rethink what we do and how we do it, becoming more digital, more scalable and more sustainable.

Striking the right balance between risk and reward is essential. We make clear portfolio choices and do not tender for work that does not align with our purpose, strategy or financial goals. We typically serve clients with complex needs who value sustainability and long-term performance.

Standing out in a competitive market

In a fragmented industry with tight margins, we do not aim to compete on lowest cost. Given our scale and capabilities, we differentiate through speed, quality, safety, innovation and sustainability — playing to our strengths.

Since 2020, we have taken steps to create a stronger platform for growth: introducing value-based management, strengthening operational excellence, and focusing our activities on the markets in which we can lead. These measures stabilised the business and laid the foundation for our 2024-2026 strategy: **Focus, Transform, Expand**, a transitional period in which we optimise what has been built while continuing to evolve towards future expansion.

Product-market combinations

A key advancement has been the introduction of product-market combinations (PMCs) across our core regions. PMCs guide our strategic decisions by defining what we do, where we do it and why. We concentrate on sectors that are attractive and aligned with our strengths and avoid those that are not.

Selection criteria include sustainability relevance, market potential, contract models and competitive dynamics. Sustainability is an important factor: when it scores low, we generally step away, unless the strategic potential is high enough to justify engaging clients on the benefits of more sustainable choices.



Mixed use development of Deleers
Campus, Anderlecht, Belgium

How we select the right contracts and tenders

Our stage-gate process assesses tenders for financial viability, strategic fit, risk, partnership potential and sustainability alignment, ensuring each project supports our long-term objectives. In addition, we no longer pursue high-risk, one-stage design-and-build projects. Instead, we prioritise framework agreements and a two-stage tendering approach that foster earlier client collaboration, greater design maturity and improved cost and delivery certainty.

Framework agreements

BAM strategically engages in major framework agreements containing individual call-off project orders of up to €400 million, and programmes exceeding €1 billion. Framework agreements set long-term conditions for awarding multiple projects without repeated tendering. Working in this way secures long-term, high-value pipelines, maintains risk control and positions BAM as an industry leader. A further advantage is that it supports early design influence, strengthens our market positioning, reduces bid costs and drives operational efficiency through shared resources. It also ensures risk and sustainability compliance under BAM's Baseline governance. A framework-led strategy delivers scale, certainty and strategic advantage, allowing BAM to shape future infrastructure while safeguarding profitability and operational excellence.

Two-stage tendering

In addition to framework agreements, BAM operates a two-stage tendering model at project level. The goal here is to deliver complex projects with greater certainty, collaboration and strategic alignment. This approach enables early contractor involvement to influence design, buildability and risk allocation before committing to a fixed price. It is followed by a negotiated final agreement ensuring transparency and compliance with Baseline governance. For clients, this means reduced risk, predictable costs, and improved quality through buildable, sustainable designs shaped by early engagement. The outcome is a proactive, collaborative procurement model that accelerates delivery, safeguards profitability and creates long-term value for all stakeholders.

Property Development Projects

The acquisition and selection of every property development project follows the Property Stage Gate process. This framework ensures that each project is evaluated against key criteria, including its strategic alignment with BAM's strategy, compatibility with our defined risk appetite and its impact on the overall size and composition of the property investment portfolio. The objective is to avoid disproportionate exposure within the risk profile of the property investment portfolio.

Connecting ambition, strategy and value creation

Our ambition to transition from grey to green runs throughout our strategy and is anchored in our broader purpose: Building a sustainable tomorrow.

Our transformation is designed to strengthen BAM financially, operationally and environmentally. For the 2024-2026 period, we set a strategic target to grow the company beyond €6 billion in revenue per year and to deliver an adjusted EBITDA margin of 4-6%. In 2025, we delivered on both targets. Further financial details can be found in [chapter 3.1](#).

These financial targets go hand in hand with our sustainability ambitions, supported by long-term reductions in our carbon footprint and material use.

In the section about value creation that follows, we outline how our strategy and mission add value for society.

Value creation model

Our foundations

-  **Human**
Skilled, safe, engaged workforce
-  **Natural**
Materials, land, ecosystems
-  **Manufactured**
Equipment, technology, industrial facilities
-  **Social & relational**
Trusted relationships
-  **Intellectual**
Digital, modular, industrial know-how
-  **Financial**
Capital from shareholders, banks, clients

Our contribution

- Future-proof, healthy and safe environments
- Low-carbon and circular solutions
- Resilient infrastructure
- Integrated lifecycle services
- Client-centric, long-term partnerships



Our work in action

- Sustainable built assets and infrastructure
- Renewal, retrofit and remodelling solutions
- Industrialised construction solutions
- Low-carbon, circular and climate-resilient projects
- Operational and facility management services

Our impact on society



Social

- Safe, inclusive environments
- Workforce development & wellbeing
- Local social value for communities



Environmental

- Decarbonisation & circularity
- Climate adaptation & biodiversity
- Low-carbon, responsible supply chain aligned with net-zero



Economic

- Predictable performance & financial strength
- Future-fit solutions co-developed with clients
- Stable value creation for partners & capital providers

Sustainable Development Goals in practice



2.5 How we create value for society

While our strategy sets out how we will achieve our long-term goal of being profitable by being sustainable, our value creation model illustrates what this means for society. How our grey-to-green ambition translates into impact for people, the environment and the economy. The value creation model explains how we apply BAM resources, capabilities and partnerships to build a sustainable tomorrow through the projects we deliver, the way we work and the choices we make daily.

Our sustainability foundation

BAM began reporting on its sustainability efforts nearly a decade ago. In 2020, we introduced Building a sustainable tomorrow as our mission and operating framework. This anchors our strategy, guides our decisions and shapes how we seek to create long-term value for society and future generations.

Our value creation drivers

As an organisation, we approach value creation from three dimensions: economic, environmental and social. These reflect what our stakeholders expect from us and what is required to build a resilient, sustainable and future-fit organisation.



Bajeskwartier area redevelopment, Amsterdam, the Netherlands

Economic value

We aim to be a financially strong and predictable company that invests in innovation, industrialisation and sustainable solutions. This includes maintaining a strong balance sheet, delivering healthy margins and being disciplined when allocating capital. Doing this enables us to reinvest in our people, strengthen our capabilities and contribute to stable and future-oriented built environments.

Environmental value

We create environmental value by using materials responsibly and designing assets that support a low-carbon, circular and climate-resilient future. Specific steps include cutting our own emissions significantly, reducing the use of virgin materials, minimising construction waste and integrating climate adaptation and nature-enhancing measures into our projects.

Social value

We create social value by delivering assets that support essential societal functions and by contributing positively to the communities in which we operate. Under this fall the goals of ensuring a safe and inclusive working environment, representing the diverse communities we work within, gender and cultural diversity, community engagement and creating local opportunities during project delivery. Through our work in education, healthcare, housing and public infrastructure, we help improve people's daily lives.

How we drive sustainability

BAM's Sustainability Framework is embedded in our overall mission: Building a sustainable tomorrow. The framework consists of six material themes concerning People and Planet and is aligned with selected United Nations Sustainable Development Goals. It includes targets for 2026 and 2030. More information on the progress we have made regarding sustainability performance can be found in [chapter 3.2](#).



2.6 The BAM Experience

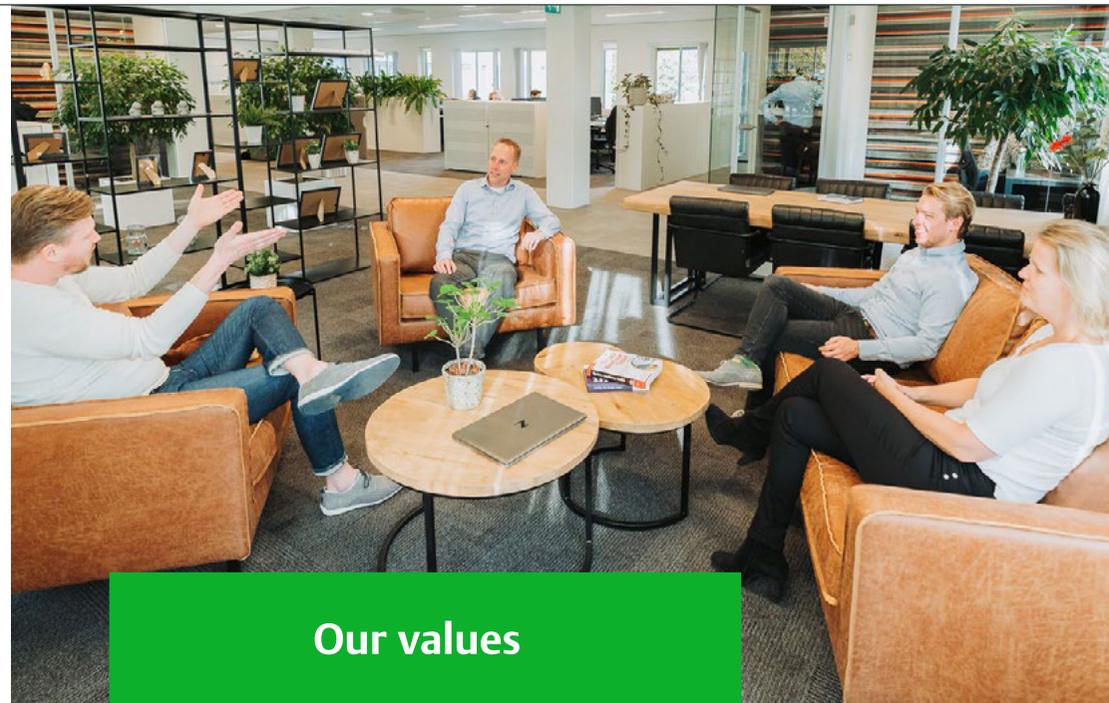
With the introduction of The BAM Experience in 2024, we have set the course of an essential enabler to build a sustainable tomorrow. As that is a big promise that we can't keep without our people.

With this approach, we put our people at the forefront of our strategy, ensuring that we live our values, that leadership drives us forward, that we foster diversity and inclusion, that our people thrive and grow, and that we build communities that focus on safety and innovation.

BAM's people are a key enabler for realising BAM's mission of Building a sustainable tomorrow.

At BAM, we believe that every colleague has unique talents that contribute to our mission. We value every individual and their unique qualities. By putting people first and focusing on their growth, safety and wellbeing, we create a workplace where everyone feels supported, respected and valued. And with that, a resilient and sustainable organisation that continues to thrive and evolve.

We live by our values: **Sustainable, Inclusive, Reliable, Ownership, and Collaborative**, which have been established together with our people. These five values form the foundation for everyone working at BAM, making our mission of Building a sustainable tomorrow an everyday reality. Our culture brings our ambition and values together, ultimately, the way we operate is decisive for our success.



Our values



Sustainable



Inclusive



Reliable



Ownership



Collaborative

Curious about how our people bring these values to live in their daily work? View their stories.

[Click on the icon](#)

We want to ensure that BAM has the right talent in the right place at the right time. We therefore deploy key drivers to safeguard business continuity, promote internal mobility and enhance the career perspectives and engagement of our people:

Guided by values, united by culture

Our values define everything we do, and our leaders endeavour to put those values into practice in innovative ways.

We bring these values to life through **our leadership development programmes**, fostering conscious leaders who are mindful of their impact on people, communities and society. They embody our mission and values with self-awareness and accountability.

Sustainable career development

We aim to ensure that everyone at BAM can develop a sustainable career with opportunities to learn and grow.

We are creating a safe, inclusive and purpose-driven environment that is helping us attract, develop and retain talented people. Strengthening our **strategic workforce planning** approach, we are aligning workforce insights with long-term business needs and identifying critical skills and emerging roles essential for our transformation.

By doing so, we are building a future-proof talent pipeline, developing the right capabilities through targeted learning pathways, enabling internal mobility and expanding early-career initiatives. Through these efforts, we are investing in our people, supporting their growth and ensuring our company is staying agile, resilient and ready for the opportunities ahead.

Improvements to our **performance- and talent-management** programmes have increased the number of meaningful conversations with our people.

All of this underpinned by **fair reward policies** that foster ownership and personal growth through a competitive, transparent and flexible reward package.

Embracing diversity and fostering inclusion

We strive to create an environment where everyone feels valued, unleashing productivity and creativity.

With the **proportion of women in leadership** roles rising to 20%, and overall gender balance in the company rising to 22% ([chapter 3.2](#)), a health check on our inclusion efforts shared that BAM is embedding inclusion across operations, reaching all employees with efforts in Diversity & Inclusion (D&I).

Employer branding is key to fostering inclusion. In 2025, we launched several campaigns in which we shared authentic employee stories to strengthen our position in the market. Using targeted and inclusive messaging, we highlighted our commitment to internal mobility. We also highlighted the new skills we need for our future, especially in the energy and emerging technologies markets. This approach enables us to connect our current strengths with the talent required for the years ahead.

Building our communities

We want our people to feel empowered to make a difference at BAM and in the communities they're building.

Our efforts resulted in a rise in our **overall engagement score**, plus increased participation in our employee surveys. This confirmed the growing involvement of our people. The results also indicated increasing trust that the survey outcomes will lead to meaningful action being taken. To further ensure progress, we introduced **Safety & Wellbeing related questions**, enabling further improvements to the everyday engagement of our people.

Together, these initiatives reinforce our ambition to create a workplace where our people feel empowered, supported and connected to the communities we serve.



Story

Michel Koning

rigger

“I work as a rigger at BAM. I’m currently working at Schiphol Airport. In practical terms, I’m the eyes and ears of the crane operator. It’s my responsibility to ensure that everything being lifted, such as concrete slabs, window frames or beams, is safely positioned. Throughout the lifting process, I stay in close contact with the crane operator via radio. My job is high-risk and carries a great deal of responsibility, and I genuinely feel that. Safety is a top priority for me. The way I act directly affects my colleagues on site. I believe it’s our shared task and duty to maintain a safe working environment and to make sure that everything we lift reaches its destination securely. That requires strong teamwork and looking out for one another. After all, we all want to go home safe and sound at the end of the day. My job may sound demanding, but I truly enjoy doing it every single day.

I never allow myself to be pressured when I believe a situation isn’t safe. I’m a very principled person, both at home and at work. I sometimes have discussions with site managers or subcontractors about how certain tasks should be carried out. I can be quite firm about that. Nothing gets lifted unless I’m 100% confident it’s safe. If something doesn’t feel right, the lifting load stays on the ground. We’ll find another solution.



“I believe it’s our shared task and duty to **maintain a safe working environment.**”

Our values

Sustainable

Inclusive

• **Reliable**

Ownership

Collaborative

Despite the occasional pressure, I think construction is a fantastic industry to work in. I’m fascinated by the projects BAM delivers, and not just the ones I’ve worked on myself. It’s not only about the end result; I’m also interested in how we build. I believe it’s vital that we keep pushing forward in terms of innovation and sustainable construction, something I’m proud to contribute to as a father of four.”



Reliable



03



Business performance

Financial performance 24

Sustainability performance 28

€7,040

Revenue

(million)

2024: € 6,455

€400.3

Adjusted EBITDA

(million)

2024: 333.3

0.30

Dividend per share

(in €)

2024: 0.25

23.4

Solvency ratio

(in %)

2024: 23.0

3.1 Financial performance

Royal BAM Group delivered a strong performance in 2025. We reported an adjusted EBITDA of €400 million, representing an increase of 20% compared with 2024. This outcome reflects 9% revenue growth and a further enhancement of our adjusted EBITDA margin. Both divisions and our operation in Belgium contributed to the improved profitability.

Our well-diversified order book remained strong, supported by our disciplined approach to contract selection and risk management, and by collaborating with preferred clients who share our sustainability ambitions. Earnings visibility continues to improve as an increasing number of clients, particularly in the energy and civil sectors, are opting for longer-term framework and partnership agreements. Across our markets, we maintain a solid and high-quality bidding pipeline.

Shareholder remuneration

BAM maintained a strong financial position, supported by effective cost control and disciplined working-capital management, and both our cash position and solvency improved. The company proposes to pay a dividend of €0.30 per share over 2025, representing a 20% increase compared with last year. In addition, we intend to return a further €40 million to shareholders through a share buyback. This indicates that we expect to return circa 55% of 2025 net income to shareholders.

Income Statement

(x € million)

	Full-year 2025		Full-year 2024	
	Revenue	Adj. EBITDA	Revenue	Adj. EBITDA
Division Netherlands	3,487	249.6	3,231	160.8
Division United Kingdom and Ireland	3,433	160.0	3,112	114.1
Germany, Belgium and International	120	(8.8)	113	6.4
Inveis ¹	-	-	-	29.8
Other including eliminations	-	(0.5)	(1)	22.3
Total Group	7,040	400.3	6,455	333.3
Adjusted items ²		(7.9)		(12.2)
Depreciation and amortisation		(157.8)		(127.8)
Reversal of impairments / (impairments)		3.6		(114.5)
Finance result		10.3		8.5
Result before tax		248.5		87.4
Income tax		(37.5)		(5.2)
Non-controlling interest		-		-
Net result attributable to shareholders		211.0		82.2

¹ Inveis was BAM's 50 percent equity stake in the joint venture with PGGM, divestment of this stake was completed 25 March 2025

² Restructuring costs and pension one-off results.

Outlook

We continue to see robust demand across our markets, underscoring the resilience of our portfolio despite ongoing uncertainty related to nitrogen regulations in the Netherlands and broader geopolitical developments. At the same time, we see strong market opportunities driven by the accelerating need for energy transition, investment in infrastructure and defence, and the growing demand for sustainable and affordable housing, all areas in which we have demonstrated market-leading capabilities. Delivering complex infrastructure projects and new homes is essential to enabling thriving communities, but this requires stability, transparent planning processes and long-term commitment that extends beyond short-term political agendas. For 2026, BAM expects to deliver further growth in revenue and adjusted EBITDA.

Division Netherlands

Revenue increased by 8% compared to 2024, driven by substantially higher production levels in non-residential construction as several large projects made strong progress. The other business segments also delivered solid growth.

Adjusted EBITDA rose to €250 million, compared to €161 million in 2024, reflecting an adjusted EBITDA margin of 7.2%. The improved performance was supported by a high level of activity in non-residential construction. The Dutch residential business also continued to perform well. Home sales accelerated, including transactions with investors, and increased by 27% to 2,354, compared to 1,854 in 2024. The Dutch civil engineering operations continued to deliver strong results, supported by sustained demand for projects related to the energy transition.

The order book increased by 5%, to €5.6 billion, reflecting strong performance across all business segments. During 2025, BAM expanded its land and building rights portfolio and reached an agreement to acquire residential property developer and construction company Gebroeders Blokland in 2026. These strategic steps increased the development pipeline to approximately 30,000 positions.

The residential market remains strong, supported by stable consumer confidence. The non-residential market showed a cautiously positive outlook, particularly in education and offices. In civil engineering, we see attractive growth opportunities driven by the energy transition and developments in the transport sector. Across our markets, the need for essential investment in energy transition, infrastructure, defence and sustainable and affordable housing remains compelling.

(x € million, unless otherwise indicated)

	Full-year 2025		Full-year 2024	
	Revenue	Adj. EBITDA	Revenue	Adj. EBITDA
Construction and Property	2,399	173.2	2,255	85.7
Civil engineering	1,126	74.9	1,005	74.3
Other including eliminations	(38)	1.5	(29)	0.8
Total division Netherlands	3,487	249.6	3,231	160.8
Adjusted EBITDA margin		7.2%		5.0%
Revenue growth		8%		7%
Adjusted EBITDA growth				(10%)
Trade working capital efficiency		(9.7%)		(11.7%)
Order book		5,599		5,348
Order book growth		5%		9%

Division United Kingdom & Ireland

Revenue increased by 10% compared with full-year 2024, reflecting strong activity across our markets. In the United Kingdom, Construction UK started several new projects, driving a solid increase in volumes. In Ireland, growth was supported by continued progress in both civil engineering and non-residential projects.

Adjusted EBITDA was €160 million compared to €114 million in 2024, reflecting an adjusted EBITDA margin of 4.7%. Construction UK returned to profitability, supported by strong execution and a disciplined, selective approach to tendering. Performance in Civil Engineering in the United Kingdom and Ireland remained robust against a strong comparative period in 2024. In 2025, the Silvertown tunnel in London was opened and Co-op Live in Manchester was completed. In December, level six of the National Children's Hospital (NCH) in Dublin was handed over to Children's Health Ireland (CHI) and additional areas will follow in the coming months.

The order book remained at high level of €6.9 billion compared to €7.2 billion last year. The decline is explained by the negative effect of British pound exchange rate movements.

The construction market in the United Kingdom is expected to strengthen, supported by the UK Government's continued focus on energy security. The Government's 10-year infrastructure plan is ambitious, and defence investment is also set to increase. The recently approved UK Planning and Infrastructure Bill has the potential to accelerate approvals for major projects. In London, commercial planning activity is rising, with growing emphasis on retrofit developments. In Ireland, the €275 billion National Development Plan is expected to provide a significant boost to the construction sector. Across both markets, BAM remains disciplined and focused on securing projects that offer an attractive and balanced risk-return profile.

(x € million, unless otherwise indicated)

	Full-year 2025		Full-year 2024 ¹	
	Revenue ²	Adj. EBITDA	Revenue	Adj. EBITDA
Construction UK	1,120	31.1	1,049	(27.4)
Civil engineering UK	1,777	92.2	1,639	103.0
Ireland	603	37.4	492	46.5
Other including eliminations	(67)	(0.7)	(68)	(8.0)
Total division United Kingdom and Ireland	3,433	160.0	3,112	114.1
Adjusted EBITDA margin		4.7%		3.7%
Revenue growth		10%		(1%)
Adjusted EBITDA growth		40%		(6%)
Trade working capital efficiency		(13.6%)		(11.1%)
Order book ²		6,917		7,181
Order book growth		(4%)		58%

¹ Restated for a change in management and reporting structure as explained in [note 6.1](#).

² The British pound exchange rate had a €25 million negative/positive effect on revenues and a negative/positive effect of €337 million on the order book.

Germany, Belgium and BAM International

(x € million, unless otherwise indicated)

	Full-year 2025		Full-year 2024	
	Revenue	Adj. EBITDA	Revenue	Adj. EBITDA
Germany, Belgium and International	120	(8.8)	113	6.4

The Belgian activities contributed well in 2025. BAM Belgium, in partnership, secured two towers of the Banks project in Brussels. The contract covers the redevelopment of an existing office building into 101 high-quality residential apartments and 130 hotel rooms, reinforcing BAM's strong position in the Belgian urban-renewal market. In Germany, a claim dispute was resolved.

Cash flow

Operating performance resulted in a strong cash flow from operating activities of €354 million. Cash flow from working capital was €35 million negative and included the net investment of €55 million in residential development positions. Trade working capital efficiency slightly improved to -11.9% (2024 year-end at -11.7%). At year-end 2025, cash and cash equivalents increased by €120 million to €883 million (2024: €763 million).

Cash flow from investing activities was €4 million positive, mainly reflecting the proceeds of €108 million from the divestment of BAM's remaining 50% stake in Invesis, offset by the acquisition of WL Winet and regular capital expenditure of €83 million (2024: €85 million).

Cash flow from financing activities amounted to negative €198 million, with the main elements being the €66 million cash dividend payment and €50 million of share buybacks. The remaining outflow relates primarily to lease payments of €106 million, partly offset by a €24 million increase in borrowings.

Exchange rate movements, predominantly relating to the British pound, adversely affected year-end cash and cash equivalents by €31 million.

<i>(x € million)</i>	Full-year 2025	Full-year 2024
Cash flow from operations	354	284
Cash flow from working capital	(35)	3
Provisions and pensions	26	(30)
Cash flow from operating activities	345	257
Cash flow from investing activities	4	(108)
Cash flow from financing activities	(198)	(172)
Increase / decrease in cash position	151	(23)
Cash and cash equivalents beginning period	763	757
Change in assets and liabilities held for sale	-	-
Exchange rate differences	(31)	29
Cash and cash equivalents	883	763

¹ based on IFRS cash flow statement

Financial position

Shareholders' equity increased by €62 million to €958 million. The movement mainly reflects the 2025 net result of €211 million, partly offset by negative exchange rate differences (€24 million), the cash dividend payment (€66 million), the share buyback programme (€50 million) and the effect of post-employment benefit obligations (€11 million negative). BAM's solvency remained solid and improved to 23.4% (2024: 23.0%).

<i>(in € million)</i>	31-12-2025	31-12-2024
Cash position	883	763
Borrowings	(91)	(67)
Net (debt) / cash before lease liabilities	792	696
Lease liabilities	(291)	(256)
Net (debt) / cash	501	440
Trade working capital	(1,008)	(938)
Shareholders' equity	958	896
Balance sheet total	4,102	3,891
Solvency	23.4%	23.0%
Capital employed	1,456	1,317
Return on average capital employed	17.2%	5.8%

3.2 Sustainability performance

As we pursue our mission of building a sustainable tomorrow, we are committed to maximising our positive impacts on society and the environment and minimising our negative ones. And not just in the work we do, but in how we do it as well. In this chapter, we present BAM's progress against strategic social and environmental targets and share selected key initiatives. Further disclosures are provided in [chapter 6.3](#) and [chapter 6.4](#).

In 2025, BAM made good progress towards achieving its Sustainability targets: BAM continued to focus on improving safety and this was accompanied by a reduction in incident frequency. Carbon emissions have decreased, both in our own operations and in our value chain, and BAM was awarded a CDP Climate A score for the seventh consecutive year. We also managed to increase representation of women in senior leadership roles, although we are not yet meeting our targets.

Everyone Safe & Well Every Day

True safety is not just about rules – it is about culture. Our BAM Values – Sustainable, Inclusive, Reliable, Ownership, and Collaborative – guide our approach to staying safe and well every day. The founding principle is that safety and wellbeing are not just a priority within BAM; they are a fundamental part of who we are and how we work together. And this dedication to safety extends beyond the physical to include fostering a workplace in which people feel free comfortable to speak up and feel empowered to act. Every colleague should return home safe and well every day.

Everyone at BAM has a responsibility to follow our safety procedures, help others do the same, and to hold each other accountable based on our belief that no one should be injured by their work and that every accident or incident is one too many.

In 2024, we assessed our safety performance through interviews, workshops, system reviews, and field observations across BAM. This assessment identified high-risk activities and their underlying root causes. We then developed a plan to strengthen BAM's safety culture and performance.

5.9

Scope 1 and 2 CO₂ emissions intensity

(in tonnes per € million revenue)

2024: 7.5

2.5

Safety Incident frequency

(IF Total)

2024: 2.9

1,496

Scope 3 emissions

(in kilotonnes)

2024: 1,644 (recalculated)

13,323

Average number of employees

(in FTE)

2024: 13,172

A

CDP Climate ranking

2024: A

20

Female representation in senior leadership group

(in %)

2024: 16

7.6

Construction and office waste intensity

(in tonnes per € million revenue)

2024: 8.1

In 2025, BAM embarked on establishing a common and consistent safety language across the company, with a Group-wide safety programme (see the Standards & Systems paragraph, below, for more information). This programme is known collectively as Everyone Safe and Well Every Day.

Four workstreams have been tasked with developing and strengthening specific aspects of the safety programme. Below is an overview of these workstreams and their role in improving BAM's safety and wellbeing culture and performance.

Standards & Systems

The Standards & Systems workstream was tasked with developing what have become BAM's six Life Saving Rules and eight Safety Principles and Group Safety Standards. These address BAM's highest-risk activities and are designed to prevent serious accidents or incidents in the workplace. The rules are specific and non-negotiable and cover both office and on-site locations. The workstream also supported the development in 2025 of aligned ways of working, safety reporting, management, and investigation systems across the company, and developed a mandatory all-staff e-learning course and 'toolbox talks' for our on-site operatives.

Conscious Leadership & Culture

Safety and wellbeing begin at the top of the organisation, and it is important that leaders not only set appropriate policies but demonstrate them too. We strengthened our leadership development in 2025 by launching the Conscious Leadership Journey for BAM's key senior leaders (consisting of the Executive Committee, Group Function Directors and Divisional Leadership Teams). This will be expanded to our senior leader cohort in 2026. The journey focuses on enhancing leadership skills and is aligned to the leadership competences in BAM's Leadership Framework. It aimed to strengthen our leaders' impact and role modelling regarding safety and wellbeing.

As part of the leadership journey, two leadership summits were held purely about safety, and three real-life examples were explored using a practical, incident-based methodology designed to identify behavioural root causes, develop actionable solutions, and build ownership through stakeholder involvement.

Leaders were also tasked with undertaking Safety Visits on projects, supported by safety experts, to observe high-risk activities and understand the challenges faced by our teams on site.

Governance

Regarding safety governance, BAM's goal is to maintain consistency across the organisation in terms of policies and approach, while respecting the differences in culture and legislation between the Netherlands, the United Kingdom, Ireland, and Belgium. In 2025, the programme reviewed and strengthened the division's organisational design and capabilities, resulting in a fit-for purpose Safety and Wellbeing organisation. Internal reporting and decision-making forums were also reviewed, including the development of Group dashboards to support consistent, KPI-led safety discussions. A Group Director of Safety & Wellbeing was appointed in 2025 to continue to drive alignment.

Communications

In every organisation, communication – consistent and unmissable – is central to embedding a safety culture. So too is senior management leadership. Therefore, in 2025, the Communications workstream organised two BAM-wide town hall meetings on Safety. At the first, in April, BAM's Executive Committee members talked about the importance of the six Life Saving Rules; in November, they shared real BAM safety stories from colleagues, including one about suicide-awareness and another about the life-changing impact of a serious workplace accident. As part of the ongoing communication around safety and wellbeing, the team developed a series of animated films to support bi-monthly spotlights on the Life Saving Rules.

Divisional safety and wellbeing steps in 2025

In 2025, Division Netherlands completed its rollout of the House of Vitality. Beginning with an extensive survey of work ability, work experience, productivity, and happiness, this 'house' gives employees insight into their own vitality. The results provide the division with information that can be used to direct improvements targeted at employees' wellbeing, with the focus now moving from insight to action to address the themes identified. Supported by the Governance workstream, division Netherlands decided to align its multiple business segment health and safety IT systems in 2025, reducing them from eight to one. Implementation is to be finalised in 2026. This follows from a similar process the United Kingdom and Ireland division had already undertaken to rationalise systems.

Also in 2025, Division United Kingdom and Ireland made the first steps towards restructuring its organisation creating a Health, Safety and Wellbeing function, under a newly appointed director. This change aligns with the Group direction of connecting safety and wellbeing and create an organisational model that the Netherlands division will implement in 2026.



Construction of St Columba's RC High School & Woodmill High School, Dunfermline, United Kingdom

Embracing diversity, fostering inclusion

What if 'building a sustainable tomorrow' means more than delivering our projects? We believe true progress goes beyond physical structures, and our people are what set us apart to achieve our goals. In striving to build a sustainable tomorrow, it is important we make BAM a place for everyone. We strive to nurture an environment where everybody feels included, valued, respected, and empowered to share their ideas.



Representation of women in leadership roles

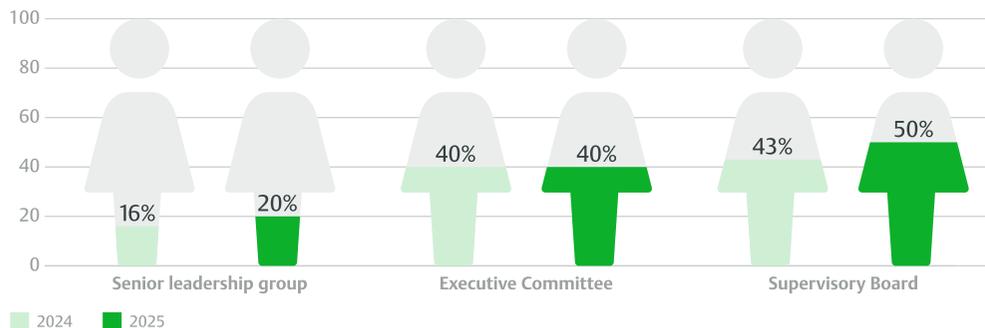
BAM is committed to meeting statutory requirements for gender representation in leadership roles. We go beyond compliance by creating an environment in which colleagues with different backgrounds, experiences, and identities are welcomed, respected, and empowered. We expect our leaders to value diverse perspectives.

To fulfil statutory requirements, BAM's Supervisory Board must be composed of at least (33%) women and at least (33%) men. Since the Annual General Meeting in 2017, the composition of the Supervisory Board has been in line with this target. At the end of 2025, 50% of the SB members were women. Moreover, we aim for our Executive Committee (including the Executive Board) to consist of at least 25% women and at least 25% men. At the end of 2025, 40% of the Executive Committee members were women.

We have further set additional ambitions for the percentage of women in BAM's senior leadership group (SLG) for the period to 2030. The SLG is defined as all employees in senior job grades (grades F, G, and H in BAM's grading framework). Comprising approximately 140 employees in 2025, the SLG includes members of the Executive Committee and the directors of businesses and large business units. It also includes the most senior functional roles in the divisions and at the corporate centre. At the end of 2025, the share of women in the SLG was 20%, an increase from 16% at the end of 2024.

Female representation

(in%)



We are continuing to explore and leverage opportunities to retain and develop talent to meet our diversity targets. In 2025, these initiatives included:

- We ensure an inclusive recruitment process to secure the best talent by equipping our recruiters with practical, inclusive recruitment techniques. Including embedding inclusive approaches in talent pooling, candidate search, and candidate assessment. As a result, we've seen a consistent upward trend in the number of women joining BAM.
- Continuing to focus on fair, transparent and objective development, progression, and promotion. This has contributed to increasing the proportion of managers who are women in the Group by 5% since 2021, and a 2% increase in 2025. With more women in manager positions, we aim to increase the number of women in our succession planning and at senior levels.
- Sponsoring AmplifyHER, a women's visibility and leadership event in Amsterdam. BAM participated in the Mavericks panel, reaffirming the role of men in creating an inclusive workplace, and hosted a career workshop for 250 prospective future colleagues. The event raised BAM's profile as an inclusive employer to 500 attendees and supported 30 male and female BAM colleagues develop their skills in inclusion.

Our Diversity and Inclusion approach is tailored to each country BAM operates within, ensuring compliance with local legislation and relevance to cultural needs, whilst aligning with the Group strategy.

A workplace where everyone is included

BAM is committed to nurturing a workplace where everyone feels included. This is essential for making the Group stronger, safer, and more innovative.

We measure inclusion through regular Return on Inclusion assessments, undertaken by an external partner. The assessment considers 20 different aspects of inclusion ranging from HR practices, operations on site and inclusion within our supply chain and customers. The goal is to ensure we weave inclusion throughout our operations, targeting a score of 71 (Gold) or higher by 2030. Based on the recommendations that emerged from the 2023 audit, we have embedded key actions to strengthen BAM's position and drive progress towards our intermediate target of achieving a score of at least 60 (Silver) by 2026.

A 2025 health check across our divisions showed strong improvement in areas such as inclusive leadership and data-driven decision-making, and are preparing for the ROI audit planned in 2026.

Some examples of how our inclusion networks created meaningful impact in 2025 are:

- FutureBAM connected over 1,200 colleagues through site visits, strengthening understanding of our projects and fostering cross team collaboration.
- Ability@BAM has influenced the design of new office spaces, ensuring accessibility is considered from the outset.
- BAM Proud works closely with WorkPlace Pride to introduce practical actions that help LGBTQ+ colleagues and allies feel supported and respected.

These examples demonstrate how our networks help us build a culture of openness, empowerment and shared ownership — one that reflects the diverse communities we serve and strengthens our ability to create a sustainable tomorrow.

This year, our focus for inclusion was to strengthen the role of our nine inclusion networks to create an inclusive workplace. Overall, these networks upskilled more than 1,700 colleagues in 2025, helping us deepen awareness about inclusive behaviours, invite diverse perspectives into our organisation and supporting BAM to attract diverse talents to deliver on our sustainability strategy. Our networks work collaboratively across the Group, acting as a golden thread to embed inclusion in our culture and operations.

Looking ahead

2025 is the penultimate year of our current strategic reporting period, and over 2026 we will review our progress made to date on our D&I targets and amend or adjust them accordingly.



Sustainable homes at Landsronerhof, Weesp, the Netherlands

Social value

BAM aims to generate social value as a way to make a lasting societal impact, see also the [Value creation model](#). We do this by engaging with and reinvesting in the communities where we work, with the aim of enhancing people's lives. Our initiatives include supporting local procurement and employment, providing apprenticeships, and volunteering in local community projects. To calculate how much we contribute, we apply commonly used social value models that attribute a monetary value to activities that enhance social and local economic value. While both divisions still have progress to make to reach the 2026 targets, we have robust improvement plans in place, focusing on better reporting and broader business engagement. For more information about this metric, see [chapter 6.4](#).

BAM is a member of both the Considerate Constructors Scheme (CCS) in the United Kingdom and its Dutch counterpart, Bewuste Bouwers. Under these schemes, our construction sites adhere to a code of conduct that encompasses principles for respecting the community, protecting the environment and valuing the workforce. For further details, see [chapter 6.4](#).

Reviving Lynemouth's Coastline and Community

The Lynemouth Beach Remediation Scheme restored a coastline scarred by decades of industrial waste, removing over 95,000 tonnes of material to protect marine habitats and create a cleaner, safer environment for residents and visitors. Beyond environmental recovery, the project delivered 48% social and local economic value, strengthening the local economy and community resilience through education, skills development, and inclusive employment opportunities. Partnerships with schools and colleges inspired future talent, while volunteering and mental health initiatives fostered wellbeing and social inclusion. With 72% of project spend directed to local vendors and £2 million in social value delivered, the scheme demonstrates how sustainability can transform places and lives.

Division United Kingdom and Ireland

Our strategic target for division United Kingdom and Ireland is to deliver 35% social value by 2026. In 2024, the division introduced a Social Sustainability Reporting Tool to track performance in social inclusion, foundational economy, and social mobility. In 2025, the division generated €681 million social value across these three themes, representing 19.9% of revenue (2024: €487 million, 15.6% revenue). This increase reflects the more structured approach taken by the division to delivering social value at each stage of construction. It rolled out segment-focused action plans, a pilot programme to fund work trials for marginalised groups, and workshops to improve social procurement (e.g. spend at voluntary, community, and social enterprise (VCSE)) at BAM and in our supply chain.

Division Netherlands

In division Netherlands, public sector projects often include obligations to deliver social return on investment (SROI), a method of delivering and measuring social value in projects. The focus is on people who face barriers to entering the labour market and who can be supported directly through placements and employment, or indirectly through social procurement, e.g. spending with social enterprises or sheltered workshops. Other activities can also contribute to social return on investment, such as school visits to engage primary- and high-school students.

Division Netherlands has committed to delivering 5% social value on top of these SROI obligations by 2026. In 2025, the majority of projects in scope were assessed, delivering a total of €13.9 million SROI. This results in 12% additional social value. Over the year, the division focused on developing a new Social Value Reporting manual and policy, on raising awareness and knowledge about social value within the organisation, and on streamlining processes to enhance early engagement on this topic at project level.

Carbon emissions

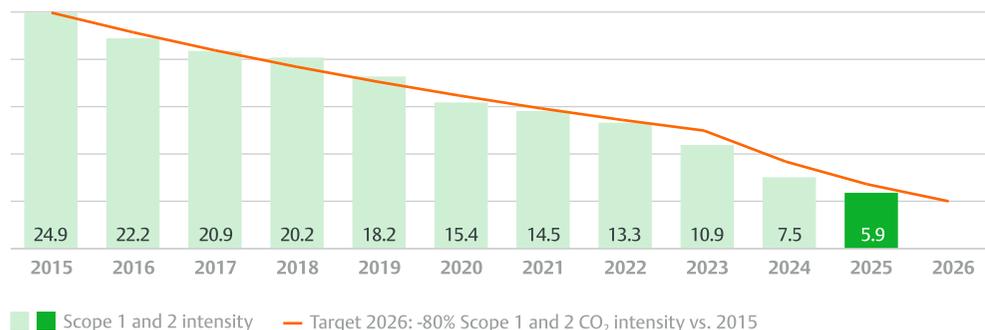
The construction sector plays a key role in the transition to a low-carbon society. Recognising this, BAM is committed to reducing direct and indirect carbon emissions and working towards our climate-science-aligned targets. For full details, see [chapter 6.3](#).

Scope 1 and 2

In 2025, we continued to make progress in reducing our Scope 1 and 2 emissions, recording a reduction of 76% compared to 2015 and closing in on our 2026 target of reducing 80%. This was driven mainly by the ongoing electrification of our fleet and equipment, and the use of Hydrotreated Vegetable Oil (HVO). The share of electric vehicles in the BAM lease fleet increased to 82% in 2025 (2024: 66%), however the use of HVO remains necessary if the construction sector is to reduce emissions significantly. While BAM only uses HVO that has been certified as being sustainable, we share the concerns regarding the extent to which it is possible to source biofuel sustainably. We consider the use of HVO only as an intermittent measure, and BAM is actively working to reduce reliance on HVO for CO₂ reduction, primarily by electrifying our equipment.

Scope 1 and 2 CO₂ emission intensity

(in tonnes per € million revenue)



Scope 3

BAM is making good progress in tackling our Scope 3 emissions: we are improving our measurement methodology which increases our insights and we are pursuing the reduction of carbon emissions in our value chain. We continue to increase the use of low-carbon concrete, recycled steel, and low-energy asphalt across our projects, and we see a gradual decrease in the energy consumption of the assets we deliver.

BAM's Scope 3 emissions are 53% lower than in our base year 2019, as presented in [the graph](#). The decrease in our upstream emissions is mainly the result of the update of Exiobase (spend-based) conversion factors. Exiobase carried out a "true-up" in 2025, improving the accuracy of the conversion factors by using more recent data, including more regional differences and reducing the reliance on extrapolation of historical data. BAM has also used the updated conversion factors to restate 2024, full details can be found in [chapter 6.3](#). The reduction in the conversion factors exceeds the progress made in our supply chain in reducing carbon emissions since 2019. Therefore, the decrease in upstream Scope 3 emissions cannot fully be attributed to BAM's reduction efforts.

The decrease of our downstream Scope 3 emissions in 2025 compared to 2024 and 2019 is even more noticeable. This decrease is the result of:

- A decrease in average energy consumption of the assets we deliver
- Reductions in carbon intensities of the grids in our home countries
- A lower amount of houses delivered in 2025 compared to previous years
- Delivery of relatively few large construction projects in 2025

BAM intends to review its Scope 3 targets to make sure the targets remain ambitious and effective. In the meantime, we focus on our efforts to meeting our 2030 target, as we anticipate that we need to compensate for increased emissions due to an uptake of delivered projects and business growth in the coming years, and continue to work towards our net-zero ambition for 2050.

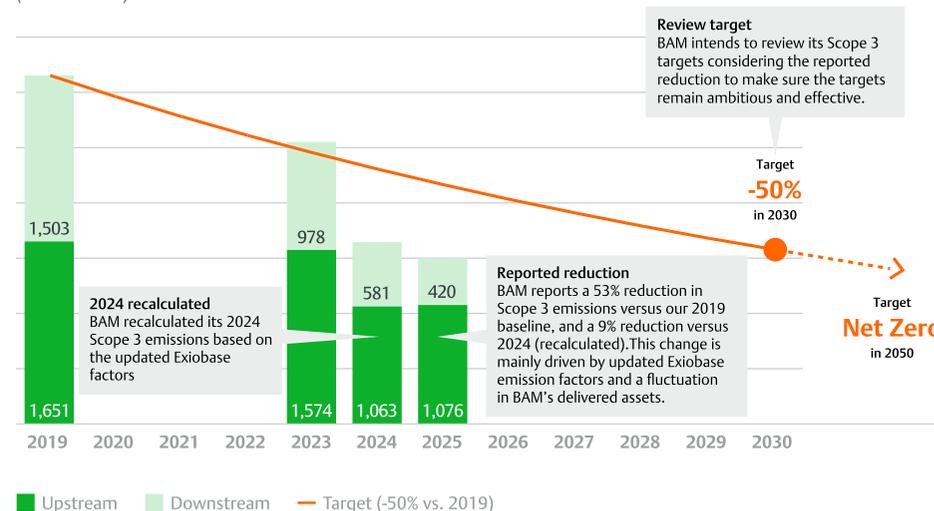
At the same time, we continued strengthening our Scope 3 measurement and reporting capabilities. Although we have made good progress, consistent and reliable value chain data remains a substantial challenge, and our reported Scope 3 emissions are still largely based on spend-based assumptions. Full details on our methodology and assumptions can be found in [chapter 6.3](#).

Reducing our Scope 3 emissions remains a key priority within our broader sustainability strategy, with multiple reduction initiatives currently being developed and implemented across the organisation. To ensure that new projects are systematically evaluated based on their contribution to our decarbonisation objectives, we have embedded additional sustainability-focused questions into our stage-gate process. In 2025, we finalised a set of thresholds for consideration during tenders addressing both upstream and downstream Scope 3 impacts associated with the assets we construct. Tender teams will have to show how they meet these thresholds applying a comply-or-explain principle to ensure transparency and accountability.

These thresholds will be reviewed and updated on an annual basis to reflect evolving market conditions, increased insights, and progress in our decarbonisation efforts. This will enable us to proactively influence project-related impacts at an early stage, well before contractual commitments are finalised.

Scope 3 CO₂ emissions

(in kilotonnes)



Advancing low-carbon construction: EV charging hub on the Maasvlakte

BAM is addressing challenges such as grid congestion and nitrogen regulations by developing new ways to deliver projects. For example, through a shared commitment to low-carbon construction, we are working closely with our client to realise the first emission-free charging station on the Maasvlakte site.

The first emission-free charging station for a civil project of this scale was developed in collaboration with the client. In particular, they actively contributed to, and assisted in, securing the power connection - a process that typically takes months. The site employed emission-free cranes, excavators, and asphalt kits, demonstrating the practical application of zero-emission technology in large-scale civil engineering. Having an on-site charging hub for equipment supports process optimisation and greater operational flexibility.



In 2025, CDP named BAM in its Climate A list for the seventh consecutive year, reflecting our consistent leadership in climate transparency and action.

Circularity

BAM aims to deliver circular projects by maximising resource efficiency and minimising waste. BAM believes circular strategies to be essential to achieving our Scope 3 reduction because they directly reduce the need for carbon-intensive raw materials. Our approach to circularity comprises three main elements:

1. Applying circularity tools to stimulate the transition to a more circular economy.
2. Reducing the use of virgin materials by reusing, recycling, and considering alternative materials.
3. Reducing waste.

Circularity tools

BAM offers clients two main circularity tools when design falls within a project's scope. The first is circularity assessments, which provide insights into the use of recycled and reusable materials. The second is material passports, which ensure materials retain their value for re-use or recycling. In 2025, we offered circularity assessments and material passports in 69% of our large tenders with design in scope, almost meeting our target of 75% in 2026 already. While we currently offer both tooling options equally, we are seeing greater client interest in circularity assessments than in material passports. Therefore, we have decided to prioritise the use of circularity assessments in projects that include design and have adjusted our 2030 target accordingly. Material passports will remain available as an option for clients who specifically request them.

Virgin materials

We aim to reduce BAM's use of non-bio-based virgin materials, replacing them with alternatives that both align with circular economy principles and drive down our upstream Scope 3 emissions. In this, BAM focuses on the key materials of concrete, steel, asphalt, and timber. Our efforts to reduce primary materials also directly contribute to our Scope 3 target for CO₂ reduction.

In 2025, division Netherlands formed cross-segment working groups to update the roadmap for each material. Division United Kingdom and Ireland investigated the volume of virgin materials used compared to recycled and bio-based materials, working with suppliers to improve data collection and establish a baseline against which we will measure future progress.



Waste reduction

We made further progress on construction and office waste intensity in 2025. We are aiming for a 75% reduction by 2030 compared to 2015. By the end of the year, we had achieved a 65% reduction, and are well on track to meeting our target. However, as all obvious measures to reduce waste have already been implemented, going even further will become increasingly challenging. Currently, we are paying specific attention to tackling spikes in waste volumes during the demobilisation phase of projects, and have launched a pilot scheme for fire-protection boards made from timber waste.

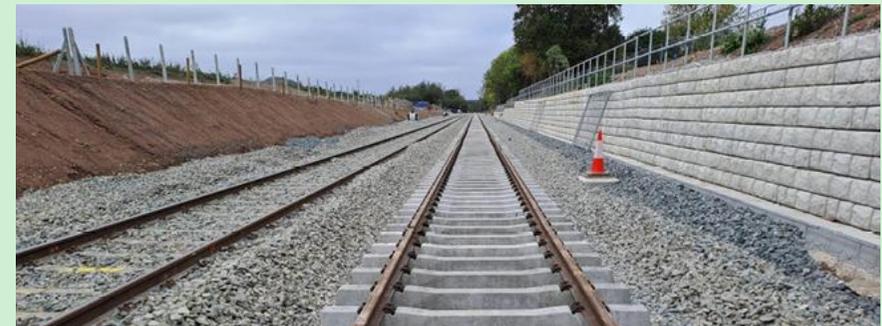
Innovative engineering for impact: Cork area commuter rail

On this flagship project, BAM Ireland has delivered innovative solutions that significantly reduce environmental impact while improving efficiency and safety. By redesigning the original steel retaining wall into a modular pre-cast system, we reduced reliance on virgin materials, achieving an approximate 97% carbon reduction. In total, 41,300 tonnes of CO₂ were saved across all the innovations involved in realising the Cork rail project.

Advanced digital tooling enabled precise planning, improved efficiency, and enhanced performance reporting throughout the project. This approach also brought multiple operational benefits, including:

1. Reduced on-site complexity and lower concrete related risks
2. Improved logistics and faster installation
3. Major reduction in noise, vibration, and safety hazards

The project demonstrates how BAM combines innovation, sustainability, and operational excellence to deliver large-scale infrastructure in a low-carbon, efficient, and safe manner.





Bajeskwartier area redevelopment,
Amsterdam, the Netherlands

Climate adaptation

Our climate adaptation efforts are designed to strengthen the climate resilience of the built environment. BAM aims to deliver assets that can withstand severe climate and weather events, such as heavy precipitation, drought, and rising sea levels, meeting the increasing demand for climate-adaptive solutions from clients, communities, and regulators.

By the end of the year, we had embedded climate risk scans into our standard project approach across BAM's divisions. In 89% of large tenders in which design was in scope, climate-adaptive measures were part of our offering. This puts us in a good position to deliver on our 2026 target of offering climate-adaptive measures in all large tenders in which design is in scope, and to work towards ensuring that climate-adaptive measures, where relevant, are implemented in our projects by 2030.

Water, as a topic, is receiving increasing attention within BAM and among our stakeholders. Some water-related topics, such as drought, flooding, and water stress due to extreme precipitation already form part of our climate-risk scan. An element that is not yet part of our sustainability strategy is the availability of freshwater. We are planning to assess this topic in 2026 and explore whether freshwater availability needs to be made an explicit part of our strategy.

Nature

Biodiversity loss is increasingly recognised as being a severe threat to our planet, society, and economy, all of which depend on healthy and resilient natural ecosystems. Moreover, addressing biodiversity loss and safeguarding nature are intrinsically linked with mitigating the impacts of climate change. Guided by policy developments and client demand, BAM now refers to this theme under the name 'nature'.

BAM increasingly engages in undertaking measures designed to reduce the negative impact on nature and have a positive impact on nature where possible. In 2025, we specified our nature ambition and defined three focus areas: 1) minimising our supply chain's negative impacts on nature; 2) protecting nature during construction; 3) restoring and enhancing nature through the assets we deliver.

We continued to roll out the Biodiversity+ assessment in 2025. Developed by BAM, Biodiversity+ is a tool to measure biodiversity impact and address the five key drivers of biodiversity: habitat creation, sustainable resourcing, carbon reduction, pollution avoidance, and biosecurity. In 2025, we conducted 79 assessments; 62 in the UK and 17 in the Netherlands. The assessments provide valuable insights into the risks, opportunities, and measures already implemented across our projects. Some key takeaways of the assessed projects are:

- 49% of the projects implement measures to prevent or mitigate light pollution
- 65% of the projects adopt a resources strategy covering key materials and components highlighting the potential indirect impact on biodiversity
- 43% of the projects adhere to good biosecurity practices on site, preventing the spread of Invasive Non Native Species, diseases or parasites.

The outcomes for the biodiversity+ assessments also show limited implementation of carbon sequestration in habitats and landscape design. This presents an opportunity to raise awareness of the role of carbon-rich habitats, such as wetlands, peatlands and mature woodlands, and to encourage ecologists to identify and monitor long-term sequestration opportunities, particularly on projects with significant habitat creation.

At BAM, we are reimagining the built environment as a place where nature is not compromised but championed, and our partnership with the [Eden Project](#) reflects this commitment in action. Renowned for transforming a disused clay pit in Cornwall into a globally celebrated garden and learning destination, the Eden Project demonstrates what is possible when people and nature collaborate—an ethos that underpins our shared ambition and guides our partnership's work. By combining BAM's expertise in sustainable construction with the Eden Project's pioneering approach to environmental education and nature recovery, we are working to spark a movement that positions construction as a catalyst for ecological regeneration. Together, we aim to inspire bold action, shift mindsets across our industry, and accelerate the transition toward a nature-inclusive future.



Story

Krystal Hutchinson *project manager*

“I joined BAM six years ago on an apprenticeship degree programme that combined workplace training with studying. I really recommend it. I think being on site, hands-on, meeting people day to day, is really important in construction, alongside the academic side. I spent the first three years learning about different disciplines. Then I decided to go down the site management route and I’ve recently been promoted to site manager. I’ve just graduated as well.

Broadgate Tower is my first project as a site manager. We have 30 to 40 people there and I manage an area with two other colleagues. Together we manage the supply chain, deliveries, and all site activities. It’s what I enjoy about the role – being in the middle and helping keep everything moving.

The project is scheduled for completion in December 2026, with the handover of the Pavilion. We’ve completed the demolition phase and over the next few months, we’ll see the steel frame go up. Seeing the site progress from demolition to construction is rewarding.

The other important part of construction is building relationships with the supply chain. Understanding what people need and what I need from them can make or break a project. If you have good relationships, productivity is better, programme dates are met, and you can ultimately hand over a building you’re proud to have been part of.



Collaborative

“For me,
collaboration
comes down to
communication.”

For me, collaboration comes down to communication. My dissertation explored what makes construction teams work well together, and effective communication helps keep projects on programme and on budget. That means keeping everyone informed, getting their opinions, and involving them in the process. Construction is very much about people. You need technical knowledge, but collaboration is about how you treat people. No one wants to come to work and be spoken to poorly.”

Our values

Sustainable
Inclusive
Reliable
Ownership

- Collaborative



04



Risk management and governance

Risk management 41

Corporate governance and capital information 51

Supervisory Board and Executive Board 54

Executive Committee 58

4.1 Risk management

In the ordinary course of business, BAM is willing to take risks while benefitting from opportunities. Risk management is an essential activity to ensure risks and opportunities are identified and addressed in a controlled manner. The company's risk management activities are designed to support long-term value creation.

Risk management framework

In line with the requirements of the Dutch Corporate Governance Code, BAM's risk management framework is based on the Enterprise Risk Management - Integrated Framework (updated in 2017) of the Committee of Sponsoring Organisations of the Treadway Commission ('COSO ERM framework'). It provides a standardised framework for identifying risks, mitigating actions and implementing controls. BAM's risk management framework is reinforced by the integration of internationally recognised standards, which are embedded across its operations to support proactive identification, assessment and mitigation of strategic, operational, financial and compliance risks. Among others, these include several ISO standards (e.g. ISO 45001 Occupational health and safety; ISO 14001 Environmental management systems; and ISO 27001 / NIST Cybersecurity frameworks). The risk management framework facilitates that BAM's activities are managed in a controlled manner and in accordance with the strategy and related risk appetite.

BAM recognises that while Artificial Intelligence (AI) offers opportunities for efficiency and innovation, it also poses risks. These include ethical and compliance challenges, data privacy concerns, operational reliability and regulatory uncertainty. AI risks are integrated into BAM's enterprise risk management framework and BAM policy framework in alignment with regulatory requirements (e.g. EU AI Act).

The Executive Board is responsible for risk management and maintaining an effective control system. The Executive Board is supported by the Risk and Control Committee (RCC) and supervised by the Supervisory Board. The RCC's role is to coordinate and advise on the implementation of the risk management framework, enabling an integration of risk management and the control system. The RCC is chaired by the CFO and includes risk and control specialists as well as representatives from both divisions.

The risk and control function, at Group level and in the divisions, supports the Executive Board and senior management in risk management activities. This includes providing support in performing risk assessments and monitoring the design and operating effectiveness of control procedures.

Risk management activities are subject to a three lines model to facilitate robust governance and efficient implementation throughout the organisation.

Key risk areas and risk appetite

The identification of BAM's key risk areas is a process that includes establishing the risk appetite by the Executive Board. This is followed by structured risk assessments to determine the risk profile and the monitoring of mitigating actions. The key risk areas are categorised into strategic, operational, financial and compliance risks.

Risk appetite is defined as the level at which BAM is willing to accept risk in the ordinary course of business to achieve its objectives. The risk appetite is established in accordance with the company's strategy. The Executive Board validates the risk appetite of key risk areas on an annual basis. It also performs a reassessment when required because of a change in facts or circumstances, such as a change in laws and regulations or change of strategy.

The company's general risk appetite per risk category is as follows:

- Strategic risks – BAM takes a balanced approach to risk and reward to achieve its strategic objectives and continues to invest in innovation through digital and sustainable technologies and solutions;
- Operational risks – BAM seeks to limit risks that may jeopardise the execution of its business activities;
- Financial risks – BAM strives to maintain a solid financial position, ensuring access to financial markets and retaining its clients, supply chain and other partners. BAM wants to provide an insightful, fair and accurate representation of its performance;
- Compliance risks – Compliance with all applicable laws and regulations, including BAM's code of conduct, is of fundamental importance to the Group.

Risk assessments reflect the risk profile and the risk trend versus the company's risk appetite. These are executed in the divisions, Belgium and at Group level, and include the defining of mitigating actions and monitoring of their effectiveness. Risks are assessed and prioritised based on their probability of occurrence, their potential impact and the effectiveness of mitigating measures.

BAM's risk framework addresses the key risk areas. The key risk areas, their risk trend, risk appetite and mitigating measures are summarised in paragraph [Key risk areas](#). Overall, risks indicate a slight downward trend, supported by ongoing mitigation efforts.

Internal controls

BAM has a requirements framework to manage risks, to prevent material misstatements in (non)financial reporting and to facilitate compliance with laws and regulations. This framework addresses BAM's key risk areas by defining control requirements to be executed in the business. Business managers and functional leads in both divisions, Belgium and at Group level are responsible for managing risks and controls and performing self-assessments for their design, implementation and operating effectiveness.

The risk and control function reviews the operating effectiveness of the control requirements framework. Reviews of controls are performed throughout the year, based on a pre-defined schedule covering the full year. The results are reported to the Executive Committee and the Audit Committee.

The internal audit function validates the control assessments and reports its observations to the Executive Committee and the Audit Committee. Internal audit also provides business managers and the risk and control function with recommendations to further improve the design, implementation and/or effectiveness of control requirements.

The results of effectiveness testing of the control requirements, together with the reporting of control incidents (if any) and internal and external audit findings, are taken into consideration by business management and division management in their internal reporting of in-control statements.

These internal in-control statements form the basis for managerial accountability for the effectiveness of the control requirements framework. Any deviations from the internal control requirements framework are reported, including remediations and follow-up actions to resolve them.

BAM strives to continuously improve its risk management activities. In 2025, this resulted in a next step in the maturity of adhering to control requirements. This was evidenced by higher effectiveness scores versus 2024 and the years before. The management of the divisions and Belgium have confirmed and signed the internal in-control statement 2025, which supports the Executive Board in its assessment of the effectiveness of the design and operation of the internal control and risk management systems.

Executive Board statement

In accordance with the 2025 Dutch corporate governance code and the Financial Supervision Act ('Wet op het financieel toezicht'), the Executive Board confirms that, to the best of its knowledge:

- The Executive Board report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems of Royal BAM Group;
- The aforementioned systems provide reasonable assurance that the financial statements do not contain any material inaccuracies;
- The aforementioned systems provide limited assurance that the sustainability statements do not contain any material inaccuracies;
- The aforementioned systems provide, considering the risk appetite and inherent limitations, sufficient comfort that the identified operational and compliance risks are effectively managed at the balance sheet date;
- Based on the current state of affairs, it is justified that the financial statements are prepared on a going-concern basis;
- There are no material risks or uncertainties that could reasonably be expected to have a material adverse impact on the Group's continuity for the period of 12 months after the preparation of the financial statements.

Sufficient comfort on operational and compliance risks means that the Executive Board has obtained adequate evidence, through controls, audits and oversight mechanisms, to reasonably conclude that the risk management framework of BAM is functioning as intended.

It should be noted that the above does not imply that these systems and procedures provide absolute assurance as to the realisation of operational and strategic business objectives, or that they can prevent all misstatements, inaccuracies, errors, fraud and non-compliances with legislation, rules and regulations. Nor can they provide certainty that BAM will achieve its objectives.

Furthermore, the Executive Board confirms that, to the best of its knowledge:

- The financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of BAM and the subsidiaries included in the consolidation;
- The sustainability statement is prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission, Taxonomy Regulation, and in accordance with the company's double materiality assessment;
- The Executive Board report provides a fair view of the position at the balance sheet date and the development and performance of the business during the financial year;
- The Executive Board report describes the principal risks and uncertainties that the Group faces.

Key risk areas

The following table summarises BAM's key risk areas, the respective risk appetite and management's measures to bring the risk in line with the risk appetite.

Risk appetite level

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Very low
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Low
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Medium
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	High
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Very high

What does it mean

BAM has (almost) no appetite for the materialisation of these risks.
BAM accepts that these risks may materialise at a low likelihood and/or impact.
BAM accepts that these risks may materialise with a medium likelihood and/or impact.
BAM is risk taking and accepts that these risks may materialise with a high likelihood and/or impact.
BAM is very risk taking and accepts that these risks may materialise with a very high likelihood and/or impact.

Trend level

- ^ Increased (residual) risk
- = Neutral risk trend
- v Decreased (residual) risk

Risk area	Description	Management measures
Strategic risks		
Market risk		
Appetite <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	BAM operates in highly competitive markets and is exposed to market volatility. Fierce competition may have an adverse impact on a project's margin, its risk profile and financing structure, or may lead to a lack of projects.	<ul style="list-style-type: none"> A strategy is in place that focuses on product-market-combinations (PMCs) that are attractive from a financial and sustainability perspective. The tender procedure verifies that a tender complies with this strategy. BAM has implemented a focus on key clients to mutually benefit from a long-term relationship and to reduce the impact of short-term market volatility. BAM's tender process verifies that a project's margin, risk profile and financing structure comply with the requirements set by the Executive Board.
Trend =		
Acquisitions and divestments		
Appetite <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	BAM selectively pursues acquisitions that strengthen its position in core activities or enhance performance within existing PMCs. The Group also considers divestments where these strengthen the strategic focus on activities that contribute to a predictable, profitable and resilient business profile.	<ul style="list-style-type: none"> A strategy policy is in place, outlining the requirements and decision criteria for corporate development activities, including mergers, acquisitions, divestments and strategic partnerships. There are procedures in place which define the full lifecycle process, ensuring consistent, structured and effective management of corporate development initiatives. This includes the mandatory involvement of the Strategy function throughout key stages of assessment, evaluation and execution. BAM reviews and decides on potential targets and opportunities, safeguarding strategic alignment and disciplined capital allocation. Corporate development projects exceeding €30 million require approval from the Supervisory Board.
Trend =		

Risk area	Description	Management measures
Strategic risks		
Transformation and innovation		
<p><i>Appetite</i></p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p><i>Trend</i> =</p>	<p>BAM's strategy involves a transformation that focuses on differentiation from the competition on product, and process leadership through prioritisation of innovation and sustainability. Missing out on transformation and innovation opportunities has an adverse impact on BAM's competitive position and financial and sustainability performance.</p>	<ul style="list-style-type: none"> • A strategic transformation agenda is in place to provide focus for transformation initiatives. The Executive Board allocates appropriate resources and budgets to the respective initiatives and monitors progress. • Together with supply chain partners and through close collaboration with clients, BAM continuously drives product innovation with sustainability as a core priority. Examples include: <ul style="list-style-type: none"> - a strategic investment in Droneview; - a partnership with New Electric to electrify asphalt paving equipment; - transitioning to low-carbon concrete alternatives (Groenr Beton), developed by BAM - partnership with PreZero to reduce waste on site and in our offices in division Netherlands; and - continuously advancing the replacement of carbon-intensive materials with sustainable alternatives through a pilot project that substitutes cement with calcined clay, lowering carbon emissions and embedding circular economy practices in division United Kingdom and Ireland. • BAM may also leverage its size and market leadership to invest in promising and attractive innovations through investments or mergers and acquisitions.
Operational risks		
Safety		
<p><i>Appetite</i></p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p><i>Trend</i> =</p>	<p>The nature of BAM's business can pose occupational health and safety risks. The wellbeing, safety and work-related ill health effects (long term) of its workforce are of vital importance to the Company.</p>	<ul style="list-style-type: none"> • BAM implemented a safety management system covering its workforce (employees and subcontractors). The safety system complies with the ISO 45001:2018 standard for occupational health and safety management systems. • Safety and wellbeing are a top priority in BAM's code of conduct. • BAM published a safety policy statement, including the life savings rules, describing the key activities and framework in place to ensure that every colleague returns home safe and well every day. • BAM has appointed a safety and wellbeing director at the Group to work alongside the directors in the divisions to facilitate compliance with safety requirements and monitor the safety performance. • Safety activities during the year include toolbox meetings, risk assessments, investigation of incidents, safety (culture) audits, trainings and an annual safety day. Also, safety specialists and senior leaders perform project safety visits. Further details about policies and performance on health and safety are described in chapter 6.4.

Risk area	Description	Management measures
Operational risks		
Property development		
Appetite <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Trend =	<p>Property development projects may be postponed or completed at higher costs or lower income than expected. Furthermore, the realisable value of land bank and property development positions may be lower than the book value.</p>	<ul style="list-style-type: none"> • A property policy is in place that specifies conditions and requirements for investment opportunities. • BAM implemented a property procurement process covering all property development investments. The process requires various approvals by senior managers to verify compliance with the property policy to ensure a development’s risk profile is in line with the Group’s risk appetite. • Start of construction of a property is also subject to an approval process to manage financial risks involved in construction. Generally, construction does not commence unless at least 70% of the project has been sold. • A yearly review process is implemented to compare the book value of land bank and property developments to their realisable value.
Project tendering		
Appetite <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Trend =	<p>Selecting the right projects against balanced contractual conditions and climate, environmental and social impact is crucial. Failure to deliver on this may impact project execution and lead to fluctuations in the financial and non-financial results.</p>	<ul style="list-style-type: none"> • A tender policy is in place that defines requirements for tender proposals. The policy does not allow tendering on single-stage, lump-sum projects above €150 million. • A tender assurance process is in place that involves various approvals by senior managers to verify compliance with contractual and commercial requirements to ensure a project’s risk profile is in line with the Group’s risk appetite.
Project execution		
Appetite <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Trend ▼	<p>The Group is constantly active in thousands of projects, which exposes it to a wide variety of risks in a sector known for its asymmetrical risk profile.</p>	<ul style="list-style-type: none"> • Projects are executed by BAM’s skilled and qualified employees under the leadership of a project manager and/or project management team. The project manager or project management team is facilitated in their oversight by project monitoring tools and dashboards. • A comprehensive risk and opportunities management process is in place to identify, evaluate (and mitigate) risks and opportunities in the execution of projects. • The operational, financial and sustainability performance of projects is reported to and evaluated by the management team of business units. The performance for ‘key projects’ is reported to the Executive Board on a monthly basis. Key projects are projects with a high risk profile or substantial contribution to the Group’s results or cash-flows.

Risk area	Description	Management measures
Operational risks		
Supply chain		
Appetite <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Trend ^	BAM purchases approximately 70% of its revenue from suppliers and subcontractors. Poor quality of services or materials and/or volatility in purchase prices may negatively affect the Group's financial and sustainability performance.	<ul style="list-style-type: none"> • A procurement policy is in place that focuses on long-term relationships with several key suppliers to avoid dependency on one supplier and to secure appropriate volumes of key materials. The policy also requires the use of standard contracts, the vendor code of conduct, and terms and conditions. • Procurement of materials and subcontractors is managed by the procurement specialists to facilitate compliance with the procurement policy. • The project tender process includes procedures to assess supply chain risks, including subcontractor continuity and price volatility. Exposure to price volatility is generally limited through price indexation reimbursement clauses in contract with customers.
Human resources		
Appetite <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Trend =	Attracting, retaining, developing and engaging diverse talent is crucial as it enables the Company to deliver its strategy and to build on an inclusive culture that is resilient to market changes. This attractive employee experience, labelled 'The BAM Experience', is essential to remain a preferred employer in a competitive market.	<ul style="list-style-type: none"> • Employees are guided by BAM's five values, sustainable, inclusive, reliable, ownership and collaborative, and united by BAM's culture. The values are also reflected in the ten competencies in the BAM leadership framework. • Employee engagement is actively supported and measured through periodic engagement surveys. Insights from these surveys are analysed, and management takes appropriate actions to address identified areas for improvement. • A comprehensive performance and development process is implemented to pursue sustainable career development for all employees. BAM's development activities include a traineeship programme as well as tailor-made programmes for project managers and (future) senior leaders. • Strategic workforce planning is conducted across the organisation, which has led to ongoing intervention and action to strengthen our capabilities and capacity across the organisation. • BAM offers fair rewards at a competitive level, encouraging personal growth while safeguarding personal wellbeing. • BAM has an attractive employer branding campaign and has a team of recruiters to increase the inflow of diverse talent. BAM fosters an internal mobility culture to enhance career perspectives for employees. <p>For further details, refer to chapter 6.4.</p>
Information technology and security		
Appetite <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Trend =	Digitalisation, data, communication and connectivity are essential for BAM. However, these elements also present cyber-security challenges, necessitating the Company's continuous adaptability.	<ul style="list-style-type: none"> • BAM has a dedicated information security function led by the Director Security. • Information security processes are based on the NIST cybersecurity frameworks and comply with ISO27001 standards. • An independent party conducts a maturity assessment of the information security function at least once every three years to ensure effectiveness and continuous improvement. • The responsible use of AI is safeguarded by the secure development procedure, training and awareness, a data processing register, data protection and the monitoring of AI systems and incident management. • There is a framework of policies in place (such as the information security governance policy, privacy policy and data policy) to protect and manage confidentiality, integrity and the availability of information. <p>For further details, refer to chapter 6.5.</p>

Risk area	Description	Management measures
Operational risks		
Business continuity		
Appetite <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Trend =	Crisis and business continuity disruptions can have a material effect on the Company's operations due to risks such as natural disasters, influenza and pandemics.	<ul style="list-style-type: none"> BAM has a crisis management and business continuity policy to address significant disruptions. This policy includes a description of the organisation, processes and responsibilities. This is further elaborated in underlying procedures and instructions such as disaster and business recovery procedures. A crisis management team has been implemented at Group and in both divisions to manage and supervise the business continuity system, and to ensure continuity in a safe and healthy manner on project sites, in offices and at home.
Sustainability - climate change		
Appetite <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Trend =	Climate change risks relate to climate mitigation and climate adaptation. Climate mitigation involves risks of operating in a CO2 intensive industry, while climate adaptation risks relate to the effects of global warming, causing extreme weather conditions such as storms, heat waves and flooding.	<ul style="list-style-type: none"> BAM's strategy of Building a sustainable tomorrow aims to contribute to creating a sustainable future for clients, employees, society and future generations. BAM has implemented a sustainability strategy and related policies. Specific targets are monitored to assess sustainability performance and sustainability-related risks, such as direct and indirect carbon emission reduction. More details: <ul style="list-style-type: none"> BAM is committed to an 80% reduction of its Scope 1 and 2 CO₂ intensity by 2026 (versus 2015) and a 50% reduction in Scope 3 CO₂ emissions by 2030 (versus 2019); and BAM is committed to integrating climate adaptive measures in all projects by 2030. For further details, refer to chapter 2.5 and 6 .
Sustainability - environmental impact		
Appetite <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Trend =	The construction industry has a negative impact on the environment due to high levels of use of natural resources, pollution in the supply chain and negative effects on biodiversity through land use change. The nitrogen crisis in the Netherlands has a potential negative financial effect due to the possible cancellation of permits.	<ul style="list-style-type: none"> BAM's strategy of Building a sustainable tomorrow aims to contribute to creating a sustainable future for clients, employees, society and future generations. BAM has implemented a sustainability strategy and related policies. Specific targets are monitored to assess sustainability performance and sustainability-related risks, for example waste management targets. More details: <ul style="list-style-type: none"> BAM is committed to a 50% reduction of non-biobased virgin materials by 2030 (versus 2019) and a 75% reduction of construction and office waste intensity by 2030 (versus 2015); and BAM is committed to the use of material passports and circularity assessments on projects with certain characteristics by 2030. We pro-actively assess nitrogen risks in tenders to avoid exposure to cancellations. For further details, refer to chapter 2.5 and 6 .

Risk area	Description	Management measures
Financial risks		
Financial and sustainability reporting		
<p><i>Appetite</i></p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p><i>Trend</i> =</p>	<p>Providing insightful, fair and accurate representation of the Group's financial and sustainability performance is essential for trust in BAM. Material misstatements in reports may lead to a loss of confidence of internal and external stakeholders.</p>	<ul style="list-style-type: none">• BAM has a financial reporting manual and sustainability reporting manual to ensure all subsidiaries apply the same reporting principles. The financial reporting manual complies with IFRS accounting policies and the sustainability reporting manual complies with CSRD and taxonomy reporting policies.• The central finance function and sustainability reporting function monitor compliance with the reporting manuals. Both functions coordinate, support and approve (the interpretation of) complex reporting matters.• Periodic reviews by management, finance, sustainability and risk functions underpin the insightful, fair and accurate representation of performance and economic results, and aim to prevent any material misstatements due to fraud or errors.
Financial Resilience		
<p><i>Appetite</i></p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p><i>Trend</i> =</p>	<p>The attractiveness of BAM as a trusted partner to collaborate with or to invest in is strongly influenced by its financial position and its ability to manage financial risks. Failure to achieve the status of trusted partner may prevent BAM from working with preferred parties and lead to restrictions on access to financial markets.</p>	<ul style="list-style-type: none">• BAM's financing strategy is based on long-term relationships with reputable financial institutions and a well-spread debt maturity schedule. A strong centralised focus on cash and working capital, including financing by clients and suppliers, limits the need for extra capital.• Other specific financial risk management measures, including those in the area of interest rate risk, foreign exchange risk, credit risk and liquidity risk are disclosed in note 4 in the consolidated financial statements.
Compliance risks		
Regulatory and reputation		
<p><i>Appetite</i></p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p><i>Trend</i> =</p>	<p>Regulatory compliance and the trust of clients, shareholders, lenders, construction partners and employees in BAM is vital to ensure the continuity of the Company. Non-compliance may result in administrative, civil or criminal liabilities including fines and penalties and suspension or debarment from government or non- government contracts.</p>	<ul style="list-style-type: none">• BAM uses the expertise of different internal functions as subject matter experts to manage different compliance regulations and certifications (such as ISO) to ensure that BAM works in line with all required laws and regulations. Examples of subject matter expertise functions are the Compliance, Tax, Finance, Legal, Sustainability, Safety, and Quality expert functions.• BAM's code of conduct and related policies (e.g. conflict of interest, compliance, insider dealing, competition, privacy, anti-bribery, corruption and fraud, IT security) align with generally accepted standards and values and local legal and other rules and regulations.• All employees are required to confirm compliance with the code of conduct. Communication and training of employees in the code of conduct and related policies is carefully arranged through target group specific training sessions and e-learning. For further details, refer to chapter 6.5.• BAM has a robust speak-up procedure (including an anonymous external reporting line) for (suspected) breaches of the code of conduct and policies. The compliance function investigates matters reported in the speak-up procedures, monitors compliance with laws and regulations and advises on integrity issues.• The Ethics and Compliance Committee supports the Executive Committee and the divisions with the compliance programme, actual compliance matters and remedial actions.



Story

Sophie Kuijpers

product developer

“I work as a product developer for Sustainable Renovation and as a project manager at BAM Wonen. We make existing rental homes, owned by housing associations and real estate investors, more comfortable and energy efficient. My work takes place both at the drawing board and on the construction site. I translate our sustainability strategy into choices that are feasible for our execution teams and add value for our clients and their tenants. For us, sustainability and execution are not separate worlds. I bridge the gap between vision and practice, helping to create a future-proof living environment.

The common thread in my work is CO₂ impact. Together with colleagues, I developed a practical tool that compares the CO₂ emissions of each renovation measure with an alternative that offers lower emissions. This makes choices transparent, speeds up decision-making and ensures that low-impact materials become the norm rather than the exception. I find it a great development that, together with our clients, we are increasingly opting for materials with lower CO₂ emissions.

In addition, I work – both internally and externally – on implementing more circular and biobased solutions. I guide the supply chain, together with our subcontractors and their suppliers, in high-quality reuse and the application of natural materials. A good example is the prefab roof element insulated with certified straw: locally produced, healthy and demonstrably lower in CO₂ impact. Innovations like these show that biobased renovation is already possible today, provided you work together across the entire supply chain.



“I bridge the gap between vision and practice”

Our values

- Sustainable
- Inclusive
- Reliable
- Ownership
- Collaborative

For me, working at BAM means contributing every day to the major challenges facing the Dutch construction sector: reducing CO₂ emissions, accelerating the energy transition and enhancing a future-proof living environment. In my role, I can make a real impact – from gas-free renovation projects to the use of circular and biobased materials that help address these challenges. The fact that we make homes not only more energy efficient but also healthier and more future-proof for residents makes me proud to work at BAM.”



Sustainable

4.2 Corporate governance and capital information

Dutch corporate governance code

In 2025, an updated version of the Dutch Corporate Governance Code (‘the Code’) entered into effect. The Code is based on the comply-or-explain principle and applies as from the financial year 2017.

The application of the Code by BAM, as described in this chapter, is part of the company’s corporate governance statement as specified in article 2a of the Decree on the contents of the Executive Board report. The other information which completes this statement is specified in the [Corporate Governance Statement table](#).

Compliance with the Code is described in the corporate governance compliance overview that is available on the company’s website and should be read in conjunction with this section. BAM complies with the principles and best practices of the Code. In accordance with the Code, the company will submit any substantial changes in the main features of its corporate governance structure to the General Meeting for discussion. The corporate governance structure of the company was reviewed by the Executive Board and Supervisory Board in December 2025.

The BAM corporate governance compliance overview was last updated on 18 February 2026.

Corporate Governance Statement

Requirement	Addressed in
Corporate governance structure and compliance with principles and best practices of the Code	This chapter; a full compliance overview is available on the company’s website .
Principal characteristics of the Company’s management and control system for its financial reporting process	See chapter 4.1
Functioning of the General Meeting of Shareholders and the rights of shareholders	This chapter and further information is available on the company’s website .
Composition and functioning of the Executive Board and the Supervisory Board (including its committees)	See chapters 4.3 and 5.1
Policy and report on gender diversity in the Supervisory Board, Executive committee and sub-top	See chapter 3.2
Capital information in accordance with the Decree on Article 10 of the EU Takeover Directive	See chapter 4.2

Diversity and inclusion

The Code stipulates that the diversity and inclusion policy, related targets, the plan to achieve the targets and the results regarding the company’s Supervisory Board, Executive Committee and sub-top should be explained in the Executive Board report. BAM has defined the sub-top as its senior leadership group (SLG). The reporting requirement is addressed in [chapter 3.2](#).

Sustainability

The Corporate Governance Code prescribes in section 1.1 that the Executive Board should develop a view on sustainable long-term value creation by the company and formulate a strategy in line with this, including specific objectives. When formulating the strategy, the Executive Board should pay attention to – amongst others – the impact of the company in the field of sustainability, including the effects on people and the environment.

BAM’s strategy is built on sustainability and takes into consideration the company’s effects on people and the environment. Further information is provided in [chapter 2](#). To ensure the interests of the relevant company stakeholders are considered when the sustainability aspects of the strategy are updated, BAM has formulated an outline policy for effective dialogue with those stakeholders. This is published on the company’s website.

Capital information

The company has three classes of shares: ordinary shares, preference shares B and a series of preference shares F. At the balance sheet date, only ordinary shares were issued and these are traded on the Euronext Amsterdam stock exchange. [Note 23](#) of the financial statements provides further information about the company's capital structure. An [overview of rights attached to the three classes of shares](#) is included in this paragraph, and a summary of the statutory arrangements with respect to the distribution of profit is included in [chapter 8.2](#).

The restriction on transfer of preference shares B provides the company the opportunity – because of the specific purpose of issuing them, namely the acquisition of finance or achieving protection – to offer the holders of these shares an alternative in the event that they wish to dispose of their shares. The company granted Stichting Aandelenbeheer BAM Groep (Foundation Preference Shares BAM Group, or 'the Foundation') the option to acquire preference shares B.

This option was granted up to such an amount as the Foundation might require, subject to a maximum of a nominal amount that would result in the total nominal amount of preference shares B in issue (and not held by the company) equalling no more than 99.9% of the nominal amount of the issued share capital of the other shares classes (and not held by the company). BAM and the Foundation agreed that the company will not issue these shares, or grant any rights to purchase them, to anyone else without the Foundation's permission. The Foundation will not dispose of or encumber any preference shares B, nor renounce their voting rights, without the company's permission. Further information about the Foundation is included in [chapter 8.3](#).

The company operates an equity-settled long term incentive plan (LTIP) as disclosed in [note 29](#) of the financial statements.

Shareholders' agreements

The company is not aware of any agreements involving one of the company's shareholders and which might provide reasons for restricting the transfer of shares or depositary receipts issued with the company's cooperation or restricting the voting rights.

Appointment and dismissal of members of the Supervisory Board and members of the Executive Board and amendment of the Articles of Association.

The company is obliged by law to operate a mitigated two-tier structure. The General Meeting appoints the members of the Supervisory Board, based on a recommendation from the Supervisory Board. The General Meeting also appoints the members of the Executive Board, with the Supervisory Board having the right of recommendation. A more detailed explanation of the rules governing the appointment and dismissal of members of the Supervisory Board and members of the Executive Board can be found in the Articles of Association of the company, as published on the company's website.

Resolutions to amend the Articles of Association or to dissolve the company may only be adopted by the General Meeting pursuant to a proposal of the Executive Board and subject to the approval of the Supervisory Board.

Powers of the Executive Board

The Executive Board's powers are those arising from legislation and regulations. A more detailed description of the Executive Board's duties can be found in the rules of the Executive Board and the Executive Committee, available on the company's website. In the general meeting on 8 May 2025, the Executive Board was authorised, subject to the approval of the Supervisory board, to (i) issue ordinary shares and Class F preference shares and to grant options to acquire these shares, and (ii), to have the company acquire ordinary shares in the company's capital.

This authorisation is limited in duration to 18 months. It is also limited in scope to 10% of the issued capital. In principle, the General Meeting is asked to grant these authorisations every year. Resolutions to amend the Articles of Association, or to dissolve the company, may only be passed by the General Meeting based on a proposal put forward by the Executive Board and approved by the Supervisory Board.

Change of control provisions in important agreements

BAM differentiates the following categories of agreements as referred to in the Decree on Article 10 of the EU Takeover Directive:

- The Company has a €330 million syndicated revolving credit facility ('the RCF') which stipulates that a change of control provides the lenders with the right to cancel their undrawn commitments and declare outstanding loans due and payable;
- The company and its subsidiaries have entered into various important agreements that contain clauses that, in the event of a change of control, provide the other party with the right to terminate it. Individual agreements are not considered key agreements within the meaning of the Decree on Article 10 of the EU Takeover Directive, but jointly they are considered significant;
- The terms and conditions of the LTIPs stipulate that, upon the occurrence of a change of control, the Supervisory Board may decide to accelerate vesting on a prorated basis, both in terms of time and performance. The Supervisory Board is also authorised to withdraw conditional and unconditional performance shares in exchange for a cash payment at market value.

Rights per class of shares

Rights	Ordinary shares	Preference shares B	Preference shares F
Nominal value	€0.10 per share	€0.10 per share	€0.10 per share
Voting rights in class-holders meeting	One vote per share	One vote per share	One vote per share
Voting rights on general meeting	One vote per share	One vote per share	One vote per share
Payment on shares	Issue upon full payment	Issue upon partial payment of at least 25% of the nominal amount	Issue upon full payment
Pre-emptive right in the issue of ordinary shares	Pre-emptive right for issue of new ordinary shares, unless restricted or excluded by a resolution of the general meeting	No pre-emptive rights	No pre-emptive rights
Pre-emptive right in the issue of preference shares	No pre-emptive rights	No pre-emptive rights	No pre-emptive rights
Restrictions on transfer of shares	No restrictions	Transfer requires approval of the Executive Board	No restrictions



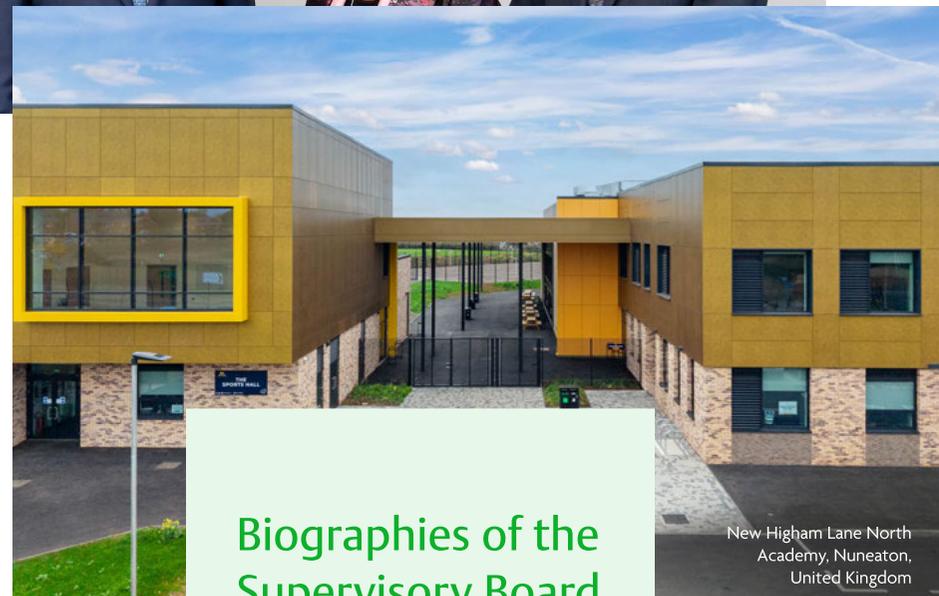
4.3 Supervisory Board and Executive Board

From the left: N.M. (Nina) Skorupska, H.Th.E.M. (Henk) Rottinghuis, D. (Denise) Koopmans, B. (Bob) Elfring, J.C. (Jane) Hanson and M.P. (Paul) Sheffield.

Retirement schedule for the Supervisory Board

Member	Date of initial appointment	Year of reappointment	End of current term
H.Th.E.M. Rottinghuis ¹	15-04-2020	2024	2028
B. Elfring	24-08-2020	2024	2028
J.C. Hanson	05-11-2024	-	2028
D. Koopmans ¹	24-08-2020	2024	2028
M.P. Sheffield	24-08-2017	2025	2026
N.M. Skorupska	14-04-2021	2025	2029

¹ Right of recommendation of Central Works Council.



New Higham Lane North Academy, Nuneaton, United Kingdom

Biographies of the Supervisory Board members



Biographies of the Supervisory Board members



H.Th.E.M. (Henk) Rottinghuis
(1956) Chair

Mr Rottinghuis is a businessman who has held senior executive and non-executive roles for leading European companies across various industry sectors. He served as CEO and chair of the Executive Board of Pon Holdings from 2001 until his retirement in 2010. He joined Pon in 1993 and became a member of the Executive Board in 1999. Before that, he fulfilled senior management roles at Royal Nedlloyd Group. Since his retirement from Pon, he has held several Supervisory Board and non-executive director positions, including at Royal Bank of Scotland, Blokker, DRG (food retail), Stork (as chair) and CRH (cement building materials). Mr Rottinghuis completed his studies at the University of Groningen in 1982.

Mr Rottinghuis is a Dutch national.

Other offices: Chair of the Supervisory Board of Chane Terminals (until 1 January 2026) and member of the Supervisory Board of Damen Shipyards Group.



B. (Bob) Elfring
(1959)

Mr Elfring obtained a master's degree in Law and Business Economics at the University of Groningen. He started his career at Amsterdam-Rotterdam Bank, followed by management positions at Rabobank, Amsterdamse Investeringsbank, MeesPierson and Lehman Brothers. Between 2008 and 2011, he worked for Credit Suisse, where among other tasks he was responsible for Investment Banking in Northern Europe and the Benelux. Between 2011 and 2018, Mr Elfring worked for Bank of America Merrill Lynch, where from 2012 onwards he was responsible for Corporate and Investment Banking in Europe, the Middle East and Africa, based in London. Between 2021 and 2024, he was vice-chair of EMEA Investment Banking at J.P. Morgan Securities plc.

Mr Elfring is a Dutch national.

Other offices: Chair of the Supervisory Board of Vuyk Holding and member of the Supervisory Board of ASR Nederland.



J.C. (Jane) Hanson CBE
(1967)

Mrs Hanson graduated with a BA (Hons) Music degree from the University of York. She was a professional musician for two years until qualifying as a Chartered Accountant at KPMG. She continued her career at Aviva PLC, where she held executive roles including Head of Audit and Risk & Governance Director. After Aviva, Mrs Hanson built her own consulting company, delivering governance-related services to the boards of regulated and other significant-sized entities. She gained further non-executive director experience on private, listed, public sector and charity boards, including holding chair and Audit & Risk Committee chair roles across a wide range of industries such as financial services, entertainment and the not-for-profit sector. Her experience includes managing complex change, improving business performance and managing succession. Mrs Hanson was awarded a CBE in 2022 for her contributions to charity and public service.

Mrs Hanson is a British national.

Other offices: Chair of the Board of Welsh Water, Chair of the Board of John Lewis Finance and non-executive director of HM Treasury.



D. (Denise) Koopmans
(1962)

Mrs Koopmans earned a master's degree in Law from Erasmus University, Rotterdam, and a postgraduate degree in Real Estate Law from Radboud University, Nijmegen. She is a graduate of Harvard Business School and an Insead-certified board member. Between 1991 and 1998, Mrs Koopmans was Chief Legal Officer at NBM-Amstelland (acquired by BAM in 2000). Since then, she has worked in various commercial and senior international leadership positions at Heerema Group, Cap Gemini Engineering and RELX Group. Between 2011 and 2015, Mrs Koopmans was Managing Director of the Legal & Regulatory division of Wolters Kluwer in the Netherlands, and director of the global business line for workflow solutions. Before Wolters Kluwer, she was CEO at LexisNexis Business Information Solutions (RELX Group). Since 2015, Mrs Koopmans has worked as a non-executive director and advisor of companies.

Mrs Koopmans is a Dutch national.

Other offices: non-executive director at Swiss Post AG and Cicor Group, Vice-Chair of the Supervisory Board of Norma Group, and independent member of the board of governors of Grant Thornton International.



M.P. (Paul) Sheffield CBE
(1961)

Mr Sheffield studied civil engineering at the University of Surrey. He is a Chartered Engineer and Fellow of the British Institution of Civil Engineers. From 1983 to 2014, he was employed by the Kier Group, a large British construction and property development group, listed on the London Stock Exchange, where he held a number of management positions. Mr Sheffield spent the first 17 years of his career working on significant infrastructure and construction projects around the world. He was appointed as Chief Executive Officer in 2010. In 2014, Mr Sheffield left the Kier Group for Laing O'Rourke, the largest private construction company in the United Kingdom, where he was a member of the Executive Committee until 2017 and responsible for their activities in Europe and the Middle East. Until 2024, Mr Sheffield served for nine years as a non-executive director for Southern Water Services, and became a special advisor to the Board of Manchester Airport Group, overseeing their capital expansion works at Manchester airport. He also served as President of the Institution of Civil Engineers (UK) in 2019/2020. He was awarded a CBE in 2015 for his contribution to the construction industry and for charitable fund-raising.

Mr Sheffield is a British national.

Other offices: none.



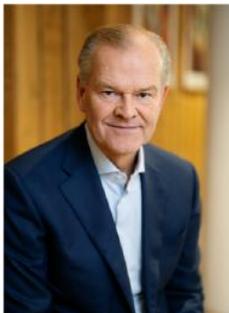
N.M. (Nina) Skorupska CBE
(1961)

Dr Skorupska obtained a doctorate degree in Chemistry, Engineering and Geology at the University of Newcastle upon Tyne, where she subsequently went on to carry out post-graduate research. She began her professional career in multiple research and management roles at, successively, IEA Coal Research and National Power plc. In 2001, National Power was acquired by RWE, where she continued her career, holding various senior management and executive positions until 2012, most recently as Chief Technology Officer at Essent in 's-Hertogenbosch, where she was responsible for Essent's power plants (including construction projects). From 2013 to mid-2024, Dr Skorupska was Chief Executive of REA, the Association for Renewable Energy and Clean Technology. Dr Skorupska was awarded a CBE in 2016 for her contributions to renewable energy and services in promoting equality in energy and engineering.

Dr Skorupska is a British national.

Other offices: non-executive director of Great British Energy, Chair of the Independent Stakeholder Group of UK's National Energy System Operator (NESO), and member of the Independent Advisory Committee of National Grid Electricity Distribution.

Biographies of the Executive Board members



R.J.M. (Ruud) Joosten
(1964) CEO

CEO Mr Joosten earned a degree in Business Economics at VU University Amsterdam in 1987, and an MBA from the University of Leuven in 1990. Mr Joosten joined AkzoNobel in 1996, as a marketing director, moving from Petrofina (currently PPG), where he began his career in 1988. At AkzoNobel, he held management positions in sales and marketing and became managing director of Decorative Paints North and Eastern Europe in 2006. In 2013, he joined AkzoNobel's Executive Committee and became responsible for the Decorative Paints business. In 2018, he became the Chief Operating Officer of AkzoNobel, responsible for the business performance of the coatings and paints businesses.

Mr Joosten is a Dutch national has been a member of the Executive Board (CEO) of Royal BAM Group since September 2020.

Other offices: member of the Supervisory Board of ALTANA AG.



H. (Henri) de Pater
(1966) CFO

CFO Mr de Pater studied at Business School Netherlands and earned an MBA in Business Economics, after which he studied at TIAS School for Business and Society, where he earned a master's in Management and Organisation as well as a Master in Finance. In addition, Mr de Pater is a qualified chartered member of RICS. Mr de Pater started his career in 1986 as an assistant accountant, after which he held various positions within the auditing practice. He joined BAM in 1996 and held various management positions, including Director of Finance at BAM Wonen, Director of Area and Property Developer AM at BAM, Director of Finance at BAM Construction and Property Netherlands, and Director of Business Control Construction and Property at Royal BAM Group. Prior to being appointed CFO and a member of the Executive Board, Mr de Pater was Executive Director of Finance for United Kingdom and Ireland division.

Mr de Pater is a Dutch national and has been a member of the Executive Board (CFO) of Royal BAM Group since May 2025.

Other offices: none

Retirement schedule for the Executive Board

Name	Date of initial appointment	Year of reappointment	End of current term
R.J.M. Joosten	24/08/2020	10/04/2024	2028
H. de Pater	08/05/2025	-	2029

Shareholding position

Information about the shareholding position of the Supervisory and Executive Board members is in [chapter 5.2](#).

4.4 Executive Committee

Biographies of the Executive Committee

The Executive Committee consists of the Executive Board members R.J.M. (Ruud) Joosten and H. (Henri) de Pater, as well as Mrs S.B. (Sabine) van Hooijdonk-Verboom, Mrs C. (Carla) Rodenburg-Verschuur and Mr J.D. (John) Wilkinson.

Since 2019, BAM has worked with an Executive Committee to ensure an optimal governance structure for sustainable long-term value creation, and to realise the company's strategy. Information about the role and responsibilities of the Executive Committee is included in the Executive Board and Executive Committee rules of procedure. The relationship and contact with the Supervisory Board is explained in the Supervisory Board rules of procedure (see www.bam.com), with Supervisory Board meetings generally being attended by all members of the Executive Committee.



From the left: J.D. (John) Wilkinson, S.B. (Sabine) van Hooijdonk-Verboom, R.J.M. (Ruud) Joosten, C. (Carla) Rodenburg-Verschuur, H. (Henri) de Pater.



Specialist restoration work on Ronde Lutherse Kerk, Amsterdam, the Netherlands



S.B. (Sabine) van Hooijdonk-Verboom
(1981)

CHRO Mrs van Hooijdonk-Verboom was appointed Chief HR Officer (CHRO), effective 1 July 2023. She joined BAM in early 2022 as Executive Director Group HR. Before she joined BAM, Mrs van Hooijdonk-Verboom was global DE&I Lead and Executive HR Business Partner at JDE Peet's, where she was responsible for creating the People strategy in all the central functions. As part of this role, she led the creation and implementation of the D&I business case. She gained extensive HR experience with senior (global) positions at KPMG, Philips and Signify. Mrs van Hooijdonk-Verboom graduated with an MSc in Business Administration, with a specialism in human resources, at the VU University, Amsterdam.

Mrs van Hooijdonk-Verboom is a Dutch national.

Other offices: none



C. (Carla) Rodenburg-Verschuur
(1972)

COO division Netherlands, Mrs Rodenburg-Verschuur, was appointed Chief Operating Officer of the division as of 1 October 2024. She joined BAM in October 2020 as executive director of BAM Infra Netherlands. She was formerly Vice-President and member of the Executive Committee at Stork (acquired by Fluor). Previously, she held senior positions in general management and business development at KPNQwest and Shell. She started her career as a strategic consultant at Arthur D. Little. As well as an MSc in Electrical Engineering from Delft University of Technology, she holds an MBA (Drs) degree from Rotterdam School of Management and Duke University in the United States.

Mrs Rodenburg-Verschuur is a Dutch national.

Other offices: member of the Advisory Board of Deltares.



J.D. (John) Wilkinson
(1968)

COO division United Kingdom and Ireland, Mr Wilkinson was appointed Chief Operating Officer of the division as of 1 January 2022. Mr Wilkinson has been a member of the Executive Committee (as COO of the former Civil Engineering business line) since 5 October 2020. He was formerly President of Infrastructure and a member of the Executive Committee of SNC-Lavalin, in Canada. He previously held senior positions with British civil engineering companies Laing O'Rourke, Kier Group and May Gurney, as Managing Director of UK Infrastructure, Executive Director of Services and Managing Director. Mr Wilkinson holds a BSc (Hons) in Construction Management from Reading University and is an Alumnus of Cambridge Judge Business School.

Mr Wilkinson is a British national.

Other offices: none

05



Cleanroom renovation at Máxima Medical Centre, Veldhoven, the Netherlands



Supervisory board

Supervisory Board report **61**

Remuneration report **70**

5.1 Report of the Supervisory Board

The year 2025 marked the midpoint of BAM's 2024–2026 strategy, Building a sustainable tomorrow. Through this, BAM aims to become a market leader in selected sustainable and profitable product-market combinations (PMCs). The strategy focuses on safeguarding profitability and mitigating project risk, driving transformation through industrialisation and digitalisation, and allocating resources to growth markets.

During the year under review, the Supervisory Board closely monitored the execution of the strategy and is pleased to report that progress is generally on track. Maintaining a disciplined and critical approach to order intake, while simultaneously identifying and developing growth areas, is essential to achieving the sustainable growth which the company aspires. BAM's return to the Euronext Midkap index, its inclusion in the CDP A List for the seventh consecutive year, and the strong returns to shareholders - via a €66 million dividend and the execution of a €50 million share buyback programme - are clear indicators of the company's solid progress toward these goals.

On a different but equally important front, the company has developed and is implementing a group-wide safety programme to improve its safety performance trend. This initiative aims to ensure the health and safety of every person within BAM and on every project site. The Supervisory Board fully supports this effort and welcomes the steps that are being taken.

Supervisory Board activities

The Supervisory Board met 10 times during 2025, consisting of seven regular meetings and three 'edussionsions'. In the regular meetings, the Supervisory Board and the Executive Committee discussed:

- safety,
- the current state of affairs and BAM's financial and sustainability performance,
- market developments and order intake,
- development of working capital and cash flow,
- the company's financial condition and
- investments and divestments.

The Supervisory Board committees reported on their activities in the quarterly meetings and the Supervisory Board was also updated by the Executive Committee on the business performance (including the status of key projects and large tenders) and HR related topics.

Other matters discussed in the quarterly meetings were the financial results of that quarter, draft press releases and reports from the internal and external auditors. The 2024 annual report and financial statements were reviewed in the February meeting, as was capital allocation (including share buy-back, dividend policy and the dividend proposal).

Supervisory Board attendance overview 2025

Member	SB ¹	AC ²	NC ³	RC ⁴	HSS ⁵
H.Th.E.M. Rottinghuis	7/7		4/4		3/4
G. Boon	2/2	2/2			
B. Elfring	7/7	5/5		3/3	
J.C. Hanson	6/7	5/5	4/4		
D. Koopmans	7/7		4/4	3/3	
M.P. Sheffield	7/7	5/5			4/4
N.M. Skorupska	7/7			3/3	4/4

1 Supervisory Board

2 Audit Committee

3 Nomination Committee

4 Remuneration Committee

5 Health, Safety and Sustainability Committee

In addition to monitoring the business and financial performance of the company, the Supervisory Board devoted ample time to considering other topics, including compliance, strategy, sustainability, safety, energy transition and artificial intelligence.

The Supervisory Board places great value on maintaining an open and regular dialogue with shareholders and investors, viewing this as an opportunity to explain the Group's strategy and performance, and to receive feedback. The Supervisory Board reviewed BAM's investor relations activities and shareholder base at all its meetings, and was informed of the feedback from shareholders, investors and analysts.

Before each meeting, the Supervisory Board first met without the Executive Committee being present. Topics discussed in these pre-meetings included the preparation of the meeting, the annual self-assessment, and the remuneration policy and remuneration of the Executive Board members, including the determination of the variable portion of their remuneration for 2025 and the targets for 2026.

Corporate governance

Each year, BAM publishes an updated overview of its corporate governance compliance on the company's website. This provides transparency on how BAM complies with the Dutch Corporate Governance Code. The Supervisory Board took note of the updated Corporate Governance Code and the introduction of the Statement on Risk Management. The Supervisory Board and the Executive Board are of the opinion that the company's corporate governance is up to standard. Further information is included in [chapter 4.2](#).

Risk management

Effective risk management is fundamental to ensuring predictable performance and creating sustainable shareholder value. This therefore continues to be a top priority for the Supervisory Board and, as a consequence, risk management continues to feature prominently on the Supervisory Board's agenda.

BAM's strategic focus on key growth markets, combined with a rigorous stage-gate tendering process, plays a critical role in identifying potential risks at an early stage and implementing appropriate mitigation measures during tendering. The Supervisory Board fully endorses the Executive Committee's strategic decision to refrain from tendering for large, complex, single-stage projects that present an unfavourable risk-reward balance. This decision underscores BAM's commitment to selective and disciplined tendering, which is essential for reducing portfolio risk. By applying lessons learned from past challenges, BAM continues to strengthen its risk management framework. In collaboration with the Executive Committee, the Supervisory Board regularly reviews the company's risk appetite to ensure clear boundaries for future engagements, aligned with long-term strategic objectives. This includes decisions to disengage from clients unwilling to agree on a fair allocation of risk.

The Supervisory Board also reviewed BAM's business and project portfolio, including projects with elevated risk profiles and the phasing out of legacy projects, and discussed the measures in place to manage these risks. Additional assurance was provided by Internal Audit, which conducted audits on several high-exposure projects and issued recommendations to enhance project control measures.

As part of its annual risk management review, the Audit Committee discussed the results of BAM's enterprise risk management assessment during its November meeting, attended by the Executive Director Group Control. This assessment provides a comprehensive overview of the key risks facing BAM in achieving its objectives, along with the corresponding mitigation strategies. The Supervisory Board was updated on this review and was also briefed on the status of compliance with BAM's requirements framework, which underpins the Group's internal risk management and control systems. In addition, the impact of the Statement on Risk Management ('Verklaring Omtrent Risicobeheersing') as a result of the updated Dutch Corporate Governance Code was assessed and monitored throughout the year.

The Supervisory Board concluded that BAM has established adequate internal risk management and control systems, supported by financial reporting manuals, procedures for preparing financial statements, and a robust monitoring and reporting framework.

Specific areas of attention for 2025

In 2025, Safety and Sustainability were, as in the previous year, subject to specific attention by the Supervisory Board.

Safety

Following the comprehensive analysis in 2024 to identify the root causes of serious safety incidents and the systemic factors behind a negative trend, the Executive Committee launched a group-wide safety programme in 2025. This included the introduction of six Life Saving Rules, eight Safety Principles and Group Safety Standards to establish clear expectations and consistent ways of working, particularly in relation to high-risk activities. Alongside this, the company has implemented targeted initiatives to drive measurable improvement in safety performance. These include expanding training programmes, strengthening safety leadership, enforcing clear accountability at all levels and reinforcing disciplinary measures where standards are not met. The Supervisory Board actively monitored the execution of these initiatives throughout the year.

The Supervisory Board fully endorses the Executive Committee's position that safety is BAM's highest priority; for its employees, supply chain partners and society at large. Safety is not merely a compliance obligation; it is a fundamental responsibility that demands unwavering commitment and ownership from every leader and employee. The incident frequency (IF Total) improved to 2.5 (2024: 2.9). IF BAM decreased from 2.9 in 2024 to 2.7 in 2025. BAM remains committed to its ambition of zero incidents and to the continued reduction of the incident frequency rate. Achieving this goal requires continuous vigilance, strict adherence to standards, and personal accountability across the organisation.

Sustainability

BAM's Sustainability strategy is an integral part of the strategic plan for 2024-2026. The strategy has been developed around six material themes concerning People and Planet, and is driven by the global challenges regarding climate change and inequality, and related developments concerning legislation, clients and competitors. These themes are aligned with the selected United Nations Sustainable Development Goals (SDGs) and include clear goals up to 2030. In 2025, the Supervisory Board was closely involved in reviewing the sustainability strategy and the goals that were set for the six themes. The Supervisory Board recognises the importance and connection of all six sustainability themes and supports BAM in its focus on achieving the targets it has set.

The Supervisory Board is delighted that BAM, as the only Dutch construction company, was rated on the CDP A-list for the seventh consecutive year. The Supervisory Board further notes a promising ongoing trend in reducing BAM's environmental footprint. The Supervisory Board closely monitors the challenges in CO₂ measurements and the planned reductions in Scope 1, 2 and 3 emissions. BAM is on track to meet its ambitious 2026 target.

The company remains committed to reducing the Scope 3 CO₂ emissions of its operations by 50% in 2030 compared to the 2019 base year. While the company is ambitious in its Scope 3 approach, the Supervisory Board acknowledges that measuring Scope 3 emissions consistently and reliably is an enormous challenge, and that maturing the measurement process will be a multi-year journey for the company.

The Supervisory Board recognises the need to educate more clients to choose and pay for sustainable solutions as the goals cannot be achieved without customer cooperation.

Other activities

Beyond formal meetings, the Supervisory Board maintained active engagement with the Executive Committee and other senior management. The Chair of the Supervisory Board held regular discussions with BAM's CEO, while the Chair of the Audit Committee maintained close contact with the CFO. In addition, the Chair and other Supervisory Board members met with a broad range of senior managers to receive briefings on key topics, including human resources, sustainability, finance, corporate governance and internal audit.

As part of its off-site meeting, in September, the Supervisory Board visited the Schiphol Airport project, in the Netherlands. In November, the Board toured the ABN AMRO headquarters project in Amsterdam, the Netherlands, and a delegation also visited the Transpennine Rail Upgrade project in Huddersfield, the United Kingdom.

A delegation of the Supervisory Board met with the Central Works Council in the Netherlands. The Council was consulted and provided advice regarding the nomination for reappointment of Mr Sheffield and Dr Skorupska as Supervisory Board members, as well as the nomination for appointment of Mr de Pater to the Executive Board. These appointments and reappointments were subsequently confirmed at the Annual General Meeting ('AGM') on 8 May 2025. Later in the year, the Works Council was again consulted and issued advice on the nomination of Paul Hamer as a Supervisory Board member, scheduled for appointment at the AGM on 7 May 2026.

Educational sessions are organised throughout the year to inform and enhance the Supervisory Board's understanding of relevant matters. In 2025, these 'edusessions' covered topics such as the hydrogen transition for construction plants, Research and Development Credits in the UK, the Dutch housing market, BAM Residential and the UK rail sector. Besides aiming to deepen the Supervisory Board's knowledge, these sessions also foster connections with other professionals within the organisation.

Composition of the Supervisory Board

Between 6 November 2024 and 8 May 2025, the Supervisory Board temporarily comprised seven members following the appointment of Mrs Hanson. At the AGM on 8 May 2025, Mr Boon stepped down, after which the Supervisory Board reverted to six members.

The Supervisory Board is chaired by Mr Rottinghuis, who has held this position since 2020. At the AGM on 8 May 2025, Mr Elfring assumed the role of Vice-Chair, succeeding Mr Boon. Further details on individual Supervisory Board members can be found in [chapter 4.3](#).

Selection of new members

When appointing new members, the Supervisory Board considers expertise, experience, diversity and independence, as outlined in its profile (Schedule 2 of the Supervisory Board Rules of Procedure, available on BAM's website). Candidates meet with the Executive Board and the Central Works Council, whose views are taken into account during the nomination process.

Diversity and inclusion

In line with the 2021 Dutch law on gender balance in corporate boards (Wet evenwichtiger verhouding tussen mannen en vrouwen in het bestuur en de raad van commissarissen), BAM has set and reaffirmed ambitious diversity targets for the Supervisory Board, Executive Committee and senior leadership group. An action plan has been implemented to achieve these targets. Further details on the targets, the action plan and the results are provided in [chapter 3.2](#).

The Supervisory Board acknowledges the importance of diversity in its composition. Its profile includes a minimum target of 33% for both female and male members. Throughout the year the Supervisory Board met this target with 43% until the AGM on 8 May 2025 and 50% thereafter.

Induction

New members of the Supervisory Board follow a dedicated induction programme which is monitored by the Chair. The programme includes introductory meetings with internal and external stakeholders, such as members of the Executive Committee, senior managers and the external auditor. The induction programme also includes several project visits to gain insight into BAM's business and operations.

Education and development

The Supervisory Board values continuous learning and development, whether through educational sessions or individual training. This is thoroughly assessed during the annual performance evaluation and supported by an annual educational budget for Supervisory Board members.

Independence

The Supervisory Board confirmed that in 2025 none of the Executive Board members held more than two other Supervisory Board positions at large organisations or served as chairs of such bodies. This complies with the Management and Supervision Act (Wet bestuur en toezicht rechtspersonen) and the Dutch Corporate Governance Code. Furthermore, no Supervisory Board member held more than five supervisory positions at Dutch listed companies or other large institutions. The Supervisory Board also reviewed the independence requirements as set out in best practice provisions 2.1.7 to 2.1.9 of the Dutch Corporate Governance Code and concluded that these have all been met.

Self-evaluation

In November 2025, the Supervisory Board conducted its annual self-evaluation. This self-evaluation is based on an extensive questionnaire that was completed by all members prior to the evaluation session. The feedback from the individual members was translated into an anonymised report which was subsequently discussed in a dedicated evaluation session.

Specific attention was paid to the key areas of supervision, namely strategy, risk management and internal audit, ethics and compliance culture as well as finance and accounting. The Supervisory Board compared its current composition to its profile and concluded that it is a well-functioning team, of an appropriate size, that benefits from expertise, diversity and international representation.

During the self-evaluation, a number of suggestions were made to further strengthen the Supervisory Board going forward. These focused on topics such as succession planning and finding the right balance between focus and distance. The Supervisory Board also expressed its wish to review the company's risk appetite more broadly in 2026. As a follow-up to the self-evaluation, these topics will all be addressed during the normal execution of the Supervisory Board's duties.

Conflicts of interest

As part of its annual self-evaluation, the Supervisory Board reviewed the other positions held by its members and those of the Executive Board and confirmed that no conflicts of interest exist. No transactions involving conflicts of interest with members of the Supervisory Board occurred during the year. Given his (previous) role as a member of the Supervisory Board of KPMG, Mr Boon excused himself from the selection process for the new external auditor.

Supervisory Board committees

The Supervisory Board has four standing committees: the Audit Committee, the Remuneration Committee, the Nomination Committee, and the Health, Safety and Sustainability Committee. The first three committees are mandatory and in line with Dutch corporate governance requirements. The Health, Safety and Sustainability Committee was established in 2021 to emphasise the Supervisory Board's commitment to these topics.

Each committee is tasked with supporting and advising the Supervisory Board on matters within its remit and preparing decisions for the Supervisory Board's consideration. While the committees assist in these responsibilities, the Supervisory Board as a whole retains ultimate responsibility for the performance of its duties and for the preparatory work undertaken by the committees.

Audit Committee

In 2025, the Audit Committee was composed of Mrs Hanson, Mr Sheffield, Mr Elfring and Mr Boon (who stepped down from the Supervisory Board on 8 May 2025). Mrs Hanson succeeded Mr Boon as Chair of the Audit Committee per 8 May 2025. The composition of the committee is in line with the relevant provisions of the Corporate Governance Code. The Audit Committee reviews and recommends the decisions of the Supervisory Board regarding the supervision of the integrity and quality of the company's financial and sustainability reporting, and the effectiveness of the company's internal risk management and control systems. It also assists and advises the Supervisory Board in this respect.

Meetings and topics

The Committee met five times in 2025. It held four regular meetings in which the financial results were discussed, plus an additional meeting, in December, to discuss the budget and plans for 2026. The CFO, the Executive Director Group Control, the Group Director Internal Audit and the external auditor attended all regular Audit Committee meetings. In line with its tasks and responsibilities, the Audit Committee addressed many topics, including the development of BAM's key financial figures, the reports of the external auditor, the internal audit plan for 2026, the introduction of the Statement on Risk Management as a result of the updated Corporate Governance Code, and the output and impact of the new mandatory sustainability reporting requirements. In addition, developments relating to tax, IT, insurance, legislation (including material legal proceedings), funding compliance, risk management (including cyber risks) and pensions were monitored and reviewed, as well as BAM's progress on the transformation of its IT and ERP landscape and finance functions.

External auditor

The external auditor briefed the Audit Committee on relevant developments in the audit profession and on the major findings of their audit and review procedures. The Committee met with the external auditor without the Executive Board being present, and reported to the Supervisory Board on the performance of, and relationship with, the external auditor. Furthermore, the Chair of the Audit Committee regularly communicated on a one-to-one basis with the external auditor. The Audit Committee considers the company's relationship with the external auditor to be effective.

Remuneration Committee

In 2025, the Remuneration Committee comprised Mrs Koopmans (Chair), Mr Elfring and Dr Skorupska. The Committee's primary responsibility is to advise the Supervisory Board on the remuneration policy, the terms of employment for members of the Executive Board and the remuneration of both the Supervisory Board and Executive Board members. In addition, the remuneration of Executive Committee members who are not part of the Executive Board is subject to Supervisory Board approval.

Meetings and topics

During the year, the Committee met four times, with the CEO and CHRO attending when considered appropriate. In February, it submitted proposals to the Supervisory Board regarding the payout of the 2024 short-term incentive plan and the vesting of the 2022–2024 long-term incentive plan, based on BAM's performance against predefined objectives and targets.

The Committee further monitored developments within the labour market reference group and conducted a detailed benchmark of Executive Board and Supervisory Board remuneration to ensure continued alignment with market standards in accordance with the commitments that were made in the remuneration policies. The Committee also reviewed the fixed remuneration of the CEO and CFO, taking into account macroeconomic factors, company performance and broader workforce developments, and submitted a proposal for indexation of their fixed remuneration which was subsequently approved by the Supervisory Board.

The Committee paid attention to broader topics as well, including a session on gender pay gap developments and the implementation of the European Pay Transparency Directive. In December, working closely with the Health, Safety and Sustainability Committee and the Audit Committee, it submitted proposals regarding the objectives of the 2026 short-term incentive plan and the 2026–2028 long-term incentive plan. Finally, the Committee prepared [the remuneration report](#), explaining how the remuneration policy was applied in practice, and carried out its annual self-assessment.

Nomination Committee

During 2025, the Nomination Committee consisted of Mr Rottinghuis (Chair), Mrs Koopmans and Mrs Hanson. The key responsibility of the Nomination Committee is to make proposals to the Supervisory Board regarding the size and composition of the Supervisory Board and the Executive Board, with regard to selection criteria. These proposals cover selection procedures, appointments and reappointments to both boards as well as the assessment of their performance. The Nomination Committee also monitors the Executive Board's policy on selection criteria and appointment procedures for senior management, succession planning and talent development, and holds annual appraisals with the individual members of the Executive Board.

Meetings and topics

The Nomination Committee met twice in 2025. In addition, members consulted each other a number of times outside the formal meetings. Items discussed included the composition of the Supervisory Board, Executive Board, Executive Committee and senior leadership, including inclusion and diversity. In addition, the Nomination Committee, the CEO and the CHRO discussed succession planning and development among senior leadership, the results of the 2025 talent review cycle and the selection criteria and appointment procedure for senior leadership. Additionally, the Nomination Committee was updated regularly on initiatives on the People roadmap.

In 2025, the nominations of Mr de Pater, as successor of Mr den Houter, and Mrs Hanson, as successor of Mr Boon, were presented and approved during the Annual General Meeting. Mr de Pater started effectively in the role of CFO as of 1 March 2025, and Mrs Hanson started as a member of the Supervisory Board in the role of Chair of the Audit Committee as of 1 May 2025. The Nomination Committee prepared these nominations. Although he already served as a member of the Supervisory Board for two periods of four years, the Supervisory Board resolved to nominate Mr Sheffield for reappointment as a member of the

Supervisory Board for a further period of one year in order to retain his extensive experience in the construction industry and to create flexibility in the rotation schedule of the Supervisory Board. The Annual General Meeting approved this nomination. Later in the year, the Nomination Committee also prepared the decision of the Supervisory Board to nominate Mr Paul Hamer as a member of the Supervisory Board (succeeding Mr Sheffield), which will be presented to the Annual General Meeting in 2026 for appointment.

Health, Safety and Sustainability Committee

Throughout 2025, the Health, Safety and Sustainability (HSS) Committee, consisting of Mr Rottinghuis (Chair), Mr Sheffield and Dr Skorupska, continued to oversee and challenge the company's approach across these areas. The Committee is responsible for reviewing and advising on BAM's policies, management practices, culture and performance in this domain. As of 1 January 2026, Dr Skorupska has taken over the role of Chair of this committee.

Meetings and topics

The HSS Committee met four times in 2025. The members also consulted among themselves outside the formal meetings. With the launch of BAM's Group wide Safety Programme, the CHRO and Programme Director joined the COOs and the Head of Group Sustainability for these sessions. The Committee addressed a broad range of strategic topics central to BAM's safety and sustainability ambitions.

The Committee maintained detailed oversight of the Group Safety Programme, welcoming the introduction of the Life Saving Rules and related Group Standards, and strengthened leading and lagging KPIs. Divisional updates highlighted further cultural and operational improvements, including enhanced incident reporting and increased leadership visibility on projects, supported by the expansion of safety visits across both divisions.

A further area of focus was BAM's sustainability performance, which was reviewed regularly throughout the year. The Committee discussed progress against carbon reduction targets, developments in circularity and biodiversity and the impact of global trends on BAM's sustainability strategy. The Committee reviewed the updated Double Materiality Assessment and agreed that the results reflect the most material topics for BAM. Broader developments were also considered. These included insights from BAM's participation at COP29, the challenges of HVO fuel use on major infrastructure projects and the company's continued achievement of a CDP A rating.

These discussions reflect the Supervisory Board's continued commitment to ensuring BAM strengthens its safety culture and advances its sustainability performance.

Executive Board and Executive Committee

The Supervisory Board primarily interacts with the Executive Board and Executive Committee through its regular meetings and those of its committees. However, there are ample contacts between formal meetings, be they during bilateral meetings, site visits, educational sessions, social events or other occasions.

The Supervisory Board reviewed the functioning of the Executive Board and its members, based on input received from the Executive Board following its own performance evaluation. The outcome of the review by the Supervisory Board was shared and discussed with the members of the Executive Board. The Supervisory Board appreciated the open discussions and transparent communications and felt that the Executive Board was functioning well.

External auditor

During the year under review, the external auditor, EY Accountants B.V. ('EY'), reported on its 2024 audit and attended the quarterly meetings with the Audit Committee, two meetings of the Supervisory Board and the Annual General Meeting on 8 May 2025. Outside the meetings, there were several informal contacts between the signing partner, the Chair of the Supervisory Board and the Chair of the Audit Committee respectively.

The 2025 assurance plan was presented to, and discussed with, the Audit Committee and the Supervisory Board, and subsequently approved. During the audit of the 2024 financial statements and the review of the 2025 interim financial statements, the Supervisory Board met with EY to discuss its reports. The relationship between EY and the Supervisory Board was effective and open.

The Supervisory Board established that EY received the financial and sustainability information on which the reports were based in a timely manner, and noted that it had discussed the information provided with the Executive Board and various senior managers. The Supervisory Board took note of the reports as prepared by EY and monitored the follow-up of the identified recommendations.

Areas of emphasis

In the February and July meetings, the Supervisory Board discussed with EY and the Executive Board the areas of audit emphasis, the valuation of projects and revenue recognition for key projects, regulations, sustainability and the valuation of land and building rights. Other topics discussed were the findings regarding the company's internal control environment and financial processes, valuation of deferred taxes, IT general controls (including cyber risks) and fraud and (non-) compliance with laws and regulations.

Appointment of KPMG as external auditor for 2026, 2027 and 2028

Pursuant to Regulation (EU) no 537/2014, BAM is required to change audit firm after a maximum period of 10 years from the first year of its engagement. EY Accountants B.V. was appointed in 2015 to audit BAM's financial statements 2016. BAM was therefore required to select a new auditor to audit the 2026 and subsequent financial statements. At the Annual General Meeting in 2025, KPMG was appointed as the new external auditor for the years 2026, 2027 and 2028.

Relationship with shareholders

The Annual General Meeting took place on 8 May 2025. Shareholders were given the opportunity to participate in person. The Annual General Meeting was prepared by the Executive Board and Supervisory Board. The external auditor was present and provided an explanation of the audit procedures performed. Besides the regular topics, the agenda also included the appointment of Mr de Pater as a member of the Executive Board and the reappointment of Mr Sheffield and Dr Skorupska as members of the Supervisory Board. The agenda further included the cancellation of shares and the appointment of KPMG Accountants N.V. as external auditor responsible for auditing the 2026, 2027 and 2028 financial statements, and for providing assurance on the sustainability statements for those years.

Financial statements 2025

This annual report includes the 2025 financial statements, duly prepared by the Executive Board. The financial statements have been audited by EY; the unqualified independent auditor's report is included in [chapter 8.1](#).

The Audit Committee discussed the financial statements with the Executive Board and the external auditor. The Audit Committee also discussed the auditor's reports and the quality of internal risk management and control systems. The Audit Committee held this discussion with the external auditor without the Executive Board being present. Subsequently, the Supervisory Board discussed this annual report, including the financial statements, with the Executive Board in the presence of the external auditor.

The Supervisory Board took note of the reports from the Audit Committee and reviewed the auditor's report and the quality of internal risk management and control systems. The Supervisory Board concluded that it should approve the 2025 financial statements.

The Supervisory Board recommends that the 2025 financial statements be adopted during the Annual General Meeting, to be held on 7 May 2026. The Supervisory Board is of the opinion that the financial statements, the report by the Executive Board and the report by the Supervisory Board provide a solid basis on which to hold the Executive Board accountable for the management of policies pursued, and the Supervisory Board accountable for its supervision of these policies. The members of the Supervisory Board signed the financial statements in accordance with their statutory obligations under article 2:101, paragraph 2 of the Dutch Civil Code.

The Supervisory Board also recommends the Annual General Meeting to adopt the proposal of the Executive Board to make a distribution of €0.30 per share against the net result of 2025.

Final comments

On behalf of the Supervisory Board, I would like to express our sincere appreciation to everyone across the organisation for their dedication and hard work throughout the past year. The commitment of our employees has enabled us to navigate challenges, seize opportunities, and deliver strong results that reflect the resilience and ambition of our company.

We recognise that these achievements are the outcome of countless individual and team efforts, often under demanding circumstances. The ability to adapt, innovate and maintain focus on our strategic priorities has been instrumental in driving progress and creating value for all stakeholders.

This year's performance demonstrates not only operational excellence but also the strength of our culture and collaboration. It is thanks to the professionalism and passion that we continue to build a sustainable future for our business.

As we look ahead, the Supervisory Board remains confident that, together, we will continue to achieve our goals and respond effectively to the evolving market environment. Thank you once again for your outstanding contribution to our shared success.

Bunnik, the Netherlands, 25 February 2026

On behalf of the Supervisory Board,
Henk Rottinghuis, Chair



Story

Gerard Murck

operations manager

“My role at BAM is that of operations manager. Basically, my work focuses on the people who carry out the daily activities on our projects. I manage project managers and teams working on infrastructure projects such as roads, bridges, viaducts and tunnels. In doing so, I oversee planning, budget, safety, sustainability and collaboration with our clients. I also coordinate planning and capacity to ensure that people are deployed in the right place at the right time. That balance is crucial for the successful delivery of projects.

At the moment, for example, I am active at a TenneT project site in Geertruidenberg. We are working on strengthening the electricity pylons. Because the cables are heavier, the pylons also need reinforcement. In addition, I support various tenders from a production perspective, currently mainly in the southern part of the Netherlands. I work on larger and more complex projects for clients like Rijkswaterstaat, TenneT, ProRail and the Central Government Real Estate Agency.

What makes me proud to work at BAM is the freedom you get to develop yourself. I always say: if you can't find what you're looking for at BAM, you haven't looked hard enough. Whether you want to build, focus on sustainability or work on digitalisation or ICT – there is always a place for you.

What makes a BAM project recognisable to me is the structure, the attention to sustainability and the ability to truly work in an integrated way. But above all, it's about trust and responsibility. I give people clear frameworks and then say: this is your assignment, go and make it happen. That space is exactly what helps people grow – and what enables BAM to remain successful as a whole.



“What makes me proud to work at BAM is the freedom you get to develop yourself.”

Our values

Sustainable
Inclusive
Reliable

• **Ownership**
Collaborative



Ownership

Over the years, I have seen our culture change significantly. Where we used to have a more directive and sometimes even pampering approach, we now work much more based on trust. We have conversations with people about the desired results and the frameworks within which they operate. Whether you work on a construction site, in a leadership position, or in a supporting role, everyone receives responsibility. That freedom helps people take ownership and develop themselves.

5.2 Remuneration report

Introduction

2025 has been a strong year for BAM during which it demonstrated the effectiveness of its strategy and the disciplined execution required to deliver predictable, profitable and sustainable performance. As the Company progressed through the Transform phase of its 2024–2026 strategy cycle, the Supervisory Board continued to ensure that remuneration target setting and outcomes for the Executive Board remained firmly aligned with BAM's strategic objectives, sustainability ambitions and the long-term interests of stakeholders.

In 2025, safety has been a top priority. BAM implemented six Life Saving Rules and eight Safety Principles, with highly engaged leadership visible throughout the organisation. The Supervisory Board values this focus on a strong safety culture and considers it to be essential to BAM's success. BAM also continued to make progress with its sustainability ambitions. The Group further reduced CO₂ emissions, expanded the use of low-carbon and circular materials, and strengthened its role in developing sustainable housing and infrastructure. These efforts illustrate how sustainability remains central to the Company's way of working and long-term value creation.

The above activities took place against the background of BAM's Executive Board remuneration policy, introduced in 2024. The policy seeks to promote clear alignment between pay and performance, to reinforce the link to BAM's long-term ambitions, and to encourage responsible and sustainable leadership, all while ensuring transparency and fairness across the organisation. In 2025, the Supervisory Board applied this policy consistently in assessing performance and determining outcomes.

Incentive outcomes over 2025

On the basis of BAM's excellent business results, the Supervisory Board determined the outcomes of the incentive plans for the Executive Board. Subsequently, it applied the discretion framework included in the remuneration policy to review these formulaic short-term incentive plan (STIP) and long-term incentive plan (LTIP) outcomes and make sure these were aligned with the guiding principles of the policy. In doing so, the Supervisory Board considered a broad range of qualitative and quantitative factors, such as progress on strategic objectives, risk management, safety incidents and the interests of stakeholders. Based on this holistic assessment, it was concluded that the formulaic outcomes fairly represented the Company's underlying performance in 2025 and therefore did not require adjustment.

The outcomes for both the STIP and the LTIP reflect the strong operational and financial results delivered during the year, including an improved adjusted EBITDA margin and continued progress on strategic and sustainability objectives. This results in a STIP payout for the Executive Board of 97.5% of fixed remuneration. Furthermore, 132.8% of the conditionally awarded shares under the 2023–2025 LTIP will vest, reflecting strong profitable growth, significant shareholder value creation over the three-year performance period and excellent performance on the sustainability objectives. Further details on the STIP and LTIP outcomes for 2025 are presented in [these tables](#) of this report.

Incentive objectives for 2026

As BAM prepares for the final year of the current 2024–2026 strategy cycle, turning its attention to the Expand phase, the Supervisory Board has set ambitious objectives for both STIP 2026 and LTIP 2026–2028. These objectives continue to focus on sustainable financial performance and other important drivers of BAM's long-term success.

Given the Company's progress in strengthening the safety culture and leadership engagement, the Supervisory Board decided to maintain the enhanced safety-related objective introduced in 2025, ensuring visible executive involvement in driving continuous improvement on safety across both divisions. Sustainability objectives furthermore remain a core component of both STIP and LTIP, reflecting the importance of long-term environmental and social impact to BAM's strategy. Full details of the STIP 2026 and LTIP 2026-2028 targets and performance measures are presented in [this graphic](#) of this report.

Conclusion

With strong financial performance, a clear strategic direction and a continued commitment to sustainable and responsible business practices, BAM enters 2026 well positioned for further growth. The Supervisory Board is confident that the remuneration framework, as reviewed and adopted in 2024, remains fit-for-purpose and supports the long-term interests of shareholders, employees, clients and society.

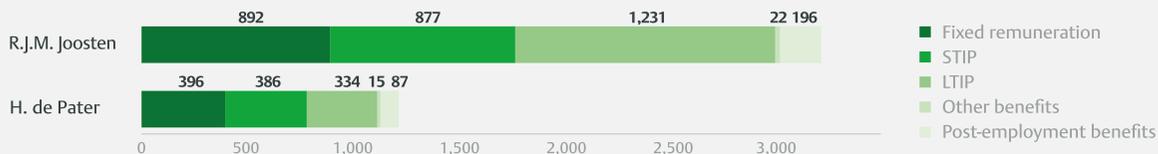
This report provides a detailed overview of the remuneration of the Executive Board and Supervisory Board in 2025 and an outlook for 2026. The full remuneration policy is available on [BAM's website](#).

Bunnik, the Netherlands, 25 February 2026

On behalf of the Supervisory Board,

Denise Koopmans, Chair of the Remuneration Committee

Remuneration of the Executive Board in 2025 at a glance



Labour market reference group (unchanged for 2026)

Aalberts, Arcadis, Balfour Beatty, Corbion, Fugro, Heijmans, Keller Group, Kier Group, Koninklijke KPN, Morgan Sindall Group, PostNL, Renew Holdings, SBM Offshore, Signify

Purpose and Policy		2025 Actuals	
Fixed remuneration	<p>Purpose: Provide base compensation to attract and retain qualified Executive Board members.</p> <p>Policy: Annual evaluation considering personal performance, the results of the past year, alignment with the labour market reference group, broader macro-economic factors and a particular focus on wider workforce compensation developments.</p>	<p>1 January 2025: €869,000</p> <p>1 April 2025 +3.5%: €899,000</p> <p>8 May 2025: €899,000</p>	<p>R.J.M. Joosten</p> <p>€869,000</p> <p>€899,000</p> <p>€899,000</p> <p>H. de Pater</p> <p>-</p> <p>-</p> <p>€611,000</p>
STIP	<p>Purpose: Reward annual performance, incentivise achievement of agreed objectives and align Executive Board and stakeholder interests.</p> <p>Policy: Cash incentive expressed as a percentage of fixed remuneration. Objective setting: 70% Financial objectives 30% Non-financial objectives.</p>	<p>STIP 2025 payout (% of fixed remuneration)</p> <p>32.5 (Threshold) 65 (Target) 97.5 (Achievement)</p>	<p>STIP 2025 payout (amount)</p> <p>R.J.M. Joosten €876,525</p> <p>H. de Pater €385,867*</p> <p>*per appointment as CFO</p>
LTIP	<p>Purpose: Reward long-term value creation, serve as retention instrument and align Executive Board and stakeholder interests.</p> <p>Policy: Share-based incentive. Award value expressed as a percentage of fixed remuneration: CEO 100% CFO 90%. Objective setting: 66.7% Financial objectives 33.3% Sustainability objectives. Three-year vesting period. Two-year lock-up period after vesting, plus minimum share ownership requirement: CEO 200% of fixed remuneration CFO 150% of fixed remuneration.</p>	<p>Vesting LTIP 2023-2025 (% of award)</p> <p>50 (Threshold) 100 (Target) 132.8 (Achievement) 150 (Excellent)</p>	
Post-employment benefits	<p>Purpose: Provide the Executive Board members a solid basis for retirement savings.</p> <p>Policy: Gross allowance equal to 22% of fixed remuneration.</p>	In line with policy	
Benefits	<p>Purpose: Offer a competitive package of benefits that suits the needs of the Executive Board members.</p> <p>Policy: The benefits offering is set in line with the overall benefits proposition provided to BAM Group's wider workforce.</p>	In line with policy	

Remuneration of the Executive Board in 2025

The members of the Executive Board received remuneration in the past financial year in line with the remuneration policy adopted by the Annual General Meeting on 10 April 2024.

The remuneration policy for the Executive Board is available on [BAM's website](#). A summary of the remuneration of the members of the Executive Board can be found in the table below.

Total remuneration Executive Board

	Fixed remuneration		Short-term incentive		Long-term incentive ¹		Other benefits ²		Post-employment benefits		Total remuneration	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
(x €1,000)												
R.J.M. Joosten	892	854	877	706	1,231	974	22	22	196	188	3,218	2,744
H. de Pater ³	396	-	386	-	334	-	15	-	87	-	1,218	-
L.F. den Houter	103	610	-	504	178	668	4	22	23	134	308	1,938

¹ The amount shown under 'Long-term incentive' consists of the IFRS value of the Performance Share Plan as included in [note 28.1](#) Key management compensation of the Financial Statements. For Mr de Pater this includes the value of an extraordinary restricted share plan awarded to him per 20 April 2023. More details can be found in the notes of table [Share based payments](#).

² The amount shown under 'Other benefits' consists of the car allowance or company car cost.

³ The remuneration of Mr de Pater has been included per his appointment as CFO with the exception of the value under 'Long-term incentive'.

The remuneration of members of the Executive Board was not affected by a change of control at the Company and no loans or options were issued to them. The Supervisory Board did not see any reason during the financial year to use its extraordinary powers to adjust or reclaim variable remuneration that has been awarded previously.

Fixed remuneration

The Supervisory Board reviewed the fixed remuneration in line with the remuneration policy for the Executive Board. Based on macro economic developments, market information and increases of the wider BAM workforce in the Netherlands, the fixed remuneration of Mr Joosten was increased by 3.5% per 1 April 2025 to €899,000 gross per annum. The fixed remuneration of Mr de Pater was set per his appointment at the market level of €611,000 gross per annum.

Incentives

Based on input from the Remuneration Committee, the Supervisory Board evaluated the outcomes of the short-term incentive plan (STIP) over 2025 and the long-term incentive plan (LTIP) over 2023-2025 in relation to the objectives that had been set. The Supervisory Board then reviewed the appropriateness of these formulaic outcomes against the discretion framework defined in the remuneration policy.

As explained in the introduction, it was concluded that the formulaic outcomes were reasonable and fair and discretionary adjustments were not required. Therefore, the payout of the short-term incentive plan has been determined at 97.5% of fixed remuneration and the vesting percentage for the long-term incentive plan has been determined at 132.8%. Further details on the achievement of the performance objectives can be found in [these tables](#) of this report. The conditional performance shares that were awarded under the LTIP 2023-2025, will vest on 20 April 2026.

Post-employment benefits and other benefits

Both Mr Joosten and Mr de Pater (per appointment as CFO) received an age-independent gross allowance of 22% of their fixed remuneration as pension contribution, in line with the remuneration policy.

Terms of appointment of the Executive Board members

Members of the Executive Board are appointed for a term of four years, and deliver their services under a management services agreement. Details of their appointment are specified in [chapter 4.3](#). The notice period is three months for both the Company and the Executive Board member, the maximum severance is one year's fixed remuneration in case of termination by the Company.

Performance on 2025 short-term incentive objectives

	Objective	Weighting (%)	Achievement on performance objectives	Achievement	Achievement (% of target)	STIP (% of fixed remuneration)
Financial	Adjusted EBITDA (x € million)	45		BAM delivered a strong performance with an adjusted EBITDA of €400 million.	150	43.9
	Total cash flow (x € million) ¹	25		The total cash flow significantly exceeded excellent level.	150	24.4
Non-financial	Employee engagement (action taking) (in %) ²	10		Employee engagement has increased and exceeded expectations.	150	9.8
	Safety ³	10		The Executive Committee has taken the lead in driving an improved safety culture.	150	9.8
	Scope 1 and 2 CO ₂ intensity (tons per € million revenue)	10		The reduction of Scope 1 and 2 CO ₂ intensity continued and was larger than anticipated.	150	9.8
Overall achievement						97.5

● Threshold
 ● Target
 ● Excellent
 ● Achievement

¹ Average end-month IFRS cash position (excluding joint ventures) for October-December 2025 minus average for October-December 2024.

² Measured with the standardised, external (Glint) survey. Average % employees positive during the year on Glint survey statement: 'I believe meaningful action will be taken as a result of this survey'.

³ Total number of field/project safety visits by Executive Committee members (either jointly or individually) to high-risk projects with a safety expert, including preparation, on-site discussion of incidents with the project director and report on agreed actions in Executive Committee meeting. Safety performance nullified in case of loss of life.



Performance on 2023-2025 long-term incentive objectives

	Objective	Weighting (%)	Achievement on performance objectives	Achievement	Achievement (% of target)	Vesting (% of award)
Financial	Relative TSR ¹	33.3	Position 3	See the next graph for the TSR peer group ranking . BAM's relative TSR performance ended up in the targeted 3rd position.	100	33.3
	Adjusted EBITDA (in %) ²	33.3		At 5.97%, excellent level was almost achieved upon applying the agreed calculation methodology for LTIP.	148.5	49.5
Sustainability	CDP Climate Ranking	11.1		BAM earned a spot on the prestigious CDP Climate A List, for the seventh consecutive year.	150	16.7
	Scope 1 and 2 CO ₂ intensity reduction (in %)	11.1		The reduction of Scope 1 and 2 CO ₂ intensity continued and was larger than anticipated.	150	16.7
	Construction and office waste intensity reduction (in %)	11.1		The reduction of Construction and office waste intensity continued and was significantly larger than anticipated.	150	16.7
Overall achievement						132.8

● Threshold
 ● Target
 ● Excellent
 ● Achievement

¹ BAM's relative position within a peer group of 11 companies. TSR is defined as the share price increase, including dividends, based on the three-month average share price before the start and the end of the three-year performance period.

² The adjusted EBITDA used for LTIP excludes the direct and indirect effect of divestment (possible book gains, losses, transaction costs and the remaining operational EBITDA within the year).

TSR peer group ranking LTIP 2023-2025



Share-based payments

	LTIP	Award date	Vesting date	End of lock-up period	Opening balance		During the year				Closing balance		
					Status of shares	No. of shares ¹	Shares awarded ¹	Dividend shares ¹	Shares forfeited	Adjustment based on actual vesting	Withhold to cover	Status of shares	No. of shares ¹
R.J.M. Joosten ²	2025-2027	09-05-2025	09-05-2028	09-05-2030	-	-	181,521					conditional	181,521
	2024-2026	18-04-2024	18-04-2027	18-04-2029	conditional	218,900		8,531				conditional	227,431
	2023-2025	20-04-2023	20-04-2026	20-04-2028	conditional	364,808		14,217				conditional	379,025
	2022-2024	25-04-2022	25-04-2025	25-04-2027	conditional	286,165				(23,847)	(126,486)	unconditional	135,832
	2021-2023	22-04-2021	22-04-2024	22-04-2026	unconditional	182,004						unconditional	182,004
	2020-2022	01-09-2020	24-04-2023	23-04-2025	unconditional	178,872						unconditional	178,872
H. de Pater ³	2025-2027	09-05-2025	09-05-2028	09-05-2030	-	-	111,033					conditional	111,033
	2024-2026	18-04-2024	18-04-2027	n/a	conditional	25,102		978				conditional	26,080
	2023-2025	20-04-2023	20-04-2026	n/a	conditional	70,877		1,138				conditional	72,015
	2022-2024	25-04-2022	25-04-2025	n/a	conditional	21,843				(1,820)	(8,893)	unconditional	11,130
	2021-2023	22-04-2021	22-04-2024	n/a	unconditional	22,767						unconditional	22,767

¹ For the conditional shares, this is the 'at-target' number of conditionally awarded performance shares, including dividend shares. The number of performance shares that vest may vary between 0 (in the event of 'below threshold' performance) and 150% (in the event of 'excellent' or 'above excellent' performance) of the 'at-target' number of performance shares.

² The number of shares awarded for LTIP 2020-2022 has been decreased pro rata according to the number of months in which Mr Joosten provided management services during this period.

³ The number of shares awarded for LTIP 2023-2025 includes 41,681 shares that were awarded per 20 April 2023 under an extraordinary restricted share plan and that will vest per 20 April 2026 under the condition that Mr de Pater will be in service and not under notice per that date.

Share ownership of the Executive Board members

The Company has rules relating to possessing and trading in BAM securities. These rules are published on the Company's website. The table below shows the value of the shares held by Executive Board members on 31 December 2025.

Share ownership Executive Board members¹

(x €1,000)



R.J.M. Joosten (share ownership requirement 200% of fixed remuneration)



H. de Pater (share ownership requirement 150% of fixed remuneration)²

■ Vested shares from LTIP ■ Privately acquired BAM shares

¹ Ratios based on the number of unconditional shares on 31 December 2025, multiplied by the closing share price of BAM at year-end 2025 (€9.30) divided by the fixed remuneration at year-end 2025.

² Share ownership for Mr de Pater includes €586 in privately acquired shares, not visible in the graph.

Internal pay ratio and five-year analysis

BAM's internal pay ratio in 2025 was 33 (2024: 30), meaning that its CEO's pay was 33 times the average pay within the organisation. The increase in the ratio is primarily caused by the increased value of the LTIP and STIP for the CEO, reflecting the increase of the share price and strong performance on the objectives for these plans.

The internal pay ratio is calculated as the total annual CEO remuneration divided by the average employee remuneration (employee benefit expenses excluding restructuring costs and termination benefits divided by the average number of FTE). Both the annual CEO remuneration and the average employee remuneration are derived from the financial statements (IFRS). External employees are not included in the calculation since BAM does not have sufficient information available.

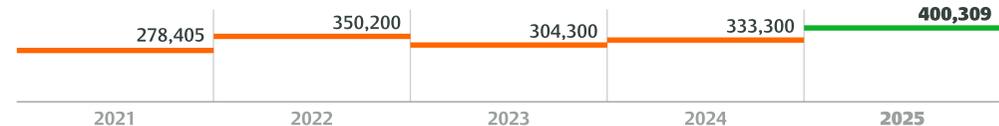
A five-year analysis of Executive Board remuneration versus internal pay ratio, average employee remuneration and company performance can be found in the next table. It contains the performance measure adjusted EBITDA, which is believed to be a crucial reflection of the success of the Company.

Five-year analysis Executive Board remuneration and company performance

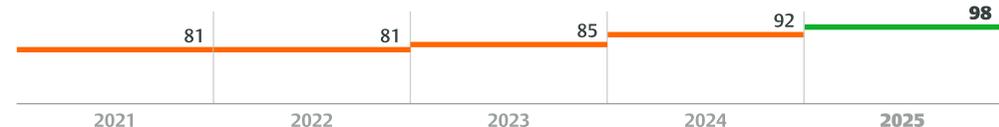
(x €1,000)



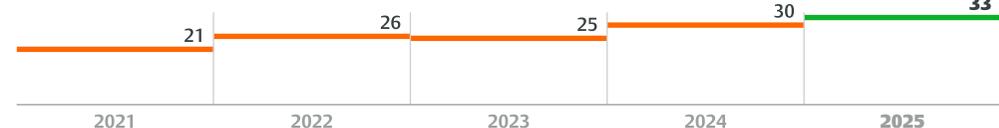
Company performance adjusted EBITDA²



Average employee remuneration



Internal pay ratio



¹ The actual remuneration for the CFO in 2025 is based on the annualised remuneration of Mr de Pater, who was appointed per 8 May 2025.

² The adjusted EBITDA used for STIP payout and LTIP vesting over this period can deviate from these numbers, due to a different calculation methodology. More information can be found in the relevant sections of the remuneration report.

Remuneration of the Executive Board in 2026

Based on advice from the Remuneration Committee, Audit Committee and Health, Safety and Sustainability Committee, the Supervisory Board determined the performance objectives and their weighting for the 2026 short-term incentive plan and the 2026-2028 long-term incentive plan.

For both the short-term incentive plan and the long-term incentive plan, existing objectives will remain unchanged, albeit that BAM's progress on the ambitions in the sustainability wheel will be determined through an integrated qualitative assessment instead of a predetermined sustainability scorecard. This will allow measurement to become more meaningful and less susceptible to progressive insight over the three-year performance period.

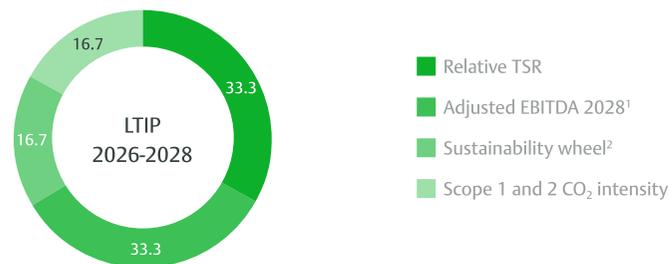
The Relative TSR peer group remains unchanged for the 2026-2028 LTIP award (BAM Group, Balfour Beatty, CFE, Galliford Try Holdings, Heijmans, Hochtief, Kier Group, Morgan Sindall Group, NCC, Peab, Skanska, STRABAG).

Performance objectives and weighting

(in %)

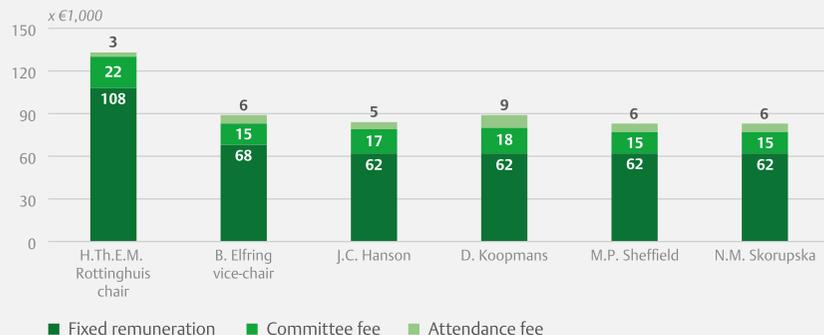


- 1 Average end-month IFRS cash position (excluding joint ventures) for October-December 2026 minus average for October-December 2025.
- 2 Measured with the standardised, external (Glint) survey. Average % employees positive over 2026 on Glint survey statement: 'I believe meaningful action will be taken as a result of this survey'.
- 3 Total number of field/project safety visits by Executive Committee members (either jointly or individually) to high-risk projects with a safety expert, including preparation, on-site discussion of incidents with the project director, report on and close out of agreed actions in Executive Committee meeting. Safety performance nullified in case of loss of life.



- 1 Expressed as a percentage of revenue.
- 2 Integrated qualitative assessment of the three-year performance in all areas of the sustainability wheel.

Remuneration of the Supervisory Board in 2025 at a glance



Labour market reference group (unchanged for 2026)

Aalberts, Arcadis, Balfour Beatty, Corbion, Fugro, Heijmans, Keller Group, Kier Group, Koninklijke KPN, Morgan Sindall Group, PostNL, Renew Holdings, SBM Offshore, Signify

Purpose and Policy

Fixed remuneration
Purpose: Provide compensation to attract and retain Supervisory Board members who contribute to the desired board composition regarding expertise, experience, diversity and independence.

Policy:
 (per January 2026)
 Chair €114,152 per annum
 Vice-chair €76,101 per annum
 Member €65,230 per annum

Committee fee
Purpose: Provide compensation for the support and advice that the Committee provides to the Supervisory Board on matters under its responsibility.

Policy:
 (per January 2026)
 Chair €11,415 per annum
 Member €7,991 per annum

Other arrangements
Purpose: Enable the Supervisory Board members to undertake their role.
Policy: Attendance fee of €1,500 per meeting outside country of residence. Reimbursement of actual incurred costs.

Remuneration of the Supervisory Board in 2025

The members of the Supervisory Board received remuneration in the past financial year in line with the remuneration policy as adopted by the Annual General Meeting on 10 April 2024. The remuneration policy for the Supervisory Board is available on [BAM's website](#).

The remuneration of the individual members of the Supervisory Board over the last five years can be found in the table below. No options or shares were awarded to members of the Supervisory Board, and no loans were issued to them.

Five-year overview of total Supervisory Board remuneration

(x €1,000)	2025	2024	2023	2022	2021
H.Th.E.M. Rottinghuis, chair	133	131	108	103	102
B. Elfring, vice-chair	90	84	69	68	62
J.C. Hanson	83	13	-	-	-
D. Koopmans	89	87	74	68	65
M.P. Sheffield	83	82	67	65	59
N.M. Skorupska	83	88	66	65	42
G. Boon, former vice-chair	20	85	71	70	67
H. Valentin, former member	-	-	-	-	16
Total	581	570	455	439	413

Share ownership of the Supervisory Board members

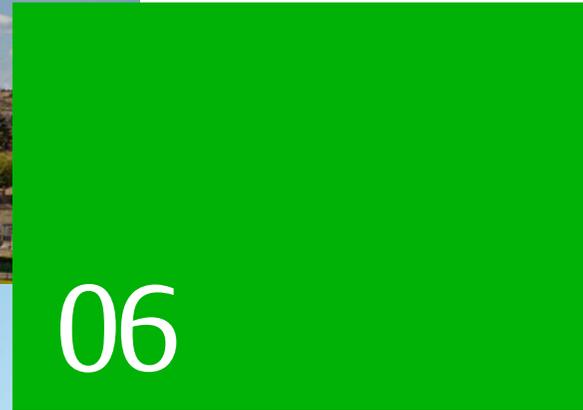
The table below shows the shares held by Supervisory Board members on 31 December 2025.

Share ownership Supervisory Board members

	Type of shares	Number of shares
H.Th.E.M. Rottinghuis, chair	Privately acquired BAM shares	100,000
B. Elfring, vice-chair	Privately acquired BAM shares	50,000
J.C. Hanson	Privately acquired BAM shares	2,254
D. Koopmans	Privately acquired BAM shares	15,000



New facilities for Yeoman Park Academy, Mansfield, United Kingdom



Sustainability statement

Approach to sustainability reporting **80**

General information and sustainability reporting principles **91**

Environmental information **98**

Social information **132**

Governance information **146**

EU taxonomy **149**

Sustainability statement annex **158**

6.1 Approach to sustainability reporting

In this section we disclose BAM's sustainability statement in accordance with European Sustainability Reporting Standards (ESRS), as adopted by the European Union. Central to the approach is the Double Materiality Assessment, which identifies material impacts, risks and opportunities connected with BAM's own operations and direct and indirect business relationships in the upstream and/or downstream value chain.

BAM considers sustainability to be a prime driver for the company's future business and its ability to create long-term value. BAM aims to be a leader in the industry to create a socially and environmentally sustainable environment. Progress is measured continuously, through which BAM is encouraged to deliver sustainable solutions and actively engage with stakeholders to accelerate the sustainability goals.

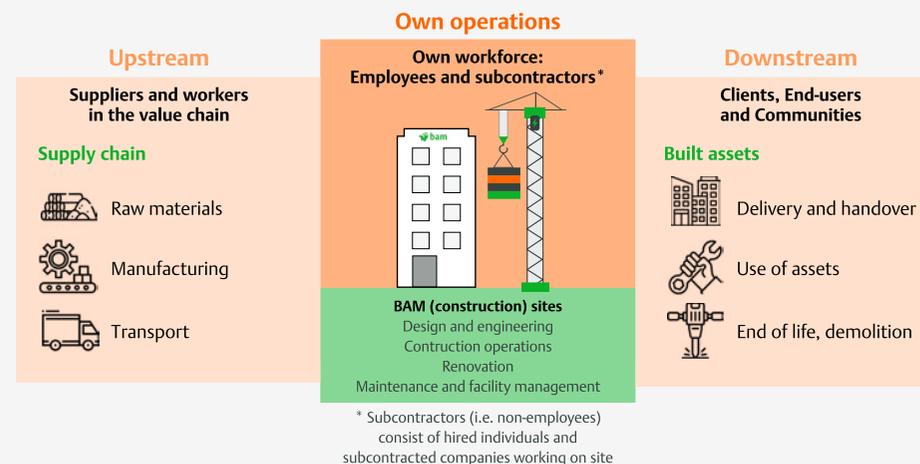
BAM consistently fosters communication and dialogue with both internal and external stakeholders to learn about the perspectives and concerns of those parties impacted by the company's activities and how they in turn can impact BAM. Such interactions not only expand BAM's knowledge base, but also enhance its capacity for sound decision-making and the effective prioritisation of actions.

BAM determined which sustainability-related impacts, risks and opportunities were material to stakeholders and the company. The topics identified through the double materiality assessment are used for strategic direction and control on material sustainability matters. The response to material sustainability impacts, risks and opportunities is fully integrated into BAM's organisational processes. The material impacts, risks and opportunities are subsequently used to determine the scope of BAM's sustainability reporting. The implementation of the double materiality approach and related sustainability reporting is not intended as a compliance exercise but to drive strategic embedding of sustainability in BAM's activities, aiming to achieve sustainable change and a resilient company.

BAM's value chain

Sustainability is a key driver in BAM's business model and strategic decision making. In executing the strategy and driving the sustainability targets, the company continues to support and encourage clients and the supply chain to accelerate their sustainability goals. BAM works with value chain partners and other stakeholders to fully leverage its contribution to the planet and people themes.

BAM's value chain spans activities that turn client needs into built assets while minimising environmental and social impacts. Upstream, business development, design and procurement drive value through planning and the selection of sustainable materials, equipment and partners. Core construction activities - including site preparation, engineering, project management and quality controls - deliver value by practising safety, resource efficiency, waste reduction and technical performance. Downstream functions such as commissioning, handover and maintenance services reinforce long-term performance and contribute to the lifecycle sustainability of the asset.



Double Materiality Assessment

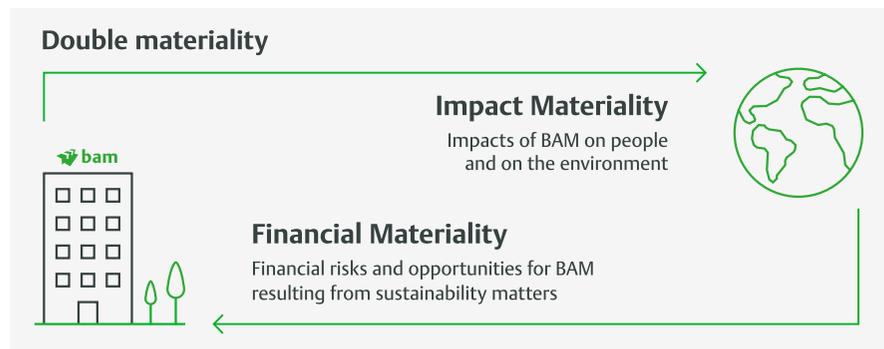
In 2025, the company updated its Double Materiality Assessment (DMA) in line with the European Sustainability Reporting Standards (ESRS), building on the comprehensive assessment conducted in 2023 and the update in 2024 as the foundation for this review. ESRS 2 defines the frequency of sustainability reporting under the ESRS as annual, given that the sustainability statement is part of the BAM's management report. Accordingly, BAM's continuous risk processes are aimed at monitoring and updating its material impacts, risks and opportunities, and material information to be included in the sustainability statement. The process followed four key phases: identification, assessment, processing of results, and validation. This structured approach ensured that material sustainability impacts, risks and opportunities were reviewed comprehensively and updated where necessary.

Following this process, BAM concluded the updated list of material impacts, risks and opportunities as of the reporting date. Compared to the previous reporting year, the following changes have been made: the positive impact of ecosystem services, the opportunity related to energy efficiency, and the climate-risk impact on the land bank are no longer considered material. In contrast, the Dutch nitrogen crisis has been classified as material risk impact, and the energy transition has been classified as a material opportunity.

The Executive Committee and Supervisory Board validated the approach and outcomes, supported by their respective committees.

The tables in [this paragraph](#) show BAM's material sustainability impacts, risks and opportunities. The methodology and underlying assumptions of the double materiality assessment are included in the grey box on the next page.

Double materiality has two dimensions: impact materiality and financial materiality. Thus, the methodology used for this assessment is based on two processes. The first process involves the identification, assessment and prioritisation of actual and potential impact made by BAM on people and the environment. The second process focuses on the identification, assessment and prioritisation of financial risks and opportunities for BAM associated with Environment, Social and Governance (ESG) topics. Following the methodology of double materiality assessment, BAM actively solicited input and feedback from internal and external stakeholders to gain a comprehensive understanding of the most pressing concerns to stakeholders. This approach helps to establish evidence of actual or potential impact on both people and the environment associated with the company's activities, particularly from the perspective of stakeholders who may be directly impacted.





Reporting principles and assumptions

Scope

The double materiality assessment encompasses all the activities of BAM. This extends to BAM's upstream activities, own operations and downstream activities, covering all associated geographical regions.

Impact Materiality

A sustainability impact, risk or opportunity is material from an impact perspective when it pertains to BAM's actual or potential, positive or negative material impact on people or the environment over short-, medium- and long-term time horizons.

BAM determined a quantitative threshold, which was also made qualitative to support internal dialogue sessions. The materiality of an impact is based on the scale and scope of the impact, the irremediable character (in case of negative impacts) and the likelihood of impact to occur. An impact is material if it is scored 'critical' or 'high'. The impact is not material if it is scored 'medium', 'low' or 'negligible'.

Financial Materiality

A sustainability-related risk or opportunity is material from a financial perspective if it triggers or may trigger material financial risks or opportunities for BAM. This is the case when it generates or may generate risks or opportunities that have a material effect (or are likely to have a material effect) on BAM's cash flows, performance, position, cost of capital or access to finance in short-, medium- and long-term time horizons.

The materiality of a financial risk or opportunity is based on the magnitude of the effect and likelihood of the risk or opportunity to occur. BAM determined a quantitative threshold, which was also made qualitative to support internal dialogue sessions. A financial risk or opportunity is material if it is scored 'critical' or 'high'. The financial risk or opportunity is not material if it is scored 'medium', 'low' or 'negligible'.

Thresholds positive and negative impact materiality

BAM has set a lower threshold for negative sustainability impacts. The company aims to protect itself from risks, align with stakeholder expectations and ensure long-term success. While positive impacts are valuable, the costs and consequences of negative sustainability outcomes can be far more severe and harder to reverse, warranting stricter thresholds.

Gross (inherent) or residual risks and opportunities

BAM identifies material impacts excluding the consideration of any mitigating measures. Compliant with ESRS, BAM discloses gross impacts and the (potential) actions taken to mitigate the negative impacts. BAM identifies gross material financial risks and opportunities. In specific circumstances, BAM considers mitigating activities in determining the financial effects for the company. Risk mitigating activities could change the expectation of the effect of the risk on the company, or change the extent to which the company's financial position is affected. Therefore, risk mitigation activities could affect the expectation of whether and how a sustainability-related risk might affect BAM's financial position. A description of the mitigating measures considered in BAM's risk assessment is below:

- Clients will be paying a premium for certain services or covering higher costs levels in the industry, for example due to carbon pricing consequences in BAM's supply chain.
- As is common industry practice, BAM insures its construction projects against material damage caused by extreme weather.

Interactions with stakeholders

In 2025, the double materiality assessment update has been reviewed by the Risk and Control committee, Executive Committee and Supervisory Committees (Audit committee and Health, Safety and Sustainability committee).

Identification of topics

BAM conducted a review to identify a broad range of potential topics relevant to the company. The review included a media analysis related to the industry, review of internal documents, review of the previous materiality assessments, peer benchmarking, and a global standards review, including the list of potential sustainability topics in ESRS 1. In this process BAM focused on for example specific activities, geographies that possibly gave rise to heightened risks or adverse impacts. BAM also explicitly identified impacts through its own operations or as a result of business relationships.

To refine the list of potential topics, BAM engaged in dialogue sessions with internal stakeholders across its divisions.

Initially, in 2023, participants were invited based on their expertise in Environment, Social, Governance, and Finance to discuss actual and potential impacts, risks and opportunities. In 2025, the company updated the list and invited a total of 85 participants, representing a diverse group from all our divisions: Group, Netherlands, and UK and Ireland. The participant group included individuals with different areas of expertise and a variety of roles and levels within the organisation, ensuring a broad and inclusive perspective.

Assessment of impact materiality

During the dialogue sessions in 2025, internal stakeholders were invited to evaluate a set of materiality-related impacts. Twelve priority impacts had been identified in advance to guide the discussion. These impacts were identified based on the scoring from the 2023 assessment and the following criteria:

- Positioned close to the threshold for materiality; and/or
- Frequently misinterpreted by stakeholders regarding whether the impact is positive or negative; and/or
- Classified as 'phased-in' during the 2024 DMA.

Participants evaluated each impact, risk or opportunity against the following criteria: scale, scope, irremediable character (for negative impact) and likelihood (for potential impact).

Impacts, risks and opportunities were classified as material when results exceeded predefined thresholds, aligned with BAM's Enterprise Risk Management (ERM) process. To ensure informed participation, BAM provided pre-read materials, Q&A sessions and one-on-one meetings.

The phased-in impacts:

- Training and skills development
- Work-related ill health

The impacts phased in under the DMA last year were revisited during our dialogue sessions to challenge and validate their relevance under current conditions. The assessment confirmed that both phased-in impacts remain material from an impact perspective. Accordingly, this reporting year, these impacts will be disclosed in alignment with our materiality analysis and applicable sustainability reporting standards.

Assessment of financial materiality

BAM sought to align the assessment of financial materiality as closely as possible with its existing risk management processes. Risk management and finance experts participated in dedicated dialogue sessions to identify and evaluate potential financial risks and opportunities.

During this process, BAM considered how its impacts and dependencies could give rise to related financial risks and opportunities. The assessment began with the identification of themes while maintaining links to prior analyses, including the phased-in financial effects on land banks and energy efficient buildings. This approach resulted in the identification of topics connected to the balance sheet (assets) and the income statement (both costs and revenues). We conducted a series of investigations into financial risks and opportunities, including land bank valuation under climate risk, tax implications of sustainability measures, and the transition from grey to green revenue streams.

Each risk or opportunity was assessed using a combination of quantitative analysis and qualitative insights, ensuring that decisions were grounded in data while incorporating expert judgment where necessary.

- Financial risk of climate change on BAM's land bank valuation:
Potential impacts from flooding and land subsidence were quantified, but even under worst-case scenarios, the financial effect remained below the threshold.
- Tax related to sustainability costs:
Tax credits and obligations linked to sustainability were evaluated, resulting in a limited financial effect, well below the materiality threshold.
- Transition to green revenue:
While the strategic importance is high, the financial risk associated with non-green revenue was assessed as limited and not material given BAM's project-based portfolio and ongoing alignment with EU Taxonomy.
- World trade tariffs:
An extra check was performed on global tariff disruptions and their potential impact on construction materials such as steel, aluminium and timber. The financial effect of tariff-related risks is estimated, the expected loss remains below BAM's materiality threshold and is therefore considered not material.

The process commenced with structured dialogue sessions involving internal subject-matter experts to assess whether these risks and opportunities should be considered material.

Stakeholder dialogue sessions further explored these risks and opportunities, and participants were invited to propose additional items for consideration. For risks and opportunities assessed as material, BAM conducted in-depth analyses to quantify, where possible, the magnitude and likelihood of each identified financial risk or opportunity.

Subsequently, additional internal analyses were performed, integrating both quantitative and qualitative approaches to evaluate the potential financial materiality of these risks and opportunities. The outcomes of these assessments were validated through further engagement with relevant experts and BAM's risk and finance leadership.

Following the financial materiality assessment, BAM performed a stand-back analysis to review the outcomes in the context of benchmarking, additional evidence and overall consistency with our strategic narrative and Enterprise Risk Management (ERM) framework. The purpose of this analysis was to determine whether any impacts, risks and opportunities required inclusion beyond the stakeholder assessment results to present a comprehensive picture of BAM's material issues.

As a result, we concluded that the financial risk related to the nitrogen crisis in the Netherlands and the opportunity in the energy transition market should be classified as financially material for BAM. This decision reflects our commitment to completeness and transparency rather than overriding stakeholder input.

- Nitrogen remains a significant risk in the Netherlands, influencing our ability to execute projects and secure future revenue. Legal and regulatory developments can pose (additional) risks for potential cancellations or delay of projects.
- Energy transition represents a key opportunity aligned with BAM's strategic priorities and long-term value creation, driven by the scale and urgency of new infrastructure required to decarbonise the global economy.

These risks and opportunities have no associated assets and no direct link to the financial statements, other than their potential impact on future revenue generation. From BAM's perspective, this is not a contingency matter but a forward-looking consideration essential to our strategy.

Validation of results

For each impact, risk and opportunity, we assigned a score, based on the applicable calculation methodology, as to whether it related to impact materiality or financial materiality. Using predefined quantitative thresholds, we could immediately see whether an impact, risk or opportunity met the criteria to be considered material.

During the dialogue sessions, we included a validation step within the group discussion and, where necessary, conducted additional one-on-one reviews with subject-matter experts to ensure accuracy and completeness.

During one of the dialogue sessions, experts highlighted water as a topic that warrants further investigation. The discussion focused on whether water should be considered material for our organisation at this stage, or whether it requires deeper analysis in future dialogues. Based on our current assessment, water is not considered a material impact, risk or opportunity for our operations. However, given the feedback received and the growing importance of water-related issues in sustainability frameworks, we will continue to monitor developments and reassess its relevance in upcoming materiality reviews.

For financial materiality, we combined qualitative insights with quantitative analysis. This approach strengthened the identification and classification process by grounding decisions in data while incorporating expert judgment where needed.

External stakeholder overview

External stakeholder	Processes and communication	Matters discussed
Clients	Joint project and business development, strategic partnership, workshop, (social) media, in-person meeting, podcast recording	Collaboration on sustainability, circularity
Knowledge institutions	In-person meeting, workshop, online meeting	Circularity, water scarcity, decarbonisation
Local communities	In-person meeting, workshop, information market, guest lecture, open office hours, BouwApp, voluntary work community	Safety during construction works, noise pollution and other disturbances due to construction works
Suppliers and subcontractors	In-person meeting, online meeting, virtual event	Timber certification, circularity, sustainability strategy, supply chain, hydro-treated vegetable oil (HVO), petrol engine alternative products, hydrogen and innovation
Industry bodies	Virtual event, conference, workshop, round-the-table event, in-person meeting, online meeting	Decarbonisation, sustainability nature-based solutions, climate adaptation, biodiversity, nature positive initiatives, sustainability strategy, innovation, social value
Regulators	In-person meeting, online meeting	Sustainable mobility, regeneration, climate resilience, HVO adoption by the industry, combatting climate change, sustainability strategy, carbon reduction, biodiversity
Investors and analysts	In-person meeting, online meeting, round-the-table event	Biodiversity, working conditions in the value chain, natural capital, human rights, biodiversity, sustainability
NGOs and trade unions	In-person meeting, online meeting, (social) media	Decarbonisation, safety
Media	Conference, media content	Decarbonisation, energy transition

The integrated approach strengthened the identification and classification process by combining data-driven analysis with expert judgment. A validation step through stand-back analysis confirmed the classification of two material topics.

External stakeholders

Throughout 2025, BAM continued to engage with external stakeholders through numerous discussions centred around various ESG topics, as summarised in the table below.

These qualitative insights and context-specific perspectives helped shape the views of internal stakeholders on the identification and assessing of material impacts, risks and opportunities. During the validation process, stakeholder feedback also played a key role in confirming the relevance of the identified topics.

Material sustainability impacts, risks and opportunities in 2025

The following tables list the sustainability-related impacts, risks and opportunities BAM has identified and assessed as material as a result of the double materiality assessment process. Each material ESRS topic is presented in the following tables, including sub-(sub)topics related to BAM's material impacts and risks, e.g. climate change mitigation and climate change adaptation.

In addition, BAM indicates in the tables whether the impacts, risks and opportunities lie in the company's own operations (OO) or value chain (VC). For the social material impacts, BAM indicates whether it affects its own employees (OE), own workforce (OW) or communities (COM).

Impacts are actual impacts, risks or opportunities unless stated that they are potential impacts. Brief descriptions of the material impacts, risks or opportunities are included in the tables. More information on how BAM responds to the effects of the impacts, risks and opportunities is included in the topical sections under 'Environment', 'Social' and 'Governance'.

BAM recognises that the on-going due diligence and double materiality assessment process will be refined over time. The company further specifically notes that the sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment. BAM also expects more robust outcomes through increased data insights and more clarity on the practical implementation of the guidelines and comparability across the industry in the coming years.

Disclosure requirements

The outcomes of the double materiality assessment are fully integrated in BAM's risk management process. BAM derives forward looking guidance from this outcome and includes the relevant insights in strategy iteration and priority setting in business programmes, targets and reporting.

The relevant disclosures on material sustainability impacts, risks and opportunities are included in this report provided that the data and information are available and meet the necessary quality standards. The sustainability statement not only highlights BAM's commitment to transparency and to informing stakeholders about sustainability performance, but it also serves as a cornerstone for nurturing a responsible and resilient business approach. BAM is committed to transparency both in its knowledge and in areas where information may be lacking, striving to maintain openness in the company's reporting.

All the disclosure requirements that have been complied with following the outcome of this double materiality assessment are included in [chapter 6.7](#).

Material impact, risk or opportunity Description

Time horizon



E1 - Climate change

Climate change mitigation

● Negative impact (OO)	GHG emissions: Scope 1 and 2	BAM has a negative impact on GHG emissions due to the use of (fossil) fuel in BAM's vehicle fleet, construction equipment and to operate construction sites and offices. GHG emissions have a significant impact on the environment, as it leads to global warming and climate change.	Actual	S, M, L
● Negative impact (VC upstream and downstream)	GHG emissions: Scope 3	The negative impact of GHG emissions in BAM's value chain are driven by, amongst others, the use of GHG emission intensive materials, transport and the use of sold products by clients and end users. The impact on the environment is considered significant, as it leads to global warming and climate change, extreme weather, rising sea levels.	Actual	S, M, L
● Opportunity (VC downstream)	Energy transition	The energy transition presents a potentially material climate-related opportunity for BAM, driven by the scale and urgency of new infrastructure required to decarbonise the global economy. BAM can strengthen its market position and capture premium pricing for sustainable solutions.	Potential	S, M, L

Climate change adaptation

● Positive impact (OO)	Climate adaptive solutions	BAM's tender and project design activities have a positive impact on enhancing the climate adaptive design of development and construction projects, helping adjusting the built environment to climate change.	Actual	S, M, L
------------------------	----------------------------	---	--------	---------



E2 - Pollution

Pollution - entity-specific

● Negative impact (VC upstream)	Pollution of air and soil	Air and soil pollution in BAM's supply chain for key materials has severe impacts on both human health and the environment. It leads to diseases, and even premature death, as well as harm to crops, forests and bodies of water.	Actual	S, M, L
● Risk (OO)	Nitrogen	Stricter nitrogen emission regulations in the Netherlands and other European markets pose a significant risk to BAM's operations. These regulations can lead to project delays, increased compliance costs and potential restrictions on construction activities in sensitive areas.	Potential	S, M, L

(OO) Own operations – (VC) Value chain – (OE) Own employees – (OW) Own workforce – (COM) Communities

S, M, L Short, medium and/or Long term

● Positive impact ● Opportunity ● Negative impact ● Risk

Material impact, risk or opportunity Description

Time horizon



E4 - Biodiversity

Biodiversity and ecosystem services

● Negative impact (OO)	Biodiversity loss through land-use change	Land-use change is negatively impacted by BAM's activities, such as infrastructure development. This type of land-use change can lead to the destruction of natural habitats, fragmentation of ecosystems, and displacement of native species, which can negatively impact biodiversity.	Actual	S, M, L
------------------------	---	--	--------	---------



E5 - Resource use and Circular economy

Resource use

● Negative impact (VC upstream)	Depletion of raw materials	BAM has a negative impact on the environment by direct resource use (i.e., overuse of raw materials, natural resources, deforestation and habitat destruction), depending on how and where the resources are sourced, as well as how a company uses them.	Actual	S, M, L
● Negative impact (OO)	Waste (hazardous and non-hazardous waste)	BAM's waste has negative impacts on the environment and human health, including pollution of air and water, greenhouse gas emissions and the spread of disease. Improper disposal of hazardous waste can also lead to soil and water contamination and harm to wildlife.	Actual	S, M, L
● Negative impact (OO)	Waste reuse and recycling	BAM's negative impact caused by waste can be reduced by recycling and reuse. Recycling and reuse can reduce landfill waste and air/water pollution and help to conserve the natural resources needed to produce BAM's key materials, like concrete, steel, timber and asphalt.	Actual	S, M, L

Circular economy

● Positive impact (OO)	Circular design	The positive impact BAM has on resource use by designing for disassembly at the product's end-of-life. This contributes to a circular economy.	Actual	S, M, L
------------------------	-----------------	--	--------	---------

(OO) Own operations – (VC) Value chain – (OE) Own employees – (OW) Own workforce – (COM) Communities

S, M, L Short, medium and/or Long term

● Positive impact ● Opportunity ● Negative impact ● Risk

Material impact, risk or opportunity Description

Time horizon



S1 - Own Workforce				
Equal treatment and opportunities				
●	Positive impact (OE)	Diversity	Promoting gender diversity positively impacts the representation of female workers in the sector. It positively impacts employees by promoting fairness and reducing discrimination, leading to more motivated and satisfied workers. Non-discrimination practice in BAM has a positive impact on people, as it can ensure fair treatment and opportunities for all employees, regardless of their gender, race, age or other characteristics.	Actual S, M, L
●	Positive impact (OE)	Return on inclusion	BAM aims to have a positive impact on people working at BAM through its inclusive company culture. This positively impacts the individuals by providing them with employment opportunities and the ability to be independent and self-sufficient. This can also positively impact the community by promoting a more diverse and inclusive society.	Actual S, M, L
●	Positive impact (OE)	Training and skills development	BAM positively impacts its own employees and contributes to a safe, equitable and just society by offering training and skills development opportunities for own employees. This can positively impact individuals by increasing their job satisfaction, earning potential and employability. It can also have a positive impact on the natural environment by enabling employees to implement more sustainable practices in the workplace.	Actual S, M, L
Occupational health and safety				
●	Negative impact (OW)	Occupational health and safety	Working in the construction sector in general has a negative impact on occupational health and safety; evidenced by the existence of incidents, work-related injuries and lost lives for those working for BAM and work on locations managed by BAM (such as building sites).	Actual S, M, L
●	Negative impact (OE)	Work-related ill health long-term effect	Working in the construction industry exposes workers to a variety of hazards that can cause long-term health effects.	Actual L

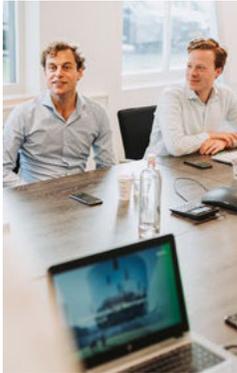


S3 - Affected communities				
Social value - entity-specific				
●	Positive impact (COM)	Social value	BAM's incorporation of social value in the business has a positive impact on social mobility, improves local (foundational) economic and social inclusion (in NL also referred to as Social Return on Investment). The social value activities positively impact the quality of life of areas where BAM operates.	Actual S, M, L

(OO) Own operations – (VC) Value chain – (OE) Own employees – (OW) Own workforce – (COM) Communities

S, M, L Short, medium and/or Long term

● Positive impact ● Opportunity ● Negative impact ● Risk



	<i>Material impact, risk or opportunity</i>	<i>Description</i>	<i>Time horizon</i>
G1 - Business conduct			
Business conduct			
● Positive impact (OE)	Corporate culture	The positive impact of BAM's corporate culture, including commitment to ethical and sustainable business practices, improves employee morale and enhances reputation.	Actual S, M, L
● Negative impact (OO)	Prevention and detection of corruption and bribery	Potential corruption and bribery incidents can have negative impacts on society, including damaging public trust, undermining fair competition and hindering economic growth. Bribes or kickbacks may lead to substandard materials or practices being used, which could result in risks for BAM's workforce, harm to the environment and human health in general.	Potential S, M, L
● Negative impact (OO)	Protection of data and respecting privacy	Potential data and privacy breaches could result in loss of trust by various stakeholders, such as employees and suppliers. Data and privacy breaches could possibly escalate to have negative financial implications resulting from phishing and identity theft, among others.	Potential S, M, L

(OO) Own operations – (VC) Value chain – (OE) Own employees – (OW) Own workforce – (COM) Communities

S, M, L Short, medium and/or Long term

● Positive impact ● Opportunity ● Negative impact ● Risk

6.2 General information and sustainability reporting principles

BAM's aim to continuously improve reporting transparency on sustainability performance and progress with respect to the strategy, resulted in this sustainability statement as part of the management information provided in this report.

Basis of preparation

Reporting framework and specific regulation (BP-1)

The sustainability statement disclosed in this annual report has been prepared on a consolidated basis in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and compliant with the double materiality assessment process carried out to identify the information reported pursuant to the ESRS. The sustainability statement also complies with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), referred to in [chapter 6.6](#) specifically.

The scope of the consolidation in the sustainability statement is the same as for the financial statements, including [BAM's subsidiaries](#). The subsidiaries are exempted from individual or consolidated reporting pursuant to Articles 19a(9) or 29a(8) of Directive 2013/34/EU. In addition, BAM applies the ESRS to define the organisational boundary for reporting sustainability information.

- Own operations refers to the full range of activities and processes directly controlled by BAM. This includes all operational aspects where the company has direct managerial control and decision-making authority. BAM defines own operations as parent plus subsidiaries. Acquisitions and divestments are disclosed in line with their inclusion in the financial statements.
- BAM additionally assesses the level of operational control for its joint arrangements. Operational control (over an entity, site, operation or asset) is defined as the situation where BAM has the ability to direct the operational activities and relationships of the entity, site, operation or asset. The reported GHG emissions should reflect the terms and conditions of the relevant agreements. In construction projects, control is typically

reflected in the share of the involved parties according to their agreed-upon contributions and risk-sharing arrangements. Despite joint decision-making protocols in most of these arrangements, operational contribution is prearranged and assigned explicitly to the different parties (i.e., expertise), reflecting in, for example, appointing key personnel and controlling day-to-day operations on specific phases of the project. Based on this practice, BAM's operational control is assumed to be equal to the equity share of BAM in the joint operation.

- Quantities of materials used in the production of BAM's products and services relate to own operations but are based on materials procured in the company's value chain. This sustainability information focuses on BAM's own operations and does not directly measure the impact of the entire value chain. However the impacts that arise from the upstream value chain are indirectly linked our own operation.
- The topic-specific definitions, methodology, reporting principles and assumptions are explained in the notes to the topical disclosures.

Further information on BAM's value chain is included in [chapter 6.1](#) Approach to sustainability reporting.

Comparative figures have been disclosed in line with current year reporting principles and assumptions, and any topic specific deviations are disclosed.

BAM anticipates that comparatives will become progressively available after the first year of reporting. This will make the sustainability information presented in the sustainability statement more useful.



Restoration of iconic J.C.J. van Speijk lighthouse, Egmond aan Zee, the Netherlands

Disclosures in relation to specific circumstances (BP-2)

Time horizons

In general, BAM assesses material impacts, risks and opportunities over the short, medium and long term. The short term refers to the reporting period of the financial statements. Since sustainability-related matters often materialise over time, the nature of these topics warrants more forward-looking reporting. In line with the strategic period (2024-2026) BAM defines:

- 2026 as short term;
- between 2027 and 2030 as medium term; and
- beyond 2030 as long term.

In the construction sector, project lifecycles can vary significantly. In general, medium-term planning focuses on projects or goals within the span of current pipelines and contracted projects. However, in the initial effort to implement the double materiality process, BAM has opted to define a narrower timeline. This approach is intended to focus on short-term initiatives that can drive immediate improvements in sustainability performance.

BAM also recognises that external pressures (e.g., customer expectations, regulations) prioritise a shorter time horizon for achieving certain medium-term sustainability objectives. BAM aims to refine these terms going forward to demonstrate further alignment between sustainability planning, business strategy and sector realities.

Estimations, sources of estimation, and outcome uncertainty

Making judgements, assumptions and estimates is a fundamental part of preparing sustainability related disclosures. Useful contextual assumptions and those that can significantly impact measurements are explicitly disclosed in the sustainability statement to aid in the interpretation of sustainability information.

For specific metrics, BAM uses information from its value chain partners, i.e. Scope 1, 2 and 3 reporting, incident frequency (including hired workers, subcontractors), and waste (intensity). In these cases, the disclosed accounting principles clarify where, if applicable, BAM relies on third party input for its data. Reporting based on third party data deals with measurement uncertainty; for example, due to the quality or availability of data from value chain partners. BAM also used indirect sources such as industry-average

emission factors, spend-based approach and extrapolations, predominantly in the calculation of GHG emissions (Scope 3) associated with BAM's suppliers and customers and, also related to the Scope 3 GHG emission baseline for 2019 and the reporting of key materials (resource inflows). These metrics are subject to a high level of measurement uncertainty. See [Scope 3 GHG emissions \(E1-6\)](#) and [Resource inflows \(E5-4\)](#) for further details.

BAM acknowledges that data sources and estimates may be refined in future reporting periods when more relevant information becomes available. Also, information to assess industry benchmarks (for example, used for estimated data with regard to resource inflows) may emerge as the number of reporters increases and reporting practices become more established.

Notwithstanding any uncertainties highlighted, the sustainability statement is prepared and presented in accordance with the requirements of the ESRS and applicable legislation.

Forward looking information

By nature, forward looking information, like plans and targets, involves risk and uncertainty because it relates to future events and circumstances. There are many factors that could cause actual results and developments to never occur or to differ materially from those expressed or implied.

Changes in the preparation or presentation of sustainability information, and reporting errors in prior periods

Changes in previously reported information can result from adjustments or restatements in the sustainability information for one or more periods.

- Restatements as a result of errors - these errors may arise from misuse or failure to use reliable information that was available and BAM reasonably could have obtained and considered. The continuous strengthening of internal control practices related to sustainability reporting aims to mitigate the risk of errors in reported information.
- Adjustments of prior period information as a result of changes in estimates and changes in methodology - these adjustments arise when new information or new developments provide additional insight about prior period circumstances resulting in a change in an estimate.

BAM has a sustainability reporting restatement policy that describes the principles used in case of restatements and adjustments (including both errors and changes in estimates). BAM assesses on a case-by-case basis whether the restatement or adjustment is material for the sustainability statement, including both qualitative and quantitative factors. If considered material, the prior-period reported data will be restated or adjusted, unless it is impracticable to do so. The reason why information is revised is disclosed alongside the topical disclosures.

In 2025, BAM updated the GHG Scope 3 emission factors used in spend-based calculations to the latest commercially available version of spend-based emission factors (Exiobase v3.10.1) and applied a deflation correction to match 2022 prices. These updates significantly decreased the calculated emissions for Scope 3 category 1 and 2 by aligning our data with more accurate conversion factors. To ensure transparency and comparability, 2024 data was recalculated using these updates, allowing stakeholders to observe the actual year-on-year reduction independent of changes in conversion factors. Comparative figures and recalculated comparative figures are included in the table on [GHG emissions](#) in [chapter 6.3](#).

Furthermore BAM has included a restatement and adjustment on the primary material data reported in [E5-4 Resource inflow](#). BAM restated a prior period error, as the 2024 data on pre-fabricated concrete for division Netherlands had been unintentionally left out of the calculation. The error was an isolated event discovered through enhanced internal control procedures in 2025. BAM concluded that the restatement has limited consequences for the relevance of the presented (management) information.

Also, BAM adjusted the average price used for the ready mix concrete calculations in 2024 in division Netherlands. This information is based on more accurate data extracted from suppliers reports in 2025.

As part of our enhanced reporting rigour in the second year of CSRD compliance, BAM is restating the 2024 comparative figures in the 2025 sustainability statement covering ready-mix concrete use and the part that is recycled content. Also, the unit of measure is converted to tonnes in order to comply with disclosure requirement of E5-4 (31a) which aggregates total weight of materials. This results in the restatement presented in the table below.

The reported figures of 2024 figures show an upward impact of 661,863 tonnes (454,354 tonnes related to the restatement and 207,509 tonnes related to the adjustment).

	2024 (in m ³)	2024 (in tonnes)	2024 restated (in tonnes)	2025 (in tonnes)
Ready mix concrete	322,808	774,739	1,436,602	1,659,266
of which: recycled content	10,281	24,674	39,658	68,494
of which: % recycled content	3.2	3.2	2.8	4.1

Structure of the report

BAM has chosen to incorporate some of the strategy and corporate governance disclosures from the cross-cutting standard ESRS 2 in the other parts of the management report, as this information is best read in close connection with the overview of BAM's activities. In the 'incorporated by reference' tables under each topical disclosure, the relevant page numbers are linked to the disclosure requirements.

This information is an integral part of the sustainability statement and included in the assurance scope. Any other references included in the narrative consider further details or explanations in other parts of the management report, but are not part of the disclosure requirements in ESRS and hence not included in the assurance scope.

The Supervisory Board has appointed EY Accountants bv to provide BAM's stakeholders with independent assurance regarding BAM's sustainability statement. BAM has obtained limited assurance for the sustainability statement reported in [chapter 6](#) and the information incorporated by reference in [chapter 2](#), [chapter 4](#) and [chapter 5](#).

On 11 June 2025, the European Commission adopted a "Quick Fix" Delegated regulation extending transitional provisions of the ESRS. Use of phase-in provisions in accordance with Appendix C of ESRS 1 BAM is disclosed below:

Disclosure requirement	Comment on phase-in
S1-14 Health and Safety	Datapoints related to work-related ill health disclosures (Number of cases and days lost as a result of recordable work-related ill health) are omitted as allowed by the ESRS "Quick Fix". This will be required in 2027.

Governance

Incorporated by reference:

Disclosure requirement	Reference to other chapters in the 2025 annual report
ESRS Standards: General disclosure (ESRS 2)	
GOV-1	Composition and diversity of the Executive Board and Supervisory Board are included in the biographies. Roles and responsibilities of the Executive Board in exercising oversight of the process to manage material impacts, risks and opportunities in section in chapter 4.2 Corporate Governance. Roles and responsibilities of the Supervisory Board in exercising oversight of the process to manage material impacts, risks, and opportunities in chapter 5.1 Report of the Supervisory Board.
GOV-2	Description of how the Executive Board and Supervisory Board are informed about sustainability matters in chapter 4.2 Corporate Governance and in chapter 5.1 Report of the Supervisory Board.

Integration of sustainability-related performance in incentive schemes (GOV-3)

BAM has integrated sustainability-related performance into its incentive schemes for a number of years. Sustainability targets on social as well as environmental performance are part of the Executive Board's and Executive Committee's long- and short-term incentive schemes. A description of the key elements of the remuneration policy, the integration of sustainability-related performance therein, and the proportion of the variable remuneration dependent on sustainability-related targets is included in [chapter 5.2](#) Remuneration report. Similar short-term incentives form part of the Senior Leadership Group schemes, including sustainability-related performance targets. Long-term incentive plans are only applicable for some the Senior Leadership Group and are the same as those of the Executive Committee.

Statement on due diligence (GOV-4)

Due diligence process	Reference to paragraphs in the sustainability statement
a. Embedding due diligence in governance, strategy and business model	chapter 6.1 and chapter 6.5 section The role of the administrative, supervisory and management bodies (GOV-1).
b. Engaging with affected stakeholders in all key steps of the due diligence	chapter 6.1 section Interactions with stakeholders.
c. Identifying and assessing adverse impacts	chapter 6.1 section Material sustainability matters in 2025 and chapter 6.5 section Business conduct policies and corporate culture (G1-1)
d. Taking actions to address those adverse impacts	chapter 6.4 section Policies related to own workforce (S1-1) and Action taking on material impacts on own workforce, approaches to managing material risks and effectiveness of those actions (S1-4) and chapter 6.5 section Business conduct policies and corporate culture (G1-1).
e. Tracking the effectiveness of these efforts and communicating	chapter 6.4 section Action taking on material impacts on own workforce, approaches to managing material risks and effectiveness of those actions (S1-4) and chapter 6.6 section Reporting principles and assumptions confirming compliance with EU Taxonomy minimum safeguards.

BAM's due diligence process with regard to business and sustainability matters is guided by the main aspects and steps of the UN Guiding principles on Business and Human Rights, and the OECD Guidelines. The core elements of BAM's due diligence process are closely related to a number of topical disclosure requirements; refer to the [Due diligence process table](#) for an overview.

Risk management and internal controls over sustainability reporting (GOV-5)

Sustainability and sustainability reporting are embedded in BAM's overall risk management and internal control processes and systems. Throughout the year, BAM continued to operationalise its controls relating to sustainability reporting as defined within an integrated Internal Control Framework for material data points, following the 2025 double materiality assessment.

The applied reporting processes and definitions are formalised in BAM's Sustainability Reporting manual, which provides guidance on how to collect, consolidate and report data. For further information on these processes and systems, on how findings of risk assessment and internal controls are integrated into relevant functions and processes, and on the periodic reporting of findings to the Executive Board and Supervisory Board, see [chapter 4.1](#) Risk management.

Strategy

BAM's disclosures on strategy, business model and value chain are incorporated by reference:

Disclosure requirement	Reference to other chapters in the 2025 annual report
ESRS Standards: General disclosure (ESRS 2)	
SBM-1	Description of the key elements of BAM's strategy that relate to or impact sustainability matters, as well as a description of the key elements of BAM's business model and value chain in chapter 6.1 Approach to sustainability reporting and in chapter 2.4 Strategy 2024-2026: Focus, Transform, Expand.
SBM-2	Stakeholder engagement included on in chapter 6.1 Approach to sustainability reporting.
SBM-3	Description of the key elements of BAM's strategy that relate to or impact sustainability matters, as well as a description of the key elements of BAM's business model and the resilience of BAM's strategy and business model regarding its capacity to address its impacts, risks and opportunities in chapter 2.5 How we create value for society.

Material impacts, risks and opportunities as identified through BAM's double materiality assessment process are included in [chapter 6.1](#). All material impacts, risks and opportunities are closely connected to BAM's strategy and business model. The defined strategy, policies and underlying actions and measures are designed to manage and inform management on the progress and results, and that they are taken into account when adapting the business model.

Impact, risk and opportunity management

Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

Disclosures related to IRO-1 Description of the process to identify and assess material impacts, risks and opportunities, referred to as BAM's double materiality assessment process, are included in [chapter 6.1](#).

Disclosure requirements covered by the sustainability statement (IRO-2)

All material disclosure requirements are included in BAM's sustainability statement in chapter 6, in the same sequence as described in ESRS, with the exception of the disclosure for IRO-1, which is disclosed in [chapter 6.1](#). For the reference table of all disclosure requirements, refer to [chapter 6.7](#).

For a list of all data points that derive from other EU legislation, see the "List of data points that derive from other EU legislation" table in [chapter 6.7](#).

The entity-specific metrics are associated with the following material impacts, risks and opportunities:

- Pollution (upstream); pollution impact has been calculated based on the relative Environmental Cost Indicator (ECI) of impact categories and also in relation to the metric on resource inflows ([E5-4](#)).
- Circular economy; circularity assessments and material passports offered in tenders by BAM are measured to track the company's actions in offering products that contribute to a circular economy.
- Occupational health and safety; IF BAM and IF Total are measured in line with industry practice, based on accidents with lost time in addition to the measurement required by [ESRS S1-14](#).
- Return on inclusion; BAM's performance with regard to inclusion is audited and scored.
- Social value; BAM's social value activities are measured by the sum of social mobility, improve local economy and social inclusion value (SLEV) delivered as a percentage of revenue.
- Protection of data and respecting privacy; BAM is aiming to minimise the impact of potential data and privacy breaches by educating colleagues through e-learnings.
- In enhancing general business conduct, BAM makes use of e-learnings; for example, regarding BAM's code of conduct. The coverage of mandatory e-learnings executed by employees is measured as an entity-specific metric.

Refer to [chapter 6.3](#), [6.4](#) and [6.5](#) for methodology, assumptions and further details on those entity specific metrics.

Policies adopted to manage material sustainability matters (MDR-P)

An overview of the policies relating to BAM's material impacts, risks or opportunities is provided on the next page. All policies are part of the BAM policy framework. The BAM policy framework comprises a comprehensive set of policies, procedures and guidelines that outline how BAM achieves its strategy to build a sustainable future. The framework establishes the governance structure, addresses key risk areas for BAM and ensures compliance with relevant laws and regulations. Specific BAM policies have been summarised into concise, one-page statements, available for download on BAM's website (BAM Policy Framework | Koninklijke BAM Groep / Royal BAM Group). The Executive Committee is ultimately responsible and accountable for sustainability at BAM. Focus areas are BAM's strategy, sustainability reporting and the sustainable business initiatives. Management of the divisions is accountable for the implementation of the strategy and for reporting, policies and business initiatives in the division. BAM requires management of the divisions to monitor sustainability requirements against pre-determined plans, standards and objectives, and report in line with the reporting requirements as set out in the BAM sustainability reporting manual. The scope of the policies is BAM's own operations and projects for which BAM is responsible for the administration. In all other activities, such as related to joint arrangements, for example, BAM encourages partners to demonstrate the commitments reflected in the policies. Divisions may produce instructions to meet local needs and expectations. Such instructions are consistent with, and not in conflict with, the BAM policy framework. The policies apply to all companies, employees and any other representatives of BAM. The policies are available to all BAM employees via the intranet. Input from stakeholders on the policies is obtained during ongoing discussions with employees (directly or via the relevant works council), interactions with shareholders (directly or via shareholder representative organisations) and interactions with other relevant stakeholders. With regard to the works council, their input is not part of formal (statutory) advice or consent rights in accordance with the Dutch Works Council Act (Wet op de Ondernemingsraden).

Actions and resources in relation to material sustainability matters (MDR-A)

Actions and resources in relation to material sustainability matters are integrated in the topical sections of the sustainability statement, including further details related to BAM's transition plans on decarbonisation and biodiversity. If progress is in line with targets, no specific further actions have been disclosed, as BAM considers the current policies to be effective to mitigate the impacts, risks and opportunities.

Metrics in relation to material sustainability matters (MDR-M)

Disclosure of methodologies and significant assumptions behind the metrics defined by ESRS and BAM's entity-specific metrics are included in the grey boxes in every sub-chapter of the topical disclosures. No metrics have been validated by an external body, other than by the assurance provider.

Tracking effectiveness of policies and actions through targets (MDR-T)

BAM has integrated its sustainability targets in the strategy Building a sustainable tomorrow. Targets in relation to the sustainability information included in the sustainability statement have been derived from a thorough strategic process run during 2022 and published in 2023. Ongoing due diligence with internal and external stakeholders, as described in [chapter 6.1](#) and [chapter 2.1](#), has been part of the process to identify these targets.

BAM's targets have not been based on scientific evidence, with the exceptions of the SBTi validated targets on decarbonisation. The targets are time-bound and outcome-oriented to monitor delivery of the strategy in line with these targets. The specific targets are included in the topical disclosures.

In case there is no target related to a metric, BAM tracks the effectiveness of its policies and actions in relation to the material sustainability-related impact, risk and opportunity via quarterly reporting to the Executive Committee on the performance of sustainability metrics. Appropriate follow-up actions are undertaken as needed to address any identified issues or opportunities for improvement. BAM reports the progress made towards these targets and discloses in the related topical disclosures.

	Topics	Related policies				
E	Decarbonisation	CO ₂ emissions	Sustainability policy			
		Energy and emissions				
		Pollution of air and soil upstream				
		Financial effect: energy transition opportunities				
		Financial effect: risk of strict nitrogen emission limits				
Circularity	Waste reduction, recycling and reuse	Sustainability policy			Tender assurance policy	
						Circularity assessment and material passports
						Depletion of raw materials (virgin materials)
Climate adaptation	Climate-adaptive measures	Sustainability policy			Tender assurance policy	
						Climate-risk assessment
Biodiversity	Biodiversity land-use change	Sustainability policy				
S	Diversity and inclusion	Diversity	Sustainability policy			Human rights guidance*
		Return on inclusion				
		Training and skills development				
	Occupational health and safety	Occupational health and safety				
Work-related ill health		Health and safety policy*				
Social value	Social value	Social value policy				
G	Business conduct and corporate culture	Prevention and detection of corruption and bribery	Anti-bribery and corruption policy		Code of conduct	
		Protection of data and respecting privacy	Privacy policy	Information security governance policy		Data retention policy
		Corporate culture	Conflict of interest policy			

* Policy statement is published on the website

■ Division policy ■ Group policy

Sustainability policy

BAM is committed to the United Nations' Sustainable Development Goals framework. The policy applies to BAM's own operations and sets relevant criteria for the selection of suppliers. BAM encourages subcontractors and suppliers to have relevant sustainability policies in place and to adhere to any prescriptive (project) sustainability requirements so that they are in compliance with BAM's policy or any client sustainability requirements, and to be in compliance with relevant environmental protection laws and regulations.

HR policies

BAM puts its employees at the forefront of the strategy, ensuring that everybody in BAM lives its values, that leadership drives BAM forward, that BAM fosters diversity and inclusion, that BAM's employees thrive and grow, and that BAM builds communities with a focus on safety and innovation.

Policies related to business conduct

BAM's code of conduct sets expectations and commitments to uphold BAM's values and responsibilities to do things right. The policy framework establishes the governance structure, addresses key risk areas and ensures compliance with relevant laws and regulations.

6.3 Environmental information

Climate change (ESRS E1)

Climate change mitigation relates to BAM's impact and actions related to the general process of limiting the increase in the global average temperature to 1.5 degrees Celsius above pre-industrial levels in line with the Paris Agreement. This chapter covers disclosures related to Greenhouse gases (GHG), disclosure requirements on how BAM addresses its GHG emissions as well as the associated transition risks. The disclosure requirements related to energy cover the types of energy consumption that are relevant for BAM.

Climate change adaptation relates to BAM's processes of adjustment to actual and expected climate change and covers disclosure requirements regarding climate-related hazards that can lead to physical climate risks for BAM and the assets BAM builds, including the adaptation solutions to reduce these risks. It also covers physical and transition risks arising from the needed adaptation to climate-related hazards.

Disclosures are related to the following material impacts, risks and opportunities as identified through BAM's double materiality assessment process, refer to full details in [chapter 6.1](#).

Material impact, risk or opportunity

Climate change mitigation

GHG emissions: Scope 1 and 2	(OO)	Negative impact
GHG emissions: Scope 3	(VC)	Negative impact
Energy transition	(VC)	Opportunity

Climate change adaptation

Climate adaptive solutions	(OO)	Positive impact
----------------------------	------	-----------------

The disclosures in this section should be read in conjunction with the disclosures in [chapter 6.2](#) on Governance, Strategy and Impact, risk and opportunity management. Further disclosure requirements incorporated by reference are:

Disclosure requirement	Reference to other chapters in the 2025 Annual report
ESRS Standards: General disclosure (ESRS 2)	
GOV-3	Integration of sustainability-related performance incentive schemes of Supervisory Board and Executive board in chapter 5.1 and chapter 5.2 .

Transition plan for climate change mitigation (E1-1)

In order to demonstrate climate leadership, BAM aims to substantially reduce emissions at a pace consistent with the 1.5°C Paris-compliant trajectory. BAM's transition plan helps to identify and highlight good practice approaches of climate action, supported by a structured methodology to evaluate BAM's performance and assess to what extent BAM is on track to meet our reduction targets. Key areas of corporate climate action include transparently tracking and disclosure of emissions; setting emission reduction targets; reducing own emissions and value chain emissions and in the long term taking responsibility for unabated and residual emissions through climate contributions and neutralisation.

Emission reduction targets

BAM is committed to reducing the greenhouse gas (GHG) emission intensity of its operations. BAM's decarbonisation targets (Scope 1, 2 and 3) are aligned with the 1.5 °C pathway, verified by the Science Based Targets initiative (SBTi), ensuring compliance with the latest scientific research and the goals of the Paris Agreement. The most recent update of this approval has been received in January 2025. This renewed target represented an improvement over BAM's previous SBTi submissions and approvals from 2019 and 2021. BAM has set targets for the medium term (2026) and the long term (2030 and 2050).

In accordance with ESRS 2, Appendix B, and pursuant to the disclosure requirements under Regulation (EU) 2020/1818, which amends Regulation (EU) 2016/1011 (the Benchmark Regulation), BAM confirms that it is not subject to exclusion from an EU Paris-Aligned Benchmark (PAB). BAM's climate change mitigation targets are compatible with the transition to a sustainable economy and with the objective of achieving net-zero by 2050.

More details on BAM's decarbonisation targets can be found in [Targets related to climate change mitigation and adaptation \(E1-4\)](#).

These targets have been translated into internal milestones to ensure alignment with BAM's strategic approach. The sustainability targets are fully supported by BAM's strategy 'Building a sustainable tomorrow'.

BAM's transition plan is embedded in and aligned with the overall business (financial) planning. It has been part of BAM's yearly planning and quarterly reporting cycle already for a couple of years. Both performance measurement on the targets, as well as forward steering on business initiatives are part of this cycle. BAM has explicit roadmaps for Scope 1, 2 and 3 reduction. These roadmaps are developed continuously from a more qualitative approach towards more quantitative planning. BAM is continuously monitoring target setting and related performance and is committed to update the targets at least every five years, in line with SBTi requirements.

BAM is not using carbon offsetting as a substitute for emission reductions or to meet short and medium term emission reduction targets.

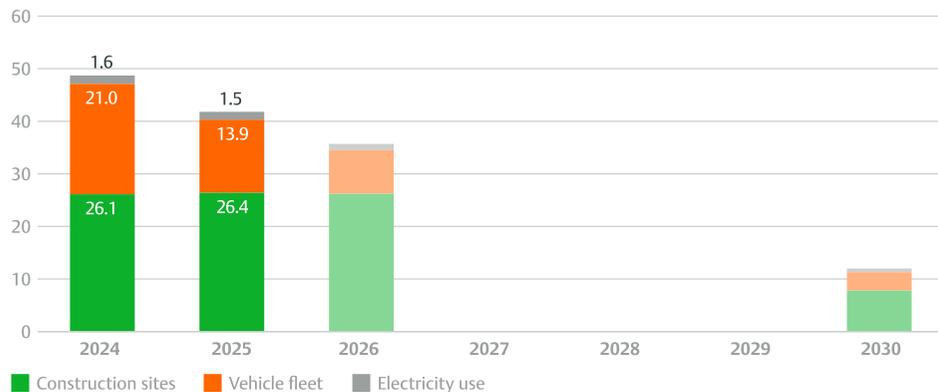
Reduction levers for own emissions

Climate change mitigation actions, decarbonisation levers and relevant changes to BAM's portfolio to support actions are the key driver to BAM's strategy 'Building a sustainable tomorrow.' The details of the transition plan are described in this section. Also BAM's progress on EU Taxonomy aligned-revenue, CapEx and OpEx is an important proof point for an increase of more sustainable business activities (refer to [chapter 6.6](#) for BAM's disclosures in accordance with the Commission's Delegated Regulation (EU) 2021/2178 on the EU Taxonomy).

BAM's Scope 1 and 2 GHG emissions are largely dependent on the fuel used in construction equipment, company vehicles and energy efficiency of our buildings. Their year-on-year reductions are driven by BAM's ambition for emission-free construction sites and sustainable building portfolio.

The electrification of equipment is not sufficient to reach BAM's short term GHG reduction targets, which is why BAM is also replacing conventional diesel with sustainably produced HVO. The use of HVO increased to 11 million litres in 2025 compared to 10 million litres in 2024. HVO now covers 56% (54% in 2024) of the fuel use on construction sites, saving circa 20,000 kilotonnes of GHG emissions (compared to diesel use).

The replacement of fossil fuels by biofuels continues to spark debate. This discussion is focused on proving the true sustainability of apparently lower-carbon biobased fuels, which is sometimes questioned due to potential adverse impacts (e.g. land-use change) during the production of biomass. BAM has given careful consideration to the use of HVO and remains satisfied that it is a necessary and suitable transition fuel to reduce CO₂ emissions in the short term. BAM sees the use of HVO as only an intermittent measure, and we are working to reduce the company's dependency on HVO for CO₂ reduction, mainly by electrifying our equipment, and consider alternative sustainable energy carriers, such as green hydrogen.



The largest source of GHG emissions in our own operations remains the fuel use on construction sites. The roadmap towards BAM's 2026 target and further reduction in 2030 also shows that the majority of the GHG reduction is anticipated to occur at BAM construction sites, as a result of further electrification of equipment and deployment of HVO.

BAM's main focus areas for 2026 and beyond to further reduce direct GHG emissions are:

- Electrification of (heavy) equipment at the construction sites, vans and company car fleet (commercial vehicles and lease cars);
- Reducing diesel use on construction sites by establishing early-stage grid connections, electrify equipment and using alternative fuels (sustainably produced biofuels) where possible. The most important measure is the use of certified sustainable HVO on BAM's own projects which will carry on in 2026;
- Electrifying BAM's company car fleet and ensuring the used electricity is renewable. Due to existing lease arrangements it will take a few years before the company cars will be 100% electrified. All newly purchased vans are electric, except when operational issues prevent this due to the reasons such as limited range;
- Use of Hydrotreated Vegetable Oil (HVO) as a renewable alternative for diesel for construction machinery, vans and trucks that haven't (yet) been electrified;
- Working towards the procurement of 100% renewable electricity in all offices and project sites for the whole group.

The demand for sustainable HVO is growing, while the supply is not expected to rapidly grow as it depends on the availability of by-products. If other sectors, such as the aviation industry, also start to use HVO as a main measure to reduce fossil fuel use, this will have the potential to substantially increase the price of HVO. For BAM, this will either mean that short-term CO₂ reduction targets will not be met or that additional costs will be made to cover for the price increase.

Reducing value chain emissions

Scope 3 GHG emissions are the largest contributor to BAM's GHG footprint and a key driver of the company's transition risks and opportunities. For further disclosures on Scope 3, refer to [chapter 3.2](#).

BAM's ambitious Scope 3 reduction target for 2030 underlines BAM's commitment to reduce CO₂ emissions in the value chain. Initiatives are ongoing to reduce emissions associated with the use of raw materials, including pursuing opportunities to use more sustainable materials, such as timber, recycled steel and lower carbon concrete. BAM is actively steering on underlying drivers, such as percentage of recycled steel use and percentage of lower carbon concrete use.

To reduce downstream emissions, BAM is driven by regulatory pressure, investor expectations and client demands to construct more and more low carbon assets (A+++ and A++++ label), as these have a significantly lower energy consumption during their lifespan and are related to lower financial risks such as asset stranding. BAM is increasingly delivering low and net-zero carbon assets. While in UK the Net Zero Carbon Building Standard is still under development to unify the approach for verifying net zero building claims, BAM participates in a trial with two projects: Southam College and Lyde Green School to help inform the development of the standard.

In order to pro-actively manage BAM's Scope 3 impact, sustainability considerations are integrated into the tender evaluation process to ensure that environmental, social, and life-cycle impacts are assessed alongside cost, quality, and technical performance. Sustainability criteria are established in the pre-tender stage, focusing on carbon reduction, resource efficiency, responsible sourcing of materials, and energy-efficient construction methodologies. Sustainability performance is evaluated as a weighted component of BAM's tender assessment. Final tender proposals are reviewed and approved by a multidisciplinary team, ensuring that sustainability outcomes are considered alongside commercial and technical factors.

BAM is also steering the following Scope 3 reduction drivers:

- We are continuing and accelerating our biobased transition, primarily through our Flow housing concept and also within our Dutch construction segment;
- Low-carbon concrete (for example GROENR beton) is one of our high priority levers. Using a low carbon alternative, such as GROENR beton, allows us to reduce around 12% of emissions per each cubic meter of concrete. In 2025, the use of GROENR concrete increased by 9.2% in the application of GROENR ready-mix concrete on projects compared to 2024. At the same time, we are cooperating with our supply chain on the innovations regarding sustainable concrete;
- We are making asphalt more sustainable by producing it at lower temperatures, using high percentages of recycled materials, expanding innovative technologies like LEAB, and transitioning to zero-emission equipment across the entire asphalt chain;
- Actively discussing with clients the use of alternative sustainable materials and energy concepts, based upon our internal CO₂ calculations during the tender- and design process;
- Upskilling our colleagues to lead the way regarding low-carbon design.

For our biggest materials (concrete, steel and asphalt) we are working together with our supply chain to support transition to low-carbon materials.

In the UK&I division, we have incorporated decarbonisation scoring into our preferred supplier agreement tender for precast concrete. Our goal is to engage with suppliers on a long-term basis under this agreement to support them in their decarbonisation efforts. A similar approach is planned for ready-mix concrete in 2026. To build wider industry confidence in investing in low-carbon concrete technologies, BAM has recently joined the Innovate UK / DESNZ-supported Advanced Market Commitment Initiative. This initiative aims to establish a cumulative call-off agreement for innovative low-carbon concretes, helping drive investment in these solutions. Additionally, BAM has signed a letter of support for the use of calcined clays which is a technology considered a key contributor to short-term concrete decarbonisation, provided production can be scaled effectively.

Within the Dutch division, we are working to meet the criteria set by the Concrete Agreement (Betonakkoord), which BAM signed in 2018. As part of this effort, we issued Sustainable Purchasing Instructions this year for the procurement team. These instructions require colleagues to:

- Purchase low-carbon concrete;
- Use secondary aggregates wherever possible;
- Request suppliers to provide sustainability data using a predefined template;

- Seek internal advice from experts for projects with high concrete usage (over 100 m³) to limit the environmental impact.

When it comes to steel, our main focus this year in the UK & Ireland has been on purchasing sustainable options for rebar and sheet piles:

- Rebar: we have set maximum carbon footprint thresholds in supplier agreements, ensuring we only purchase rebar with performance below these limits;
- Sheet piles: all sourced from EAF production.

For construction steel, no local manufacturer currently produces beams via EAF, so we are working together with the industry to accelerate this transition. We maintain close supplier engagement, collecting quarterly sustainability data and building a strong, transparent supply chain. Additionally, we advocate for governmental incentives to offset the extra costs of EAF steel, helping the industry move toward decarbonisation. One of such examples is a program called 'UK Government Procurement Policy on steel procurement' in which BAM plays an active role.

In the Netherlands, we have strong access to low-carbon steel and are steering towards 75% EAF steel by 2026. Beams produced via EAF are readily available, making it easier to integrate sustainable steel into our projects. We also promote reuse of steel wherever possible, encouraging project teams to incorporate reclaimed materials and explore EAF-produced components.

We are taking significant steps to reduce emissions from asphalt production and application. In 2025, nearly one-third of our asphalt was produced at low temperatures (Warm Mix Asphalt), combined with about 40% secondary materials. We are also expanding the use of LEAB technology across our asphalt plants, enabling lower energy consumption and CO₂ emissions. Additionally, we are scaling up cold recycling techniques, such as Bitumen Stabilised Material, which allows roads to be reused with over 95% recycled content and minimal carbon footprint. On top of that, our asphalt equipment is now more often zero-emission than diesel-powered, making construction sites increasingly emission-free without compromising quality or speed. We aim to make Warm Mix Asphalt the new standard and continue building a fully sustainable asphalt chain from production to the construction site.

In the division United Kingdom and Ireland, the technological pathway to low-carbon asphalt and net-zero pavements like leveraging innovative carbon-sequestering aggregates, has been mapped out. Industry-wide trials are currently underway to test performance, with the goal of enabling these solutions within UK standards over the next 5-10 years. Although BAM is not directly involved in these trials, we aim to encourage clients who are open to innovative technologies to explore these approaches. At the same time, we will maximise the implementation of “approved and ready” solutions to decarbonise pavements, such as warm-mix asphalts and higher recycled content.

The Scope 3 reduction initiatives will help to bring BAM closer to its Scope 3 reduction targets, but there are also two substantial drivers to reduce BAM’s Scope 3 footprint outside of BAM’s control:

- Decarbonisation of industry: even though we are actively supporting innovation in the supply chain, the lowering of the GHG emissions of construction materials by production process improvements is still vastly outside of our control;
- Decarbonisation of energy grid: the grid in BAM’s home markets is gradually decarbonising and expected to further decarbonise towards 2030. A lower grid GHG emission intensity directly reduces the GHG emissions associated with electricity use of assets delivered by BAM (downstream emissions).

We aim to work towards our 2050 target through a combination of different drivers and external (inter)dependencies. BAM will continue to electrify our fleet and equipment and adopt sustainable fuels and increase the procurement of sustainable (e.g. circular and/or biobased) construction materials. Another driver within our control is to be more selective in our choices which markets we operate in. Our ability to become net zero is also depending on the drivers discussed in the previous paragraph (decarbonisation of industry and energy grid) and the development of legislative frameworks. At this stage, it is not yet possible to quantify the exact emissions reduction that can be attributed to each individual driver. However, BAM is confident that, collectively, these drivers sufficiently support the transition to become a net-zero construction company.

Measurement improvements and Scope 3 modelling

An important focus area for BAM is the improvement of the maturity of upstream emission data, particularly the emissions associated with purchased materials and capital goods.

In 2025, BAM also continued its efforts to improve the quality of measurement of Scope 3. BAM has explored several options to unlock activity data on its purchased goods and services. In the first place BAM focuses on key materials such as asphalt, steel and concrete. Activity data is obtained using supplier statements. Additionally, data from estimated cost calculation models (tender information) and data from building information modelling is used to obtain more accurate insights in our emissions. This would enable a clearer understanding and more accurate quantification of the impact of BAM’s reduction efforts on projects going forward. Data still needs to be integrated with the spend based calculations to verify completeness of the upstream emission recording, as efforts are not expected to result in a full picture of our value chain emissions. A remainder of spend data will always be needed to report on total GHG emissions.

In addition to detailing the decarbonisation levers, BAM believes it is also essential to quantify the Scope 3 expected impact for the coming years and assess whether the transition aligns with the emission reduction targets. For that reason, BAM developed a Scope 3 forecasting model in 2025, which provides preliminary insights in future scenarios and a quantification of BAM’s Scope 3 roadmap going forward.

The first version of the model has been developed for both divisions. In 2025 the model has been set up with the intent to (1) apply a consolidated approach to both divisions and (2) introduce parameters so that BAM can create scenario analysis, in which certain interventions are more successful than others.

For some part of the business the quantification of reduction roadmaps, that are used to calculate potential reduction of our efforts, are not yet as developed as for other parts. Therefore, the current model is based on a significant amount of assumptions to forecast the reduction potential of certain interventions. These have not yet been validated by internal experts. Similarly, the introduction of the scenario parameters are based on desk research and the use of external/public (re)sources. These also have not yet been validated for further use. BAM intends to take the above-mentioned steps in the coming two years. We believe that the sharing of the premature insights coming from the model currently will lead to incorrect conclusions. However, with clear steps defined to progress the top-down modelling and further enhance this with bottom-up forecasting data, we expect this will improve our capabilities to steer on Scope 3 performance going forward. This will form a substantive part of maturing our climate transition plan towards a better defined net-zero pathway.

Investment and funding

The transition to a low-carbon economy requires additional investments across the construction value chain. BAM will mobilise funding to reduce emissions, strengthen climate resilience, and support innovation. By working with clients and suppliers to embed climate considerations into project proposals, procurement, and project delivery, BAM intends to share investment needs and manage transition risks together with the value chain.

BAM invests money and resources in this transition. Operational expenditures (OpEx) and capital expenditures (CapEx) in 2025 used for implementation of action plans have been included in the financial statements. A total of €60 million has been invested in electric equipment in 2025 (2024: €55 million). This information is linked to [note 14](#) and [note 15](#) of the financial statements. Future investments to electrify our equipment are included in BAM's financial planning. The financial impact is limited, as this is mostly achieved through generic replacement investments.

Locked-in emissions

Locked-in emissions refer to the future GHG emissions that will inevitably be released over the lifetime of an asset, product, or infrastructure due to decisions made today. Once a building is designed, materials procured, and systems installed, the emissions associated with their production, operation, and end-of-life treatment are largely predetermined at early project stages. For BAM, locked-in emissions fall into two major categories:

- For machinery, locked-in emissions refers to future greenhouse gas emissions that become unavoidable once a company commits to owning or operating equipment with a specific energy profile. Key drivers include the equipment lifespan (often between 8-10 years for heavy machinery), engine and fuel type (diesel, hybrid, electric, biofuel-compatible), duty cycles and utilisation rates and availability of electrification solutions. Once procurement decisions are made, the emissions trajectory associated with that machinery is largely predetermined.
- Emissions from materials and construction processes (i.e., cement, steel, insulation, transport, on-site equipment) that are committed the moment an asset is built are often emitted upfront. These embodied emissions are released prior to use-phase and cannot be reduced once construction is complete. This elevates the importance of early-stage decision-making. Also, emissions from how a building will be operated are dependent on design choices, equipment selection, and energy supply. These are spread over the asset's lifetime, often decades. The most relevant locked-in GHG emissions are therefore related to BAM's order book - projects that are already contracted to be designed and delivered in the coming

years. In general, the order book reflects only a few years of forward-looking GHG emissions. However, there are exceptions for projects that will remain under construction until 2030 or later. These locked-in emissions could potentially jeopardise BAM's ability to meet its GHG reduction targets. BAM is mitigating this risk by continuously strengthening its tender process to enhance the assessment of environmental impact to reduce future GHG emissions.

Retrofits, in our housing and building renovation business, have the opposite effect. They can significantly improve operational emissions when using the asset, but rarely eliminate them entirely.

Residual emissions

BAM does not consider CO₂ offsetting for its current residual emissions, but instead we focus on meeting our ambitious short term reduction targets. CO₂ offsetting will become relevant for our long term net zero commitment for 2050. Following the SBTi net zero standard, we have committed to a maximum of 10% offsetting of our 2019 baseline figures. BAM does not yet have a concrete offsetting plan given that 2050 is still far away, but is exploring different options, such as the opportunity for future offsetting through certification of CO₂ storage in our timber projects.

Policies related to climate change mitigation and adaptation (E1-2)

A reference to the sustainability policy is in [chapter 6.2](#) covering the sustainability practices in BAM. Further information is also available in the policy statement on the BAM website. The update of the sustainability policy is in progress.

Actions and resources in relation to climate change policies (E1-3)

In organisational terms, investments and changes have occurred in the governance of the sustainability function throughout the business. In 2025 investments in IT systems for sustainability reporting, internal training, and additional resources in the field of sustainability (reporting) have been made to reiterate BAM's focus on the topic and commitment to develop the right capabilities for this transformation.

Material impacts, risks, and opportunities and their interaction with strategy and business model (SBM-3)

Sustainability is a key driver in BAM's business model and strategic decision making. Our aim is not only to benefit our company but also to contribute to creating a sustainable future for our clients, employees, society, and future generations. We aspire to transition our business from conventional (grey) to environmentally conscious (green). By providing sustainable solutions BAM can achieve these goals. We recognise that, while the construction sector plays a role in driving climate change, BAM also holds significant potential to support climate solutions.

BAM is uniquely positioned because we translate energy-transition ambitions into physical assets. Almost every pathway to net zero like renewables, electrification, energy efficiency, circularity, requires construction capability. The energy transition creates an opportunity for BAM's business model by allowing us to decarbonise our core offerings, enter fast-growing energy and infrastructure markets, and evolve from project-based builders into long-term providers of low-carbon, energy-efficient, and resilient built environments.

BAM has identified one material climate-related opportunity related to the construction capacity that is needed for the energy transition, also refer to the disclosure of [E1-9 Anticipated financial effects of climate change](#). The energy transition presents a potentially material climate-related opportunity for BAM, driven by the scale and urgency of new infrastructure required to decarbonise the global economy. Large investments are essential to build renewable energy assets, expand and modernise electricity grids, deploy energy storage, and retrofit buildings for energy efficiency and electrification. BAM has the capacity, expertise, and supply chains to deliver these projects, benefiting from sustained long-term demand while directly enabling emissions reductions across power, transport, and the built environment. BAM is scaling low-carbon construction methods, adopting digital and modular techniques and upskilling the workforce to reduce carbon emissions associated with projects delivered. At the same time, BAM is expected to capture growth from the energy transition, reinforcing its role as critical enabler of climate change mitigation and by building resilient infrastructure.

In 2024 BAM had identified a physical and transitional risk on valuation of the land bank comprising of land and associated building rights. This year the impact was further assessed and quantified. BAM holds a land bank comprising land and associated building rights (for valuation details as per 31 December 2025 refer to [note 19](#) of the financial statements). This portfolio is primarily utilised for residential development and commercial use, located across BAM's home markets, mainly in the Netherlands. Long-term climate changes, including rising sea levels, soil degradation, and increasing average temperatures, can impact the land value. BAM has identified which part of the land is identified as high-risk based on specific scenarios. Also increased policy and regulations, i.e. the introduction of stricter building codes and zoning requirements, particularly related to carbon reduction goals, could affect the developability of the land bank.

The risk associated with the balance sheet position of BAM was not deemed material based on the current portfolio in 2025.

From a market perspective increasing demand for sustainable infrastructure may also enhance the valuation of land with potential for low-carbon developments while diminishing the value of noncompliant plots. Diversification of the portfolio to include land with lower physical and transition risk profiles is necessary going forward.

BAM is actively implementing measures to further enhance climate resilience. In addition to implementing the transition plan related to climate mitigation, BAM adopted climate-resilient infrastructure standards and actively organises engagement with stakeholders to enhance adaptive capacity in vulnerable regions. Given the nature of our project business, we did not identify activities that limit our ability to make strategic decisions in line with a transition to a climate-neutral economy, that could potentially jeopardise BAM's ability to execute its transition plan. Given the nature of the business, BAM is well able to adjust or adapt the strategy in the short-, medium- or long term based on change in context or progress. BAM's resilience analysis is not based on any critical assumptions or material areas of uncertainty.

Description of processes to identify and assess material climate-related impacts, risks and opportunities (IRO-1)

BAM's strategy is also designed to address the climate resilience of the (downstream) projects and assets, through BAM's climate adaptation strategy. In that respect, BAM specifically assesses climate-related physical risks for each of its construction projects. BAM has developed a climate scan that is applied to key projects where physical climate related risks are relevant to either the construction process or the asset itself. This climate scan makes use of the 'klimaateffecten atlas' (climate effects register) which is based on the fourteen climate scenarios of KNMI (Royal Netherlands Meteorological Institute) which are based on the climate scenarios of IPCC (Intergovernmental Panel on Climate Change). The most severe climate scenario used by KNMI and in BAM's climate scan is based on RCP 6.0 (Representative Concentration Pathway, global temperature rise of 3-4°C by 2100). These assessments take into account the likelihood, magnitude and duration of the hazards as well as the geospatial coordinates.

This climate scan is applied in the early phase of a project (or tender) and based on the outcome, climate change adaptation measures are discussed with clients and in most cases implemented.

BAM's 2026 target is to have this type of climate risk scans effectively introduced to all the large (A, B and C category) tenders. BAM uses a classification system based on the size and risk profile of its projects, ranging from A (highest classification) to E. A, B, and C projects typically represent medium to large projects. BAM's progress towards this target in 2025 is shown in table [Climate adaption in tenders](#).

The climate scans that BAM is executing for projects in division Netherlands are performed based on the classification of climate-related hazards included in the EU Regulation (EU) 2021/2139 (EU Taxonomy). Refer to more details on EU Taxonomy in [chapter 6.6](#). The climate scans in the division United Kingdom and Ireland are covering the chronic and acute risks as well, however have not been checked to align with EU Taxonomy as such.

BAM also aims to reduce the damaging effect of climate change on its construction projects by delivering climate-adaptive solutions. BAM plans to offer climate-adaptive measures, enabling its clients to choose options that make their assets more climate-resilient.

Climate adaptation in tenders

	2024	2025	Target 2026
% A and B tenders with climate risk scans	100	89	100
% A and B tenders with climate adaptive measures	96	89	100
% A, B and C tenders with climate adaptive measures	*	82	100

* Data on C tenders was not yet available for 2024 actual numbers

Targets related to climate change mitigation and adaptation (E1-4)

BAM has committed to reduce the GHG emission intensity of its operations. BAM has further increased the ambition level and included a net-zero target in the most recent SBTi update, ensuring that BAM's targets are aligned with limiting global warming to 1.5° C in line with the Paris Agreement. These accelerated targets are an important driver of BAM's strategy and have already been communicated in 2023.

The target includes specific Scope 1 and 2 targets, which are derived using market-based GHG conversion factors. BAM's GHG reduction targets are:

- Reduction of 80% Scope 1 and 2 GHG emission intensity by 2026 compared to 2015;
- Reduction of 90% Scope 1 and 2 absolute GHG emissions and reduction of 90% Scope 1 and 2 GHG emission intensity in 2030 compared to 2015 (SBTi validated);
- Reduction of 50% Scope 3 absolute GHG emissions by 2030 compared to 2019 (SBTi validated);
- Net-zero Scope 1,2 and 3 (minimum 90% reduction compared to 2019) by 2050 (SBTi validated).

In achieving targets for 2026 and 2030, BAM does not include the offsetting of any carbon emissions nor does BAM allow any offsetting as part of meeting the Scope 1 and 2 GHG emissions reduction targets towards 2030. BAM also has an underlying Scope 1 and 2 target to purchase 100% certified green electricity by 2030. BAM has a SBTi-validated net zero target for 2050 on total GHG emissions (absolute Scope 1, 2 and 3). BAM continuously tracks the effectiveness of the BAM's actions by internal reporting on the targets and related metrics. BAM also has set a decarbonisation-related target to maintain a CDP Climate A List position. This performance is assessed on a yearly basis.

Reporting principles and assumptions GHG emissions Scope 1 and 2 and energy consumption

BAM's energy consumption and greenhouse gas inventory are based on the ESRS. When referring to emissions, it is important to distinguish between CO₂ (carbon dioxide) and CO_{2eq} (carbon dioxide equivalent). CO₂ refers specifically to emissions of carbon dioxide, a major greenhouse gas produced primarily from burning fossil fuels. However, many other greenhouse gases, such as methane (CH₄) and nitrous oxide (N₂O), also contribute to climate change. To simplify reporting and analysis, these other gases are converted into CO₂ equivalents (CO_{2eq}) based on their global warming potential (GWP). CO_{2eq} allows to express the impact of all greenhouse gases in a single, comparable metric. BAM applies CO₂ equivalent conversion factors. Throughout this document, when CO₂ emissions are mentioned, BAM reports its greenhouse gas emissions (GHG) as CO₂ equivalent, and refers to the total of GHG emissions, unless otherwise specified.

As BAM is operating in a high climate impact sector (as listed in NACE sections A to H and Sections L, as defined in Commission Delegated Regulation (EU) 2022/1288), BAM further disaggregates the total energy consumption from fossil sources in the [table Energy consumption mix](#). BAM has included the net revenue as presented in the [Consolidated income statement](#) as a full to calculate energy intensity and GHG emission intensity.

The proportion of total electricity consumption that is generated from renewable energy sources, such as solar, wind, hydro, and geothermal indicates the extent to which electricity used is derived from environmentally sustainable and non-polluting sources. Electricity used is recorded in kWh. Fuel use of leased and company cars can be entered in liters or kilometers and is converted to MWh. Activity data is mostly based on meter readings, invoices and supplier data. In instances where complete and accurate data are unavailable, BAM employs calculations or estimations utilising reliable methods and input data by the judgement call of the division's experts.

Energy consumption and mix (E1-5)

As energy consumption is closely related to the impact BAM has on climate change, this disclosure requirement provides more insights into the total energy consumption in absolute value, and BAM's share of renewable energy in its overall energy mix. The current level of green electricity is at 80% (2024: 64%) of the total electricity use.

The use of purchased green energy and cleaner fuels contribute to a decrease in GHG emissions but does not tell anything about the energy efficiency of BAM. Using the absolute energy consumption, in combination with the GHG emissions, allows better insight in the development of BAM's energy use and efficiency.

The energy consumption (reported in MWh) and GHG emissions associated with BAM's energy consumption, are calculated using conversion factors from reputable and authoritative sources, i.e. government supplied factors. The applied conversion factors differ based on the calculation:

- Country-specific conversion factors are used for all resources, e.g. <https://www.co2emissiefactoren.nl/factoren/> for the Netherlands or <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024> for the United Kingdom.
- Tank-to-wheel emission factors are applied for Scope 1 emissions (well-to-tank is part of BAM's Scope 3 footprint)

BAM reports GHG emissions based on market-based conversion factors as well as location-based conversion factors. All conversion factors are reviewed annually and updated accordingly. To achieve consistent measurement throughout the year, BAM is updating the conversion factors in the first quarter of the year. This means that if the release date of specific conversion factors is later in the year, BAM is using prior year factors (i.e. 2024 factors). Fuel and electricity provided by BAM to subcontractors is currently included in Scope 1 and 2. If fuel and electricity is used by third parties on a BAM project that BAM has not procured, then it is part of Scope 3 to avoid double counting.

For specific information regarding BAM's operational control and BAM's value chain, refer to [chapter 6.2](#) No changes in the reporting scope have been triggered by aligning the Scope 1, 2 and 3 reporting definitions with those in ESRS. BAM's Scope 1 and 2 GHG emissions all originate from the consolidated accounting group.

All electricity in the Netherlands is purchased from the supplier 'Eneco', with bundled energy attribute certificates (EAC) for 100% Dutch wind power. In 2025, BAM has further increased the percentage of green electricity in the Netherlands related to public and home EV charging through the purchase of unbundled EAC's. The green electricity in Ireland is purchased from the supplier 'Energia', with bundled EAC's for 100% wind or solar energy. In the United Kingdom and Belgium the green electricity purchased varies from region to region and sometimes even from project to project. Green (low carbon) electricity is coming from different electricity suppliers and supported by renewable energy guarantees of origin in bundled or unbundled procurement. BAM currently does not procure green electricity backed by power purchase agreements.

A large share of BAM's electricity consumption is being generated by the charging of its electric fleet. On most of BAM's locations renewable electricity is used. In 2025 BAM has purchased Guarantees of Origin related to the electricity use for home and public charging in the Netherlands. This option supports the push towards BAM's target of 100% renewable electricity use in 2030. As a result, BAM's renewable electricity share has increased to 80% in 2025 (2024: 64%).

Energy consumption and mix

	2024	Share of total energy consumption (in %)	2025	Share of total energy consumption (in %)
Fuel consumption from coal and coal products (MWh)	-	-	-	-
Fuel consumption from crude oil and petroleum products (MWh)	147,263	43.5	126,514	38.1
Fuel consumption from natural gas (MWh)	18,010	5.3	26,645	8.0
Fuel consumption from other fossil sources (MWh)	2	0.0	27	0.0
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	23,827	7.0	13,824	4.2
Total fossil energy consumption (MWh)	189,103	55.8	167,010	50.3
Total consumption from nuclear sources (MWh)	-	-	-	-
Fuel consumption for renewable sources (e.g. biomass, hydrogen)	106,975	31.6	107,772	32.5
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	41,833	12.4	56,454	17.0
Consumption of self-generated non-fuel renewable energy (MWh)	765	0.2	509	0.2
Total renewable energy consumption (MWh)	149,573	44.2	164,735	49.7
Total energy consumption (MWh)	338,676	100.0	331,745	100.0
Energy intensity (total energy consumption per net revenue, MWh/€)	0.05		0.05	

Gross Scope 1 and 2 GHG emissions (E1-6)

BAM once again reduced its Scope 1 and 2 GHG emission in 2025 compared to 2024. BAM has reached a reduction of 76% (market-based) compared to the baseline 2015. BAM's ongoing GHG emission reduction measures such as the use of sustainable biofuels and electrification of lease fleet, and transformation to renewable electricity and electric/hybrid equipment contributed to this reduction.

Absolute Scope 1 and 2 GHG emissions per division

(in kilotonnes)	2015 baseline	2024	2025
Division Netherlands	42.8	21.7	15.0
Division United Kingdom and Ireland	49.5	26.5	26.3
Other*	92.7	0.5	0.4
Total scope 1 and 2 GHG emissions	185.0	48.7	41.7

* Baseline for Scope 1 and 2 GHG emissions include GHG emissions related to the divested businesses in Germany and Belgium

The negative impact of GHG emissions of BAM on the environment is significant, as it leads to global warming and climate change, extreme weather, rising sea levels and changes in precipitation patterns, affecting agriculture, water resources, biodiversity, and infrastructure. BAM's reporting includes both direct GHG emissions (Scope 1 emissions originating from BAM's own sources and leased vehicles) and indirect GHG emissions resulting from the generation of purchased electricity used by BAM, calculated with market-based conversion factors (Scope 2 emissions), and Scope 3 emissions.

Location-based method quantifies Scope 2 GHG emissions based on average energy generation emission factors for defined locations (e.g. Netherlands, UK, Ireland). Market based method quantifies Scope 2 GHG emissions based on GHG emissions emitted by the generators from which BAM contractually purchases electricity bundled with instruments, or unbundled instruments on their own. BAM's electricity is sourced through retail supply contracts with an electricity supplier (retail green electricity).

With regard to Scope 1 and 2, BAM tracks its progress compared to base year 2015. In the baseline 2015 BAM has included the comparative figures based on the financial consolidation in the reporting year 2015. This does however include the business activities of BAM that have been divested in the year's after 2015. The targets are based on intensity, hence the relative impact of divestments is limited.

In 2025, BAM further reduced the Scope 1 and 2 impact in absolute terms and for intensity as well. BAM's Scope 1 and 2 GHG emissions in 2025 are 41.7 (2024: 48.7 kilotonnes), resulting in an GHG emission intensity of 5.9, compared to 7.5 in 2024. BAM has reduced its Scope 1 and 2 GHG emissions by 76% compared to the baseline of 2015.

The use of HVO has increased to 56% of total fuel consumption on construction sites (54% at year-end 2024). Direct emissions on a handful of large joint operation projects are currently a large contributor to the remaining emissions, around approximately 30% of the total Scope 1 and 2. Changes in project schedules impact the timing of carbon emission 'rich' activities, and hence could skew BAM's year on year performance. In total BAM aims for a Scope 1 and 2 reduction of 90% in 2030 versus 2015.

BAM relies on the use of (certified) sustainable hydrogenated vegetable oils (HVO) to reduce the GHG emissions from its energy intensive construction processes, such as groundworks. At the moment, the additional costs of HVO are limited and most clients of BAM are willing to pay the premium.

Share of EV in BAM's car lease fleet has increased to 82% (66% at year-end 2024), resulting in a further reduction of Scope 1 and 2 emissions. The share in EV in BAM's company vans is 17%. Further details on BAM's energy use are disclosed in the section below.

CO₂ emissions from biogenic carbon

<i>(in kilotonnes)</i>	2024	2025
Biogenic carbon emissions	27,401	27,309
Fuel type		
HVO 100%	27,401	27,309
HVO 50%	-	-
HVO 20%	-	-
Total scope 1 and 2 GHG emissions	27,401	27,309

Gross Scope 3 and total GHG emissions (E1-6 continued)

Scope 3 GHG emissions (gross) are the main component of BAM's GHG inventory and are an important driver of BAM's transition risk. Total Scope 3 GHG emissions in 2025 are estimated at 1,496 kilotonnes (recalculated 2024: 1,644 kilotonnes), a factor 36 larger than BAM's Scope 1 and 2 GHG emissions. Most of BAM's Scope 3 GHG emissions fall under category (1) Purchased goods and services and in category (11) Use of sold products. By closely monitoring BAM's GHG emission targets, BAM continuously measures progress towards reducing GHG emissions in accordance with EU policy goals.

Despite BAM's efforts to improve Scope 3 measurement methodology, significant uncertainties still exist in relation to the reported Scope 3 GHG emissions (including the baseline number based on the 2019 year). Details on BAM's Scope 3 GHG emissions reporting principles and assumptions are included in [chapter 3.2](#).

GHG emissions

	2015 baseline*	2019 baseline**	2024	2024 recalculated****	2025	Delta 2025-2024 recalculated	Target 2026	Target 2030	Target 2050	Annual % target / base year
Scope 1 GHG emissions (kt CO₂ eq.)										
Scope 1 emissions	170	117	41	41	38	-8%	n.a.	n.a.	n.a.	n.a.
Scope 2 GHG emissions (kt CO₂ eq.)										
Gross location based Scope 2 GHG emissions	33	25	19	19	17	-12%	n.a.	n.a.	n.a.	n.a.
Gross market based Scope 2 GHG emissions	15	14	8	8	4	-100%	n.a.	n.a.	n.a.	n.a.
Scope 1 and 2 GHG emissions (kt CO₂ eq.)										
Scope 1 and 2 location based	203	142	59	59	55	-7%	n.a.	n.a.	n.a.	n.a.
Scope 1 and 2 market based	185	131	49	49	42	-17%	n.a.	18.5%	n.a.	-8%
Scope 1 and 2 emission intensity (in tonnes CO₂ eq. per € million revenue)										
Market based Scope 1 and 2 intensity	24.9	18.2	7.5	7.5	5.9	-27%	5.0	2.5	n.a.	-8%
Significant Scope 3 GHG emissions (kt CO₂ eq.)										
Total gross indirect (Scope 3) GHG emissions***	*	3,154	2,093	1,644	1,496	-9%	n.a.	1,577	n.a.	-9%
1. Purchased goods and services	*	1,466	1,363	944	952	1%	n.a.	n.a.	n.a.	n.a.
2. Capital goods	*	117	108	77	85	10%	n.a.	n.a.	n.a.	n.a.
3. Fuel and energy-related activities	*	33	18	18	20	9%	n.a.	n.a.	n.a.	n.a.
5. Waste generated in operations	*	21	15	15	18	17%	n.a.	n.a.	n.a.	n.a.
6. Business travel	*	9	6	6	2	-62%	n.a.	n.a.	n.a.	n.a.
7. Employee commuting	*	4	2	2	1	-69%	n.a.	n.a.	n.a.	n.a.
11. Use of sold products	*	1,484	535	535	369	-31%	n.a.	n.a.	n.a.	n.a.
12. End-of-life treatment of sold products	*	19	45	45	47	4%	n.a.	n.a.	n.a.	n.a.
15. Investments	*	-	1	1	4	300%	n.a.	n.a.	n.a.	n.a.
Total GHG emissions (kt CO₂ eq.)										
Total GHG emissions location based	*	3,296	2,152	1,703	1,551	-9%	n.a.	n.a.	n.a.	n.a.
Total GHG emissions market based	*	3,285	2,142	1,693	1,538	-9%	n.a.	n.a.	329	-9%
Total GHG emissions intensity location based (tonnes CO₂ eq. per € million revenue)										
	*	457	333	263	221	-16%	n.a.	n.a.	n.a.	n.a.
Total GHG emissions intensity market based (tonnes CO₂ eq. per € million revenue)										
	*	456	332	262	219	-16%	n.a.	n.a.	n.a.	n.a.

* Scope 3 GHG emission data unavailable for 2015

** Baseline 2015 is applicable for Scope 1 and 2 intensity reduction; baseline 2019 is applicable for Scope 3 reduction and Net zero target on Scope 1, 2 and 3. For Scope 1 and 2 2019 is considered a comparative figure.

*** Baselines for Scope 1 and 2 differ from Scope 3 GHG emission. See for more details on baselines section E1-6.

**** 2024 disclosure has been recalculated with the most recent carbon conversion factors (Exiobase 3.10.1) for a more representative year-on-year comparison.

Reporting principles and assumptions GHG emissions Scope 3

BAM's Scope 3 inventory is based on ESRS. BAM reports its greenhouse gas emissions as CO₂ equivalent. BAM's Scope 3 estimation is based on several different data sources, methods, and assumptions. Five out of the fifteen categories are considered not applicable and/or not material for BAM, for the following reasons:

1. Category 8. Upstream leased assets: BAM's leased assets consist of leased buildings (offices) and the lease fleet. Related emissions are already included in BAM's Scope 1 and 2 emissions.
2. Category 9. Downstream transportation and distribution: As a construction-services business, no product undergoes downstream transportation and distribution.
3. Category 10. Processing of sold products: All products are sold in final form, with no further processing required.
4. Category 13. Downstream leased assets: The assets that are leased to other entities are constructed by BAM itself. This means the downstream emissions are already included in category (11) Use of sold products. In some occasions, a business unit owns assets that are temporarily under BAM's management and leased to other entities. The related GHG emissions are considered not material and therefore not included in BAM's Scope 3 inventory.
5. Category 14. Franchises: BAM does not operate a franchising business model.

The methodology, data sources and key assumption and limitations of the ten categories for which the Scope 3 emissions are estimated are listed below:

1. Purchased goods and services

This category is calculated using a spend-based method, meaning that the embodied impact of BAM's activities is calculated by collecting data on the economic value of goods and services purchased and multiplying these by relevant secondary emission factors (e.g., industry average emissions per monetary value of goods or service). The percentage of emissions calculated using primary data obtained from suppliers or other value chain partners is therefore 0% in 2025. Vendors are classified into BAM's procurement categories by the procurement team. BAM acknowledges a high uncertainty in this classification as a result of reliance on individual judgement and the limitation that vendors can only be classified as one procurement category. For the conversion from spend to GHG emissions, BAM uses Exiobase v3.10.1 The mapping of BAM's procurement categories to the corresponding categories in the Exiobase database has been carried out manually based on expert judgement. Any uncategorised spend is assigned to the Exiobase category 'Construction Works'. A dedicated tool has been developed by BAM to process the procurement data, apply the Exiobase conversion factors, and calculate the associated GHG emissions.

Exiobase 3.10.1 is the latest commercially available version of spend-based Scope 3 emission factors. These factors have been updated since 2024 to reflect the most recent data. Version 3.10.1 combines national statistics, trade data, production data, and other sources to create multi-regional input-output tables, all based on 2022 data. To ensure the correct use of the factors, BAM has adjusted its expenditure data for inflation to match 2022 price levels. These carbon factors are used to calculate Scope 3 emissions for categories 1 and 2.

The category purchased goods and services includes all emissions from BAM's projects and a proxy for emissions from joint arrangements (joint operations and joint ventures). BAM reports the GHG emissions from joint operations on the basis of operational control (for more details on this approach in chapter 6.2).

Due to limited availability of joint operation data, BAM includes the full spend of joint operations where BAM is responsible for project administration and zero spend of joint operations where BAM is not responsible for project administration. BAM has evidence that this approach does not materially deviate from the actual spend share of BAM joint arrangements. The GHG emissions associated with the asphalt procured by BAM from the joint venture AsfaltNu are seen as relevant part of the value chain, hence included in category 1.

The GHG emissions related to third party deliveries of AsfaltNU are reported under category 15 based on the BAM-share in the joint venture.

2. Capital goods

GHG emissions from capital goods are derived from the GHG emissions from purchased goods and services. After processing in BAM's tool, the total spend based GHG emissions includes both purchased goods and services and capital goods. The following Exiobase categories are considered to comprise capital goods:

- Sale, maintenance, repair of motor vehicles and parts, motorcycles, motor cycles parts and accessories
- Motor vehicles, trailers and semi-trailers
- Machinery and equipment n.e.c. (not elsewhere classified)
- Office machinery and computers

The GHG emissions from these categories are deducted from the category purchased goods and services and reported under capital goods.

3. Fuels- and energy related activities

This category contains the following subthemes: Upstream emissions of purchased fuels, upstream emissions of purchased electricity, transmission and distribution (T&D) losses and generation of purchased electricity that is sold to end users.

The first three of these sub themes are relevant for BAM, as BAM does not sell energy to end-users. The upstream GHG emission of fuels- and energy related activities for the first two sub themes are derived from the same fuel and energy use which form the basis for BAM's Scope 1 and 2 emissions. The fuel and energy quantities are multiplied by country specific 'well to tank' emission factors to cover the upstream emissions that are not included in the Scope 1 and 2 calculation. For the third sub theme, the country specific loss rate is multiplied with Scope 2 impact data.

4. Upstream transport and distribution

GHG emissions associated with upstream transport and distribution are included in category (1) Purchased goods and services. It is not feasible for BAM to distinguish transport related emissions in the used Exiobase conversion factors.

5. Waste

GHG emissions associated with the disposal and treatment of waste are based on the waste figures that BAM also reports separately. Waste quantities are categorised by BAM's waste processors into different waste streams and conversion factors from the 'Emissions Factors Hub' are used to estimate associated GHG emissions. Excavation waste is not included in this estimation as excavation waste is most often reused on site or on a different site.

6. Business travel

GHG emissions related to business travel are captured following the same process as BAM's Scope 1 and 2 emissions. BAM captures data related to privately owned cars (refunded kilometres), air and train travel.

7. Employee commuting

GHG emissions associated with commuting by car are captured following the same process as BAM's Scope 1 and 2 GHG emissions. Using country specific statistics, HR data and conversion factors the emissions related to the other modes of transport are calculated. These emissions are added up to determine total employee commuting emissions.

11. Use of sold products

GHG emissions from the use of sold products are activity-based values and are calculated by multiplying the energy use of BAM-delivered assets in 2025 by the asset's lifespan and country-specific carbon intensity of the energy grid. BAM acknowledges that emissions can fluctuate significantly year-to-year depending on the projects delivered. Different approaches are used per asset type:

- Residential Units: for residential buildings in the Dutch market, BAM estimates expected energy use by combining the BENG2 value, average energy consumption per energy label, or a reference project (depending on data availability) with the actual or national average floor area of dwellings. GHG emissions are then calculated by multiplying the asset's expected lifespan by its annual energy intensity and the country-specific carbon intensity. A lifespan of 75 years is assumed for new homes and 25 years for renovations. As a conservative approach, BAM applies the GHG factor for electricity from an 'unknown source' or the national average, as the specific energy carriers for estimated energy use cannot currently be determined.

- Offices: a project list of all assets delivered in 2025 is compiled for both divisions. In the Netherlands, energy consumption is estimated using the BENG2 value, while in the UK and Ireland, the BER value serves as an indicator of expected energy use. A lifespan of 50 years is assumed for new builds and 40 years for renovations.
- Civil engineering assets: for assets like roads, railways, and foundations, energy consumption during use is minimal. These typically include low-energy components, such as LED lighting and electronic traffic signs. Given the low impact, BAM estimates emissions for civil assets in 2025 based on the same share as in 2024, which is 5,5%.
- Fugitive emissions: Fugitive emissions are not included in BAM's Scope 3 emissions. BAM has made an initial estimation based on average European leakage rates and common refrigerants in the UK and the Netherlands. These emissions are excluded from total Scope 3 calculations due to uncertainty around the Scope of projects for which these estimations are applicable.

12. End of life treatment of sold products

The GHG emissions associated with this category are calculated based on the properties and assets used to calculate Scope 3 category 11. First, the total floor area of the assets developed under category 11 is determined. This floor area, measured in square meters, is then multiplied by a BAM-specific average amount of demolition waste per square meter for each asset type.

The resulting waste mass is allocated to different end-of-life scenarios, with the distribution based on BAM's waste treatment activities in 2025. Finally, the mass in each end-of-life scenario is multiplied by the appropriate emission factor from the 'Emission Factors Hub', the same source used in category 5.

15. Investments

BAM has one relevant investment in AsphaltNu. Emissions associated with the asphalt from AsphaltNu procured by BAM are already reported under category 1 in line with the approach of BAM's joint venture partner. BAM has accounted for the BAM-share of GHG emissions of asphalt delivered by AsphaltNu to third parties, other than the joint venture partner, under category 15.

For 2025, the same methodology and assumptions were used as for 2024. Primary data was used to calculate 20% of the 2025 Scope 3 GHG emissions. BAM applied one reclassification related to the share of emissions of asphalt delivered by AsfaltNu to third parties under category 15 Investments instead of under category 1 Purchased goods and services. The reclassification concerned 3.637 t of CO₂.

In 2024, BAM recalculated its 2019 Scope 3 baseline following the same methodology as for the 2024 disclosure. BAM reports this baseline in the sustainability statement for the first time in 2024. The baseline was calculated on a 'like for like' basis. Only the business activities that were part of BAM in 2024 were included, meaning that the parts of Belgium and all the Germany business activities divested between 2019 and 2023 are excluded from this baseline. BAM International is only included in the 2019 baseline for upstream activities. Emission data on projects delivered by BAM International in 2019 is not available.

The Scope 3 baseline was calculated using, as much as possible, the same methodology applied in 2023 and 2024. The only significant difference is in Category 11 - Use of Sold Products. In 2019, a larger portion of this category was extrapolated due to limited data availability for certain business activities. As a result, approximately 27% of the total 2019 Scope 3 footprint is based on extrapolation, compared to 5,5% in 2025.

Scope 3 emissions represent the largest share of BAM's total greenhouse gas (GHG) footprint, with Category 1: Purchased Goods and Services being the most significant contributor. In 2025, we updated the emission factors used in spend-based calculations to the latest Exiobase dataset (defined for 2022) and applied an inflation correction to match 2022 prices. The impact of the update of the conversion factors on upstream emissions was around -27% and the impact of inflation correction between 2022 and 2025 an additional -10%. We have also done a lot of progress in mapping our procurement categories to the correct Exiobase factors, with changes this year adding +10% to our emissions due to recategorisation of suppliers. All these updates significantly decreased the calculated emissions for Categories 1 and 2 by around 30%, compared to the methodology used last year. To ensure transparency and comparability, 2024 data was recalculated using these updates, allowing stakeholders to observe the actual year-on-year reduction independent of changes in conversion factors. It can therefore be seen that the total Scope 3 emissions in 2024 are 21% lower when recalculated using the updated conversion factors and inflation correction compared to the numbers that were disclosed in last year's report. This recalculation only impacts categories 1 and 2.

Recognizing the limitations of spend-based data, BAM is actively transitioning toward activity-based data collection to improve accuracy and decision-making. To address this method's sensitivity to price fluctuations and procurement dynamics we introduced a project-level carbon calculation method at tender stage, enabling carbon considerations before bidding decisions. Starting from the 1st of January 2025, every tender at BAM Bouw & Techniek Projecten performs a compulsory carbon calculation. This is being rolled out within other segments and in 2026 all segments will implement carbon calculation in selected business units. For further measurement improvements, refer to BAM's climate transition plan in E1-1.

We also began integrating activity-based data for key materials - including asphalt, steel, and concrete - into our internal spend-based dataset for more precise insights. As supplier data collection remains one of the biggest challenges in Scope 3 reporting, we continue to engage with our supply chain to obtain more granular, supplier-specific data, addressing this challenge and scaling the use of primary data over time.

While we are working to improve the accuracy of our reported Scope 3 figures, fluctuations can still occur due to project delivery timelines, meaning year-on-year changes do not always reflect actual reductions. Additionally, our upstream Scope 3 figures have undergone a significant update with revised conversion factors, moving from Exiobase version 3.8.2 last year to 3.10.1, which has contributed to increased accuracy in our reporting.

Looking at downstream emissions (Category 11: Use of Sold Products), results are strongly influenced by the number, type, and size of buildings delivered in a given year, as well as by methodological assumptions. Between 2024 and 2025, downstream emissions decreased by 31%.

In 2025, BAM delivered 11% less building area (m²) compared to 2024, while the carbon factor for electricity in the Netherlands decreased by 18%. In addition, individual large projects can have a disproportionate impact on reported downstream emissions in the year of delivery. For example, a large construction project can account for up to 9% of total downstream emissions in a single year. Accounting for Scope 3 downstream emissions is dependent on the delivery date, so this illustrates the inherent volatility in year-on-year figures driven by project mix and delivery timing.

Several portfolio-specific factors further contributed to the reduction. For BAM Wonen, last year's calculations were based on an assumed average apartment size of 118 m². In 2025, actual apartment size data became available, revealing that many apartments were significantly smaller, in some cases as small as 22 m². Furthermore, lower delivered building area by Bouw & Techniek compared to last year and the delivery of a major project within Specials with an excellent energy performance rating further contributed to the observed reduction.

These reductions were partially offset by developments in BAM Belgium. In 2024, emissions were extrapolated, whereas in 2025 activity-based data was used. This methodological change led to a reported increase in downstream emissions for Belgium, which counterbalanced some of the reductions achieved elsewhere, particularly those driven by BAM Wonen.

Overall, the 31% decrease in downstream emissions reflects a combination of reduced delivery volumes, improved energy performance of the delivered projects, and more accurate, activity-based data, alongside expected volatility linked to project mix and delivery timing.

In total, BAM's Scope 3 emissions are reported 53% lower than in our base year 2019. This is a promising result, but not representative in terms of BAM's reduction efforts in our portfolio. BAM intends to review its Scope 3 targets to make sure the targets remain ambitious and effective. In the meantime, we focus on our efforts to meeting our 2030 target, as we anticipate that we need to compensate for increased emissions due to an uptake of delivered projects and business growth in the coming years, and continue to work towards our net-zero ambition for 2050. For details on our pathway to net zero, please refer to the Climate Transition Plan in [chapter 6.3](#).

Anticipated financial effect of climate change (E1-9)

The energy transition presents a potentially material climate-related opportunity for BAM, driven by the scale and urgency of new infrastructure required to decarbonise the global economy.

Energy transition related revenue were around 15% of total revenue in 2025, of which one third in division United Kingdom and Ireland and two-third in division Netherlands, and growth is expected to continue. Energy transition related revenue includes projects regarding converter (land) stations and high and low voltage grid upgrades, energy efficient homes and buildings, including refurbishing, EV charging solutions and the partnership with Rolls Royce for Small modular nuclear reactors (SMR's).

A strong demand in these markets is expected for 2030-2035. Priority of governments in the Netherlands, United Kingdom and Ireland to improve the energy security for the future is high. The plans are backed by substantial investment plans of grid operators, which prefer to secure capacity via collaborative frameworks and long-term contracts. UK government backs plans for GBP 70bn investments in 2026-2031. In division Netherlands, BAM had recent contract wins in this market, for example the long-term contracts for Enexis in Limburg and Noord Brabant. There are several projects in tender award phase for 2026 and beyond.

BAM invested in capex and workforce upskilling to expand capacity in renewable energy, grid infrastructure construction, energy-efficiency retrofits of existing buildings and EV charging projects.

Pollution (ESRS E2 – entity-specific)

BAM's negative impact caused by air and soil pollution is associated with the upstream value chain, including emissions and hazardous substances generated by BAM's suppliers and upstream joint venture partners.

Disclosures are related to the following material impacts, risks and opportunities as identified through BAM's double materiality assessment process, refer to full details in [chapter 6.1](#).

Material impact, risk or opportunity

Pollution

Pollution of air and soil	(VC upstream)	Negative impact
Nitrogen risk	(OO)	Financial Risk

The disclosures in this section should be read in conjunction with the disclosures in [chapter 6.2](#) on Impact, risk and opportunity management. The topic of pollution is closely connected to the other environmental sub-topics such as climate change and biodiversity. The seven greenhouse gases connected to air pollution are included in section Climate change (ESRS E1), biodiversity loss as a direct impact of pollution is addressed in section Biodiversity (ESRS E4). Upstream pollution in BAM's value chain is identified as a material impact in BAM's double materiality assessment. The related disclosure requirements in ESRS E2-4 until ESRS E2-5 are specific to own operations, which is not considered material to BAM. ESRS E2-6 is disclosed with regard to the material financial risk related to the Dutch nitrogen-crisis. Refer to BAM's double materiality assessment process in [chapter 6.1](#) for more details.

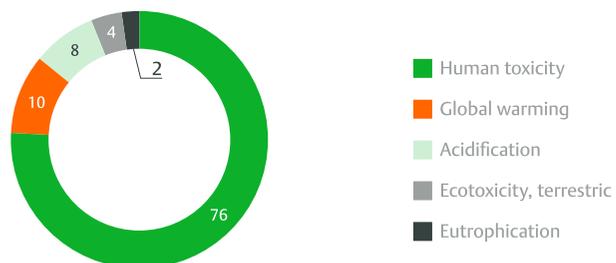
Description of the processes to identify and assess material pollution-related impacts, risks and opportunities (IRO-1)

In 2025, BAM has screened its upstream business activities in order to identify its actual and potential impact. Based on internal consultations with subject matter experts, and consultations with key parties in BAM's supply chain, the relevant upstream activities have been identified. BAM further discloses the assumptions and tools used in the impact assessment. The most impactful categories in relation to upstream pollution for BAM are global warming, human toxicity, ecotoxicity, acidification and eutrophication. The estimated relative impact of upstream pollution is enclosed in [the graph in this paragraph](#).

The distribution is comparable to last year, with no significant changes. Human toxicity remains the most dominant contributor to the total of upstream pollution, which was 70% in 2024. This share increased in 2025, primarily due to large amounts of steel use in our construction projects in Ireland and improvements in data quality. Human toxicity refers to the adverse effects that pollutions have on human health. These impacts can arise from various sources of pollution and is the most impactful pollution for BAM. BAM's upstream pollution also has a significant impact on acidification, eutrophication, and ecotoxicity (terrestrial), and as described earlier on global warming.

Relative estimated impact of pollution in BAM's upstream value chain*

(in %)



* Pollution emission figures are calculated with estimated assumptions

With the impact on human toxicity in BAM's upstream operations, BAM will further investigate on the awareness about human toxicity impact and intends to reduce that impact going forward. In depth information about the global warming emissions in relation to the climate impact of BAM can be found in [BAM's Scope 3 disclosures in section Scope 3 and total GHG emissions \(E1-6\)](#). Acidification, eutrophication and ecotoxicity have comparable percentages in relation to the total pollution, and a limited impact compared to the other two categories.

BAM further investigated its upstream activities and the impact in pollution category 'Human toxicity', for further details, refer to the text box Reporting principles and assumptions pollution in this paragraph. As a result of this analysis BAM was able to drill down on to activity type to check which activities are the most impactful. BAM determined that upstream pollution from the primary materials, asphalt, steel and concrete, but also from installation works have a significant negative impact specifically with regards to human toxicity.

BAM's activity 'installation works' consists mainly of mechanical and electrical installations. In addition to installation works, category 'exterior and interior work' is significantly impacting human toxicity. This is attributable to its material use and related activities, such as aluminum and curtain walling, ceiling and partition wall systems, facade cladding metal (zinc, aluminum, copper, steel) and the use of stone product and brickwork. BAM recognises the need to address this negative impact on human toxicity in its upstream operations.

Policies related to pollution (E2-1)

While BAM's sustainability policy does not explicitly address pollution, the policy does provide guidance on material use. With the efficient use of materials and use of sustainable alternatives BAM intends to minimise the upstream pollution. BAM is doing research on how this should influence the procurement processes for the purchase of materials.

External regulations take precedence over internal policies when it comes to pollution control. Local authorities have the mandate to impose restrictions on emissions and environmental impact related to material production. Companies must obtain operating licenses, which include specific conditions, such as limits on production volumes and allowable pollution levels. These licenses are monitored and enforced by the relevant local authorities, ensuring compliance with environmental standards.

Actions and resources related to pollution (E2-2)

BAM intends to provide more detailed reports on upstream pollution in the coming years. The availability of more qualitative data from ongoing analysis, data improvements and the increasing knowledge regarding emissions will enhance the quality of these reports.

BAM focuses on minimizing upstream pollution through a combination of strategic measures and process optimisations. The main pillars are:

- **Efficient use of materials:** BAM actively manages material consumption during design and execution phases. This includes optimizing structures, applying digital design tools, and avoiding over-dimensioning.
- **Reduction of primary materials:** There is a strong focus on reducing the use of non-biobased virgin materials such as concrete, steel, and asphalt. These materials cause significant pollution during extraction and production. BAM works on substitution by recycled or biobased alternatives and explores innovative solutions such as circular construction materials.
- **Research and knowledge development:** Continuous research into the environmental impact of materials and collaboration with value chain partners to make emissions more transparent. This will lead to better traceability and reporting of upstream pollution.

BAM considers the specific mitigation hierarchy to allocate actions and resources:

- Avoid pollution, including any phase out of materials or suppliers that have a significant impact
- Reduce pollution, for example meeting the Do No Significant Harm criteria for pollution prevention and control according to the EU Taxonomy Regulation and its Delegated Acts (minimisation of pollution)

Target related to pollution (E2-3)

Pollution is not included as a specific element in BAM's strategy. In BAM's research and discussion with experts, BAM has concluded that a separate target for upstream pollution is not suitable, and recognises the strong dependency on material use. Therefore, upstream pollution is incorporated in the (indirect) targets set for the reduction of non-biobased virgin materials: BAM aims to achieve a 50% reduction by 2030 compared to 2019. The focus is on reducing the consumption of primary materials such as concrete, steel and asphalt. Those materials have substantial environmental impact and result in air and/or soil pollution that occurs during the extraction and processing of the materials. Also, BAM tries to substitute these high-impact materials for a more sustainable materials and/or recycled materials. For further details on (targets related to) material use, refer to section [Resource use and circular economy \(ESRS E5\)](#).

Reporting principles and assumptions pollution

BAM has used procurement data to gain insights in upstream pollution. Upstream pollution emissions from purchased goods and services are based on BAM's spend data. The spend data is converted into pollution emissions using public available conversion factors. BAM has selected Exiobase v3.8.2. as the emission factor database to convert spend data into pollution data and impact categories. The BAM procurement categories have been manually mapped against the categories in the Exiobase database based on expert judgement. BAM used the Environmental Cost Indicator (ECI) to compare impact categories with each other. BAM considers this calculation as the most effective method currently available for assessing upstream pollution. This approach highlights the category where BAM has the highest environmental impact. There is an expectation that over time, the methodology for measuring upstream pollution will improve, potentially involving updates of weighting factors and measurement methods. BAM does not yet disclose the absolute emissions related to the different pollution categories, because of estimation uncertainties of this level of detail.

BAM does not disclose the amount of pollutants that are emitted through BAM's purchased materials in 2025. When the traceability of purchased materials improves, BAM will be able to report in the future on the amount of pollutants. If material to BAM, BAM includes the operating expenditures incurred in the reporting period in conjunction with major incidents, including any provisions for the environmental protection and remediation costs, e.g., for rehabilitating contaminated sites, removal of environmental contamination at sites and similar measures. No such material remedial (financial) actions have come to BAM's attention in 2025.

Asphalt production

Asphalt production is a critical component in BAM's construction operations, yet it is essential to acknowledge its environmental impact, particularly concerning upstream pollution. The production process involves a substantial impact on human toxicity due to the extraction and refinement of raw materials. The most impactful emissions are benzene and Polycyclic Aromatic Hydrocarbons (PAHs), which are released during the production of new asphalt mixtures with the use of recycled asphalt. BAM is committed to implement sustainable practices and explore innovative technologies to minimise these environmental impacts. BAM's asphalt supplier in the Netherlands is the joint venture AsfaltNu. In 2022 and in 2023, operational carbon filters were installed in various asphalt plants from AsfaltNu which ensure a significant reduction in emissions. In the meantime, the plants are working on smarter and more sustainable techniques for the longer term. AsfaltNu started building a new asphalt plant in 2025, where innovative techniques take care for a production that has a low pollution in emissions, fragrance free and is almost noise free.

For the Netherlands as well for the UK and Ireland, environmental performance in the asphalt sector is increasingly shaped by national and regional sustainability goals. Local authorities play a key role in regulating emissions and environmental impacts related to asphalt production. Companies must obtain environmental permits that include specific conditions such as limits on production volumes, emissions to air, and noise levels. These permits are monitored and enforced to ensure compliance with environmental standards, forming a critical part of the MKI (Milieukostenindicator)-based approach or the Life Cycle Assessment-based approach to sustainable infrastructure.

Steel production

Steel production is from origin a fundamental material for construction work and is also associated with significant upstream pollution. The production of steel leads to high nitrogen emissions, which have a negative impact on the environment. The production of steel also leads to the emission of particulate matter, which has a negative impact on the human toxicity. The traceability of steel in the construction sector is complex due to the multifaceted nature of the supply chain.

Many companies have already set greenhouse gas (GHG) emission reduction targets. However, steel producers continue to lag in defining clear and actionable emission reduction plans. Pollution levels are partly constrained by the requirement for local operating licenses, which impose certain environmental standards.

Regulatory oversight plays a key role: emissions from chimneys are measured by supervisory authorities, while regional environmental agencies monitor compliance more broadly. In addition, national policies introducing stricter nature and environmental regulations are reinforcing the urgency to reduce emissions across the sector.

In the Netherlands, BAM has taken a leading role in the Bouwakkkoord Staal (Steel Construction Agreement), joining forces with other frontrunners in the construction sector to reduce the use of raw materials and promote more sustainable steel production. BAM is particularly committed to stimulating the reuse of steel, with a strong focus on accelerating this transition within the infrastructure sector.

The Bouwakkkoord Staal sets out national ambitions for the entire steel construction value chain, including:

- A minimum 60% reduction in CO₂ emissions compared to 1990 levels,
- Increased use of renewable energy and energy-saving measures,
- Lower environmental impact from substances that pose risks to human health and the environment,
- Promotion of reuse and recycling of steel objects, components, and materials.

Through these joint efforts, the sector aims to contribute meaningfully to the necessary national and international climate transition by 2030.

BAM will further investigate in their traceability to reduce the impact in pollution. BAM focuses on the reduction of the consumption of steel related to BAM's targets for the use of primary materials. BAM will use as much as possible recycled steel, currently at a level of 67% (2024: 67%) recycled steel use relative to the total steel consumption, refer to section [Resource use and circular economy \(ESRS E5\)](#) for further details.

Concrete production

Concrete production is also associated with considerable upstream pollution. This has severe impact on climate change and also affects human toxicity. BAM is not yet able to measure and report in detail about the exact emissions of concrete, due to various variables, such as regional production and the lack of activity data. Quantification of the specific amounts of concrete is considered a valuable insight, as the specific substance and the level of sustainable production per supplier varies. BAM aims to reduce the consumption of concrete and/or replace it by more sustainable concrete or other materials. For example, BAM's initiative 'GROENR BETON' allows BAM to use more sustainable concrete which reduces the pollution of the concrete production. Additionally, BAM aims to collaborate as much as possible with suppliers that have climate and sustainability-related certifications, such as ISO 14001 and CSC Certification.

In the Netherlands, the Betonakkoord sets the framework for sustainable concrete production, with clear limitations on MKI (Milieukostenindicator), pollution, and circularity. These form the foundation of the Roadmap Sustainable Concrete, which outlines sector-wide reduction initiatives, including estimated emission reductions and the relevant value chain actors involved.

For the UK and Ireland, upstream pollution is increasingly addressed through a combination of regulatory frameworks and industry-led roadmaps. The UK Concrete and Cement Industry Roadmap to Beyond Net Zero outlines a comprehensive strategy to reduce emissions across the entire value chain, including upstream activities such as raw material extraction, transport, and cement production.

Anticipated financial effects from material pollution-related risks and opportunities (E2-6)

The nitrogen risk in the Netherlands is a financial exposure that potentially affects BAM through a regulatory & policy risk. Dutch courts have ordered the government to cut nitrogen emissions significantly by 2030 to meet EU rules, with potential fines if targets are missed. Ongoing policy uncertainty (shifts in standards, possible loosening, changes to permit systems) potentially affect BAM's project planning and compliance costs.

Further transition risks are limited as the nitrogen emissions in BAM's own operations are relatively low. The financial consequences of shifting to lower-nitrogen activities, such as altering operations or investing in cleaner technology are linked to the use of electric equipment. The investments in electric equipment are already part of the transition plan to reduce GHG emissions, refer to section [Climate transition plan \(E1-1\)](#).

Current projects face no immediate delays. BAM's dedicated nitrogen taskforce, comprising experts from all businesses in division Netherlands, closely monitors legal developments and their impact on projects. We proactively assess nitrogen risks in tenders to avoid exposure to potential cancellations. Through careful monitoring, adaptive planning, and a diverse project portfolio, we aim to remain resilient while contributing to national goals for emission reduction and ecological recovery.

For 2026 and beyond, BAM still faces uncertainty around how the nitrogen policy will evolve, particularly regarding future permit availability and regional emission ceilings. Project timelines and investment decisions could be disrupted if rules tighten, causing delays, cancellations, or added compliance costs that are difficult to estimate today. Political dynamics and court decisions add volatility, which can make long-term planning and pricing of projects even more difficult.

Biodiversity and ecosystems (ESRS E4)

Biodiversity refers to the variety and variability of life forms on Earth, including the diversity of species, ecosystems, and genetic variations within those species. It encompasses everything from plants and animals to microorganisms, as well as the ecosystems they form, like forests, oceans, and grasslands. Essentially, biodiversity represents the richness of life in all its forms, and it is crucial for maintaining ecological balance, supporting human life.

The construction sector is a major driver in the decline of biodiversity. BAM aims to help reduce the loss of biodiversity, specifically in its own operations and protect ecosystem services, working towards a world where nature and human activities are in balance. BAM's strategic approach is focused on gaining insights in the biodiversity impacts on its project and propose and deliver biodiversity enhancing measures where possible.

The following material impacts, risks and opportunities are listed below, these are identified through BAM's double materiality assessment process, full details can be found in [chapter 6.1](#).

Material impact, risk or opportunity

Biodiversity

Biodiversity loss through land use change	(OO)	Negative impact
---	------	-----------------

Transition plan for biodiversity (E4-1)

BAM recognises that its operations can affect biodiversity and ecosystems, both directly during the construction process and indirectly through material sourcing. Land use and land conversion during construction and infrastructure projects present significant challenges for plants and species, and the ecosystems they form. At the same time, BAM has opportunities to make a positive contribution. Targeted restoration measures can create new habitats or improve existing ones. In conclusion, dependencies and impacts create both risks and opportunities. To address this, BAM has integrated biodiversity considerations into its corporate strategy and business model.

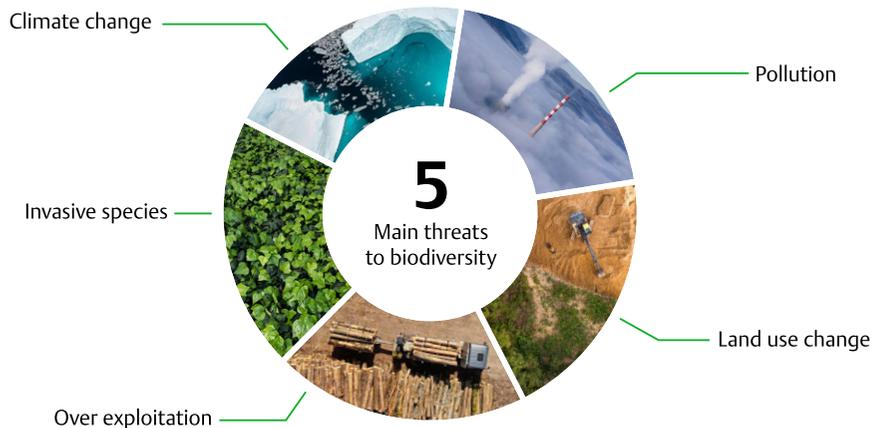
Biodiversity related strategic targets include offering biodiversity enhancing alternatives in our developments where BAM is involved in the design process of a tender or development. National and globally recognised frameworks lay the foundation for the biodiversity enhancing measures BAM offers in its tenders and developments. Furthermore, our approach aligns with global biodiversity goals, including the Kunming-Montreal Global Biodiversity Framework (KMGBF), setting a strategic and sustainable direction for achieving a nature-positive world by 2050.

The resilience of BAM's strategy includes consideration of biodiversity related impacts and dependencies. In practice, this translates to integrating sustainable practices in our own operations and value chain.

- By anticipating and mitigating biodiversity risks in our operations and projects, construction-related impacts are minimised and BAM contributes by restoring degraded ecosystems.
- In our upstream value chain, BAM implements sustainable resourcing through certified materials and utilizing low-carbon or recycled alternatives to traditional materials.
- Developing employee expertise to enhance the ability to mitigate biodiversity related risks on projects.

BAM has drawn on the 2019 Intergovernmental Science-policy platform on biodiversity and ecosystem services (IPBES) Global Assessment Report to translate the Kunming-Montreal Global Biodiversity Framework goals into actionable measures for BAM. The identified primary drivers are included in the visual [main threats to biodiversity](#).

Main threats to biodiversity



As a result, BAM translated these insights into an actionable biodiversity approach in 2024: BAM Biodiversity+. The assessment was originally developed in the division United Kingdom and Ireland, and has been adapted to the Dutch context. Regulatory and industry best practices lay at the foundation of this approach:

- ESRS E4 Biodiversity and Ecosystems.
- The British Standard BS 8583 Biodiversity.
- The Building Research Establishment Environmental Assessment Method (BREEAM) for Infrastructure.
- The Chartered Institute of Ecology and Environmental Management (CIEEM) Biodiversity Net Gain: Good practice principles for development.
- The Expedition Engineering's Embodied Biodiversity Impacts of Construction Materials research report.
- GRI 101: Biodiversity 2024.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

A detailed overview of sites by identified impacts and dependencies is disclosed in this chapter. BAM's activities can impact biodiversity across all sites it owns or operates. We distinguish between:

- Direct impact on sites under full operational control (owned land).
- Indirect impact linked to design and build activities on client-owned construction sites.

BAM considers direct impact on biodiversity when a new construction footprint is causing land use change and loss of habitats as part of the property development activities of BAM. Indirect impacts, more focused on the construction design and build BAM is performing. For instance, shipping and transporting materials can introduce invasive species, which can damage ecosystems over time. In many cases, a single action can cause multiple types of impact; for example, developing a new road to a remote location causes impact through construction and often increases habitat degradation of adjacent areas due to improved access.

To assess material direct impacts, BAM mapped its owned sites against biodiversity-sensitive areas. Proximity thresholds increased compared to the prior year. The applied thresholds are based on the Integrated Biodiversity Assessment Tool (IBAT) methodology. Further details regarding the methodology can be found in reporting principles and applied assumptions. An [overview](#) is presented in this paragraph. In total, seven sites are of high relevance, meaning that they are within 500 meters of a key biodiversity area. The remaining sites are more than 500 meters, but less than 10 kilometers from a key biodiversity area.

Number of offices and depots near biodiversity-sensitive areas

Country	Number of locations < 500 m	Number of locations 500 m - 10 km
Belgium	1	12
Ireland	1	1
The Netherlands	4	15
United Kingdom	1	4

BAM also assessed its owned construction sites. Usually BAM only operates on sites owned by the client, but in the Netherlands, we have sites that are owned by BAM's property developer. BAM has assessed how many sites are within 1 kilometer of biodiversity-sensitive areas and if they were actively being developed (i.e. construction activities). Out of the identified 47 sites, 14 sites were actively being developed in 2025. These are the sites where BAM potentially has the largest impact on biodiversity. Further details on these sites can be found in [Overview of owned sites, depots and offices near biodiversity-sensitive areas](#), together with the details on the relevant offices and depots.

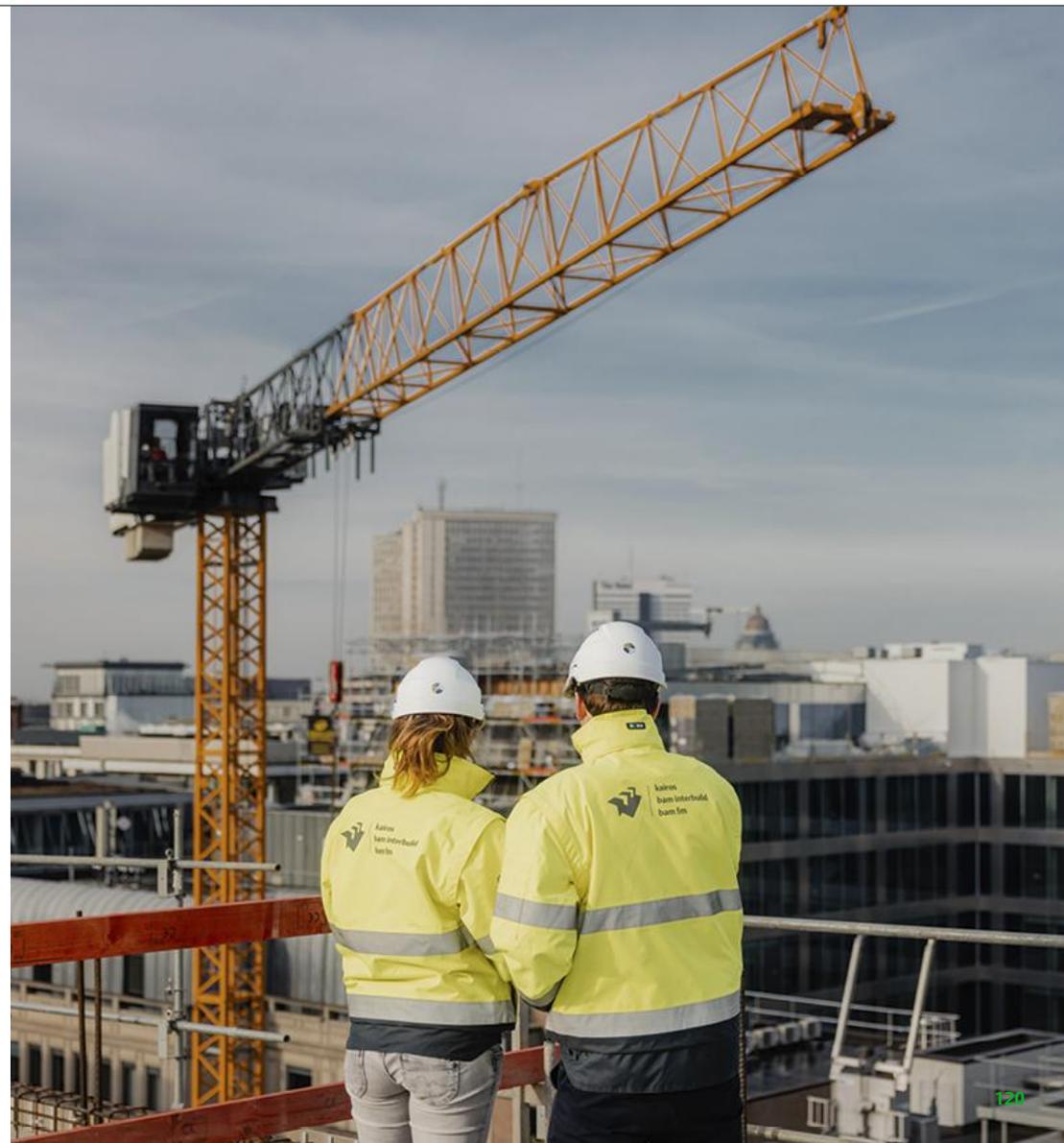
Owned sites near biodiversity-sensitive areas

	Total number of owned sites < 1 km	Number of owned sites with construction activities < 1 km	Number of owned sites 1 km - 10 km
Sites	47	14	12

In total, BAM has identified 21 material sites with potential negative impacts on biodiversity (7 offices/ depots and 14 construction sites that were actively being developed in 2025). On these sites, BAM may contribute to land-use change. The combined area of these 14 sites is approximately 500 hectares, representing the theoretical maximum of hectares subject to biodiversity impact. The actual figure is expected to be significantly lower, as BAM typically develops only part of the land on larger projects.

BAM has not yet performed an individual biodiversity impact assessment for these sites, although offices in the United Kingdom have been assessed. BAM focuses on offering biodiversity enhancing measures to our clients and implement them where possible. Performing individual assessments on the limited number of owned sites provides limited additional value. As no biodiversity impact assessments were conducted at individual site level, BAM cannot provide an exact figure for land-use conversion.

On sites where active development takes place, we promote biodiversity by integrating habitats for a variety of species into our development plans. The goal of the property development part of our business is to leave each area with more flora and fauna species than before development. We select landscape architects based on their biodiversity expertise and work closely with ecologists to monitor the effects of our measures. Various biodiversity measures have been taken, such as the inclusion of bat boxes, swallow boxes, and the creation of mixed hedgerows. Moreover, we have incorporated several hectares of oil flax and elephant grass (*Miscanthus*) in our projects.



Overview of owned sites, depots and offices near biodiversity-sensitive areas

Country	Location	Address	Size (m2)	Nature area designation	Identified activities
Belgium	Chaufontaine	Rue Joseph Deflandre 2, 4053	28,807	Vallé D'Ourthe	Depot
Ireland	Cork	T45 R902, Ireland	5,000	Great Island Channel SAC	Office
The Netherlands	Delft	Harnaschpolder	26,104	Natuur Netwerk Nederland	Active development
The Netherlands	Dordrecht	Wilgenwende	347,803	Natuur Netwerk Nederland	Active development
The Netherlands	Gorinchem	Hoog Dalem	5,075	Natuur Netwerk Nederland	Active development
The Netherlands	Haarlemmermeer	Wickevoort	535,196	Natuur Netwerk Nederland	Active development
The Netherlands	Hoef en Haag	Grex omslag	480,870	Natuur Netwerk Nederland	Active development
The Netherlands	Lelystad	De serpeling 120	3,201	Natuur Netwerk Nederland	Office
The Netherlands	Middelharnis	Hernesseroord	63,539	Natuur Netwerk Nederland and N2000	Active development
The Netherlands	Moordrecht	Zuidplaspolder	1,573,030	Natuur Netwerk Nederland	Active development
The Netherlands	Purmerend	Kwadijkerpark	151,909	Natuur Netwerk Nederland and N2000	Active development
The Netherlands	Roermond	Randweg	500	Natuur Netwerk Nederland	Office
The Netherlands	Rosmalen	Vinkeveld	350	Natuur Netwerk Nederland	Office
The Netherlands	Rotterdam (Feyenoord)	Feyenoord-city	5,260	Natuur Netwerk Nederland	Active development
The Netherlands	Rotterdam (Stadionweg)	Stadionweg 23	2,190	Natuur Netwerk Nederland	Office
The Netherlands	Terneuzen (Zuid zuid)	Othene zuid-zuid	341,294	Natuur Netwerk Nederland	Active development
The Netherlands	Terneuzen (Zuid)	Othene zuid	305,105	Natuur Netwerk Nederland and N2000	Active development
The Netherlands	Weesp	Bloemendalerpolder	844,341	Natuur Netwerk Nederland and N2000	Active development
The Netherlands	Zaandam	Saendelft	148,599	Natuur Netwerk Nederland and N2000	Active development
The Netherlands	Zierikzee	Noorderpolder	124,957	Natuur Netwerk Nederland	Active development
United Kingdom	Allbrook	SO50 4 LY	6,500	River Itchen SSSI	Depot

Compared to 2024, our approach to disclosing owned sites, offices, and depots has been refined. Applying the updated 2025 methodology to the 2024 data we see that the number of owned sites near biodiversity sensitive areas remained stable. In 2025, BAM's portfolio included 47 owned sites within 1 kilometer of a biodiversity-sensitive area (2024: 47). Comparing further details with 2024, such as the sites with construction activities or the combined area, is impracticable as this information was not captured for 2024. The number of owned offices and depots within 500 meters of a biodiversity-sensitive area also remained unchanged, totaling 7 in each year.

Reporting principles and assumptions biodiversity

The methodology for the assessment of relevant sites near biodiversity-sensitive areas has two main elements:

1. Determining which sites are in scope.
2. Determining relevant thresholds for proximity.

Scope definition

BAM considers only owned sites as sites where we have full control. Sites where we perform construction activities on behalf of clients and leased offices and depots have been excluded from the disclosure. The assessed sites are all sites where we have (partial) ownership, such as offices, depots and land positions.

Applied thresholds

BAM has defined what distance is considered 'near' biodiversity-sensitive areas in the context of BAM's own operations. The relevant distance depends on local aspects, such as type of habitat and presence of species, and can substantially vary case by case. Although standardised buffer zones may not fully capture specific ecological sensitivities or species-specific impact ranges, which could either under- or overestimate the actual zone of influence for some biodiversity impacts, a practical approach was implemented.

In 2025, BAM applied a different approach to determine the thresholds for proximity compared to previous year. In 2024 we considered the following thresholds to identify a material site: 5 kilometer for international designated sites; and 2 kilometer for nationally designated sites. This year, the thresholds are based on the buffer zone guidance provided by the Integrated Biodiversity Assessment Tool (IBAT). IBAT suggests a buffer zone of 10 kilometers for construction related activities, and considers the following thresholds to determine high significance:

- 1 kilometer for construction activities.
- 500 metres for offices and depots.

A geographic information system (GIS) is used to determine distance to the nearest key biodiversity area. BAM is currently not carrying out a fully location-based mitigation strategy, however, details of the assessment are included in [this overview](#). As the owned asset list is currently compiled partly through manual processes, BAM is working to enhance the completeness of this assessment across all business units.

Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities (IRO-1)

As disclosed in [chapter 6.1](#) (BAM's Double Materiality Assessment) and in the ESRS E4 SBM-3 analysis above, BAM has screened its business activities in order to identify its actual and potential impact. Based on internal consultations with subject matter experts, and consultations with key parties in BAM's supply chain, the relevant activities have been identified.

Policies related to biodiversity and ecosystems (E4-2)

BAM's sustainability policy references biodiversity but does not include explicit measures for identifying, assessing, managing, or remediating material biodiversity and ecosystem impacts, risks, or dependencies. The current policy is limited to timber, and does not explicitly address production, sourcing, or consumption of ecosystems or other social consequences of biodiversity-related impacts. The policy prescribes to only procure certified renewable timber, reducing the risk of deforestation and forest degradation in BAM's timber supply chain.

BAM will be subject to the EU Deforestation Regulation (EUDR), which has been delayed to 30 December 2026, specifically for the division Netherlands. The original proposal was simplified: Only businesses that are first to place a relevant product on the EU market will be responsible for submitting due diligence statements, and not the operators and traders that subsequently commercialise it. BAM is only importing timber directly for our timber housing factory, so impact on BAM's procurement processes is expected to be limited.

Actions and resources in relation to biodiversity and ecosystems (E4-3)

Biodiversity requirements are part of the stage gate process to support the roll-out of biodiversity enhancing measures in our tenders. All tenders with design in scope are requested to offer biodiversity enhancing measures to the client.

In 2025 BAM continues to offer Biodiversity+ assessments on projects. The assessment is a framework, bridging regulatory and science-based methodology with BAM's operations. By offering the assessment BAM aims to add value that complements societal and client needs. Priority is on user-friendliness, by distilling complex jargon into understandable and practical principles. We carried out 79 Biodiversity+ assessments (62 in division United Kingdom and Ireland and 17 in division The Netherlands) in 2025. The Biodiversity+ assessments provide useful insights in the nature related risks and opportunities of our projects.

Across BAM's business wider development of the theme is ongoing, the focus is on a learning and development approach. An e-learning, tailored to the role and involvement at different project stages, has been published. The project stages are tenders, design and execution. Furthermore, across the company best practices of biodiversity enhancing measures are shared through a sustainability library.

We do not currently apply biodiversity offsetting. Our initial focus is on gaining insight into our impacts and taking steps to reduce negative effects. Focus is on continuing efforts to improve biodiversity related data management systems and increase insights into biodiversity impacts on projects. Through engagement with all relevant stakeholders, both internally and externally, BAM aims to mitigate negative impacts, while increasing biodiversity action-based value creation on its projects.

Targets related to biodiversity and ecosystems (E4-4)

BAM has included biodiversity in its strategy and has set the target to offer biodiversity enhancing measures in A,B,C tenders with design in scope in 2026. Furthermore, BAM has the ambition to work towards a biodiversity positive impact by 2030. The offering of biodiversity enhancing measures is the first step to address biodiversity risks and opportunities in our projects. To reach the 2030 ambition, more tangible targets covering all aspects of our biodiversity impact will be needed.

BAM has set targets in line with the Kunming-Montreal Global Biodiversity Framework. We believe that by contributing to these targets BAM provides support for the transition towards a nature inclusive and biodiverse construction sector. BAM did not apply ecological thresholds when setting these targets. For our targets on biodiversity balanced and biodiversity positive, BAM anticipated to use the United Kingdom Biodiversity Net Gain (BNG) approach developed by the British Government to use as the metric to report biodiversity impact. However, aggregating BNG impacts across different projects is complex and applying BNG on all projects turned out to be infeasible. Therefore, BAM has dropped its 2026 target on evidenced biodiversity balanced in the division United Kingdom and Ireland.

BAM's Biodiversity+ assessment covers drivers other than BNG, such as pollution and invasive species. BAM is currently rephrasing the 2030 ambition on biodiversity positive impact, expanding the scope to nature impact but making our efforts more specific. Our efforts focus on:

- Minimising negative impacts in the supply chain.
- Protecting nature during construction phase.
- Restoring and enhancing nature through assets we deliver.

In 2026, we plan to finalise new specific nature targets for 2030, where we consider to set specific targets addressing our key impacts at construction sites and our lasting impact when we finalise projects. Our upstream impact is also in scope but concrete targets are not yet expected to be formulated in 2026.

Impact metrics related to biodiversity and ecosystems (E4-5)

BAM has incorporated the offering of biodiversity-enhancing measures into its sustainability baseline. In 2025, we offered measures in 84% of our large tenders with design in scope. 2025 was the first year that BAM was able to provide consolidated figures and marks an important milestone towards ensuring a 100% score on this metric in 2026.

Resource use and circular economy (ESRS E5)

A circular economy is an economic system designed to keep the value of products, materials, and resources in use for as long as possible. It promotes efficient production and consumption, reduces environmental impact, and minimises waste and hazardous substances throughout the entire lifecycle - guided by the waste hierarchy. The goal is to maximise the value of technical and biological resources by enabling durability, reuse, refurbishment, and recycling.

BAM focuses on the reduction of non-biobased virgin materials. Specifically, the focus is on reducing the consumption of primary materials such as concrete, steel, and asphalt, known for their substantial environmental impact. BAM aims to replace these with bio-based alternatives or secondary materials that are reused or recycled.

Waste management has been part of BAM's operations for many years. Waste is categorised into four categories: construction, office, excavation, and demolition. BAM has direct influence over construction and office waste, which are materials brought to construction sites and products used in offices. These streams are the current focus of BAM's waste reduction targets.

BAM also embeds circular principles in its designs. By developing buildings and infrastructure that apply circular practices, BAM contributes to a system where resources are used efficiently and sustainably.

Disclosures are related to the following material impacts, risks and opportunities as identified through BAM's double materiality assessment process, refer to full details in [chapter 6.1](#).

E5 Resource use and circular economy

Material impact, risk or opportunity

Resource use		
Depletion of raw materials	(VC upstream)	Negative impact
Waste reduction (hazardous and non-hazardous waste)	(OO)	Negative impact
Waste re-use and recycling	(OO)	Positive impact
Resource use		
Circular design	(OO)	Positive impact

The disclosures in this section should be read in conjunction with the disclosures in [chapter 6.2](#) on Impact, risk and opportunity management.

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities (IRO-1)

In 2024, BAM has screened its business activities in order to identify its actual and potential impact. Based on internal consultations with subject matter experts, and consultations with key parties in BAM's supply chain, the relevant activities have been identified. BAM further discloses the assumptions and tools used in the impact assessment (see [chapter 6.1](#)).

Policies related to resource use and circular economy (E5-1)

BAM's ability to meet its sustainability ambition related to resource use and circular economy is driven by the organisation's responsibilities described in the sustainability policy:

- Make efficient use of resources (such as energy and water).
- Optimise design to minimise the amount of materials used.
- Consider the use of sustainable alternatives to conventional building materials, such as biobased (timber) and recycled materials. And only procure 100% certified sustainable timber.
- Avoid waste of materials and separate remaining waste streams.
- Support the use of materials passports and circularity assessment on projects.

The policy addresses both the standards for BAM's own operations as well as relevant criteria for the selection of suppliers. It includes that BAM ensures that subcontractors and suppliers have relevant sustainability policies in place and adhere to any prescriptive (project) sustainability requirements to meet compliance with this policy or any client sustainability requirements and ensures subcontractor and supplier compliance with relevant environmental protection laws and regulations.

Actions and resources related to resource use and circular economy (E5-2)

Application of circular business practices are evidenced by the development of BAM's wooden housing concept Flow. Flow also showcases higher levels of resource efficiency in use of industrialisation and biological materials (timber). Another example that evidences BAM's contribution a circular economy is the development of cold-use asphalt in BAM's Dutch infrastructure business activities.

Initiatives in 2025 also focused on the innovative solutions to reduce waste. In division Netherlands for example, this is done with other partners to develop a biobased fire protection board made from recycled timber waste. Another example is the using of what would be concrete waste to create flexible gryones place on river sides to minimise erosion. In division United Kingdom and Ireland, a plan to reduce waste accumulated at the end of the project has been developed to re-use waste throughout the duration of the project.

Furthermore regarding material use, BAM's aim was to establish a baseline and reduction path for the largest material categories in 2025, which will continue in 2026. For steel, a draft roadmap has been finalised, for concrete and timber work is still in progress.

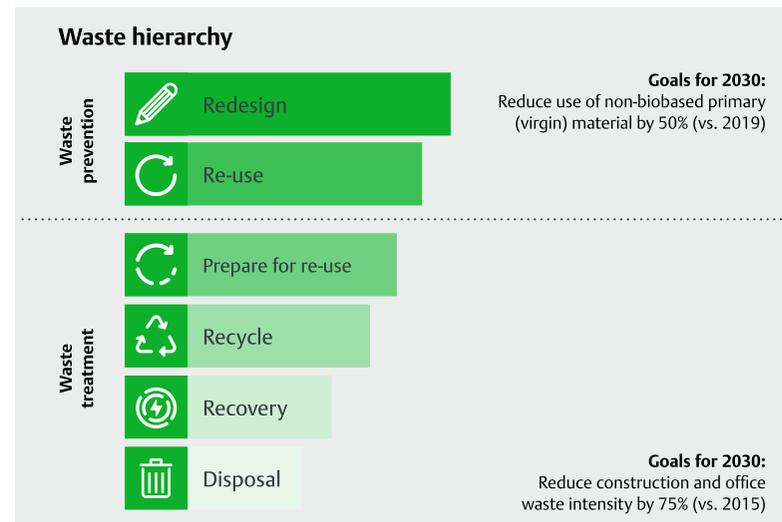
All actions and initiatives as described above are a part of BAM's ongoing operations and therefore have no additional financial resources allocated from either Capex or Opex.

Targets related to resource use and circular economy (E5-3)

As part of BAM's long term strategy, the following targets are set linked to the increase of circular project design:

- 2030: A, B, C and industrialised projects with design in their scope to use the material passport
- 2030: A, B, C and industrialised projects with design in their scope to use the circularity assessment

In relation to the waste hierarchy, BAM's targets to the minimise primary raw materials and use renewable resources are:



BAM tracks construction and office waste performance against a 2015 baseline established using the respective financial consolidation. This included business activities that were divested after 2015, whereas current-year reporting excludes divested businesses from the reporting scope. Since the targets are intensity-based (tonnes of waste per € million revenue), not reinstating the 2015 baseline for divestments has limited impact. The targets presented are voluntary and not required by legislation. The reduced use of non-biobased primary material prompts the use of biobased materials (e.g. timber and straw insulation). BAM has considered how this may impact biodiversity loss, also in light of [Biodiversity \(ESRS E4\)](#). Sustainable sourcing is a key element in BAM's strategic approach to (biobased) material use. In the paragraph below and in [Biodiversity \(ESRS E4\)](#) BAM discloses the assessment and potential negative impacts of (biobased) material use.

Resource inflows (E5-4)

Resource depletion is the exhaustion of raw materials within a region. Resources are commonly divided between renewable resources and non-renewable resources. Use of either of these forms of resources beyond their rate of replacement is considered to be resource depletion. BAM has a negative impact by direct resource use on the environment and people; depending on how and where the resources are sourced, as well as how BAM uses them. For example, if BAM sources its materials unsustainably or in a way that causes pollution or habitat destruction, it can have a negative impact on the environment and local communities.

Assessing BAM's resource inflows, it mainly concerns materials used within BAM's own operations and along its upstream value chain. Key raw materials for BAM are (ready-mix) concrete, timber, asphalt and steel.

BAM reports the amount of materials used and the recycled content of these materials used. Specifically for timber (biological material), the percentage of sustainable sourcing is disclosed, see 99.8.

Reporting principles and assumptions primary materials (resource inflows)

BAM uses multiple methods of collecting data for the usage of materials:

- measured data – based on suppliers' reports, specifications from invoices or any other method where the quantities of materials are being physically measured;
- calculated data – based on the cost of the materials and average price per unit of the material;
- estimated data – if measuring or calculation is not possible due to limited information, it is possible to estimate the quantities of materials by applying a specific ratio.

Material consumption is determined using supplier reports when available. This data is extrapolated to cover all suppliers. For the remainder of the material use a spend based approach is used, which results in high estimation uncertainty for this specific information. The results are verified against BAM's procurement data, and with BAM's internal and external experts. The recycled content was determined based on information provided by suppliers and industry averages.

Asphalt: High reliability - dashboarding with integration to supplier data (cumulative).

Timber: Medium reliability - supplier reports available, extrapolated based on spend.

Concrete: Limited reliability - partial supplier reports available, largely extrapolated based on spend.

Steel: Limited reliability - partial supplier reports available, largely extrapolated based on spend.

The basic reporting unit for timber and concrete is set to cubic meters. For asphalt and steel BAM reports in tonnes. Sustainable timber has been classified in several categories: FSC 100%, FSC mix, PEFC mix, other certificates and not certified.

Material consumption

<i>(in tonnes)</i>	2024	2025
Ready mix concrete	1,436,602	1,659,266
of which: recycled content	39,658	68,494
of which: % recycled content	2.8	4.1
Asphalt	653,978	703,384
of which: recycled content	195,374	216,575
of which: % recycled content	29.9	30.8
Steel	167,176	163,852
of which: recycled content	112,531	110,526
of which: % recycled content	67.3	67.5
Timber	15,759	25,024
Certified sustainable timber		
Sustainable timber (in % of total timber)	99.2	99.8
Organisational coverage (in %)	93	91
Total weight of materials	2,273,515	2,551,526
Total weight of recycled materials	347,563	395,595

The 2024 ready mix concrete has been restated to correct for a prior period error as data on pre-fabricated concrete for division Netherlands was unintentionally left out of the calculation. This is discussed further in [chapter 6.2](#) Changes in preparation of sustainability information and reporting of prior period errors.

Timber plays a crucial role in minimising the use of non-biobased materials. BAM has committed to using only certified sustainable timber for its projects, as part of its agreement with FSC Netherlands.

BAM achieved a certified sustainable timber use of 99.8% in 2025 (99.2% in 2024) for its projects in division Netherlands and United Kingdom.

The organisational coverage is 91% (93% in 2024), as timber use in Ireland is not included. Insufficient documentation from suppliers to evidence certification and market conditions continue to make it very challenging to procure sustainable certified timber in Ireland.

Resource outflows (E5-5)

BAM has identified two specific impacts from BAM's activities related to resource outflows: a positive impact on circular economy through BAM's design process, and negative impacts due to waste generation in BAM's activities.

BAM sees a material positive short term impact to make use of circular design principles which involves designing products, services, and systems that are sustainable throughout their life cycle, maximizing the use of renewable resources, and creating closed-loop systems for the continuous cycling of materials and resources, e.g. design for disassembly.

Circularity in tenders (in %)

	2024	2025	Target 2030
A and B tenders with circularity assessments	71	69	100
A, B and C tenders with circularity assessments	-	58	100
A and B tenders with material passports	63	69	100
A, B and C tenders with material passports	-	55	100

To design according to circular principles, BAM includes a circularity assessment (for example Building Circularity Index (BCI) in the Netherlands) and makes material passports in most of the project offers (e.g. tenders), even if those elements are not explicitly requested by the client. The circularity assessment can support decision-making about which circular design principles to implement in the design phase of a project and provides insight into the extent to which a building uses recycled materials and into the reusability and detachability of materials used. In the material passport the materials used in the end product are documented, enhancing reparability, disassembly, and planning for re-use and recycling at the end of the product lifecycle.

BAM identified an entity-specific metric for the offering of those circularity measures in new projects. In order to achieve BAM's 2030 target, progress is steered towards 50% of A and B tenders with circularity assessments and material passports in 2024 for division Netherlands, and 50% of A and B tenders with circularity assessments and material passports in 2026 for division United Kingdom and Ireland. In 2025 BAM is already ahead of those targets in both divisions, refer to the [table Circularity in tenders](#), and continues to increase the level of circularity assessments in the project offering in the coming years.

BAM's waste has negative impacts on the environment and human health, including pollution of air and water, greenhouse gas emissions, and the spread of disease. Improper disposal of hazardous waste can also lead to soil and water contamination and harm to wildlife.

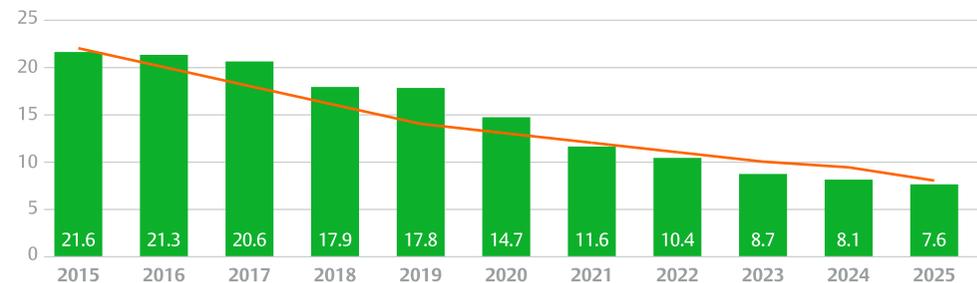
Waste reduction (hazardous and non-hazardous waste) is aiming at eliminating waste over the life-cycle of BAM's developments. Waste reduction refers to practices that minimise waste generation, decrease environmental impact, and conserve resources by reducing the amount of raw materials needed to produce goods and services (see resource inflow), and by reusing or recycling waste materials.

In the approach for waste reduction and waste reuse and recycling BAM makes a split between hazardous waste and non-hazardous waste. Specifically because actions like increasing recycling rates, reducing packaging waste, or promoting reuse initiatives are only applicable for non-hazardous waste. Hazardous waste according to ESRS is defined in line with the EU Directive on waste (Annex III of Directive 2008/98/EC).

In 2025 BAM generated a total amount of waste of 1,260.3 kilotonnes (940 kilotonnes in 2024). For a further breakdown between hazardous waste and non-hazardous waste and a breakdown by recovery operation types and waste treatment types, refer to the [table](#) in this section. Total amount of hazardous waste in 2025 is 33.8 kilotonnes (47.3 kilotonnes in 2024), of which none radioactive. For examples on materials present in the hazardous waste, refer to the [table](#) in this section.

BAM's construction and office waste intensity in 2025 was 7.6 tonnes per € million revenue (8.1 in 2024), 53.7 kilotonnes in absolute numbers (52.3 in 2024). Progress is in line with the long term trajectory to reduce 75% of construction and office waste by 2030 (64.8% reduction in 2025 versus 2015). Waste re-use repurposes discarded materials or products to reduce waste generation, while recycling converts waste materials into new products or materials, minimizing the environmental impact of waste disposal. BAM's positive impact caused by waste recycling can reduce landfill waste. Re-use is not included as part of BAM's waste (construction and office waste intensity).

Trendline waste (intensity)



■ Construction and office waste intensity — Target

The total percentage of non-recycled waste was 18% in 2025 (41% in 2024). Specific for construction and office waste the percentage was 15.8% in 2025 (22% in 2024). This information also supports the information needs with regard to the EU Taxonomy as reported in chapter 6.6. BAM's waste diverted from landfill in 2025 was 11% (22% in 2024).



Reporting principles and assumptions waste

The reporting scope of waste includes all waste leaving BAM's sites and offices. Reported waste is mainly based on waste tickets and data provided by suppliers. Reported waste is either measured, calculated or estimated using methods and input data based on BAM's experience in comparable works. Excavation waste and demolition waste have a total direct measurement of 99% and construction and office waste of 93%.

Construction and office waste consists of temporary and permanent construction and other materials and packaging brought on to sites which are to be discarded and subsequently leave offices, construction sites and/or BAM sites such as depots or premises. Waste is retrieved and processed by third-party waste processors. BAM relies on these processors to adhere to (local) legislations stating that the waste needs to be disposed of in a responsible way.

Data is retrieved from waste recycling reports from the waste facility, certificate of destruction, paper confidential shredding or waste transfer notes, type of waste permit / licence location sent states recycling facility (when removed off site) or demolition reports. Limited data is available for the category prepared for re-use, hence BAM uses a conservative approach in classification, i.e., if evidence is missing waste will be reported as recycled in stead of prepared for re-use. Waste will only be reported in a single category, to avoid double counting.

BAM also reports on the 'reuse' amount. This is not included as waste.

Waste reporting does not include subcontractors in 'own operations', with the exception of waste numbers for division United Kingdom and Ireland, as this is recognised legally (this implies specific legal rights and obligations).

Waste

<i>(in kilotonnes)</i>	2019			Composition of waste (examples)
base year	2024	2025		
Office waste	4.9	2.6	2.5	
of which: hazardous waste	-	-	-	
- prepared for reuse	-	-	-	
- recycled	-	-	-	
- incineration	-	-	-	
- landfill	-	-	-	
of which: non-hazardous waste	-	2.6	2.5	
- prepared for reuse	-	-	-	
- recycled	-	0.9	1.0	Paper, cardboard, metal, coffee grounds
- incineration	-	1.7	1.5	Food garbage, plastics, municipal waste
- landfill	-	-	-	
of which: reuse	-	-	-	
Construction waste	122.6	49.7	51.2	
of which: hazardous waste	-	0.2	0.7	
- prepared for reuse	-	-	-	
- recycled	-	0.1	0.5	Dead batteries, empty spray cans
- incineration	-	-	-	
- landfill	-	0.1	0.2	
- other disposal operations	-	-	-	
of which: non-hazardous waste	-	49.5	50.5	
- prepared for reuse	-	1.4	1.5	Glass wool insulation
- recycled	-	39.7	43.7	Concrete surplus, metals packaging skips
- incineration	-	6.1	4.0	
- landfill	-	2.2	1.3	
of which: reuse	-	-	-	Pallet, fence, construction materials

<i>(in kilotonnes)</i>	2019			Target 2030
base year	2024	2025		
Total construction and office waste	127.5	52.3	53.7	
Total construction and office waste intensity (in tonnes per € million)	17.7	8.1	7.6	5.4
Total excavation and demolition waste	3,191.0	887.3	1,206.6	
Total waste	3,318.5	939.6	1,260.3	

<i>(in kilotonnes)</i>	2019			Composition of waste (examples)
base year	2024	2025		
Excavation waste	2,664.9	785.5	1,112.4	
of which: hazardous waste	-	44.1	16.3	
- prepared for reuse	-	0.4	0.1	Contaminated soil
- recycled	-	19.4	8.5	
- incineration	-	1.2	1.1	Contaminated invasive plants
- landfill	-	23.1	6.6	Contaminated soils, bitumen with coal tar
of which: non-hazardous waste	-	741.4	1,096.1	
- prepared for reuse	-	153.2	69.0	Soil; excavation
- recycled	-	412.4	909.7	Concrete foundations and pipework
- incineration	-	1.5	1.3	
- landfill	-	174.3	116.1	Soils sent to landfill for capping
of which: reuse	-	-	-	
Demolition waste	526.1	101.8	94.2	
of which: hazardous waste	-	3.0	16.8	
- prepared for reuse	-	0.3	-	Impregnated window frame
- recycled	-	0.4	1.7	Bitumen with coal tar, TL lighting
- incineration	-	0.1	0.1	Impregnated timber
- landfill	-	0.6	15.0	Asbestos
- other disposal operations	-	1.6	-	
of which: non-hazardous waste	-	98.8	77.4	
- prepared for reuse	-	6.0	7.0	Doors, stored on depot or sold to broker
- recycled	-	83.5	68.2	Window glazing, concrete debris, timber
- incineration	-	0.9	0.7	
- landfill	-	8.4	1.5	Doors, furniture, carpet, flooring materials
of which: reuse	-	-	-	

Story

Joe McBride *project manager*

“I’m a project manager, working on energy transmission schemes across Scotland. The work is all about increasing transmission capacity so more renewable energy can connect to the grid and get to where it’s needed. I joined BAM as a site engineer, and nearly 13 years on I’m still working on energy transmission, though in a very different role.

Most of my projects over the past decade have been for Scottish and Southern Electricity Networks, one of our key clients. Those long-term relationships make a big difference. Because you’re not just parachuting in and out of jobs, you build trust, which changes how projects are delivered. A lot of the work is in remote locations. We’re talking forests, mountains, places you wouldn’t expect to be building major infrastructure. You might be constructing a bridge, miles from anywhere, to carry a 400-tonne transformer. The logistics alone can be a challenge, but that’s part of what makes it interesting.

The other thing is that this work feels meaningful. I came into civil engineering to leave a positive legacy, and energy infrastructure really does that. It’s not just about building something and moving on; it’s about enabling the transition to renewables and supporting communities long-term. That lines up well with BAM’s focus on building a sustainable future, and it feels genuine. It’s reflected in the types of projects we choose to work on and the clients we align ourselves with.



Inclusive

I try to **create an environment** where people feel comfortable speaking up and taking ownership.”

Our values

Sustainable

• **Inclusive**

Reliable

Ownership

Collaborative

For me, the BAM value of ‘Inclusive’ comes down to everyday behaviour on site. It’s how people are spoken to, how decisions are made, and whether everyone feels able to contribute. Teams are far more diverse than when I started, and that’s good, because you get different perspectives, fewer blind spots and better solutions.

I try to create an environment where people feel comfortable speaking up and taking ownership. When that happens, communication improves, safety improves, conflicts are easier to resolve and you get better outcomes.”

6.4 Social information

Own workforce (ESRS S1)

BAM aims to have a positive impact on all employees working at the company by building an inclusive environment in which everyone feels safe, welcome and respected, and ensuring equal opportunities for people regardless of sex and gender identity, age, ethnicity, disability or other characteristics.

Promoting fairness and reducing discrimination fosters higher levels of employee engagement within BAM. Practicing non-discrimination has a positive impact on employees as it can ensure fair treatment and opportunities for every individual, regardless of identity. It also positively impacts the communities in which BAM operates by ensuring the company's projects reflect the diverse needs and values of society. Focus on gender diversity positively impacts the representation of women in leadership positions in the sector.

BAM positively impacts its own employees and contributes to a safe, sustainable and just society by offering every employee the opportunity to grow their skills with unparalleled learning opportunities. This positively impacts every individual by ensuring they can build sustainable careers through constructive performance evaluations and development opportunities. By levelling-up its employees, BAM stays at the forefront of innovation, sustainability and safety. This can have a positive impact on the natural environment by enabling employees to implement more sustainable practices where they live and work.

BAM's values (Sustainable, Inclusive, Reliable, Ownership and Collaborative) form the basis of its corporate culture. The positive impact of BAM's corporate culture includes commitment to living these values in its daily practices, to ethical and sustainable business practices, and to enhanced reputation.

Working in the construction sector in general has a negative impact on occupational health and safety, as attested to by the existence of work-related injuries resulting in death and days away from work for those in the industry who work on building sites, for example. Working in the construction industry can expose workers to a variety of hazards that can cause long-term health effects.

Disclosures are related to the following material impacts, risks and opportunities, as identified through BAM's double materiality assessment process. For the full details see [chapter 6.1](#).

Material impact, risk or opportunity

Equal treatment and opportunities

Diversity	(OE)	Positive impact
Return on inclusion	(OE)	Positive impact
Training and skills development	(OE)	Positive impact

Occupational health and safety

Occupational health and safety	(OW)	Negative impact
Work-related ill health long term effect	(OE)	Negative impact

The disclosures in this section should be read in conjunction with the disclosures in [chapter 6.2](#) on Governance, Strategy, and Impact, risk and opportunity management. Further disclosures incorporated by reference are:

Disclosure requirement	Reference to other chapters in the 2025 Annual report
ESRS Standards: General disclosure (ESRS 2)	
SBM-3	Description of the key elements of BAM's strategy that relate to or impact sustainability matters, as well as a description of the key elements of BAM's business model and the resilience of BAM's strategy and business model regarding its capacity to address its impacts, risks and opportunities in chapter 2.5 How we create value for society .

Interests and views of stakeholders (SBM-2)

BAM's own workforce is a key group of affected stakeholders. BAM integrates the interests, views and rights of its employees into its strategy and business model by maintaining structured employee engagement channels, regular surveys and feedback sessions.

The company actively involves its own employees in strategy setting and, for example, risk assessment processes. Through its Works Councils, with representatives from across the business, BAM involves its own employees in discussions about organisational changes and other employee-related matters.

Material impacts, risks and opportunities and the interaction with the strategy and business model (SBM-3)

All material impacts with regard to the own workforce (refer to table 'Own Workforce' and [chapter 6.1](#)) are closely connected to BAM's strategy and business model. Examples include the impacts related to occupational health and safety and to training and skills development. The defined strategy, policies and underlying actions and measures are designed to manage and inform management on progress, and results are taken into account when adapting the business model.

Any impacts on BAM's own workforce that arise from transition plans to reduce negative impacts on the environment and to achieve greener and climate-neutral operations are not considered material, although opportunities do arise from job creation and reskilling and upskilling, such as in those related to further developing BAM's timber housing concept.

Policies related to own workforce (S1-1)

BAM's policies to manage its material impacts on its own workforce aim to identify, assess, manage and/or remediate the negative impacts and contribute to increase the positive impacts.

The company's diversity and inclusion policy states that it will create a truly inclusive culture that is mirrored throughout all aspects of its business, infrastructure, supply chain and technology. Inclusion refers to the organisation's ability to create a culture in which every employee feels valued and respected, ensuring equal opportunities for employees regardless of their identity and diversity traits. Diversity concerns all aspects and personal characteristics in which people may differ, including sex and gender identity, age, ethnicity, disability and sexual orientation.

BAM is committed to putting its employees' health (including mental health) and wellbeing at the heart of its approach and creating a psychologically safe environment for its employees to do their best work. The company measures the pay gap and removes any bias from its compensation and reward strategies by, for example, implementing a harmonised job grading framework. BAM will not tolerate discrimination, bullying and/or harassment and encourages employees to speak up where this is witnessed, experienced or reported.

The company's health and safety policy states that it regards the health, safety and welfare of its own workforce to be of the utmost importance and essential to the successful running of the business. BAM will do everything in its power to comply with all relevant legislation and provide adequate finances and time to develop the culture. Safety is also an important element in BAM's sustainability policy. This states that unsafe behaviour must be addressed, and unsafe working conditions reported to the compliance manager or (anonymously) via the Speak Up process. All safety incidents shall be reported in line with instructions. Safety instructions apply to all BAM employees and all non-employees working on a site managed by BAM.

BAM is committed to ensuring that its employees have the knowledge and skills to do their best work, and that its training provision is inclusive and accessible to all. BAM's HR Perform & Develop policy clarifies the process by which managers of BAM work together with employees to plan and review their performance and development and their overall contribution to BAM's success. The policy helps to identify individual talents and strengths and helps employees reach their full potential. BAM wants to ensure a fair and consistent approach to how employees are recognised and rewarded for their team and individual contributions. BAM recognises and develops the talents of all employees in the organisation. The company wants to create a learning culture and growth mindset, and provide opportunities for all employees to fully develop and apply their talents.

Human rights is treated as an overarching theme, covering all topics mentioned above. The different policies address safety, health and inclusion, and social value, outlining clear requirements. The code of conduct describes the way BAM respects human rights and what it expects from employees in that respect. In the diversity and inclusion policy, BAM further outlines its norms and values on diversity and inclusion. Supported by these policies, BAM is protecting and upholding human rights to build strong and inclusive communities. BAM has strengthened its approach to this topic by issuing Group-wide guidance on human rights.

In strengthening human rights' policies and procedures, BAM is guided by the standards established in the Universal Declaration of Human Rights, the Corporate Responsibility to Respect Human Rights under the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. BAM also recognises and respects the ILO Declaration on Fundamental Principles and Rights at Work, the ILO Conventions in force and the ILO Tripartite Declaration of Principles concerning multinational enterprises and social policy (MNE declaration). BAM complies with the Minimum Safeguards from the EU

Taxonomy. BAM aligns with these standards and demonstrates this in its code of conduct, vendor code of conduct, human rights guideline and other underlying policies, such as its sustainability policy and procurement policy. For Human Rights Due Diligence, BAM performed a deep dive risk analysis on potential Human Rights Risks to understand and mitigate the human rights risks within the company's own workforce and vendors (suppliers and subcontractors).

In its approach, BAM focuses on efforts and actions to mitigate human rights risks in the following areas:

- Continuous assessment of human rights risks;
- Performing third-party risks due diligence;
- Training and engaging BAM employees and vendors;
- Industry engagement;
- Monitoring incidents and complaints handling.

We closely monitor training participation by gender to ensure equal access to development across our company. Differences in average training hours between men and women are driven primarily by role profiles and mandatory training requirements linked to those roles, rather than unequal access to learning. To ensure fairness, all employees have equal access to learning resources, including StudyTube and personalised development planning, with 96% of employees completing the People & Development section of our performance cycle. We also proactively monitor participation in formal development programmes to identify and address potential blind spots in nominations, ensuring opportunities are distributed equitably and aligned to company needs.

Processes for engaging with own workforce and workers' representatives about impacts (S1-2)

Under the responsibility of the CHRO, BAM conducts an engagement survey of its own employees three times per year. Managers have access to the anonymised scores and feedback from their team. They are encouraged to discuss the results and take action with their team to address the concerns or opportunities that are raised. The results of the survey are reported to the Executive Committee. Scores are compared to previous surveys and against external benchmarks to measure the effectiveness of the actions being taken. Informal interactions between non-employees and project managers about, for example, occupational health and safety impacts, do take place at sites.

Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

BAM's Speak Up procedure describes how the workforce and other stakeholders can raise their concerns and describes the process of how reports will be addressed. There is also an external Speak Up service, at www.speakupfeedback.eu/web/bam. This is available 24 hours a day, seven days a week. BAM has an official investigation procedure in place that describes if and how reported incidents will be investigated and followed up. Although BAM does not systematically assess awareness and trust in these mechanisms, awareness about BAM's Speak Up process is raised and people are invited to voice concerns.

The same procedure applies for specific negative impacts on safety, in addition to the official safety incident registration procedure. BAM has standards across the business for the reporting of incidents, investigation procedures and instructions, depending on the nature of the incident. For example, the composition of investigation teams depends on the severity of the incident, but consists of, at a minimum, a health and safety professional. Depending on the nature of the incident, specialist assistance can be sought by the investigating team. This can be internal or external. Communication, corrective actions and the prevention of recurrences of significant incidents are the responsibility of BAM's directors of Occupational Health and Safety.

BAM's code of conduct calls on BAM's workforce to never put health and safety aside to get a job done, and to stop an activity that is unsafe or could result in an unsafe situation. Employees, non-employees and other (external) parties can report environmental, health and safety issues to their line manager or compliance officer, or via the Speak Up process. Workers are protected against reprisals because reports can be made to the compliance officer outside the project team or anonymously (if desired) via the Speak Up process. Following the code of conduct, retaliation – whether direct or indirect – against employees who raise a concern may result in disciplinary action up to and including dismissal.

Action-taking on material impacts on own workforce, approaches to managing material risks and the effectiveness of those actions (S1-4)

The BAM Experience ([chapter 2.6](#)) aims to offer all employees an attractive employee experience that is tailored to their needs. Dedicated centres of excellence are working on a daily basis to deliver the BAM Experience. These centres of excellence cover the areas of talent acquisition, talent management and learning, diversity and inclusion and compensation and benefits.

Progress and actions taken in these areas in 2025 include, but are not limited to, completing the rollout of strategic workforce planning across the business and translating the insights to a prioritised set of interventions to address key challenges, upskilling recruiters and hiring managers in inclusive recruitment, strengthening talent dialogues and succession pipelines, and launching the conscious leadership journey to drive cultural and behavioural change. The themes that will be focused on in 2026 include, but are not limited to, attracting more graduates to early career roles, increasing internal mobility, managing attrition, upskilling managers in driving development conversations and streamlining the learning curriculum to conscious leadership.

The effectiveness of these initiatives is assessed and tracked via the employee engagement survey (see S1-2) and the strategic people metrics (see S1-5).

Over the past year, we advanced our occupational health and safety performance through several key initiatives. We launched a Group-wide safety programme, forming the basis for BAM's six Life Saving Rules, eight Safety Principles and Group Safety Standards. In addition, we strengthened our safety reporting, management and investigation systems across the organisation. We also introduced a mandatory e-learning course for all employees and developed 'toolbox talks' to support our on-site operatives in working safely every day.

To address long-term work-related ill health, we offered webinars through the Vitality House and delivered sessions within the Safe and Well programme, covering themes such as work-life balance and mental health.

Targets related to managing material negative impacts and advancing positive impacts (S1-5)

BAM has defined strategic people metrics to manage its material impacts on BAM's own workforce. Several metrics, such as turnover, absenteeism and action-taking, are tracked internally with no specific targets. These metrics are forecast, based on trends, to gain insight into the effectiveness of actions taken, and to ensure BAM remains within expected parameters and can identify when it goes out of the normal range. These metrics are reported to the Executive Committee on a quarterly basis in the management report. Following the interim year of 2025, the company is entering the next phase of targeted objectives scheduled for 2026 and 2030 ([chapter 3.2](#)).

Characteristics of BAM's employees (S1-6)

Insights into the general characteristics of the employees in BAM's own workforce provide contextual information that aids an understanding of the information reported in other disclosures in this chapter. It assists in providing insight into BAM's approach to employment, including the scope and nature of impacts arising from BAM's employment practices. BAM recognises the importance of extending its strategy to its workforce and knows that data optimisation is required to do so effectively. The data presented in this chapter is used to further manage the social performance of BAM.

The total number of employees is 14,167 as at 31 December 2025. The [geographic distribution](#) of employees is included to show regional differences within the workforce. A [breakdown by genders](#) is provided as part of BAM's diversity disclosures. The [breakdown by contract type](#) provides insight into the structure of the company's workforce. The information reported in these tables is correlated to the personnel expenses, as reported in [note 7](#) in the financial statements.

Reporting principles and assumptions - own workforce

BAM's own workforce includes both people who are in an employment relationship with the undertaking ('employees') and non-employees who are either people with contracts with BAM to supply labour and people provided by subcontractors primarily engaged in employment activities. The last category also includes all workers on BAM-led construction sites. The information disclosed with regard to non-employees does not affect their status with regard to applicable labour law. The disclosures do not cover other workers in the value chain.

Own employees are active BAM employees with an employment relationship. A BAM employment contract is defined as an employment agreement with a BAM subsidiary. For example:

- Regular employees (operative hourly, operative salaried, staff salaried, staff hourly)
- Trainees (including apprentices, graduates)
- Persons on Global Assignment to other BAM entities (home record)

Non-employees are personnel working for a BAM subsidiary or joint arrangement and directly supervised by BAM but not under a BAM employment contract, for example:

- Students (Internship)
- Contingent Workers, such as individuals leased from agencies (agency workers), self-employed persons (independent contractors)
- Subcontractors supervised by BAM

BAM has scoped its reporting boundaries related to the own workforce to the extent that subcontractors who are working on a BAM-managed site (directly supervised by BAM) and subcontractors working for BAM's joint operation partners or joint venture partners are not taken into account for the reporting in own workforce.

Tier-N vendors (indirect suppliers) and non-contracted individuals (i.e., site inspectors) are not part of BAM's own workforce. Members of the public, e.g. visitors, bystanders and other road users, are thirds and not included in the reported numbers, unless explicitly mentioned.

BAM uses a single cross-divisional core HR system that supports most HR processes and reports using standardised data. In addition, BAM has implemented a reporting solution that offers internationally recognised standard metrics and allows multiple data sources to be integrated for strategic HR reporting and people analytics. Concerning the information provided in this chapter, percentages are calculated based on headcount, and the absolute numbers given represent headcount unless explicitly stated otherwise. Numbers for employee-related disclosure requirements are derived from this system.

BAM's definition of Senior Leadership Group includes non-employees in a management role in Belgium, despite the fact that these people do not have an employment contract as described above. The Senior Leadership Group is defined as all employees in senior job grades, referred to as grades F, G and H in BAM's salary framework.

Numbers reported for non-employees are derived from the calculations used for reporting hours worked in relation to safety performance. This includes assumptions and estimates. Refer to the [accounting principles for safety](#) worked hours for further details.

Own employees

<i>(in headcount, as per 31 December 2025)</i>	2024	2025
Division Netherlands	6,819	7,019
Division United Kingdom and Ireland	6,654	6,845
Other	298	303
	13,771	14,167

Employee turnover

	2024	2025
Number of leavers	2,123	2,109
Turnover rate (%)	15.5	15.1

Contract types by gender

	2025			
	Division Netherlands	Division United Kingdom and Ireland	Other	Grand Total
<i>(in headcount, as per 31 December 2025)</i>				
Permanent	6,547	6,626	277	13,450
Female	1,129	1,768	80	2,977
Non-female	5,418	4,858	187	10,463
Temporary	417	90	26	533
Female	94	36	13	143
Non-female	323	54	13	390
Non-guaranteed hours	0	81	0	81
Female	0	32	0	32
Non-female	0	49	0	49
Other	55	48	0	103
Female	1	10	0	11
Non-female	54	28	0	82
Totals	7,019	6,845	303	14,167

	2024			
	Division Netherlands	Division United Kingdom and Ireland	Other	Grand Total
<i>(in headcount, as per 31 December 2024)</i>				
Permanent	6,462	6,282	276	13,020
Female	1,068	1,666	76	2,810
Non-female	5,394	4,616	200	10,210
Temporary	313	70	22	405
Female	78	32	12	122
Non-female	235	38	10	283
Non-guaranteed hours	0	105	0	105
Female	0	38	0	38
Non-female	0	67	0	67
Other	44	197	0	241
Female	2	39	0	41
Non-female	42	158	0	200
Totals	6,819	6,654	298	13,771

Characteristics of BAM's non-employees (S1-7)

BAM relies for a large part of its construction activities on non-employees as part of the workforce. Subcontracted work (including material purchase) represents around 70% of BAM's cost base. Refer also to the details in [the financial statements](#).

As at 31 December 2025, BAM's own workforce consisted of 69% non-employees (2024: 67%), a total of 31,662 (2024: 27,919).

Own workforce including non-employees

	2024			2025		
	Employees	Non-employees	Own workforce	Employees	Non-employees	Own workforce
<i>(in headcount)</i>						
Division Netherlands	6,819	11,446	18,265	7,019	13,506	20,525
Division United Kingdom and Ireland	6,654	16,164	22,818	6,845	17,748	24,593
Other	298	309	607	303	408	711
total	13,771	27,919	41,690	14,167	31,662	45,829

Diversity metrics (S1-9)

BAM strongly believes that different backgrounds, cultures and experiences enhance the business, drive innovation and lead to sustainable growth. Gender diversity at all levels is one driver of this. In 2025, female representation was 22% across the Group. In division, Netherlands female representation was 17%; in division United Kingdom and Ireland, female representation was 27%.

Distribution of employees

(in %)	2024		2025	
	Female	Non-female	Female	Non-female
Division Netherlands	17	83	17	83
Division United Kingdom and Ireland	27	73	27	73
Other	30	70	31	69
Total	22	78	22	78

Representation in management

(in %)	2024		2025	
	Female	Non-female	Female	Non-female
Supervisory Board	43	57	50	50
Executive Committee	40	60	40	60
Senior Leadership Group	16	84	20	80

The representation of women on the Supervisory Board stands at 50% (2024: 43%), the Executive Committee at 40% (2024: 40%) and the Senior Leadership Group at 20% (representing 29 women) (2024: 16% representing 23 women). For the definition of the Senior Leadership Group, reference is made to [chapter 3.2](#).

Initiatives taken to drive gender diversity at all levels include a continued focus on inclusive recruitment, resulting in 3% more women within BAM since 2021, and inclusive development, resulting in 5% more women in manager positions. To increase gender representation in senior leadership, BAM continues to focus on initiatives to retain all talent. This is achieved through the BAM Experience and by increasing BAM's inclusive culture. Now and in the future, BAM anticipates that this development will increase the number of women in succession planning and in senior roles.

Training and skills development metrics (S1-13)

Engagement in regular performance reviews

(in %)	Employees	Female	Non-female
Division Netherlands	97	95	98
Division United Kingdom and Ireland	96	96	95
Other	99	97	100
Total	96	96	97

In 2025, we continued to strengthen a consistent and disciplined performance-management culture across BAM. Over the past year, 96% of our employees set clear annual goals, an increase from 90% in 2024. This progress reflects a maturing performance approach supported by established processes and policies, strengthened leadership ownership, and a more disciplined performance rhythm across teams. It also demonstrates our employees' mindset of commitment to contributing to BAM's strategic objectives with clarity and purpose. The goal-setting not only focuses on performance but also on career-development planning across BAM. High-quality development goals are now more firmly embedded in our talent management practices, and enhanced conversations between leaders and employees are supported by practical toolkits. These efforts are helping us to build future-ready capabilities, strengthen succession pipelines and ensure meaningful follow-up on feedback. Strengthening development planning will remain a priority in the years ahead as we continue embedding a culture of continuous learning, growth and performance excellence.

Average training hours

	All employees	Female	Non-female
Division Netherlands	21	19	22
Division United Kingdom and Ireland	24	16	27
Other	16	15	17
Total	22	17	24

Occupational health and safety metrics (S1-14)

BAM measures safety performance through a combination of lagging and leading indicators, with increasing emphasis on monitoring and preventative actions and behaviours. Skills, training, leadership awareness and a proactive safety culture are key to ensuring greater engagement and safer worksites.

BAM measures and monitors safety performance through the incident frequency and the number of incidents, with the intent of continuous improvement. Incident frequency denotes the number of occupational accidents resulting in lost time (absence from work ≥ 1 day) per million hours worked. BAM measures incident frequency for its own employees (IF BAM) and for its own workforce, i.e. own employees plus subcontractors (IF Total). These metrics are company specific and are based on industry practices. Industry practice is to not include 'no lost time' incidents in the calculation of IF. In addition, BAM discloses the safety information as required by ESRS S1-14. For more information, refer to table 61.

Over the past year, we advanced our occupational health and safety performance through several key initiatives. We launched a group-wide safety programme, forming the basis for BAM's six Life Saving Rules, eight Safety Principles and Group Safety Standards. In addition, we strengthened our safety reporting, management and investigation systems across the organisation. We also introduced a mandatory e-learning course for all employees and developed 'toolbox talks' to support our on-site operatives in working safely every day. We see safety performance (incident frequency, number of incidents and total number of lost days) improving compared to 2024.

BAM seeks to secure the highest standards of health and safety, irrespective of the standards imposed by any legal framework. All subsidiaries of BAM comply with the ISO 45001:2018 standard for occupational health and safety management systems. All employees and non-employees in BAM's own workforce are covered by BAM's safety management system.

Company specific metric - Incident Frequency (IF)

	2024	2025
Company specific metrics - Incident Frequency (IF)		
IF BAM (own employees) (x 1 million worked hours)	2.9	2.7
IF Total (own workforce, including non-employees) (x 1 million worked hours)	2.9	2.5
ESRS S1-14 metrics		
Number of lost lives as a result of work-related injuries (own workforce)	2	-
Number of recordable work-related accidents (own workforce) - with lost time	215	193
Number of recordable work-related accidents (own workforce) - without lost time	11	5
Rate of recordable work-related accidents (own workforce) - with and without lost time (x 1 million worked hours)	3.1	2.5
Number of days lost to work-related injuries and lost lives from work-related accidents (own employees)	2,117	1,938
Coverage of health and safety management system (in %)	100	100

Working in the construction industry can also expose workers to a variety of hazards that can cause long-term health effects. A case of work-related ill health is any illness caused or aggravated by workplace conditions arising primarily from exposure at work to a physical, organisational, chemical or biological risk factor or to a combination of these factors. These are mental and physical health issues that do not stem from an acute event, such as a work-related accident leading to injury. These health complaints typically manifest after a prolonged exposure to an agent or emerge over an extended period, as seen in diseases that may surface years after exposure.



Reporting principles and assumptions safety

Safety performance at BAM is measured using the company specific incident frequency (IF) indicator. The IF indicator denotes the number of work-related injuries resulting in lost time (absence from work \geq 1 day) per million hours worked, independent of the severity of the injury. The overall incident frequency (IF) indicator comprises two categories:

- IF BAM: Incident frequency for BAM employees on BAM sites;
- IF Total: Incident frequency including non-employees, i.e. all people working on sites managed by BAM (BAM employees, self-employed people and subcontractors' employees).

In addition, BAM reports on S1-14 required metrics. These metrics relate to the number of recordable work-related accidents with lost time and without lost time. The latter is not part of the company specific calculations BAM uses for IF BAM and IF Total. The definitions in ESRS S1-14 result in the calculation of the rate of recordable work-related accidents (own workforce) including incidents with and without lost time. BAM also reports the number of days lost to work-related injuries and lost lives from work-related accidents of its own employees.

Reportable injuries are based on actual occurrences and are never extrapolated or estimated. Despite all measures and an open safety culture, there is an inherent risk of incomplete incident reporting. BAM is in this respect also dependent on information provided by subcontractors and the person involved in the incident. Work-related incidents and hazardous situations are reported via the incident reporting processes in the business, including high-potential near-misses and dangerous occurrences.

Serious work-related incidents without lost time are also reported as part of the definition under ESRS S1-14. BAM records no-lost-time incidents as serious if the incidents relate to traumatic brain injuries, spinal cord injuries, severe fractures (except for fingers, thumbs and toes), internal injuries, severe burns and major soft-tissue injuries, in line with industry guidance from the Health and Safety Executive (HSE), the United Kingdom's national regulator for workplace health and safety, and the Occupational Health and Safety Administration (OHSA).

The worked hours used in the IF calculation are measured, calculated or estimated. Division United Kingdom and Ireland collects the hours of non-BAM employees in three ways: (1) data collected from the pass used to enter and exit a construction site, (2) hours indicated by the subcontractor, (3) headcount by, for example, the project lead on the project site. Where necessary, the assumption is made that a workday is 8 or 9 exposure hours. In division Netherlands, own employees and hired individuals write their hours worked in BAM's systems. Some of the hours can be calculated based on spend, where a set fee is paid, such as for a machine with operator, for example. Hours of other non-BAM employees working for division Netherlands are determined based on the amount that is transferred to the 'G-rekening' per estimated hour worked.

Worked hours relate to the calendar year 2025, with the exception that part of the business uses the timeframe from 25 December 2024 to 24 December 2025.

Remuneration metrics (pay gap and total remuneration) (S1-16)

Driving diversity and inclusion is at the core of BAM's reward practices. BAM aims to enhance the transparency of terms and conditions and address any pay gap that may exist for equal types and levels of work. In 2024, BAM calculated the unadjusted pay gap between female and non-female employees for the first time. This pay gap is defined as the difference of average and median pay levels between female and non-female employees, expressed as percentage of the average pay level of non-female employees. Gender categories are female and non-female, in line with BAM's ambitions for female representation in the workforce and to avoid the risk of singling out employees who are non-binary or whose gender is not recorded.

Gender pay gap

(in %)	2024	2025
Based on <i>average</i> pay levels	19	17
Based on <i>median</i> pay levels	17	16

The average pay of female employees is 17% less than the average pay of non-female employees. Calculations using a median instead of average show a pay gap of 16%. Insights show that this gap is largely attributable to the distribution of female and non-female employees across the organisation. This is mainly due to the under representation of female employees in higher paid roles, as also reflected in the female representation in senior leadership ([chapter 3.2](#)).

BAM is working on a harmonised job grading framework as well as an adjusted pay gap calculation methodology to gain further insights and prepare for the requirements of the EU pay transparency directive that will be implemented in local law by June 2026 and January 2027. It remains a key priority for talent management and acquisition at BAM to remedy any pay gap towards the future.

Reporting principles and assumptions - gender pay gap

BAM reports on the unadjusted average and median gender pay gap between female and non-female own employees. Own employees are active BAM employees with an employment agreement at a majority owned BAM entity on 5 April 2025.

For this calculation, pay is operationalised as the base salary and value of the company car benefit on 5 April 2025, plus any bonus (eg. STI, LTI, profit sharing, one-off bonus) received between June 2024 and May 2025, all recalculated to an hourly rate.

BAM has chosen this operationalisation of pay because it contains the main components of the remuneration received by employees. Other benefits that BAM offers, whether in cash or kind, are laid down in gender-neutral Collective Labour Agreement or company policies. Such benefits are essentially equal for employee categories and including them would have no material impact.

For base salary and the value of the company car benefit, BAM makes use of a reference date instead of using data for the full financial year. This enables timely reporting and has no material impact on the outcome. All data has been extracted from BAM's HR and payroll systems and the data of 99.2% of BAM employees is included in the calculation.

Return on inclusion (entity specific)

BAM measures the impact of its diversity and inclusion initiatives by means of the Return on Inclusion audit related to 20 key focus areas, performed by an external independent party. In 2023, BAM achieved Bronze on the ROI. BAM has set a target score of 71 (Gold) or higher by 2030 and is performing interim assessments to measure its progress towards achieving the target. Return on Investment with diversity and inclusion is expressed in an audit score and/or a current return in euro per euro invested in diversity and inclusion. The scores of the ROI audit can be categorised as follows: 1. Diamond (90+) - exemplar; 2. Platinum (81-90) - leader; 3. Gold (71-80) - champion; 4. Silver (51-70) - aspiring; 5. Bronze (0-50) - starting out.

The next assessment will take place in 2026 and so BAM used 2025 to focus on embedding the recommendations from the previous assessment, in 2023, and conducting a light touch 'health check' to ensure we are on track to meet our target. The health check demonstrated progress specifically in embedding D&I across BAM's HR processes and measuring the impact on inclusion. Activities during 2025 included broadening the focus of our inclusion to all diverse groups, supporting the development of the numerous employee networks in the divisions to increase inclusion locally, and hosting workshops with teams spanning HR and business operations (IT, procurement, etc) to embed the actions.

Social value (ESRS S3 - entity-specific)

Social value in the construction sector refers to the positive impact projects have on people, communities and the economy beyond just the physical build. It includes job creation, skills development and community wellbeing. By prioritising local employment and procurement, fair labour practices and leaving a social legacy, companies can enhance social equity and long-term societal benefits. Disclosures are related to the following material impacts, risks and opportunities, as identified through BAM's double materiality assessment process. Refer to the full details in [chapter 6.1](#).

Material impact, risk or opportunity

Social value

Social value	(VC)	Positive impact
--------------	------	-----------------

The disclosures in this section should be read in conjunction with the disclosures in [chapter 6.2](#) on Governance, Strategy, and Impact, risk and opportunity management.

Interests and views of stakeholders (SBM-2)

Affected communities are a key group of affected stakeholders. BAM addresses the interests and views of affected communities through its local community engagement on projects. Social value relates to the overall positive impacts BAM can have on affected communities. BAM's strategy-setting on social value is informed by the perspectives of BAM's clients, in which interests and views of local communities are often incorporated.

Material impact, risks and opportunities and the interaction with the strategy and business model (SBM-3)

The material impact regarding social value is closely connected to BAM's strategy and business model. BAM's strategy encompasses the theme social value. The policies and underlying actions and measures are designed to manage and inform management on the progress, and results are taken into account when adapting the business model.

Policies related to social value (S3-1)

Social value is one of the topics in BAM's sustainability strategy and is explicitly mentioned in BAM's Group Sustainability Policy. The following responsibilities are described:

- Commit to making a positive social contribution and acknowledge BAM's responsibility to engage with the communities in which it works (for example, by using local agencies, labour and workforce).
- Tackle social issues identified by clients, employees and local communities.

These responsibilities are described in more detail in BAM's social value policies for the United Kingdom and Ireland and for the Netherlands, including more specific commitments to local aspects.

Processes for engaging with affected communities about impacts (S3-2)

BAM engages with affected communities on a project level through its general project approach that includes local community engagement. In most cases, the project manager or a dedicated social value manager is responsible for ensuring this engagement happens. Engagement with affected communities also often occurs by or in collaboration with the client. Social value addresses the positive impact BAM can have on affected communities and BAM's approach is informed by local obligations (see [S3-5](#)).

Taking action on material impacts on affected communities regarding social value (S3-4)

BAM takes various actions to positively impact the communities where it operates. These actions are carried out directly by BAM and in collaboration with supply chain partners. They can have a short and/or long-term effect as they are carried out both ahead of and during the construction phase, and in the legacy left by the completed projects. Each division follows a slightly different social value approach, which is detailed under [Metrics and Targets \(S3-5\)](#). The specific approach is usually guided by a type of Local Needs Analysis and/or client requirements, identifying particular priorities of the affected community.

Additionally, BAM is part of the Considerate Constructors Scheme (CCS) in the United Kingdom and its Dutch equivalent, Bewuste Bouwers. In this scheme, construction sites implement the Code of Considerate Practice, which includes behaviours for respecting the community, caring for the environment and valuing the workforce. In the United Kingdom, 46 CCS projects were registered in 2025 (2024: 53) sustaining an average audit score of 43.7 (2024: 43.7), above the industry average of 40.9. Under the scheme in the Netherlands, 53 sites were registered (2024: 69), with an average audit score of 3.6 against a national average of 3.4, based on a new auditing methodology in use since April 2025.

Targets related to advancing positive impacts (S3-5)

Social value has a strong legislative basis in public contracts, but there are significant differences in methodology. BAM's therefore set separate metrics and targets in its strategy for division Netherlands and division United Kingdom and Ireland. The target values were considered by internal experts to represent the right balance between ambition and feasibility. Social value contributions through BAM's projects and other activities are currently not defined for the Belgian part of the business.



Division Netherlands

Dutch projects for public sector clients often contain an SROI (Social Return on Investment) obligation, with an emphasis on supporting people with a distance to the labour market to secure jobs. The exact obligations vary, but the amount to be invested on activities that contribute to this theme is commonly 2-5% of the contract sum. The aim for division Netherlands is to deliver 5% social value on top of contractual obligations in 2026. Activities include:

- Jobs: offering work on projects to people distanced from the labour market;
- Education and training: offering different types of work experience and vocational training combining work and study;
- Procurement from social businesses, such as from sheltered workshops or social enterprises;
- School visits: to engage the workforce of the future by, for instance, giving job interview training to high school students through the JINC programme;
- Donations to NGOs or charities;
- Volunteering: different ways to give time and experience, such as renovating a community building free of charge, or mentoring youth from disadvantaged backgrounds.

Based on the 2025 assessment of BAM Infra Netherlands, covering the majority of projects in scope for the whole division, a surplus was achieved in addition to the contractual obligations contained in public sector contracts, with a delivery of 112% of SROI (€13.9 million). Projects with SROI obligations in other segments are not yet part of this assessment, through which the total outcome for the division could be different.

Division United Kingdom and Ireland

In the UK, social value is firmly embedded in legislation through the social value Act, PPN 002 (replacing PPN 06/20), the Procurement Reform Act (Scotland), and the Future Generation Act (Wales). Governments are actively encouraging public sector investments to maximise social impact by mandating social value reporting. Division United Kingdom and Ireland does this by reporting on Social and Local Economic Value (SLEV), calculated through the BAM TOMs, a framework based on the national TOMs (Themes, Outcomes, Measures) framework. More information on the SLEV methodology can be found under reporting principles.

Social value is how BAM measures social sustainability activities and is underpinned by three key strategic themes:

- Social Mobility: empowering individuals by providing inclusive and accessible pathways in education, employment and training programmes.
- Foundational Economy: building community wealth by maximising opportunity for local procurement, investing in local charities and social businesses (VCSEs), and volunteering time, skills and expertise.
- Social Inclusion: fostering diversity, equity and inclusion (EDI), actively engaging with the community and creating lasting legacies that benefit the community long after construction is complete.

For each of these themes, a set of TOMs (Themes, Outcomes and Measures) further defines the activities delivered. Activities within this framework are logged at project level in the Social Sustainability Reporting Tool, accumulating to the total divisional SLEV performance.

BAM defined a social value target for division United Kingdom and Ireland based on the national TOMs framework. The target for 2026 is to deliver 35% social value (expressed as SLEV – Social and Local Economic Value) as a percentage of the reported revenue.

In 2025, the SLEV reported in division United Kingdom and Ireland was 19.9% (2024: 15.6%) and supported by data in 12 out of 13 BAM TOMs. This increase has been achieved by measuring performance in more projects and across more TOMs, in addition to more automated reporting and efforts to increase the SLEV performance at each project. This includes detailed steps in the Business Management System to embed Social Value opportunities in all phases of the project. While the 2026 target is ambitious, we expect the improvements we have made in these processes to deliver higher SLEV contributions.

Reporting principles social value Division United Kingdom and Ireland

BAM has selected 13 core measures (NTs - National TOMs) from the nations TOMs framework that best reflect BAM's social value delivery across the project portfolio. Underneath NT1 (local employment), there are nine sub-measures covering additional characteristics of vulnerable employees (e.g., ex-offenders, long term unemployed, disabled, etc.).

These core measures and sub-measures were selected from the full list of national TOMs to bring focus to BAM's social value delivery and reporting. These are the measures that are most commonly valued by clients and/or where BAM has specific skills and capacity. The proxy value attributed to each TOM is a national proxy value that is used across the division.

The TOMs and proxy values used are from the 2022 national TOMs framework. The proxy values in the table below have been converted from Pounds Sterling to euro for reporting purposes, subject to the exchange rate.

The original 2022 proxy values in Pounds Sterling are consistently applied in the calculations, so changes in exchange rates don't influence the overall SLEV percentage generated.

The Netherlands

In division Netherlands, reporting is based on the SROI obligations as set out in public sector contracts. The permitted activities and the attributed value for each activity varies per project as this is determined by the policies of the client. They can, for instance, use the 'Building Block' method, with a detailed table of proxy values for each target group and activity. Each activity is assigned the corresponding proxy value. In other methods, bespoke values are applied. Only approved activities that are signed off by the client count towards the total SROI delivered in the contract.

For the total SROI calculation, only finished projects are included. The overall SROI is determined by dividing the total SROI delivered on these projects by the total SROI obligations associated with them. Any surplus is the result of overdelivering SROI-generating activities on projects, beyond the obligations set by the clients.

	Theme	NT	Description	Proxy Value (€)	Units
Social Mobility	Employment	NT01	Local employees hired or retained on contract – FTE (Full Time Equivalent)	36,654	No. people FTE
		NT11	Hours of 'support into work' assistance provided to unemployed people through career mentoring, including mock interviews, CV advice and careers guidance	124	No. hours x No. attendees
	Training	NT08	Staff hours spent on local school & college visits	20	No. staff hours
		NT09	Weeks of training opportunities on the contract	372	No. weeks
		NT10	Weeks of apprenticeships or T-levels on the contract	295	No. weeks
		NT12	Weeks of meaningful work placements / pre-employment courses (1-6 weeks, unpaid)	228	No. weeks
		NT13	Weeks of meaningful work placements (6+ weeks, paid real living wage)	406	No. weeks
Foundational Economy	Theme	NT	Description	Proxy Value (€)	Units
	Investment in VCSEs	NT14	Total amount spent with Voluntary, Community & Social Enterprises (VCSEs) within supply chain	0.12	Spend (euro)
	Progressive procurement	NT18	Total amount spent in the local supply chain through the contract.	0.75	Spend (euro)
	Volunteering	NT15	Provision of expert business advice to VCSEs & MSMEs (e.g. financial advice / legal advice / HR advice / HSE)	118	No. staff expert hours
		NT29	Hours of volunteering time provided to support local community projects	20	No. of staff volunteering hours
Social Inclusion	Theme	NT	Description	Proxy Value (€)	Units
	Community Engagement	NT28	Donations or in-kind contributions to local community projects	1	Spend (euro)
	Diversity & Inclusion	NT21	Equality, diversity & inclusion training for staff & supply chain	118	No. hours (total session duration) x No. attendees

6.5 Governance information

Business conduct (ESRS G1)

Business conduct and business conduct matters relate to BAM's business ethics and the relationships the company has with its stakeholders, especially own workforce (including subcontractors) and vendors (subcontractors and suppliers). Disclosures are related to the following material impacts, risks and opportunities, as identified through BAM's double materiality assessment process. Refer to chapter 6.1 for the full details.

Material impact, risk or opportunity

Governance – business conduct

Corporate culture	(OE)	Positive impact
Protection of data and respecting privacy	(OO)	Negative impact
Prevention and detection of corruption and bribery	(OO)	Negative impact

The disclosures in these this sections should be read in conjunction with the disclosures in chapter 6.2 on Governance, Strategy, and Impact, risk and opportunity management.

Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)

BAM identifies material impacts, risks and opportunities related to business conduct matters by evaluating criteria such as location, activity, sector and the structure of transactions, with particular attention to local laws and regulations in the Netherlands and the United Kingdom and Ireland. By considering these criteria, including compliance with local laws, BAM effectively manages risks and capitalises on opportunities aligned with its strategic objectives.

The role of the administrative, supervisory and management bodies (GOV-1)

The Ethics and Compliance Committee supports the Executive Committee and the divisions with the compliance programme, actual compliance matters and remedial actions. It ensures consistency across the Group. Reported suspicions of misconduct are discussed on a quarterly basis with the Executive Committee and every six months with the Supervisory Board.

On an annual basis, the effectiveness of the management approach is assessed and improvement activities are captured in the operating plan. The procedures described in this paragraph apply to all of the themes that are relevant to the business conduct matters discussed in this chapter.

The administrative, management and supervisory bodies have been engaged with BAM for several years; they possess expertise in business conduct matters, drawing from diverse backgrounds in human resources, operations, finance and engineering.

Business conduct policies and corporate culture (G1-1)

The BAM Code of Conduct and underlying procedures describe the expected behaviours and it deals with varying subjects such as the BAM values, safety, human rights, preventing bribery & corruption, protection of data and respecting privacy. It applies to all BAM employees, including contract and temporary workers. Living the Code of Conduct contributes to a safe, ethical and sustainable culture and protects the future of BAM.

The Code emphasises acting with integrity and honesty, complying with legislation, regulations, and generally accepted social standards. The topics in the BAM code of conduct form part of the risk management process (including a compliance risk assessment), training and awareness, and monitoring and reporting. New employees must sign a statement in which they confirm they will comply with the code as part of their employment contract. Further information on how BAM interacts with its employees is disclosed in the [chapter 6.4](#) section Policies related to own workforce (S1-1) and Action taking on material impacts on own workforce, approaches to managing material risks and effectiveness of those actions (S1-4) and [chapter 6.5](#) section Business conduct policies and corporate culture (G1-1). [chapter 6.4](#) section Policies related to own workforce (S1-1) and Action taking on material impacts on own workforce, approaches to managing material risks and effectiveness of those actions (S1-4) and [chapter 6.5](#) section Business conduct policies and corporate culture (G1-1). [chapter 6.4](#) section Policies related to own workforce (S1-1) and Action taking on material impacts on own workforce, approaches to managing material risks and effectiveness of those actions (S1-4) and [chapter 6.5](#) section Business conduct policies and corporate culture (G1-1). [Chapter 6.4](#) section Policies related to own workforce (S1-1) and Action taking on material impacts on own workforce, approaches to managing material risks and effectiveness of those actions (S1-4) and [chapter 6.5](#) section Business conduct policies and corporate culture (G1-1).

BAM's anti-bribery and corruption policy states that, in line with law, regulation and the BAM Code of Conduct, the company does not tolerate bribery and corruption. It includes the key anti-bribery and corruption principles that all employees and any other representatives of BAM need to adhere to, and that business must be conducted honestly. Engaging in bribery or corruption, even indirectly or through third parties, may lead to dismissal, end of a business relationship, and, in addition to substantial fines, even imprisonment. In 2025, we extended our code of conduct, policies and training based on the UK Economic Crime and Corporate Transparency Act (ECCTA), aimed at strengthening the controls to prevent fraud.

BAM's key principles in the privacy policy, the information security governance policy and the data retention policy relate to the processing of personal data and the duty of employees, and any other representatives, to report any (suspected) personal data breaches and ensure the proper protection and management of information to ensure confidentiality, integrity and availability of information.

BAM believes that communication and training are fundamental to bringing the code of conduct to life and to encouraging open conversations. BAM adopted a targeted approach to the different working groups to achieve optimum understanding and adaptation. An e-learning tool is used to train selected employees on all the topics in the code. The training, available in country-specific languages (e.g. Dutch and English), is mandatory for BAM employees, except BAM site employees who do not have access to online learning platforms. The mandatory group covers roughly 70% of the total number of employees.

Progress is closely monitored and reported to management. BAM targets a 95% completion score for the training, to allow for fluctuations due to new people joining the company. Site employees without access to online learning platforms are trained through so-called toolbox meetings. Additionally, compliance officers provide target-group-specific training sessions to educate specific people about particular compliance themes.

Training

(in %)	Target	2025	2024
Coverage - Code of conduct e-learning	95	99	97
Coverage - Corruption and bribery e-learning	95	98	96
Coverage - Data privacy and protection e-learning	95	97	98

In 2025, there were 211 (2024: 148) suspicions of misconduct reported. The reported suspicions of misconduct have been assessed and, where needed, sanctions have been taken, up to and including dismissal. Reported cases dealt with issues such as inappropriate use of company assets, safe working environment and privacy breaches, of which a limited number needed to be reported to the local external privacy authorities. There have not been any fines, penalties or compensation for damages regarding the suspicions of misconduct reported in 2025 (2024: 0).

Fostering a speak-up culture, in which employees feel empowered to talk about any issue without fear of negative consequences, is essential for BAM. The Speak Up procedure, which is also summarised in the code of conduct, encourages the reporting of possible breaches. This can be done through independent and protected systems for employees, offering protection for those who do so. These systems ensure confidentiality and the impartial handling of complaints.

The procedure also includes the requirements of the (EU) Whistleblower Directive. The periodic 'employee pulse survey' showed that the majority of employees feels free to express concerns without fear of negative consequences.

Work to promote awareness of the Speak Up option is a key theme in the compliance programme. Those who wish to report a concern or incident can report directly to a line manager, confidential advisor or compliance officer. People wishing to remain anonymous can use the Speak Up Line, which is operated by a third party and open to employees and external stakeholders alike 24/7. Cases that are identified as higher risk are reported to the Ethics and Compliance Committee.

BAM is involved in many stages of the construction value chain, from development, engineering and construction to maintenance and operation. Vendors are essential in all this, as their knowledge, people and other resources provide more than 70% of BAM's revenue.

Vendors are subject to BAM's general purchasing terms and conditions and BAM's Vendor Code of Conduct, which cover commitments to safety, human rights, sanctions and trade restrictions and the environment.

Procurement secures continuous alignment on selected categories, systems, reporting and knowledge exchange. In 2025, sustainable sourcing and safety in the supply chain remained key topics contributing to the BAM strategy.

BAM focuses on key and preferred vendors to strengthen and monitor quality and compliance in the chain of subcontractors and suppliers. The company also deploys onboarding for vendors and they are assessed on their compliance with BAM requirements. Depending on the specific nature of the services provided by potential higher risk vendors, additional risk mitigating measures are taken, such as specific certifications, which are audited by external parties.

Prevention and detection of corruption and bribery (G1-3)

Undetected corruption and bribery can cause serious damage to society, including damaging public trust and causing injustice by benefitting some at the expense of others. Compliance risk assessments are conducted as part of BAM's risk management process. BAM obtains its main revenue in countries with a low or very low risk of corruption according to the Corruption Perception Index (CPI) from Transparency International. This index focuses on the strict application of the United Nations Convention Against Corruption (UNCAC). Furthermore, there are quarterly risk assessments. These examine compliance risk developments and assess measures to ensure a match with the very low risk appetite for corruption and bribery risks. The results are reported to the Executive Committee and other stakeholders on a quarterly basis. In the case of an investigation, the investigators or investigating committee is separate from the chain of management involved in the matter.

Certain functions are more vulnerable to corruption, bribery and fraud risks. These include (commercial) management, project management, finance- and procurement-related functions and the members of the Executive Committee. This specific group, targeted for the corruption and bribery e-learning, covers around 40% of the total number of employees and there is a specific, in-depth e-learning on the prevention of corruption, bribery and fraud for all these functions. This training includes components like legal frameworks, risk management, ethical decision-making, third-party management, reporting, and whistleblowing. BAM has a formal learning platform through which these mandatory trainings are spread, linked to BAM's HR data platform.

BAM's percentage of targeted employees that have completed training regarding corruption and bribery is in line with the target (refer to the [Training table](#)). The topic of corruption and bribery also forms part of the code of conduct and its underlying policies and is monitored by BAM's compliance officers.

Incidents of corruption or bribery (G1-4)

	2025	2024
Number of convictions	0	0
Amount of fines for violation of anti-corruption and anti-bribery laws	€ 0	€ 30.000

There were no fines, penalties or compensation for damages related to corruption and bribery in 2025. This includes incidents involving actors in BAM's value chain in which BAM or its employees were directly involved.

Protection of data and respecting privacy (entity-specific)

Implementing robust data protection measures safeguards the personal data of employees and clients. Protection of data and respecting privacy is a core element of the BAM code of conduct, and is part of underlying, specific policies on data privacy, information and cyber security. BAM has dedicated Privacy and Security functions who collaboratively work together with management to implement 'privacy and security by design' within the organisation, at selected projects, and in contracts with new third parties.

BAM has relevant certifications in place, such as ISO 27001 Information Security and Cyber Essentials. Furthermore, there is a coordinated training and awareness programme to keep management and employees up-to-date regarding new developments and required behaviour. The training is mandatory for BAM employees, including the members of the Executive Committee, but excluding BAM site employees without access to online learning platforms. The mandatory group covers roughly 70% of the total number of employees. The objective is to reach around 95% completeness on an ongoing basis. Performance for 2025 has been in line with the target (refer to the [Training table](#)). In addition, there are specified privacy, information security and cyber security controls included in the BAM Requirements Framework. These are being assessed on the effectiveness of their risk mitigation. A limited number of privacy breaches had to be reported to the local external privacy authorities. There were no fines, penalties or compensation for damages during the reporting period.

Incidents related to data protection and privacy

	2025	2024
Number of convictions	0	0
Amount of fines for data breaches	0	0

6.6 EU taxonomy

The EU taxonomy for sustainable activities, i.e. ‘green taxonomy’, is a classification system to clarify which economic activities are environmentally sustainable, in the context of the European Green Deal, a set of policy initiatives by the European Commission supporting the ambition of the EU to be climate-neutral by 2050. The EU taxonomy was adopted by the European Union with Regulation 2020/852, and requires BAM to assess and disclose the percentage of environmentally sustainable economic activities for the proportion of revenue, capital expenditures and operational expenditures.

In line with the most recent amendments to the EU Taxonomy - specifically the version updated following the Omnibus Delegated Act, published in the Official Journal of the European Union on 8 January 2026 and entering into force on 28 January 2026 - we will make use of the available relief measures under the revised reporting framework. Under this updated framework, the separate reporting templates for nuclear energy have been removed, and related information is now captured on an aggregated level within the general templates. As a result, we will not be disclosing a standalone nuclear energy table. We will however not apply the materiality relief introduced in the amended Taxonomy Regulation. While the updated framework allows undertakings to classify economic activities as non-material when they collectively represent less than 10% of turnover, CapEx, or OpEx, applying this rule in our case would render most of our activities immaterial. Such an outcome would not present a meaningful or representative view of our economic activities or sustainability profile.

The EU taxonomy comprises six environmental objectives to identify sustainable economic activities: climate change mitigation (CCM), climate change adaptation (CCA), the sustainable use and protection of water and marine resources (WTR), the transition to a circular economy (CE), pollution prevention and control (PPC), and the protection and restoration of biodiversity and ecosystems (BIO). An economic activity is defined as environmentally sustainable if it meets the technical screening criteria.

BAM has completed an eligibility assessment of its activities and for the eligible activities BAM assessed alignment with the EU taxonomy.

The assessment process has been executed under the supervision of the Executive Committee, and led by the Sustainability Reporting team with the support of the relevant functions, such as sustainability and finance.

The assessment covers all countries in which BAM operates and is carried out using the five steps presented in the figure on the right.

BAM has classified all the economic activities across its portfolio in the following three categories: eligible-aligned, eligible-not aligned, and not-eligible.

The current EU taxonomy assessment is based on BAM’s interpretation of EU taxonomy guidelines, including the latest published Environmental Delegated Act. BAM recognised that the regulation is continuously being developed, hence some elements are open to interpretation by the industry and other parties. This will potentially affect BAM’s interpretation of the criteria going forward, and therefore the outcomes of taxonomy eligibility and alignment.

Five steps of the EU taxonomy assessment

- 1 Identification of eligible economic activities
- 2 Analysis of substantial contribution
- 3 Assessment of Do No Significant Harm (DNSH) to other environmental objectives
- 4 Verification of minimum safeguards
- 5 Calculation of financial metrics

Reporting principles and assumptions - EU taxonomy

The EU taxonomy requires companies to examine whether an economic activity is included in the Delegated Regulation 2020/852 by the European Commission (eligibility) and whether or not these eligible economic activities are environmentally sustainable (alignment).

BAM classifies its activities in the following three categories: eligible-aligned, eligible-not aligned, and not-eligible.

Eligible-aligned: this refers to an economic activity that simultaneously meets the following three conditions:

- it is explicitly included in the EU taxonomy regulation for its substantial contribution to one of the six objectives of the EU taxonomy;
- it meets the substantial contribution criteria in the EU taxonomy regulation for this specific environmental objective;
- it meets all DNSH criteria;
- BAM complies with the minimum safeguards.

Eligible-not aligned: this refers to an economic activity that:

- is explicitly included in the EU taxonomy regulations for its substantial contribution to one of the six objectives of the EU taxonomy; but
- it does not meet the specific criteria in the EU taxonomy regulation for these specific environmental objectives; or
- at least one of the DNSH conditions is not met; and/or
- BAM does not comply with the minimum safeguards.

Not eligible: this refers to an economic activity that has not (yet) been identified by the EU taxonomy as a substantial contributor to one of the six objectives of the EU taxonomy.

Definition of KPIs

The basis for the calculation of the EU taxonomy eligibility and alignment metrics for respectively revenue, capital expenditure and operational expenditure are based on the following definitions:

Revenue: revenues accounted for in the consolidated financial statement as further defined in [note 6](#) of the financial statements. Intercompany revenue is eliminated and is not taken into account for the assessment of eligibility. Full reconciliation of the project list used for the eligibility and alignment calculation is performed to ensure accuracy and completeness of the numbers included and prevent the risk of double counting.

Capital expenditure (capex): additions to tangible and intangible assets accounted for in the consolidated financial statements under IFRS during the financial year, considered before depreciation, amortisation and any re-measurements, excluding goodwill (included in notes [14](#), [15](#) and [16](#) in the Financial Statements). The capex cover the costs accounted for in accordance with IAS 16 ([Property, Plant and Equipment](#)), IAS 38 ([Intangible assets](#)) and IFRS 16 ([Leases](#)). Any leases that do not result in the recognition of a right of use asset are not accounted for as capex.

Operational expenditure (opex): direct non-capitalised costs recorded in the consolidated income statement under IFRS that relate to research and development, building renovation measures, short-term lease, maintenance and repair (excluding expenses reported as raw materials and consumables used), and any other direct expenditure relating to the day-to-day servicing of assets or Property, Plant and Equipment (PP&E). Because the definition under the Delegated Act is taken into account to calculated total opex, the numbers differ from the figures presented under the heading 'operating expenses' in the financial statements.

The calculation of the financial metrics associated with each economic activity was performed relying on a centralised process, where sustainability information is mapped to financial information in a single database. The financial information was collected from the Group' reporting system. Sustainability information is obtained from the CRM system and enriched with management information on the environmental performance of the economic activities. Procedures and assumptions were documented, including details, examples and substantive evidence of the assessment, in order to complete a reliable estimate of the eligibility and alignment assessment. In order to arrive at the EU taxonomy KPIs, BAM mapped its financial performance to the relevant EU taxonomy eligible and aligned economic activities.

Minimum social safeguard requirements

BAM has verified that the eligible economic activities are carried out in compliance with the minimum social safeguards, including the human right due diligence process and risk assessment.

Revenue - eligibility methodology

The revenue KPI is calculated based on the proportion of net revenue generated from projects. Revenue of joint ventures (as reported in [note 17](#) of the Financial statements) is not included in the scope of the assessment. The analysis with regard to taxonomy eligibility was carried out on data per project. The EU taxonomy provides descriptions of eligible economic activities that belong to one of the six objectives of the EU taxonomy.

The activities of BAM that are eligible under the EU taxonomy are all eligible under activities within the objectives climate change mitigation, climate change adaptation, and/or the transition to a circular economy.

Revenue - alignment methodology

For the purpose of the taxonomy-alignment assessment, BAM clustered projects based on the nature of the activity and similarity in operational and technical criteria to assess compliance with the technical screening criteria in the EU taxonomy. Based on the BAM's strategic focus, preliminary screening and internal identification of potential 'green' revenue with different stakeholder groups, BAM selected multiple clusters for which the alignment assessment was performed. Dependent on the granularity of the criteria, the assessments were performed on a country, business or project level.

BAM's alignment assessment includes the analysis of all substantial contribution criteria and DNSH criteria for the relevant objectives. In the assessment BAM:

1. Describes the context and application in BAM's context;
2. Substantiates and provides available documentation to support the claim on whether an activity meets the criteria, either on a project, or on an activity level, dependent on the nature of the criteria;
3. Reaches a conclusion on the alignment based on the available substantiation;
4. Evidences adherence to the minimum safeguards on a Group-wide level.

Capex - eligibility and alignment methodology

The eligibility scan for capital expenditures in 2025 (capex additions) was performed in line with the eligibility scan for revenue. For all expenditures, BAM determined if there was a specific allocation possible to an economic activity. Most capex, such as (electric) equipment or cars, tower cranes, surveying equipment or cabins is associated with multiple economic activities.

Eligibility for these additions is determined based on the proportion of the capital expenditure associated with taxonomy-eligible activities on a business level. Capital expenditure by joint ventures (as reported in [note 17](#) of the Financial statements) is not included in the scope of the assessment.

The capex alignment assessment is based on three possible alignment scenarios:

- Capex is related to assets or processes that are associated with taxonomy-aligned economic activities;
- Capex is part of a Capex-plan as defined in the regulation to expand taxonomy-eligible economic activities to become taxonomy-aligned (subject to conditions);
- Capex is related to the purchase of output of aligned activities.

The aligned capex related to the first scenario has been calculated based on a pro-rata basis related to the revenue of the aligned economic activities per business. For the assessment and disclosures in 2025, BAM has allocated the capex to the economic activities mapped to the revenue KPI. Hence, alignment criteria applied to capex are equal to the criteria applied for the related economic activity. For example, with respect to investments in electric cars, BAM has assessed the alignment of capex in the context of the revenue generating activity it was allocated to. BAM has not included specific capex plans for the capex alignment assessment of 2025, because the plans for improvements do not (yet) constitute a plan to reach alignment fully.

Part of the aligned capex is based on the third category where BAM proved alignment on the capex investment itself and reported the invested amount as aligned capex.

Opex - eligibility and alignment methodology

The expense accounts identified to determine operational expenditures according to the EU taxonomy definition are the following:

- Repairs and maintenance;
- Short-term leases (< 12 months);
- R&D expenses.

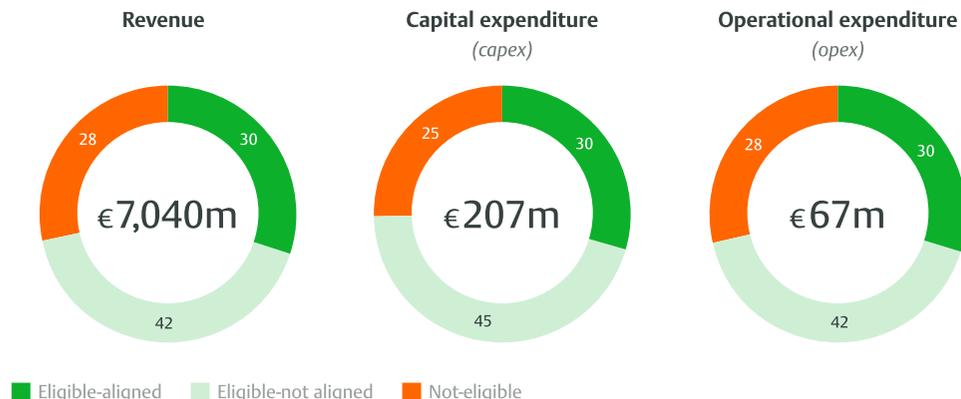
For repairs and maintenance, eligibility is determined on the basis of the activity description in the general ledgers. For the annual rent expenses related to short-term leases and R&D expenses, eligibility is calculated on a pro-rata basis related to the revenue eligibility of the activities per business.

Conclusion of the assessment

Aligned revenue in 2025 of 30% has increased compared to last year (2024: 27%). Mainly caused by shifts in portfolio and improved availability of evidence. Key insights from the assessment of the technical screening criteria have been shared within the business to further enhance BAM's knowledge on building sustainably.

Revenue, capital expenditure (capex) and operational expenditure (opex)

(in %)



Revenue - eligibility outcome

In 2025, 72% of BAM's revenue is eligible under the EU taxonomy, compared to 68% in 2024 (previously reported: 85%). The drop in last year's eligibility percentage is due to the fact that we have incorrectly claimed eligibility for our revenue for the activities CCA 6.15, CCA 6.16 and CE3.14 in last year's disclosure. During the current-year review, BAM reassessed its position, informed by updated clarification from the European Commission. According to the Commission's Q&A FAQ 5 ([Publications Office](#)) and FAQ 19 ([link](#)), turnover from adapted activities cannot be recognised as Taxonomy-eligible, as such activities -

once made climate-resilient - may or may not provide environmental benefits and therefore do not constitute eligible revenue under the EU Taxonomy framework. We are therefore correcting our approach and no longer including these activities. The outcome is that the prior-year eligible revenue percentage has been restated from 85% to 68% to correct the inappropriate inclusion of turnover related to adapted activities. Details per activity are disclosed in the EU Taxonomy tables.

Project revenues reported as not-eligible include economic activities related to electrical installations (including fibre cables for homes), data networks, earthworks, drill and blast projects. In line with last year, BAM reported activities such as the ground investigation works for planned wind farms and the construction of cement bases of wind farms as not-eligible.

Revenue - alignment outcome

In its alignment assessment, BAM obtained substantial evidence for meeting the relevant criteria. In 2025, BAM has aligned revenue, related to specific projects or businesses, in the following activity categories:

- Transmission and distribution of electricity (Netherlands) - CCM 4.9;
- Infrastructure for rail transport (Netherlands and United Kingdom) - CCM 6.14;
- Infrastructure enabling low carbon water transport (Netherlands) - CCM 6.16;
- Low carbon airport infrastructure (Netherlands) - CCM 6.17;
- Construction of new buildings (Netherlands), including both residential and non-residential buildings - CCM 7.1;
- Renovation of existing residential buildings (Netherlands) - CCM 7.2;
- Installation, maintenance and repair of charging stations for electric vehicles in buildings (Netherlands) - CCM 7.4;
- Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (Netherlands) - CCM 7.5;
- Installation, maintenance and repair of renewable energy technologies (Netherlands) - CCM 7.6.

The largest part of BAM's aligned revenue in 2025 is coming from the projects related to the infrastructure for rail transport (EU taxonomy CCM 6.14) in the Netherlands and United Kingdom. This outcome is similar to last year.

Within EU Taxonomy activity CCM 7.1, the amount of Taxonomy-aligned revenue has increased compared to the previous year. This rise is mainly the result of a greater number of projects assessed in 2025. BAM collects evidence against the technical screening criteria for each relevant project individually. BAM views the higher number of assessed projects as a positive step, as it enables the reporting of more sustainable revenue. However, this increase alone does not yet allow BAM to conclude that projects are, in general, being designed and executed in a more sustainable way. Improving the completeness and quality of data collection remains the primary challenge for further increasing the alignment percentage within this activity.

In addition to the residential projects, the assessment also resulted in aligned non-residential revenue in CCM 7.1 and CCM 7.2. The assessment shows that while many non-residential projects meet the contribution criteria and most of the DNSH requirements, achieving EU Taxonomy alignment is significantly more feasible when a project starts with a clear intention to align. When alignment objectives are embedded from the outset, it becomes easier to make the right design and execution choices throughout the project lifecycle. Conversely, projects that are already underway - without this early focus - tend to be harder to align, as key decisions may have been made before Taxonomy requirements were considered.

BAM has aligned revenue on the activity in EU taxonomy article CCM 6.16, these are the projects that are installing the infrastructure to provide vessels at berth with shore-side electrical power.

Alignment under CCM 6.17 is for instance related to the construction work on the Schiphol A-pier. It involves the construction and completion of a new, state-of-the-art passenger pier that will add 55.000 m² of space and eight new gates, including three suitable for the largest aircraft, making it Schiphol's most sustainable pier.

Under CCM 4.9 we have aligned several energy transition projects, for example IJmuiden Ver Beta and IJmuiden Ver Gamma - which refer to the construction of two converter stations, being built by our Dutch infrastructure business on the Maasvlakte, commissioned by TenneT. These converter stations form a crucial part of the Netherlands' offshore wind energy infrastructure.

The aligned revenue in CCM 7.4, CCM 7.5 and CCM 7.6 is mainly related to activities where BAM installs charging stations for electric vehicles, smart meters in buildings, maintenance and replacement of building services such as heating or ventilation systems and renewable energy technologies within buildings.

Capex - eligibility and alignment outcome

The proportion of Capital Expenditure (CapEx) in 2025 that is eligible-aligned is 30% (2024: 25%), 45% was eligible for, but not aligned with the EU taxonomy, and 25% of BAM's capex in 2025 was determined to be not eligible. Investments in 2025 that classify as aligned under the EU taxonomy include investments in equipment regarding the construction of BAM's aligned activities under climate change mitigation, mainly related to the rail infrastructure activities. BAM used a pro rata allocation to the economic activities for most capex investments, to determine eligibility and alignment for the year 2025.

The investments related to the residential houses and the sustainable timber housing are considered to be fully aligned under the EU taxonomy, on the basis that revenue related to these residences can be aligned. Also the amount of investments for BAM's own buildings are not pro rata allocated to the economic activities, but reported on CCM 7.7 Acquisition and ownerships of buildings. BAM assessed the investments in their own buildings on alignment. These investments are eligible under CCM 7.7 and 41% of them is aligned on this EU taxonomy activity.

Opex - eligibility and alignment outcome

The proportion of Operational Expenditure (OpEx) in 2025 that is eligible-aligned is 30% (2024: 49%), 42% was eligible for, but not aligned with the EU taxonomy, and 28% of BAM's opex in 2025 was determined to be not eligible.

As the opex definition in the EU taxonomy is very narrow, this KPI is less significant in the light of BAM's business model. The percentages are estimated based on a pro-rata basis related to the revenue of the aligned economic activities in order to determine eligibility and alignment for the operational expenditures in 2025.

Operational expenditure in 2025 that classifies as eligible-aligned with the EU taxonomy, include for example the short term lease expenses, pro rata, of BAM's rail business and R&D expenses for aligned activities.

Verification of compliance with minimum social safeguards

BAM has verified that the eligible economic activities are carried out in compliance with the minimum social safeguards, including the human right due diligence process and risk assessment for BAM. The following topics have been identified:

- Human right policies;
- Human right impacts;
- Human right communications;
- Grievance mechanisms;
- Consumer interests;
- Bribery and corruption;
- Fair competition;
- Taxation.

BAM assessed the steps of the due diligence process described in the minimum social safeguard requirements.

- Embed responsible business conduct into policies and management systems;
- Identify and assess adverse impacts in operations, supply chains and business relationships;
- Cease, prevent or mitigate adverse impacts;
- Track implementation and results;
- Communicate how the topics and related measures are addressed.

Further details on human rights due diligence processes are included in [chapter 6.4](#).

Eligible and aligned activities per objective and disclosure of specific activities

[Proportion table](#) shows that most of the aligned revenue of BAM is contributing to the EU taxonomy objective of climate change mitigation. BAM's revenue is eligible on the objectives climate change mitigation, climate change adaptation and the transition to a circular economy. The table also shows the proportion of capex and opex that is aligned and eligible per objective.

Proportion Table of Revenue, Capex and Opex

	Proportion of revenue/ Total revenue		Proportion of capex/Total capex		Proportion of opex/Total opex	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
(in%)						
CCM	30	72	30	75	30	72
CCA	0	71	0	74	0	72
WTR	0	0	0	0	0	0
CE	0	41	0	24	0	42
PPC	0	0	0	0	0	0
BIO	0	0	0	0	0	0

Proportion of revenue associated with EU taxonomy-aligned economic activities – disclosure covering 2025*

Economic Activities	Code	Revenue	Proportion of revenue, year 2025	Substantial contribution to						Do no significant harm to						Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) revenue, year 2024	Category enabling activity	Category transitional activity
				Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity				
		€/min.	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
<i>A.1 - Environmentally sustainable activities (Taxonomy-aligned)</i>																			
Transmission and distribution of electricity	CCM 4.9	40	0.6%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Infrastructure for rail transport	CCM 6.14	1,183	16.8%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	16.9%	E	
Infrastructure enabling low carbon water transport	CCM 6.16	5	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%	E	
Low carbon airport infrastructure	CCM 6.17	15	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Construction of new buildings	CCM 7.1	754	10.7%	Y	N	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	6.8%		T
Renovation of existing buildings	CCM 7.2	101	1.4%	Y	N	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	2.3%		T
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	19	0.3%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.4%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	6	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	1	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2,123	30.1%	30.1%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	26.7%		
Of which Enabling		1,268	18.0%	18.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	17.6%	E	
Of which Transitional		101	1.4%	1.4%						Y	Y	Y	Y	Y	Y	Y	2.3%		T
<i>A.2 - Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</i>																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Water supply	WTR 2.1	11	0.2%	N/EL	N/EL	EL	N/EL	N/EL	N/EL							Y	0.0%		
Transmission and distribution of electricity	CCM 4.9/CCA 4.9	633	9.0%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	3.9%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13/CCA 6.13	12	0.2%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	0.0%		
Construction of new buildings	CCM 7.1/CCA 7.1/CE 3.1	1,419	20.2%	EL	EL	N/EL	N/EL	EL	N/EL							Y	25.0%		
Renovation of existing buildings	CCM 7.2/CCA 7.2/CE 3.2	622	8.8%	EL	EL	N/EL	N/EL	EL	N/EL							Y	7.2%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3/CCA 7.3	231	3.3%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	2.1%		
Others (<10 million)*		12	0.2%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	3.3%		
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2,941	41.8%	41.6%	41.6%	0.2%	0.0%	29.0%	0.0%							Y	41.5%		
A. Revenue of Taxonomy-eligible activities (A.1+A.2)		5,064	71.9%	71.8%	41.6%	0.2%	0.0%	29.0%	0.0%							Y	68.2%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Revenue of Taxonomy-non-eligible activities (B)		1,976	28.1%																
TOTAL		7,040	100.0%																

The category other contains the activities WTR 2.2, WTR 2.3, CCM 4.27, CCM 4.3, CCM 4.15, CCM 5.1, CCM 5.2, CCM 5.3, CCM 7.4, CCM 7.5, CCM 7.6. On these activities is less than 10 mln euro revenue eligible.

Proportion of capex associated with EU taxonomy-aligned economic activities – disclosure covering 2025

Economic Activities

Code	capex	Proportion of capex, year 2025	Substantial contribution to						Do no significant harm to						Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) capex, year 2024	Category enabling activity	Category transitional activity	
			Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity					
	€/min.	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
<i>A.1 - Environmentally sustainable activities (Taxonomy-aligned)</i>																			
Transmission and distribution of electricity	CCM 4.9	2	0.9%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Infrastructure for rail transport	CCM 6.14	48	23.2%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	18.1%	E	
Infrastructure enabling low carbon water transport	CCM 6.16	0	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5%	E	
Low carbon airport infrastructure	CCM 6.17	1	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Construction of new buildings	CCM 7.1	5	2.6%	Y	N	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	2.6%		
Renovation of existing buildings	CCM 7.2	1	0.3%	Y	N	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	0.7%		T
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	3	1.3%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.1%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	1	0.4%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Acquisition and ownership of buildings	CCM 7.7	2	0.8%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.3%		
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		61	29.7%	30.9%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	25.4%		
Of which Enabling		54	26.1%	26.1%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	19.8%	E	
Of which Transitional		1	0.3%	0.3%						Y	Y	Y	Y	Y	Y	Y	0.7%		T
<i>A.2 - Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</i>																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Transmission and distribution of electricity	CCM 4.9/CCA 4.9	16	7.6%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	5.4%		
Infrastructure for rail transport	CCM 6.14	28	13.6%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	0.8%		
Construction of new buildings	CCM 7.1/CCA 7.1/CE 3.1	31	15.0%	EL	EL	N/EL	N/EL	EL	N/EL							Y	12.7%		
Renovation of existing buildings	CCM 7.2/CCA 7.2/CE 3.2	12	6.0%	EL	EL	N/EL	N/EL	EL	N/EL							Y	3.5%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3/CCA 7.3	4	1.7%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	4.3%		
Others (<1 million)*		2	1.1%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	0.7%		
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		93	45.0%	44.4%	44.4%	0.0%	0.0%	20.6%	0.0%							Y	55.0%		
A. Capex of Taxonomy-eligible activities (A.1+A.2)		155	74.8%	75.2%	44.4%	0.0%	0.0%	20.6%	0.0%							Y	80.4%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities (B)		52	25.2%																
TOTAL		207	100.0%																

* The category other contains the activities where less than 1 million euro capex is eligible.

Proportion of opex associated with EU taxonomy-aligned economic activities – disclosure covering 2025*

Economic Activities	Code	opex €/min.	Proportion of opex, year 2025 %	Substantial contribution to						Do no significant harm to						Minimum safeguards Y/N	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) opex, year 2024 %	Category enabling activity E	Category transitional activity T
				Climate Change Mitigation Y; N; N/EL	Climate Change Adaptation Y; N; N/EL	Water Y; N; N/EL	Pollution Y; N; N/EL	Circular Economy Y; N; N/EL	Biodiversity Y; N; N/EL	Climate Change Mitigation Y/N	Climate Change Adaptation Y/N	Water Y/N	Pollution Y/N	Circular Economy Y/N	Biodiversity Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
<i>A.1 - Environmentally sustainable activities (Taxonomy-aligned)</i>																			
Infrastructure for rail transport	CCM 6.14	11	16.8%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	48.6%	E	
Construction of new buildings	CCM 7.1	7	10.7%	Y	N	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3%		T
Renovation of existing buildings	CCM 7.2	1	1.4%	Y	N	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%		
Others (<1 million)*		1	1.2%	Y	N	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y			
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		20	30.2%	30.2%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	49.6%		
Of which Enabling		11	16.8%	16.8%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	48.6%	E	
Of which Transitional		1	1.4%	1.4%						Y	Y	Y	Y	Y	Y	Y	0.1%		T
<i>A.2 - Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</i>																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Transmission and distribution of electricity	CCM 4.9/CCA 4.9	6	9.0%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	3.8%		
Construction of new buildings	CCM 7.1/CCA 7.1/CE 3.1	14	20.2%	EL	EL	N/EL	N/EL	EL	N/EL							Y	6.9%		
Renovation of existing buildings	CCM 7.2/CCA 7.2/CE 3.2	6	8.8%	EL	EL	N/EL	N/EL	EL	N/EL							Y	0.0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3/CCA 7.3	2	3.3%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	2.0%		
Others (<1 million)*		0	0.5%	EL	EL	N/EL	N/EL	N/EL	N/EL							Y	0.9%		
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		28	41.8%	41.8%	41.8%	0.0%	0.0%	29.0%	0.0%								45.7%		
A. Opex of Taxonomy-eligible activities (A.1+A.2)		48	72.0%	72.0%	41.8%	0.0%	0.0%	29.0%	0.0%								95.3%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities (B)		19	28.0%																
TOTAL		67	100.0%																

* The category other contains the activities where less than 1 million euro opex is eligible.

6.7 Sustainability statement annex

Reference table

The sustainability statement complies with all aspects of ESRS.

Disclosure number	Disclosure requirement
General disclosures (ESRS 2)	
BP-1	General basis for preparation
BP-2	Disclosures in relation to specific circumstances
GOV-1	The role of the administrative, management and supervisory bodies
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
GOV-3	Integration of sustainability-related performance in incentive schemes
GOV-4	Statement on due diligence
GOV-5	Risk management and internal controls over sustainability reporting
SBM-1	Strategy, business model and value chain
SBM-2	Interests and views of stakeholders
SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities
IRO-2	Disclosure requirements covered by the Sustainability statements
MDR-P	Policies adopted to manage material sustainability matters
MDR-A	Actions and resources in relation to material sustainability matters
MDR-M	Metrics in relation to material sustainability matters
MDR-T	Tracking effectiveness of policies and actions through targets

Disclosure number	Disclosure requirement
Climate change (ESRS E1)	
E1-1	Transition plan for climate change mitigation
ESRS 2 SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities
E1-2	Policies related to climate change mitigation and adaptation
E1-3	Actions and resources in relation to climate change policies
E1-4	Targets related to climate change mitigation and adaptation
E1-5	Energy consumption and mix
E1-6	Gross GHG emissions
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
Pollution (ESRS E2)	
ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities
E2-1	Policies related to pollution
E2-2	Actions and resources related to pollution
E2-3	Target related to pollution
E2-6	Anticipated financial effects from material pollution related risks and opportunities
Biodiversity (ESRS E4)	
E4-1	Transition plan for biodiversity
ESRS 2 SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model
ESRS 2 IRO-1	Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities
E4-2	Policies related to biodiversity and ecosystems
E4-3	Actions and resources in relation to biodiversity and ecosystem
E4-4	Targets related to biodiversity and ecosystems
E4-5	Impact metrics related to biodiversity and ecosystems

Disclosure number	Disclosure requirement
Resource use and Circular economy (ESRS E5)	
ESRS 2 SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model impacts, risks and opportunities
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy–related impacts, risks and opportunities
E5-1	Policies related to resource use and circular economy
E5-2	Actions and resources related to resource use and circular economy
E5-3	Targets related to resource use and circular economy
E5-4	Resource inflows
E5-5	Resource outflows
Own workforce (ESRS S1)	
ESRS 2 SBM-2	Interests and views of stakeholders
ESRS 2 SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model
S1-1	Policies related to own workforce
S1-2	Processes for engaging with own workforce and workers' representatives about impacts
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of actions
S1-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities
S1-6	Characteristics of the undertaking's employees
S1-7	Characteristics of non-employee workers in BAM's own workforce
S1-9	Diversity metrics
S1-13	Training and skills development metrics
S1-14	Health and safety metrics
S1-16	Remuneration metrics (pay gap and total remuneration)
S1- entity-specific	Return on inclusion



Disclosure number	Disclosure requirement
Affected communities (ESRS S3)	
ESRS 2 SBM-2	Interests and views of stakeholders
ESRS 2 SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model
S3-1	Policies related to affected communities
S3-2	Processes for engaging with affected communities about impacts
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions (Taking action on social value)
S3-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities
S3- entity-specific	Social value
Business conduct (ESRS G1)	
ESRS 2 GOV-1	Business conduct policies and corporate culture
ESRS 2 IRO-1	Material impact, risk or opportunity
G1-1	Business conduct policies and corporate culture
G1-3	Prevention and detection of corruption and bribery
G1-4	Incidents of corruption or bribery
G1- entity-specific	Protection of data and respecting privacy

List of data points that derive from other EU legislation

ESRS standard	Data point that derives from other EU legislation
General disclosures	
General disclosures (ESRS 2)	GOV-1 Board's gender diversity
	GOV-1 Percentage of board members who are independent
	GOV-4 Statement of due diligence
Environmental disclosures	
Climate change (E1)	E1-1 Transition plan to reach carbon neutrality by 2050
	E1-1 Undertakings excluded from Paris-aligned Benchmarks
	E1-4 GHG emission reduction targets
	E1-5 Energy consumption and mix
	E1-6 Gross scope 1, 2, 3 and total GHG emissions
	E1-6 Gross GHG emissions intensity
Social disclosures	
Own workforce (S1)	S1-1 Human rights policy commitments
	S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8
	S1-14 Number of fatalities and number and rate of work-related accidents
	S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)
	S1-16 Unadjusted gender pay gap
Governance disclosures	
Business conduct (G1)	G1-1 United Nations Convention against Corruption
	G1-4 Fines for violation of anti-corruption and anti-bribery laws

Other data points listed in ESRS 2 Appendix B, which are not included in the table above, are considered either not material or not relevant.



Financial statements

Contents

Consolidated income statement	165	16. Intangible assets	193
Consolidated statement of comprehensive income	165	17. Investments in joint ventures and associates	195
Consolidated statement of financial position	166	18. Other financial assets	197
Consolidated statement of changes in equity	167	19. Inventories	198
Consolidated statement of cash flows	168	20. Trade and other receivables	199
Notes to the consolidated financial statements	169	21. Cash and cash equivalents	200
1. General information	169	22. Assets held for sale	200
2. Accounting policies	169	23. Group equity	201
3. Critical accounting judgements and key sources of estimation uncertainties	172	24. Borrowings	202
4. Financial risk management	174	25. Employee benefits	204
5. Segment information	178	26. Provisions	210
6. Revenue and projects	179	27. Trade and other payables	212
7. Personnel expenses	183	28. Related parties	212
8. Other income	183	29. Share-based payments	214
9. Impairments	183	30. Joint operations	215
10. Finance income and expense	184	31. Commitments	216
11. Income tax	184	32. Contingencies	216
12. Discontinued operations	189	33. Audit fees	217
13. Earnings per share	189	34. Events after the reporting period	217
14. Property, plant and equipment	189	Company statement of financial position	218
15. Leases	191	Company income statement	218
		Notes to the company financial statements	219

Consolidated income statement

(x €1,000)	Notes	2025	2024
<i>Continued operations</i>			
Revenue	6	7,039,900	6,454,951
Materials and third party services		(5,104,709)	(4,698,352)
Personnel expenses	7	(1,323,064)	(1,228,767)
Depreciation and amortisation		(157,791)	(127,769)
Impairments	9	7,050	(4,433)
Exchange rate differences		(314)	(3,058)
Other operating expenses		(247,538)	(276,802)
Other income	8	2,053	673
Share in result of joint ventures and associates	17	22,608	(57,651)
Operating result		238,195	58,792
Finance income	10	25,984	23,400
Finance expense	10	(15,631)	(14,862)
Result before tax		248,548	67,330
Income tax	11	(37,560)	(5,164)
Result from continued operations		210,988	62,166
<i>Discontinued operations</i>			
Result from discontinued operations	12	-	20,069
Net result		210,988	82,235
<i>Attributable to:</i>			
Shareholders of the Company		210,990	82,248
Non-controlling interests		(2)	(13)
Earnings per share (x €1)			
Basic earnings per share	13	0.81	0.31
Diluted earnings per share	13	0.80	0.30
Earnings per share from continued operations (x €1)			
Basic earnings per share	13	0.81	0.23
Diluted earnings per share	13	0.80	0.23

Consolidated statement of comprehensive income

(x €1,000)	Notes	2025	2024
Net result		210,988	82,235
<i>Items that may be reclassified to the income statement</i>			
Fair value movement of cash flow hedge in joint ventures (net)	17	-	3,448
Reclassification of hedging reserve to income statement		-	(29,793)
Reclassification of translation reserve to income statement		-	(1,500)
Exchange rate differences		(23,527)	22,017
<i>Items that will not be reclassified to the income statement</i>			
Remeasurements of post-employment benefit obligations		(14,507)	(17,012)
Tax on remeasurements of post-employment benefit obligations		3,035	4,277
Remeasurements of post-employment benefit obligations (net)	25	(11,472)	(12,735)
Other comprehensive income		(34,999)	(18,563)
Total comprehensive income		175,989	63,672
<i>Attributable to:</i>			
Shareholders of the Company		175,995	63,674
Non-controlling interests		(6)	(2)

Consolidated statement of financial position

<i>(x €1,000)</i>	<i>Notes</i>	31 December 2025	31 December 2024
Non-current assets			
Property, plant and equipment	14	251,179	244,476
Right-of-use assets	15	282,790	241,214
Intangible assets	16	376,000	348,155
Investments in joint ventures and associates	17	180,640	177,014
Other financial assets	18	138,001	122,425
Employee benefits	25	35,095	46,123
Deferred tax assets	11	110,904	111,875
		1,374,609	1,291,282
Current assets			
Inventories	19	532,894	464,589
Trade and other receivables	20	1,290,259	1,260,883
Income tax receivable		20,314	20,288
Cash and cash equivalents	21	883,427	763,420
		2,726,894	2,509,180
Assets classified as held for sale	22	-	90,544
		2,726,894	2,599,724
Total assets		4,101,503	3,891,006

	<i>Notes</i>	31 December 2025	31 December 2024
Equity			
Equity attributable to owners of the Company		958,047	895,513
Non-controlling interests		394	26
Group equity	23	958,441	895,539
Non-current liabilities			
Borrowings	24	56,347	59,838
Lease liabilities	15	190,364	178,100
Employee benefits	25	21,121	27,248
Provisions	26	85,806	64,646
Deferred tax liabilities	11	9,071	6,919
		362,709	336,751
Current liabilities			
Borrowings	24	34,591	7,012
Lease liabilities	15	100,446	78,263
Trade and other payables	27	2,503,589	2,433,603
Provisions	26	133,329	116,155
Income tax payable		8,398	23,683
		2,780,353	2,658,716
Total equity and liabilities		4,101,503	3,891,006

Consolidated statement of changes in equity

	Notes	Attributable to the shareholders of the Company					Non-controlling interests	Total equity
		Share capital and premium	Translation reserve	Hedging reserve	Retained earnings	Total		
(x €1,000)								
As at 1 January 2024		839,311	(86,723)	26,369	141,538	920,495	324	920,819
Cash flow hedges in joint ventures		-	-	3,448	-	3,448	-	3,448
Reclassification of reserves to income statement	22	-	(1,500)	(29,793)	-	(31,293)	-	(31,293)
Remeasurements of post-employment benefit obligations	25	-	-	-	(12,735)	(12,735)	-	(12,735)
Exchange rate differences		-	22,006	-	-	22,006	11	22,017
Other comprehensive income, net of tax		-	20,506	(26,345)	(12,735)	(18,574)	11	(18,563)
Net result		-	-	-	82,248	82,248	(13)	82,235
Total comprehensive income		-	20,506	(26,345)	69,513	63,674	(2)	63,672
Repurchase of ordinary shares	23	-	-	-	(65,525)	(65,525)	-	(65,525)
Dividend	23	-	-	-	(25,840)	(25,840)	(296)	(26,136)
Share-based payments	29	-	-	-	2,709	2,709	-	2,709
Total transactions with owners		-	-	-	(88,656)	(88,656)	(296)	(88,952)
As at 31 December 2024		839,311	(66,217)	24	122,395	895,513	26	895,539
Remeasurements of post-employment benefit obligations	25	-	-	-	(11,472)	(11,472)	-	(11,472)
Exchange rate differences		-	(23,523)	-	-	(23,523)	(4)	(23,527)
Other comprehensive income, net of tax		-	(23,523)	-	(11,472)	(34,995)	(4)	(34,999)
Net result		-	-	-	210,990	210,990	(2)	210,988
Total comprehensive income		-	(23,523)	-	199,518	175,995	(6)	175,989
Repurchase of ordinary shares	23	-	-	-	(50,036)	(50,036)	-	(50,036)
Cancellation of shares	23	(1,204)	-	-	1,204	-	-	-
Dividend	23	-	-	-	(65,998)	(65,998)	(47)	(66,045)
Share-based payments	29	-	-	-	2,573	2,573	-	2,573
Other		-	-	(24)	24	-	421	421
Total transactions with owners		(1,204)	-	(24)	(112,233)	(113,461)	374	(113,087)
As at 31 December 2025		838,107	(89,740)	-	209,680	958,047	394	958,441

Consolidated statement of cash flows

x €1,000	Notes	2025	2024
Net result from continued operations		210,988	82,235
Adjustments for:			
• Income tax	11	37,560	5,164
• Depreciation, amortisation and impairments		150,741	132,202
• Share in result of joint ventures and associates	17	(22,608)	57,651
• Result on sale of property, plant and equipment and intangible fixed assets	8	(2,053)	(673)
• Share based payments	29	2,573	2,709
• Finance income	10	(25,984)	(23,400)
• Finance expense	10	15,631	14,862
Interest received		24,318	22,767
Interest paid		(19,805)	(18,461)
Income tax paid		(37,615)	(15,466)
Dividends received from joint ventures and associates	17	20,391	25,066
Cash flow from operations		354,137	284,656
Changes in provisions and pensions		26,164	(30,247)
Decrease/(increase) in inventories		(55,358)	15,612
Decrease/(increase) in trade and other receivables		(52,799)	26,341
Increase/(decrease) in trade and other payables		72,539	(39,032)
Net cash flow from operating activities		344,683	257,330

	Notes	2025	2024
Net cash flow from operating activities (<i>continued</i>)		344,683	257,330
Investments in property, plant and equipment	14	(63,523)	(72,999)
Investments in intangible fixed assets	16	(37,202)	(12,323)
Investments in non-current receivables and other financial assets	17/18	(40,614)	(48,418)
Repayments of non-current receivables and other financial assets	17/18	22,723	20,607
Proceeds from sale of property, plant and equipment and intangible fixed assets	8	12,669	4,899
Net proceeds from sale of subsidiaries and associates	17	110,089	-
Net cash flow from investing activities		4,142	(108,234)
Proceeds from borrowings	24	33,342	12,549
Repayments of borrowings	24	(9,254)	(7,273)
Repayments of principal portion of lease liabilities	15	(105,877)	(86,008)
Payment of dividend	23	(66,045)	(26,135)
Repurchase of ordinary shares	23	(50,036)	(65,525)
Net cash flow from financing activities		(197,870)	(172,392)
Total cash flow		150,955	(23,296)
Cash and cash equivalents on 1 January	21	763,420	757,333
Exchange rate differences on cash and cash equivalents		(30,948)	29,383
Cash and cash equivalents on 31 December	21	883,427	763,420

Notes to the consolidated financial statements

1. General information

Royal BAM Group nv ('the Company' or 'BAM') and its subsidiaries (together, 'the Group') design, build and maintain sustainable buildings, homes, and infrastructure for public and private clients. The Group has operations in the Netherlands, the United Kingdom, Ireland and Belgium. In earlier years, the Group also had operations in Germany and in niche markets worldwide.

The Company is a public limited company listed on the Euronext Amsterdam and has its registered seat and head office in Bunnik, the Netherlands. The address is Runnenburg 9, 3981 AZ, Bunnik, the Netherlands. The Company is registered at the Chamber of Commerce under number 30058019.

The Executive Board and the Supervisory Board authorised the financial statements for issue on 25 February 2026.

2. Accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

The financial statements have been prepared on a going concern basis and, unless otherwise stated, under the historical cost convention. The material accounting policies applied in the preparation of these consolidated financial statements have been consistently applied, unless otherwise stated.

The preparation of financial statements requires management to use certain critical accounting estimates and to make judgements and use assumptions that affect the amounts of assets and liabilities, income and expense. Areas involving a higher degree of judgments or complexity, or areas with significant assumptions and estimates are disclosed in note 4.

2.1.1 Climate-related matters

The Group continuously takes steps to reduce its footprint and create sustainable environments. The Group's strategy focuses amongst other things on the themes of decarbonisation, circularity and climate adaptation and is working towards the following targets:

- an 80% relative reduction (versus 2015) of Scope 1 and 2 CO₂ intensity by 2026.
- a 50% relative reduction (versus 2019) of Scope 3 CO₂ emissions in 2030.
- a 75% reduction (versus 2015) of construction and office waste intensity by 2030.

On a long term basis, the Group's ambition is to have a reduced impact on climate and resources by 2050.

The following table summarises the most relevant financial impacts of these targets:

Target	Financial impact
<i>Reduction of Scope 1 and 2 CO₂ intensity</i>	The target is planned to be achieved by amongst others the use of renewable energy in all offices, the replacement of use of diesel on project sites by biofuels or establishing early grid-connections in combination with the use of electrical equipment. Most of these initiatives predominantly require a change to ways of working rather than significant investments, but some may also result in higher costs, for example the use of biofuel instead of diesel. The financial impact of these initiatives is assessed as limited and is not considered material. Part of the reduction of CO ₂ emissions is expected to be achieved by increasing the use of electrical equipment and by electrification of the car fleet. Any associated financial effects are not considered material, as this is mostly achieved through generic replacements investments.
<i>Reduction of Scope 3 CO₂ emissions</i>	The vast majority of the Group's Scope 3 CO ₂ emissions are related to purchased goods and services (mainly concrete, steel and asphalt) and the energy use of assets that the Group has constructed. The target is planned to be achieved by offering alternative products (e.g. based on timber), low carbon product alternatives (e.g. low carbon asphalt and concrete) and recycled materials (e.g. steel) and by optimising the energy performance of assets that the Group has constructed. The Group is generally able to compensate higher costs, if any, by increased revenue and higher margins.
<i>Reduction of construction and office waste</i>	The target is planned to be achieved by supply chain collaboration and product innovation as part of the Group's ongoing activities, i.e. it is not expected to result in a material increase in costs or investments. The financial impact is therefore not considered material.

In its 2025 double materiality assessment, the Group identified the Dutch nitrogen regulatory environment as a material pollution-related risk and the energy transition as a material long-term opportunity with potential financial effects. Nitrogen developments were assessed for their possible impact on permitting, project timing and compliance costs, and they remain subject to political dynamics around future nitrogen standards. However, based on information available at year-end, no project delays, impairments or provisions were applicable (Note 6.3). The energy transition creates strategic opportunities supported by strong market demand and long-term investment programmes, but related financial impacts from capacity expansion and upskilling is considered limited.

Taking the above into consideration, the Group assessed that climate related matters do not have a significant adverse financial impact on the Group's financial statements.

2.2 Changes in accounting policies

The only IFRS amendment effective from 1 January 2025 is IAS 21 “Lack of Exchangeability” and does not have a material effect on the financial statements of the Group.

A number of new standards and amendments to existing standards and interpretations are effective for annual periods beginning on or after 1 January 2026 and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Group except for IFRS 18 Presentation and Disclosure in Financial Statements. This standard will replace IAS 1 and is expected to be effective on 1 January 2027. The standard intends to respond to investors' demand for better information about companies' financial performance. It includes updated and/or new requirements for presentation of the income statement, guidance on aggregation and disaggregation of information and disclosure of management-defined performance measures. The Group has completed an initial assessment and is preparing for implementation to ensure readiness by the effective date.

In 2025, BAM completed the divestment of its share in Invesis. Therefore, remaining loans and receivables previously presented as 'PPP receivables', together with the related borrowings, were reclassified to 'Other financial assets' and 'Other loans' to align their presentation with the underlying contractual characteristics. This reclassification is reflected in the statement of financial position and the related disclosures, and the comparative 2024 figures have been adjusted accordingly. This affects the following notes: Note 4 (Financial risk management), Note 20 (Trade and other receivables) and Note 24 (Borrowings).

2.3 Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The cost of an acquisition is measured as the aggregate of the consideration transferred, exclusive of acquisition related costs, which are expensed as incurred. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in the income statement. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the income statement. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised in the income statement.

Intercompany transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

When the Group ceases to have control in a business, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in the income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that business are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the profit or loss or to retained earnings.

2.4 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'euro' (€), which is the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement within 'exchange rate differences'.

The results and financial position of the group companies that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet;
- income and expenses are translated at average exchange rates; and
- all resulting exchange rate differences are recognised in equity in 'other comprehensive income'.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange rate differences arising from the translation of these items are recognised in 'other comprehensive income'.

The following exchange rates of the euro against the pound sterling (£) have been used in the preparation of these financial statements:

- closing exchange rate: 0.872 (2024: 0.829)
- average exchange rate: 0.854 (2024: 0.846)

2.5 Derivative financial instruments and hedging

Derivatives are used for economic hedging purposes and not as speculative investments and are recognised at fair value. The recognition of subsequent gains or losses depends on whether the derivative is designated as a hedging instrument and if so, the nature of the hedged item. The Group designates the derivatives as hedges of a particular risk associated with a recognised asset or liability, a highly probable forecast transaction or the foreign currency risk of an unrecognised commitment.

At inception of the transaction the Group documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in fair values or cash flows of hedged items. A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- there is 'an economic relationship' between the hedged item and the hedging instrument;
- the effect of credit risk does not 'dominate the value changes' that result from that economic relationship;
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The fair value of a hedging derivative is classified as a non-current when the remaining hedged item is more than twelve months and as a current when it is less than twelve months. The effective portion of changes in the fair value of cash flow hedges is recognised in other comprehensive income, the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of interest rate swaps is recognised within ‘finance income/expense’ and the gain or loss relating to the effective portion of forward foreign exchange contracts is recognised within ‘exchange rate differences’. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecasted transaction is ultimately recognised in the income statement. When a forecasted transaction is no longer highly probable, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement. When a disposal group is classified as held for sale, the Group concludes that any forecast transactions subject to hedge accounting are no longer highly probable. Hedge accounting is then discontinued and the cumulative gain or loss in equity is reclassified to the income statement.

2.6 Statement of cash flows

The statement of cash flows is prepared using the indirect method. Cash flows in foreign exchange currencies are converted using the average exchange rate. Exchange rate differences on the net cash position are separately presented in the statement of cash flows. Payments in connection with interest and income tax are included in the cash flow from operations. Paid dividend is included in cash flow from financing activities.

The purchase price paid for acquisitions of subsidiaries is included in the cash flow from investing activities, net of cash and cash equivalents acquired. In the statement of cash flows the interest paid related to leases is presented as part of the cash flow from operating activities, while the repayments are presented as part of the cash flows from financing activities.

Non-cash transactions are not included in the statement of cash flows.

3. Critical accounting judgements and key sources of estimation uncertainties

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The reported amounts are based on factors which inherently are associated with uncertainties and actual results may therefore differ materially. The most significant judgments and estimates are summarised below.

3.1 Revenue recognition

The Group’s revenue recognition policies require management to make judgments and estimates, particularly for revenue that is recognised over time. Such revenue is generally recognised using the cost-to-cost method (i.e. an input method), which requires a forecast to be made of the profit margin on the performance obligation upon its completion and the costs yet to incur. The stage of completion is then determined by comparing actual costs incurred to date to total costs to complete the performance obligation. The Group has coordinated systems for cost estimations, forecasting and revenue and costs reporting.

Making forecasts of the profit margin upon completion of the performance obligation involves judgments and estimates on costs as well as revenue. On the cost side, estimates are to be made for costs to be incurred to complete the performance obligation as well as costs for maintenance and defect liabilities. On the revenue side estimates are to be made with respect to the amount of variable consideration and judgments are required to determine whether such variable consideration should be constrained. Variable consideration includes fees for changes in scope of work (‘variation orders’), variation orders for which the related fee is under discussion (“unapproved variation orders”) or under a legal procedure (“claims”) as well as performance bonuses and/or penalties (‘liquidated damages’). Estimates of variable consideration are to be constrained to an amount that is not highly probable of a significant reversal. The Group quantifies highly probable as a probability of 75% or more.

Variable consideration is generally included in total revenue (i.e. not constrained) when:

- the amount is already covered by a client payment;
- the Group has a formal approval from the client on the respective amount or fee proposed by the Group;
- the Group has a written instruction or approval on a change in the scope of work from the client and
- the related amounts of compensation are contractually agreed based on specific contract rates or based on costs or plus a normal profit margin;
- the additional amounts are covered by a written settlement offers from the client.

In exceptional circumstances, variable consideration may also be included in total revenue when none of the above criteria are met and/or when there is a dispute with the client. In such circumstances, the highly probable criterion is generally substantiated by an advice or opinion of a lawyer.

3.2 Income taxes

The Group is subject to income taxes in numerous jurisdictions. Judgement and estimates are required in determining the provision for income taxes, particularly in determining the carrying amount of deferred tax assets and the amount of liabilities for (potential) uncertain tax positions.

The Group decreases its tax assets or increases its liabilities for anticipated tax audit issues based on estimates of whether less tax will be received respectively additional taxes will be due. Such decrease or increase is based on the technical merits of the underlying position.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made. Deferred tax assets are recognised for tax losses carry-forwards, temporary differences and tax credits, to the extent that realisation of the related tax benefit through future taxable profits is probable. This requires an estimation of the amount of future taxable profits, for which a forecast window of five years is generally applied, and judgments to assess the probability of actually achieving the forecasted levels.

3.3 Impairment of goodwill

Goodwill is tested for impairment annually. The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations are determined using discounted cash flow projections and require estimates in connection with the future development of revenues, profit before tax margins and the determination of appropriate discount rates. An impairment loss is recognised if the carrying amount of an asset of CGU exceeds its recoverable amount. Sensitivity analyses in respect of key assumptions are disclosed in note 16.

3.4 Impairment of land and building rights

Land and building rights are generally acquired at a premium on their value in current condition. The premium is paid as future intentions (i.e. development) represent a considerable value increase. The ultimate value of land and building rights upon development depends on a number of factors such as the number of buildings and their expected sales prices. In case the Group is not able to proceed development, e.g. upon adverse decision of a governmental body, the respective land and building rights is generally subject to an impairment.

The valuation of land and building rights, to test their respective carrying amount for impairments, is based on a net realisable value model. The net realisable value model is generally supported by a valuation of an external valuator (by rotation) to benchmark.

3.5 Pension obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for pensions include the discount rate, expected salary growth rates and expected indexation of pensions. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds (AA) that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions are based on current market conditions and envisaged developments. Sensitivity analyses in respect of these assumptions are disclosed in note 25.

4. Financial risk management

4.1 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. To maintain or adjust the capital structure, the Group may adjust dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's aim is for a financing structure that ensures continuing operations and minimises cost of equity. For this, flexibility and access to the financial markets are important conditions. As usual within the industry, the Group monitors its financing structure through its liquidity (see note 4.2.3) and capital ratio. Capital ratio is calculated as the capital base divided by total assets. The Group's capital base consists of equity attributable to shareholders of the company. The Group's target capital ratio is above 20%. On 31 December 2025, the capital ratio was 23.4% (2024: 23.0%).

4.2 Financial risk factors

The Group's activities are exposed to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk, price risk and geopolitical and macroeconomic risk), credit risk and liquidity risk.

The Group's risk management system is designed to identify and manage risks and opportunities.

Effective risk management enables the Group to capitalise on opportunities in a carefully controlled environment. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to limit potential adverse effects on the Group's financial performance.

Financial risk management is carried out by the treasury function under policies approved by the Executive Board. These policies provide written principles for overall risk management and for specific aspects, such as foreign exchange risk, interest rate risk, credit risk and the use of (non-)derivative financial instruments. The treasury function identifies, evaluates and, when necessary, hedges financial risks.

4.2.1 Market risk

(a) Foreign exchange risk

A substantial part of the Group's activities takes place in the United Kingdom (in pound sterling) and, to a limited extent, in other non-euro countries. The Group's results and equity are therefore affected by fluctuations in foreign exchange rates. Generally, the Group is active in these non-euro countries through local subsidiaries, limiting the exchange risk as both income and expense are denominated largely in the same currency. The associated translation risk to the Group (arising from the translation of the local currency into euro) is not hedged. Due to changes in the exchange rate of the euro to pound sterling, revenue, results, equity and order book from the United Kingdom slightly decreased in 2025. At year end 2025, a 10% change in the exchange rate will impact the Group's equity by approximately €46 million (2024: circa €45 million).

A limited part of the group's activities involves projects in a different currency than the functional currency of the respective entity. Group policy is that costs and revenue for these projects are in the same currency, thus limiting foreign exchange risks. The Group may hedge the residual exchange risk using forward exchange contracts. This involves the hedging, using cash flow hedge accounting, of unconditional project-related exchange risks in excess of €1 million as soon as these occur. Any exchange risks in the tender stage and arising from contractual amendments are assessed on a case by case basis. Procedures have been established for the proper recording of hedge transactions. Systems are in place to ensure regular assessments of the hedge effectiveness measurements.

(b) Interest rate risk

The Group is exposed to interest rate risk on interest-bearing receivables and cash and cash equivalents, on the one hand, and to interest-bearing borrowings, on the other. If the interest rate is variable, the Group is exposed to a cash flow risk, i.e. future interest payments vary with (changes in) the interest rate. If the interest rate is fixed, the group is exposed to a fair value risk. For interest-bearing borrowings, the Group may manage cash flow risks. Interest rates on borrowings are generally variable and are hedged to fixed rates on a case-by-case basis with reference to the asset or operation that is funded.

Interest rates on cash and cash equivalents is variable. The overall analysis of the interest rate risk profile takes into account cash and cash equivalents, the debt position and the usual fluctuations in the Group's working capital requirements.

The composition of borrowings by interest rate is as follows:

	Up to 1 year	1 to 5 years	Over 5 years	Total
31 December 2025				
Total borrowings	34,591	52,129	4,218	90,938
Fixed interest rates	(5,124)	(33,699)	(129)	(38,952)
Variable interest rates	29,467	18,430	4,089	51,986
31 December 2024				
Total borrowings	7,012	55,011	4,827	66,850
Fixed interest rates	(3,109)	(7,733)	(139)	(10,981)
Variable interest rates	3,903	47,278	4,688	55,869

If variable interest rates had been 100 basis points higher, the Group's result before tax would have been €3.4 million higher (2024: €3.3 million higher). If the variable interest rates had been 100 basis points lower, the Group's result before tax would have been €3.4 million lower (2024: €3.3 million lower).

(c) Geopolitical and Macroeconomic Risk

The Group is indirectly exposed to geopolitical risks, including the conflicts in the Middle East and Ukraine as well as broader global tensions such as intensifying US-China competition and the impact of trade tariffs. These risks primarily affect the Group through potential changes in energy prices and supply chain dynamics that influence energy-intensive construction activities and input costs. Based on current information and management's assessment, these geopolitical risks did not have a material impact on the financial statements. This is supported by the Group's strong order book, the presence of indexation clauses within construction contracts, its diversified project portfolio, and the continuous monitoring of market developments.

4.2.2 Credit risk

The Group's exposure to credit risks on financial assets is as follows:

	Notes	2025	2024
Non-current assets			
Non-current receivables	18	136,107	120,398
Current assets			
Trade receivables	20	459,535	451,771
Contract assets	20	640,910	600,016
Amounts due from related parties	20	34,020	21,786
Other receivables	20	83,065	91,964
Other financial assets		1,109	2,565
Derivative financial instruments	20	1,640	700
Cash and cash equivalents	21	883,427	763,420
		2,239,813	2,052,620

A substantial part of trade receivables and contract assets are due from governments or government bodies in the Netherlands, the United Kingdom and Ireland. Considering these countries have a strong credit rating, the credit risk related to these assets is therefore inherently assessed as very low. Furthermore, a significant part of trade receivables is based on contracts involving advance payments or payments proportionate to progress of the work, which limits the credit risks, in principle, to the overall balances outstanding. Credit risk on trade and other receivables and contract assets is monitored continuously. Clients' creditworthiness is analysed before entering into a contract and then monitored during performance of the project. This involves taking account the client's financial position, previous collaborations and other factors. Group policy is designed to mitigate credit risks. This can, for example, be achieved by retaining ownership of assets until payment has been received, by obtaining prepayments and through the use of bank guarantees.

Non-current receivables predominantly concern loans granted to property joint ventures. Credit losses are identified based on the financial position and forecasts of these joint ventures, which also include the value of the underlying property development positions. For a part of these loans, the underlying property developments are held as security, but generally subordinated to the providers of the external financing.

Cash and cash equivalents are held in various banks. The Group limits the credit risk by working with respectable banks and financial institutions. This involves holding cash and cash equivalents in excess of €10 million at banks and financial institutions with a minimum credit rating of 'A'.

The Group assessed the credit risk for these assets and concluded that no significant expected credit loss provisions are required. In addition, the Group is also exposed to credit risk on parental guarantees (note 32) and financial guarantees. A provision for financial guarantees of €3.0 million has been recognised (2024: €3.0 million), see note 26.

4.2.3 Liquidity risk

Liquidity risk is the risk that the Group will not be able to satisfy its financial liabilities. It is the Group's policy to ensure that, at all times, sufficient liquidity is available to satisfy its liabilities when due. To monitor liquidity requirements, the group maintains a rolling cash-flow forecast for the next 12 months. The forecast takes into account the amount of cash and cash equivalents, available credit facilities and expected working capital requirements which, given the large size of individual transactions, is subject to relatively large fluctuations.

The main instruments to ensure that sufficient liquidity is available are the Group's cash pools and its credit facilities. The cash pools provide the flexibility to optimise the use of cash that is available in the group, while the Group's committed syndicated credit facility of €330 million and other credit facilities (see note 24), allow it to draw loans when required. As of 31 December 2025 and 2024, no loans were drawn from these facilities. The expected contractual cash flows as of 31 December 2025 and 2024 are as follows:

	Carrying amount	Contractual cash flows	< 1 year	1 – 5 years	> 5 years
2025					
Non-recourse property financing	36,242	39,484	21,860	17,624	-
Other non-recourse financing	21,285	24,009	6,009	13,599	4,401
Recourse property financing	32,619	37,917	9,928	27,826	163
Other recourse financing	792	806	499	307	-
Lease liabilities	290,810	329,795	105,910	172,736	51,149
Provisions ¹	3,000	3,000	3,000	-	-
Trade and other payables ²	1,241,868	1,241,868	1,241,868	-	-
	1,626,616	1,676,878	1,389,074	232,092	55,713
2024					
Non-recourse property financing	36,852	42,402	4,705	37,697	-
Other non-recourse financing	15,619	17,320	3,505	8,717	5,098
Recourse property financing	12,160	13,548	1,210	12,160	178
Other recourse financing	2,219	2,254	833	1,421	-
Lease liabilities	256,363	267,868	88,881	119,001	59,986
Provisions ¹	3,000	3,000	3,000	-	-
Trade and other payables ²	1,220,923	1,220,923	1,220,923	-	-
	1,547,136	1,567,315	1,323,057	178,996	65,262

¹ Consisting of financial guarantees relating to the sale of BAM Deutschland as disclosed in note 26.

² Consisting of financial trade and other payables in note 25: Trade payables, amounts due to related parties, amounts due for work performed and other liabilities.

4.3 Financial instruments and their fair values

The fair value of financial instruments can be determined in various manners. The fair value hierarchy is defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data. The valuation takes into consideration (changes in) the credit risks of the Group and the counter party.

The following overview indicates the carrying amounts of each category of financial instrument per balance sheet account, their level in the fair value hierarchy and/or their estimated fair value.

	Includes financial instruments at				Estimated fair value
	Amortised cost	Fair value	L ¹	Total	
2025					
Other financial assets	59,451	76,656	3	136,107	123,027
Trade and other receivables ²	666,780	1,640	2	668,420	668,420
Cash and cash equivalents	883,427	-	-	883,427	883,427
Borrowings	90,938	-	3	90,938	80,523
Provisions ³	-	3,000	3	3,000	3,000
Trade and other payables ²	1,241,868	-	-	1,241,868	1,241,868
2024					
Other financial assets	60,032	60,366	3	120,398	107,758
Trade and other receivables ²	681,669	700	2	682,369	682,369
Cash and cash equivalents	763,420	-	-	763,420	763,420
Borrowings	66,850	-	3	66,850	59,416
Provisions ³	-	3,000	3	3,000	3,000
Trade and other payables ²	1,220,923	-	-	1,220,923	1,220,923

1 Fair value level applied in fair value measurement of the respective financial asset / liability.

2 Due to the short-term nature of the trade and other receivables and payables, their carrying amounts are considered to be a reasonable approximation of their fair values.

3 Consisting of financial guarantees relating to the sale of BAM Deutschland as disclosed in note 26.

Level 3 fair value measurements are generally based on a discounted cash-flow model. The Group discounts expected future contractual cash flows of the respective financial instrument at an appropriate discount rate. As at 31 December 2025, the Group applies a discount rate in the range of 4.0% to 7.1% for financial assets and 4.0% to 5.0% for financial liabilities. The wider range for financial assets primarily reflects rates of 4-5% for the majority of projects, with the higher end of 7.1% only applied to a limited number of commercial property joint venture exposures.

The estimated fair values of financial instruments accounted at amortised costs has been determined by discounting expected future cash flows (level 3) as described above. The estimated fair values are not necessarily indicative of the amounts that will be realised upon maturity or disposal. Changes in assumptions and/or estimation methods may have a material effect on the estimated fair values.

5. Segment information

The Group's activities are grouped into two divisions, one dedicated to the Netherlands, which also includes the Group's activities in Denmark, and the other to the United Kingdom and Ireland. The Group allocates resources and analyses performance and identified three reportable segments: Division Netherlands ('division NL'), Division United Kingdom and Ireland ('division UK&I') and, up to the divestment in Q1 2025, Invesis. Belgium, Germany and International are considered individual operating segments that are not individually reportable, and thus combined. The performance of the segments division NL, division UK&I and Invesis is separately reported to and reviewed by the Executive Board. The Executive Board is considered the Chief Operating Decision Maker.

2025	Division NL	Division UK&I	Belgium, Germany and International	Invesis	Other including eliminations	Total
Revenue and results						
Revenue	3,487,468	3,432,592	119,890	-	(50)	7,039,900
Adjusted EBITDA ¹	249,630	160,018	(8,801)	-	(538)	400,309
Adjusted items	(1,974)	(6,021)	105	-	-	(7,890)
EBITDA	247,656	153,997	(8,696)	-	(538)	392,419
Depreciation and amortisation	(93,086)	(61,794)	(2,286)	-	(625)	(157,791)
Impairments	5,746	1,304	-	-	-	7,050
Impairments in joint ventures and associates	(180)	(3,303)	-	-	-	(3,483)
Finance income and expense	(10,206)	17,934	2,843	-	(218)	10,353
Result before tax	149,930	108,138	(8,139)	-	(1,381)	248,548
Balance sheet						
Assets						
Assets	1,751,563	1,928,517	226,538	-	14,245	3,920,863
Equity-accounted investees	144,380	29,915	6,345	-	-	180,640
Total assets	1,895,943	1,958,432	232,883	-	14,245	4,101,503
Liabilities						
Liabilities	1,786,083	1,526,973	109,829	-	(279,823)	3,143,062
Group equity	109,860	431,459	123,054	-	294,068	958,441
Equity and liabilities	1,895,943	1,958,432	232,883	-	14,245	4,101,503

2024	Division NL	Division UK&I	Belgium, Germany and International	Invesis ²	Other including eliminations	Total
Revenue and results						
Revenue	3,230,707	3,112,407	112,562	-	(725)	6,454,951
Adjusted EBITDA ¹	160,803	114,068	6,405	29,806	2,198	313,280
Adjusted items	(5,796)	(6,440)	-	-	-	(12,236)
EBITDA	155,007	107,628	6,405	29,806	2,198	301,044
Depreciation and amortisation	(82,668)	(42,351)	(2,027)	-	(723)	(127,769)
Impairments	(4,433)	-	-	-	-	(4,433)
Impairments in joint ventures and associates	(3,056)	-	-	(106,994)	-	(110,050)
Finance income and expense	(6,148)	19,500	5,264	-	(10,078)	8,538
Result before tax	58,702	84,777	9,642	(77,188)	(8,603)	67,330
Balance sheet						
Assets						
Assets	1,520,741	1,797,700	241,148	80,389	74,018	3,713,996
Equity-accounted investees	134,569	32,922	8,953	-	570	177,014
Total assets	1,655,310	1,830,622	250,101	80,389	74,588	3,891,010
Liabilities						
Liabilities	1,603,748	1,373,418	112,337	-	(94,032)	2,995,471
Group equity	51,562	457,204	137,764	80,389	168,620	895,539
Equity and liabilities	1,655,310	1,830,622	250,101	80,389	74,588	3,891,010

1 Adjusted EBITDA is the main segment performance measure. Refer to 9.3 Glossary for definition and reconciliation.

2 A breakdown of Invesis' result is included in note 22. Adjusted EBITDA includes Invesis' operational result up to held-for-sale classification of negative €1.5 million and reclassification of reserves of €31.3 million.

Other disclosures

2025

	Division NL	Division UK&I	Belgium, Germany and International	Other including eliminations	Total
Additions to property, plant and equipment, right-of-use assets and intangible assets	111,021	113,416	2,276	368	227,081
Share in result of joint ventures and associates	25,968	(8,817)	6,027	(570)	22,608
Average number of FTE	6,684	6,320	219	100	13,323
Number of FTE at year-end	6,737	6,387	220	99	13,443

2024

Additions to property, plant and equipment, right-of-use assets and intangible assets	116,132	68,210	2,525	672	187,539
Share in result of joint ventures and associates	20,064	(680)	153	-	19,537
Average number of FTE	6,606	6,254	211	101	13,172
Number of FTE at year-end	6,560	6,229	213	101	13,103

6. Revenue and projects

The Group recognises revenue when it transfers control over a product or service to its customer, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods or services. The Group's revenue is generally related to construction contracts, property development, maintenance and service contracts and service concession arrangements.

Revenue recognition is subject to judgments and uncertainties as described in note 4. A provision is recognised when contracts for which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received. This assessment is for the full contract, which is not necessarily the same as if evaluated on project level, because a contract may include multiple performance obligations. In determining the amount of variable considerations as part of the economic benefits expected to be received under the contract, the policies below apply.

Construction contracts

Construction contracts are contracts that are specifically negotiated for the construction of an asset for a client. The construction of an asset is generally one performance obligation and the transaction price generally consists of a fixed part and several variable parts. Variable parts include (but are not limited to) contractual options to a customer to make changes to the design or construction of the asset, inflation reimbursement clauses, performance incentives and liquidated damages. Variable revenue may also include changes to the design or construction of the asset for which the respective price has not been agreed.

Variable revenue is generally constrained and recognised only to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. It is common practice for a contract to be subject to variation orders. These variation orders generally do not result in additional distinct goods and services and do not have a distinct price. Therefore, they are accounted for as cumulative catch-up adjustment.

In general, the Group is building on the land of the customer or improving an asset of the customer, which results in creating an asset that the customer controls as the asset is created. As a result, revenue for construction contracts is recognised over time, generally using the cost-to-cost method (i.e. an input method). Costs are recognised as incurred and revenue is recognised on the basis of the proportion of total costs at the reporting date to the estimated total costs of the contract. Estimated total costs of the contract may include cost contingencies to take account of the specific risks that have been identified during the early stages of the contract. The cost contingencies are reviewed on a regular basis throughout the contract life and are adjusted where appropriate.

Property development

The Group also develops and constructs property development at its own risk and rewards. Developed properties may be sold during the construction process or upon completion. When the property is sold during the construction process, the property changes into a construction contract and it follows the accounting policies described earlier. When the property is sold upon completion, revenue is recognised at a point in time. This happens generally when ownership of the asset is transferred and the Group has a legal right to receive payment. Sale of completed property generally occurs for a fixed price.

Maintenance and service contracts

The Group also operates maintenance and service contracts. These services can be sold as separate contracts (e.g. facilities management) but also as part of a larger contract with other promised goods or services (e.g. maintenance of a highway that was also constructed). When part of a larger contract, the maintenance and service component generally represent a separate service and the transaction price is allocated to performance obligations based on the relative stand-alone selling price. Revenue from maintenance and service contracts is recognised over time.

Progress for these contracts may be measured in different ways, depending on the nature of the service. The Group applies the progress measure that best depicts the way the customer receives and consumes the benefits. E.g. for a facilities management contract, progress may be measured based on time; the number of months or years that the service has been provided as compared to the number of months of years that the service was contracted.

Measuring progress based on time is generally not appropriate for highway maintenance contracts as the amount of service (and costs) fluctuate significantly during the contract period. For these contracts, progress is measured based on the cost-to-cost method.

Service concession arrangements

The Group's service concession arrangements generally comprise construction as well as operating and maintenance activities. Revenue for these activities is recognised in conformity with the respective policies described above and the consideration (concession payments) is allocated to the activities using the relative stand-alone selling prices of the individual performance obligations. PPP receivables are financial assets in the form of concession payments to be received from the client. These concession payments are unconditional and contain a significant financing component and therefore are discounted at a market interest rate.

6.1 Revenue disaggregation

Revenue is further disaggregated to the underlying businesses as follows:

	Division NL	Division UK&I
2025		
Construction and property	2,399,398	1,119,555
Civil engineering	1,125,766	1,776,517
BAM Ireland	-	603,095
Other including eliminations	(37,696)	(66,575)
	3,487,468	3,432,592
2024		
Construction and property	2,255,096	1,048,635
Civil engineering	1,005,373	1,638,524
BAM Ireland	-	492,106
Other including eliminations	(29,762)	(66,858)
	3,230,707	3,112,407

Starting 2025, the organisational structure within division UK&I has been amended. The business units formerly accumulating into “Ventures” have been restructured and are now fully monitored and managed within the other three businesses. The 2024 figures have been restated accordingly.

Revenue of Belgium, Germany and International comprises Belgium of €120 million (2024: €112 million), Germany of nil (2024: nil) and International of nil (2024: nil).

Revenue is further disaggregated by nature as follows:

	Division NL	Division UK&I	Belgium, Germany and International	Other including eliminations	Total
2025					
Construction and maintenance	2,998,730	3,285,049	87,666	(50)	6,371,395
Property development	479,652	14,748	10,724	-	505,124
Service concessions arrangements and other	9,086	132,795	21,500	-	163,381
	3,487,468	3,432,592	119,890	(50)	7,039,900
2024					
Construction and maintenance	2,776,458	2,955,432	71,527	(725)	5,802,692
Property development	439,586	-	19,455	-	459,041
Service concessions arrangements and other	14,663	156,975	21,580	-	193,218
	3,230,707	3,112,407	112,562	(725)	6,454,951

Performance obligations could be satisfied once construction is completed and control has been transferred to the client. It is common to finalise the last discussions about variable consideration (including claims) after control has been transferred. Revenue recognised in 2025 from performance obligations satisfied in previous periods amounts to €23 million (2024: nil).

As at 31 December 2025, the Group considered in its revenue an aggregate variable consideration amount of €570 million (2024: €436 million). The Group considers the amount as highly probable, although inherent estimation uncertainty exists. Included are:

- Claims amounting to €143 million for a construction project in division UK&I (2024: €143 million). This amount was awarded by an independent mediator in accordance with contractual terms and conditions and a part is due to the project’s supply chain. The client paid the amount to the Group in 2024 but continues to challenge the award. In addition, variation orders of €23 million were recognised in 2025 (2024: nil). The project has progressed positively in 2025.
- Unapproved variation orders amounting to €28 million for a civil engineering project in division UK&I (2024: €84 million). In 2025, the Group’s negotiations reached a settlement based on an agreed methodology, thereby reducing commercial risk (without an impact on revenue recognition). The Group considers additional revenue up to the amount of additional costs as highly probable.
- Unapproved variation orders amounting to €362 million for a civil engineering project in division NL (2024: €193 million). For the major part of the increase in 2025, the Group agreed on the underlying principles, which remain subject to the achievement of certain future milestones, and is currently negotiating the corresponding amounts with the client. The Group considers additional revenue up to the amount of additional costs as highly probable.

The ultimate outcome of negotiations and settlements can differ and could impact the Group’s results.

6.2 Projects

An overview of the balance sheet items attributable to construction contracts and property development is stated below:

	Construction contracts	Property development	Total
2025			
Land and building rights	-	330,618	330,618
Property development	-	189,716	189,716
Amounts due from customers	434,821	6,271	441,092
Project assets	434,821	526,605	961,426
Non-recourse property financing	-	(36,242)	(36,242)
Recourse property financing	-	(32,619)	(32,619)
Amounts due to customers	(781,516)	(73,578)	(855,094)
Provision for onerous contracts	(111,742)	-	(111,742)
Project liabilities	(893,258)	(142,439)	(1,035,697)
As at 31 December 2025	(458,437)	384,166	(74,271)
2024			
Land and building rights	-	269,143	269,143
Property development	-	179,905	179,905
Amounts due from customers	378,220	6,923	385,143
Project assets	378,220	455,971	834,191
Non-recourse property financing	-	(36,852)	(36,852)
Recourse property financing	-	(12,160)	(12,160)
Amounts due to customers	(735,275)	(88,204)	(823,479)
Provision for onerous contracts	(125,526)	-	(125,526)
Project liabilities	(860,801)	(137,216)	(998,017)
As at 31 December 2024	(482,581)	318,755	(163,826)

Amounts due to customers at the beginning of the year have been fully recognised as revenue in the year. Advance payments from customers do not result in significant pre-financing longer than a year.

6.3 Order book

The contract value related to unsatisfied performance obligations is as follows. The Group has not used the practical expedient to exclude performance obligations with an expected duration of one year or less.

(x € million)	2025	2024
Up to 1 year	5,570	5,771
2 to 5 years	7,434	7,237
	13,004	13,008
Over 5 years	1,705	1,247
Total	14,709	14,255

Uncertainty regarding the regulatory framework for nitrogen emissions applicable to construction projects in the Netherlands remains, reflecting the ongoing political debate. As at the reporting date, this development has not resulted in any projects being halted or delayed. The Group's order book remains robust and flexible, providing resilience to these regulatory changes.

7. Personnel expenses

	Note	2025	2024
Wages and salaries		1,051,374	976,815
Social security costs		149,097	135,050
Share-based payment expense	29	2,573	2,709
Pension costs - defined contribution plans		114,021	103,646
Pension costs - defined benefit plans	25	1,736	1,548
Other post-employment benefits		4,263	8,999
		1,323,064	1,228,767

Personnel expenses include restructuring costs and other termination benefits of €7 million (2024: €12 million). At year-end 2025, the Group employed 13,443 FTE (2024: 13,103). The average number of FTE in 2025 was 13,323 (2024: 13,172), of which 6,539 in other countries than the Netherlands (2024: 6,465).

8. Other income

Other income consists of income that is not related to the Group's core activities such as gains on the sale of property, plant and equipment and intangible fixed assets, gains on the sale of subsidiaries, joint ventures or associates and other non-recurring income.

Other income can be specified as follows:

	2025	2024
Gain on sale of PP&E and intangible fixed assets	2,053	673
	2,053	673

9. Impairments

Non-financial assets that have an indefinite useful life and intangible assets that are not ready to use are not subject to depreciation or amortisation but are tested annually for impairment. Non-financial assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (CGUs). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

	Notes	2025	2024
Property, plant and equipment	14	150	5,140
ROU assets	15	784	1,487
Goodwill	16	1,230	-
Inventories	19	(9,214)	(2,194)
Impairments		(7,050)	4,433

10. Finance income and expense

Finance income is recognised using the effective interest method. Finance income on impaired loans and receivables is recognised using the original effective interest rate.

Finance expenses comprise interest expenses on borrowings, deposits, cash positions, lease liabilities, finance lease expenses, gains and losses relating to hedging instruments and other financial expenses. Interest expenses on borrowings and lease liabilities are recognised in the income statement using the effective interest method.

	2025	2024
Finance income		
Interest income	25,984	23,400
Finance expense		
Interest expense on lease liabilities	12,727	10,043
Interest expense on other financial liabilities	6,638	8,601
Less: capitalised interest on property development projects	(3,734)	(3,782)
	15,631	14,862
Net finance result	10,353	8,538

The average interest rate for capitalised interest on property development projects for 2025 is 5.1% (2024: 5.5%).

11. Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income respectively directly in equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Group adjusts and/or establishes tax assets and tax liabilities where appropriate on the basis of amounts expected to be paid to or received from tax authorities. Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

11.1 Income tax expense

	2025	2024
Current tax	34,197	38,666
Deferred tax	3,363	(33,502)
	37,560	5,164

The weighted average tax rate applicable was 24.3 % (2024: 20.5%). Income tax on the Group's result before tax differs from the theoretical amount that would arise using BAM's weighted average tax rate, caused by the main items:

- Reassessment of the utilisation potential for available tax losses has resulted in recognition of previously unrecognised tax losses, mainly in the Netherlands, which decreased the effective tax rate. This includes the effect of the envisaged wind down of foreign operations and subsequent liquidation of legal entities, which results in additional future tax deductions in the Netherlands.
- The Group's share in results of joint ventures and associates is subject to the participation exemption. This decreases the effective tax rate.
- For operational losses in several countries, no deferred tax assets have been recognised as no or insufficient future taxable profits are expected, increasing the effective tax rate.
- Several general and operational expenses incurred are non-deductible for tax purposes, increasing the effective tax rate.

This can be further specified as follows

	2025	2024
Result before tax (including discontinued operations)	248,548	87,400
Tax calculated at Dutch tax rate of 25.8%;	64,125	22,549
<i>Tax effects of:</i>		
• Tax rates in other countries	(3,737)	(4,665)
• Results of investments and other participations	1,712	18,171
• Non deductible expenses	4,481	18,576
• Adjustments from filing tax returns	345	(8,566)
• Previously unrecognised tax losses	(29,272)	(48,488)
• Tax losses no(t) (longer) recognised	3,395	5,031
• Change in uncertain tax provisions	(3,544)	2,556
• Pillar 2 Top-up tax	658	-
• Tax incentives	(603)	-
Tax charge/(gain)	37,560	5,164
Effective tax rate	15.1%	5.9%

In December 2023, the Council of the European Union unanimously adopted the Directive implementing Pillar Two global minimum tax rules. This directive aims to ensure a global minimum level of taxation of 15% in all countries in which multinationals are present. The Group completed an assessment of the impact of the new rules based on initiatives presented by governments in countries in which the Group is active. Based on this assessment the Group expects to meet the transitional safe harbour requirements in almost all jurisdictions. In jurisdictions where transitional safe harbour requirements are not met, the Pillar Two charge is assessed to be nil or immaterial. The adoption of the Pillar Two Model rules by the jurisdictions in which the Group operates, is expected to have no material impact.

In all relevant jurisdictions the applicable tax rate is around 25%, well above the minimum rate of 15%. The only exception is Ireland, where the corporate income tax rate is 12.5% for trading income and 25% for non-trading income. At the current mix of income, the Group expects an effective tax rate in Ireland in the range of 13% to 16% and thus no material additional Pillar Two charge is expected. The Group applies the mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules.

11.2 Deferred income tax

	2025	2024
Deferred tax assets	110,904	111,875
Deferred tax liabilities	(9,071)	(6,919)
Deferred tax assets (net)	101,833	104,956

Deferred tax assets in a country are recognised only to the extent that it is probable that future taxable profits in that country are available against which the deductible temporary differences, available tax credits and available tax losses carry-forwards can be utilised. The assessment as to whether an entity will have sufficient taxable profits in the future is a matter requiring careful judgement based on the facts and circumstances available. Although the profit forecast shows that sufficient profit should be available in coming years to recognise a deferred tax asset for compensating losses, the Group performed further analysis of all positive and negative evidence to substantiate the position. The nature of the convincing evidence did not change significantly compared to 31 December 2024, except for the forecasted future taxable profits.

The net amount of deferred taxes slightly decreased. However, on one hand it contains a decrease due to regular utilization of tax losses offsetting operational profits for the year and on the other hand an increase driven by the reassessment of the Group's forecasted taxable profits for the years 2026 - 2030, which resulted in the recognition of additional deferred tax assets relating to available tax losses mainly in the Netherlands. Furthermore, the envisaged wind down of foreign operations and subsequent liquidation of legal entities resulted in future tax deductions (reflected as intangible assets and financial assets in the deferred tax movement schedule below) in the Netherlands.

The breakdown of deferred Income tax assets and liabilities is as follows:

	Deferred tax assets		Deferred tax liabilities		Net deferred tax	
	2025	2024	2025	2024	2025	2024
Intangible and financial assets	38,125	36,975	2,670	-	35,455	36,975
Tangible assets	1,435	2,300	51,844	44,420	(50,409)	(42,120)
Work in progress	4,704	1,096	-	-	4,704	1,096
Trade and other receivables	-	19	-	-	-	19
Loans and borrowings	48,138	42,349	125	265	48,013	42,084
Derivatives	-	-	423	181	(423)	(181)
Employee benefits provision	63	25	8,728	10,954	(8,665)	(10,929)
Other provisions	2,861	8,229	-	-	2,861	8,229
Current liabilities	250	-	74	-	176	-
Tax loss and tax credits	70,121	69,783	-	-	70,121	69,783
Subtotal	165,697	160,776	63,864	55,820	101,833	104,956
Netting	(54,793)	(48,901)	(54,793)	(48,901)	-	-
Total reported	110,904	111,875	9,071	6,919	101,833	104,956

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	As at 1 January 2025	(Charged)/ credited to the income statement	(Charged)/ credited to other comprehensive income	Acquisition / Disposal of subsidiary	Exchange rate differences	Other	As at 31 December 2025
Intangible and financial assets	36,975	1,621	-	(3,141)	-	-	35,455
Tangible assets	(42,120)	(8,423)	-	-	135	-	(50,408)
Work in progress	1,096	3,608	-	-	-	-	4,704
Trade and other receivables	19	(19)	-	-	-	-	-
Loans and borrowings	42,084	5,919	-	-	-	10	48,013
Derivatives	(181)	(242)	-	-	-	-	(423)
Employee benefits provision	(10,929)	(1,258)	3,035	-	487	-	(8,665)
Other provisions	8,229	(5,082)	-	-	(286)	-	2,861
Current liabilities	-	175	-	-	-	-	175
Tax loss and tax credits	69,783	338	-	-	-	-	70,121
Total	104,956	(3,363)	3,035	(3,141)	336	10	101,833

	As at 1 January 2024	(Charged)/ credited to the income statement	(Charged)/ credited to other comprehensive income	Acquisition / Disposal of subsidiary	Exchange rate differences	Other	As at 31 December 2024
Intangible and financial assets	24,680	12,295	-	-	-	-	36,975
Tangible assets	(35,735)	(3,171)	-	-	(183)	(3,031)	(42,120)
Work in progress	1,096	-	-	-	-	-	1,096
Trade and other receivables	19	-	-	-	-	-	19
Loans and borrowings	36,485	2,573	-	-	-	3,026	42,084
Derivatives	309	(490)	-	-	-	-	(181)
Employee benefits provision	(12,861)	(2,178)	4,277	-	(549)	382	(10,929)
Other provisions	5,249	2,695	-	-	285	-	8,229
Current liabilities	(1,092)	1,092	-	-	-	-	-
Tax loss and tax credits	49,447	20,686	-	-	-	(350)	69,783
Total	67,597	33,502	4,277	-	(447)	27	104,956

Tax loss and tax credits can be further specified by country as follows:

	Total available income tax	Total available trade tax	of which recognised	Tax rate	Deferred tax asset
2025					
Netherlands	339,788	-	255,641	25.8%	65,956
United Kingdom	1,519	-	-	25.0%	-
Ireland	20,594	-	1,637	12.5%	205
Belgium	25,747	-	15,840	25.0%	3,960
Germany	324,189	281,676	-	30.0%	-
Total	711,837	281,676	273,118		70,121
2024					
Netherlands	392,913	-	251,500	25.8%	64,887
United Kingdom	-	-	-	25.0%	-
Ireland	19,589	-	2,563	12.5%	328
Belgium	28,905	-	18,270	25.0%	4,568
Germany	325,174	282,335	-	30.0%	-
Total	766,581	282,335	272,333		69,783

In addition to the unrecognised tax losses available for carry forward, the Group has unrecognised deductible temporary differences available in the amount of €44 million.

Netherlands

Tax losses available to the fiscal unity in the Netherlands at 31 December 2025 amount to approximately €340 million (2024: €393 million). These available tax losses relate to the years 2013 – 2017 and result to a large extent from identifiable causes, including significant impairments on properties and significant restructuring costs which are both unlikely to recur. Available tax losses can be carried forward to be offset against future profits indefinitely and can be utilised up to 50% for a taxable profit exceeding €1 million. Based on estimates and timing of future taxable profits within the fiscal unity in the Netherlands for the upcoming five years, approximately €256 million of these losses are recognised (2024: €252 million). Management estimates of forecasted taxable profits in the Netherlands are based on financial budgets approved by management, extrapolated using growth rates for revenue and profit before tax margins that take into account external market data and benchmark information and taking into account past performance. Growth rates for revenue and profit before tax margins are in line with the Group's mid- and

long-term expectations. Subsequently these forecasts have been reduced to meet the recognition criteria for deferred tax assets. No specific tax planning opportunities have been taken into account. Furthermore, envisaged wind down of foreign operations and subsequent liquidation of legal entities resulted in additional future tax deductions in the Netherlands, resulting in deferred tax assets of €38 million relating to intangible assets.

Ireland

In Ireland the Group has several legal entities that have available tax losses. These entities do not form a tax group and available tax losses can only be settled by the legal entity that has incurred the losses. At 31 December 2025 the total amount of tax losses available are €21 million, of which €1.6 million is recognised (2024: €20 million of which €3 million is recognised). The legal term within which these losses may be offset against future profits is indefinite.

Belgium

In Belgium the Group has several legal entities that have available tax losses. These entities do not form a tax group and available tax losses can only be settled by the legal entity that has incurred the losses. At 31 December 2025 the total amount of tax losses available are €26 million, of which €16 million is recognised (2024: €29 million of which €18 million recognised). The legal term within which these losses may be offset against future profits is indefinite.

Germany

Although the group has sold its German activities, a number of German legal entities remain present in the Group's legal structure. These entities have tax losses available for future settlement of in total approximately €324 million (corporate income tax) and €282 million (trade tax), for which no deferred tax asset has been recognised. The legal term within which these losses may be offset against future profits is indefinite.

12. Discontinued operations

A discontinued operation is a component of the Group that has been disposed or is classified as held for sale and represents a separate major line of business or geographical area of operations or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations. The results of discontinued operations are excluded from the results of continued operations and are presented separately as a single amount in the income statement. When applicable, the results of prior periods are represented.

In December 2020, the Group sold 50% of the shares of BAM PPP (currently known as Invesis) to PGGM Infrastructure Fund (“PGGM”). Consequently, the 2020 consolidated results of BAM PPP were reported as results from discontinued operations. As part of the sale, the Group and PGGM agreed on a contingent consideration of up to €25 million, becoming payable when secured equity commitments in the period 2021-2025 exceeded a certain threshold. At the time of the sale, the fair value of the contingent consideration was estimated at €2 million.

In December 2024, the Group agreed to sell its remaining 50% interest in Invesis to PGGM and classified the investment as held for sale. Upon this transfer to held for sale in 2024, the Group reassessed the fair value of the contingent consideration. The reassessment was based on the performance in 2024, taking into account the significant increase in secured equity commitments achieved by Invesis that year, and the business plan for 2025. The fair value was estimated at €22.1 million, representing a gain of €20.1 million. The gain, not subject to tax, directly related to the partial divestment to PGGM in 2020 and was therefore recognised within discontinued operations in 2024.

13. Earnings per share

Basic EPS is the profit or loss attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding during the year. Diluted EPS adjusts both the profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares for the effect of dilution. Basic EPS and diluted EPS from continued operations solely include the profit or loss from continued operations.

	2025	2024
Weighted average number of ordinary shares in issue (x 1,000)	260,414	268,969
Net result attributable to shareholders	210,990	82,248
Basic earnings per share (in €)	0.81	0.31
Net result from continued operations attributable to shareholders	210,990	62,179
Basic earnings per share from continued operations (in €)	0.81	0.23
Net result from discontinued operations attributable to shareholders	-	20,069
Basic earnings per share from discontinued operations (in €)	-	0.07
Diluted weighted average number of ordinary shares in issue (x 1,000)	263,489	270,597
Diluted earnings per share (in €)	0.80	0.30
Diluted earnings per share from continued operations (in €)	0.80	0.23
Diluted earnings per share from discontinued operations (in €)	-	0.07

The dilution effect to the number of ordinary shares is 3.1 million shares (2024: 1.6 million) and relates to share-based payment plans. It represents the number of shares that would vest at the balance sheet date if that would be the end of the vesting period. There is no dilution effect on the Group’s result.

14. Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition or construction of the asset. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Other costs are charged to the income statement when incurred.

Land is not depreciated. Depreciation on other assets is determined using the straight-line method to allocate their cost to their residual values over their estimated useful lives. The useful life of buildings is between 10 and 50 years, the useful life of other assets is between 4 and 10 years.

At the end of the reporting period, the assets' residual values and useful lives are reviewed and adjusted if appropriate. Also, the carrying amounts of assets are reviewed to assess whether there is an indication of impairment. If such an indication exists, the asset's recoverable amount is determined. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds of the disposal to the carrying amount of the asset. A gain is recognised in other income, a loss is recognised as an impairment.

	Land and buildings	Plant and equipment	Construction in progress	Other assets	Total
As at 1 January 2024					
Cost	129,669	318,723	34,149	96,710	579,251
Accumulated depreciation and impairments	(70,306)	(199,060)	-	(73,474)	(342,840)
	59,363	119,663	34,149	23,236	236,411
Additions	10,997	38,077	12,720	11,205	72,999
Disposals	(248)	(927)	(2,774)	(172)	(4,121)
Reclassifications	10,184	8,084	(24,340)	788	(5,284)
Transfer to assets held for sale	-	(10,155)	-	-	(10,155)
Impairment charges	(1,502)	(3,638)	-	-	(5,140)
Depreciation charges	(7,031)	(22,936)	-	(11,940)	(41,907)
Exchange rate differences	321	880	278	194	1,673
	72,084	129,048	20,033	23,311	244,476
As at 31 December 2024					
Cost	146,913	300,907	20,033	106,816	574,669
Accumulated depreciation and impairments	(74,829)	(171,859)	-	(83,505)	(330,193)
	72,084	129,048	20,033	23,311	244,476
Additions	6,649	36,050	4,928	15,896	63,523
Disposals	-	(428)	-	(32)	(460)
Reclassifications	1,111	1,248	(5,321)	158	(2,804)
Impairment charges	-	(150)	-	-	(150)
Depreciation charges	(7,163)	(30,963)	-	(13,400)	(51,526)
Exchange rate differences	(589)	(889)	(249)	(153)	(1,880)
	72,092	133,916	19,391	25,780	251,179
As at 31 December 2025					
Cost	152,806	315,187	19,391	113,771	601,155
Accumulated depreciation and impairments	(80,714)	(181,271)	-	(87,991)	(349,976)
	72,092	133,916	19,391	25,780	251,179

15. Leases

The group is lessee for a range of assets that are used in the ordinary course of business. At inception of a contract, the Group assesses whether it is or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and it applies the lease of low-value assets recognition exemption that are considered of low value (i.e., below €5,000). Payments for short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Group recognises a right-of-use asset and lease liability at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairments and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. At the end of each reporting period the carrying amounts of right-of-use assets are reviewed to assess whether there is an indication of impairment. If such an indication exists, the asset's recoverable amount is determined. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The estimated useful life of the majority of right-of-use assets are as follows:

Land and buildings	5 to 25 years
Cars	1 to 6 years
Equipment and installation	1 to 11 years
IT equipment	1 to 6 years
Other	1 to 10 years

The Group recognises lease liabilities at the present value of lease payments. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date, if the interest rate implicit in the lease is not readily determinable. The lease term comprises the non-cancellable term of the lease plus any periods covered by an option to extend the lease if it is reasonably certain to be exercised and any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. For several leases, the Group has renewal and/or extension options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy). Usually, the Group is able to be reasonably certain if an option is exercised around two years before the lease term ends. The renewal options for car leases are generally not exercised. Lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, non-lease components related to the leased asset, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option that is reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the profit and loss.

After the commencement date, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when:

- there is a change in future lease payments arising from a change in an index. The lease liability is then remeasured by discounting the revised lease payments by using the initial discount rate;
- the Group changes its assessment of whether it will exercise a purchase, extension or termination option. In this case, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- a lease contract is modified and the lease modification is not accounted for as a separate lease. In this case, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

15.1 Right of use assets

	Land and buildings	Equipment and installation	IT equipment	Cars	Other	Total
As at 1 January 2024	75,349	26,362	160	111,389	4,173	217,433
Additions	4,691	29,634	52	67,721	120	102,218
Disposals	(109)	-	-	-	-	(109)
Depreciation charges	(15,509)	(14,998)	(163)	(50,426)	(874)	(81,970)
Remeasurements	(1,487)	-	-	-	-	(1,487)
Reclassifications	7,178	(5,400)	-	300	(28)	2,050
Exchange rate differences	658	1,207	4	1,160	50	3,079
	(4,578)	10,443	(107)	18,755	(732)	23,781
As at 31 December 2024	70,771	36,805	53	130,144	3,441	241,214
Additions	15,635	52,137	39	75,259	343	143,413
Disposals	(30)	(3,139)	-	(1,753)	(25)	(4,947)
Depreciation charges	(18,856)	(25,066)	(48)	(56,194)	(815)	(100,979)
Impairment	(784)	-	-	-	-	(784)
Remeasurements	7,346	(58)	-	2,238	-	9,526
Exchange rate differences	(903)	(2,181)	-	(1,540)	(29)	(4,653)
	2,408	21,693	(9)	18,010	(526)	41,576
As at 31 December 2025	73,179	58,498	44	148,154	2,915	282,790

15.2 Lease liabilities

Set out below are the movements in lease liabilities during the period:

	2025	2024
As at 1 January	256,363	234,215
Additions	141,919	103,885
Accretion of interest	12,727	10,043
Payments	(118,604)	(97,036)
Remeasurements	2,424	2,103
Reclassifications	469	-
Exchange rate difference	(4,488)	3,153
As at 31 December	290,810	256,363
Current	100,446	78,263
Non-current	190,364	178,100

Refer to note 4.2.3 for further details on the maturities of the Group's lease liabilities.

15.3 Other lease disclosures

The following are the amounts recognised in profit or loss and statement of cash flows:

	2025	2024
Profit or loss		
Depreciation expense of right-of-use assets	100,979	81,970
Interest expense on lease liabilities	12,727	10,043
Impairment of right-of-use assets	784	1,487
Rent expenses – short term leases	63,470	58,681
Total	177,960	152,181
Statement of cash flows		
Repayments of principal portion of lease liabilities	105,877	86,993
Rent expenses	63,470	58,681
Interest	12,727	10,043
Total	182,074	155,717

Commitments for short-term leases as at 31 December 2025 is €61 million (2024: €61 million). Given the applied practical expedient, these leases are not included in the lease liabilities. The Group has several lease contracts that include extension options. As of 31 December 2025, the undiscounted potential future rental payments relating to extension options, which are not included in the lease liabilities are €34.5 million (2024: €37.8 million).

15.4 Lease commitments

The Group has various lease contracts that have not yet commenced as at 31 December 2025. The undiscounted future lease payments for these contracts are €1.8 million within one year, €7.1 million within one to five years and nil thereafter (2024: €4.6 million within one year, €18.2 million within one to five years and nil thereafter).

16. Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the amount of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in business combinations is allocated, at acquisition date, to the cash-generating units (CGUs) or groups of CGUs expected to benefit from that business combination. Each unit to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually in the fourth quarter or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Software

Software is stated at cost less accumulated amortisation and impairment losses. The cost of software includes direct labour and any other costs directly attributable to developing the software for its intended use. Amortisation for software is determined using the straight-line method to allocate their cost to their residual values over their estimated useful lives (between four and ten years). The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

(c) Other

Other intangible assets relate to market positions (including brand names) are stated at cost less accumulated amortisation and impairment losses. Amortisation on other intangible assets is calculated over their estimated useful lives (generally between two and ten years). The assets' useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

	Goodwill	Software	Other	Total
As at 1 January 2024				
Cost	686,757	38,088	11,232	736,077
Accumulated amortisation and impairments	(367,997)	(30,909)	(9,317)	(408,223)
	318,760	7,179	1,915	327,854
Additions	-	12,323	-	12,323
Amortisation	-	(3,109)	(782)	(3,891)
Reclassifications	-	5,222	-	5,222
Exchange rate differences	6,491	156	-	6,647
	325,251	21,771	1,133	348,155
As at 31 December 2024				
Cost	693,743	55,970	11,228	760,941
Accumulated amortisation and impairments	(368,492)	(34,199)	(10,095)	(412,786)
	325,251	21,771	1,133	348,155
Additions	-	20,145	-	20,145
Acquisition	4,760	-	12,297	17,057
Amortisation	-	(2,683)	(2,603)	(5,286)
Impairments	(1,230)	-	-	(1,230)
Reclassifications	-	4,532	-	4,532
Exchange rate differences	(7,054)	(319)	-	(7,373)
	321,727	43,446	10,827	376,000
As at 31 December 2025				
Cost	690,912	80,212	23,204	794,328
Accumulated amortisation and impairments	(369,185)	(36,766)	(12,377)	(418,328)
	321,727	43,446	10,827	376,000

16.1 Goodwill

Starting 2025, the organisational structure within division UK&I has been amended. The business units previously presented under “Ventures” were restructured and are now fully monitored and managed within the other three businesses. As a result, the goodwill previously allocated to ‘Ventures’ has been re-allocated and restated to BAM Infrastructure UK and BAM Construct UK. Goodwill related to BAM Infrastructure UK and BAM Construct UK are assessed as significant balances. The carrying amounts of goodwill for these CGUs are as follows:

	2025	2024
BAM Infrastructure UK	69,391	72,998
BAM Construct UK	64,067	67,398
Other CGUs (with non-significant goodwill balance)	188,269	184,855
As at 31 December	321,727	325,251

On 7 January 2025, the Group completed the acquisition of 100% of the shares of WL Winet bv (‘WL Winet’). WL Winet is specialised in technical installations of mobile networks in the Netherlands. Its activities are a valuable addition to the services provided by BAM Telecom (within Division NL), enabling the Group to offer clients integrated services for the construction, management and maintenance of fixed and mobile telecom networks.

The acquisition is accounted for as a business combination under IFRS 3. The purchase price amounted to €14.8 million and was settled in cash on the acquisition date. The most significant identifiable assets acquired relate to customer relationships, which were recognised and valued at €10.9 million with a corresponding deferred tax liability of €2.8 million. The customer relationships are amortised over 6 years. The remaining assets and liabilities were not individually material and the resulting goodwill of €4.8 million represents the anticipated synergies and growth potential. WL Winet has been consolidated as part of the Construction and Property business in Division NL, effective from the acquisition date.

The recoverable amount of each CGU was determined based on value-in-use calculations. Value-in-use was determined using discounted cash flow projections that cover an explicit period of five years based on financial plans approved by management and a terminal value. Key assumptions applied in determining the value-in-use are the discount rate (WACC), revenue growth rate and profit before tax margin. If and when these assumptions would change in the future, this could have significant impact on the CGU's value in use, which might give rise to an impairment. The discount rate has been determined consistent with the other parameters of the impairment test.

The (pre-tax) WACC used to determine the value in use of each CGU is 9.4% (2024: 7.9%) subject to country specific adjustments. The key assumptions used in the value-in-use calculations for CGUs with significant allocated goodwill are as specified in the following table.

	Discount rate (pre-tax)		Revenue growth in forecast period		Revenue growth beyond forecast period		Profit margin in forecast period		Profit margin after forecast period	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
BAM Infrastructure UK	10.9%	8.6%	3.2%	0.9%	2.0%	2.0%	4.2%	3.6%	4.3%	3.7%
BAM Construct UK	11.1%	8.8%	2.9%	3.4%	2.0%	2.0%	3.4%	3.3%	3.6%	3.6%

Revenue growth rates are based on the average annual growth rate from past performance and management's expectations of market development referenced to external sources of information. The profit margin is the profit before tax margin as a percentage of revenue and is based on past performance and the development to a realistic normalised margin in the respective CGU.

The impairment tests in 2025 did not result in impairments at CGU level (2024: no impairments). The recoverable amounts of all CGUs exceed their carrying amounts with sufficient headroom. During the year, a goodwill impairment of €1.2 million (Note 9) was recognised relating to Modern Homes Ireland (MHI), following the termination of its operations in October 2025.

17. Investments in joint ventures and associates

Investments in joint arrangements are classified as either joint ventures or joint operations, depending on the contractual rights and obligations. Joint ventures are joint arrangements whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the joint venture. The parties to the arrangement contractually agreed that control is shared and decisions regarding relevant activities require unanimous consent of the parties that have joint control. Joint ventures are accounted for using the equity method. Joint operations are joint arrangements whereby the Group and other parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities of the joint operation. The Group recognises its share in the joint operations' individual revenues and expenses, assets and liabilities and recognises it on a line-by-line basis in the Group's financial statements (see note 30).

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights or based on the representation on the board of directors. Investments in associates are accounted for using the equity method.

Under the equity method, an investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The carrying amount of the investment includes goodwill. The Group's share of post-acquisition profit or loss is recognised in the income statement and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses equal or exceed the net investment including any unsecured loans, the Group does not recognise further losses, unless it has incurred legal or constructive obligations for made payments on behalf of the investment. Unrealised gains and losses on transactions between the Group and its investments are eliminated to the extent of the Group's interest in the investment.

The Group determines at each reporting date whether there is any objective evidence that the investment is impaired. If this is the case, the Group recognises an impairment in profit or loss equal to the difference between the carrying amount of the investment and its recoverable amount.

The Group's investment in joint ventures and associates and its share in their results can be specified as follows. Invesis was a material joint venture, all other joint ventures and associates are individually immaterial.

	2025			2024		
	Joint ventures	Associates	Total	Joint ventures	Associates	Total
Property development	131,198	6,778	137,976	130,555	7,627	138,182
Other	31,926	10,738	42,664	28,644	10,188	38,832
As at 31 December	163,124	17,516	180,640	159,199	17,815	177,014
Share in result	20,704	1,904	22,608	(63,540)	5,889	(57,651)
<i>of which impairments</i>	<i>(3,482)</i>	<i>-</i>	<i>(3,482)</i>	<i>(110,050)</i>	<i>-</i>	<i>(110,050)</i>

In March 2025, the Group completed its sale of the remaining 50% share in Invesis to PGGM, following its classification as held for sale at year-end 2024. As the carrying amount had already been adjusted to fair value less costs to sell in 2024 (Note 22), there was no resulting gain or loss on the disposal in 2025. The total consideration of €107.5 million was received in two tranches, half in June 2025 and the remainder in December 2025. The consideration received included the settlement of the contingent consideration originally agreed in the 2020 partial sale to PGGM, and therefore relates to discontinued operations (Note 12).

Certain individually immaterial joint ventures have a carrying amount below nil. Depending on the funding structure of these joint ventures and the Group's contractual commitments to them, any further losses are reflected in an allowance for loans receivable or a provision for joint ventures. As at 31 December 2025, the Group recognised a provision for joint ventures amounting to €4 million (2024: €1 million) and an allowance for non-recoverable loans amounting to €2 million (2024: €14 million) within other financial assets.

17.1 Property development joint ventures and associates

The summarised financial information of the Group's share in property development joint ventures and associates is as follows:

	2025			2024		
	Joint ventures	Associates	Total	Joint ventures	Associates	Total
Current assets	379,629	17,804	397,433	323,328	12,541	335,869
Non-current assets	5,358	6,566	11,924	5,087	6,561	11,648
Current liabilities	(157,825)	(10,231)	(168,056)	(153,211)	(4,114)	(157,325)
Non-current liabilities	(101,737)	(7,361)	(109,098)	(60,360)	(7,361)	(67,721)
Net assets	125,425	6,778	132,203	114,844	7,627	122,471
Profit or loss	14,201	124	14,325	6,686	3,942	10,628
Other comprehensive income	(243)	-	(243)	260	-	260
Total comprehensive income	13,958	124	14,082	6,946	3,942	10,888

Dividends received from property development joint ventures and associates amounts to €16 million in 2025 (2024: €20 million).

17.2 Other joint ventures and associates

The summarised financial information of the Group's interest in other joint ventures and associates is as follows:

	2025			2024		
	Joint ventures	Associates	Total	Joint ventures	Associates	Total
Profit or loss	6,503	1,780	8,283	6,962	1,947	8,909
Total comprehensive income	6,503	1,780	8,283	6,962	1,947	8,909

Dividends received from other joint ventures and associates amount to €4 million in 2025 (2024: €6 million).

18. Other financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification depends on the purpose for which the financial assets were acquired or issued. In principle, the financial assets are held in a business model whose objective is to collect contractual cash flows over the lifetime of the instrument. Financial assets that do not meet Solely Payments of Principal and Interest (SPPI) criterion (for which the test is performed at instrument level) are classified as other financial assets at fair value through profit or loss.

Financial assets at amortised costs are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period which are classified as non-current assets.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

If the credit risk on a financial asset has not increased significantly since initial recognition, the loss allowance for that financial instrument is the 12-month expected credit loss (ECL). If the credit risk on a financial asset has significantly changed since initial recognition the loss allowance equals the lifetime expected credit losses. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Indications of increase in credit risk for financial assets include debtors experiencing significant financial difficulty or being in default or delinquency in interest or principal payments. The amount of lifetime credit losses is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate, taking into account the value of collateral, if any. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Financial assets are derecognised when the right to receive cash flows has expired or has been transferred and the Group has transferred substantially all risks and rewards of ownership.

	Receivables at fair value through profit or loss	Receivables at amortised cost	Other	Total
As at 1 January 2024	64,541	40,781	1,112	106,434
Investments	-	-	915	915
Loans granted	18,139	22,435	474	41,048
Loan repayments	(22,314)	(3,807)	(474)	(26,595)
Transfer to current		(46)	-	(46)
Exchange rate differences	-	670	-	670
As at 31 December 2024	60,366	60,033	2,027	122,426
Investments	-	-	84	84
Loans granted	36,843	2,354	-	39,197
Loan repayments	(20,553)	(2,170)	(217)	(22,940)
Transfer to current	-	11	-	11
Exchange rate differences	-	(777)	-	(777)
As at 31 December 2025	76,656	59,451	1,894	138,001

Receivables at fair value through profit or loss mainly comprise loans to project development joint ventures and are classified as level 3 valuation method; their fair value is determined using a discounted cash flow model of the expected contractual cash flows of the respective instrument. These expected cash flows are discounted using a discount rate in the range of 2.7% to 4.5%.

19. Inventories

Land, building rights and property developments are recorded at the lower of cost and net realisable value. The Group capitalises interest expenses on loans and borrowings that fund these assets to facilitate the development. Interest costs are capitalised once development commences and until practical completion, based on the total actual finance cost incurred on the borrowings during the period. When properties are acquired for future redevelopment, interest on borrowings is recognised in the income statement until redevelopment commences.

Raw materials and finished goods are stated at the lower of cost and net realisable value. Cost is determined using the 'first-in, first-out (FIFO) method'. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

	2025	2024
Land and building rights	330,618	269,143
Property development	189,716	179,905
	520,334	449,048
Raw materials	10,273	9,650
Work in progress and semi-manufactures	677	4,783
Finished products	1,610	1,108
	532,894	464,589

Land and building rights are presented as current assets in the ordinary course of business, however by its nature, the realisation of the majority of these assets will be past one year. The main part of the carrying amount of property development is expected to be sold within one year. The increase in land and building rights reflects BAM's efforts to benefit from the growing demand for affordable and sustainable housing through investment within division NL to strengthen the Group's position in the Dutch residential market.

Impairments relating to land and building rights and property developments are as follows:

	Note	2025	2024
Impairment charges		1,836	3,212
Reversal of impairment charges		(11,050)	(5,406)
	9	(9,214)	(2,194)

The reversal of impairments of €11 million reflects updated planning and building rights of certain land positions, resulting in a higher net realisable value and the reversal of previously recognised impairments.

Property development includes the following completed and unsold property:

	2025		2024	
	Number/m ²	Carrying amount	Number/m ²	Carrying amount
Completed and unsold property				
Houses	5	2,895	8	4,148
Commercial property - rented	17,480	2,847	2,073	1,918
Commercial property - unrented	5,807	6,702	6,002	6,894
		12,444		12,960

Other inventories were not subject to impairments in 2025 or 2024.

20. Trade and other receivables

Trade and other receivables are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method less any impairment losses.

A contract asset is recognised when the Group has a right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. It is recognised as the revenue recognised minus the invoiced amount.

When the invoiced amount exceeds the amount of revenue recognised, the balance is classified as amount due to customer.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

	2025	2024
Trade receivables	466,112	454,260
Less: Provision for impairment of receivables	(6,577)	(2,489)
Trade receivables - net	459,535	451,771
Amounts due from customers	441,092	385,143
Amounts to be invoiced	89,051	113,582
Retentions	110,767	101,291
Contract assets	640,910	600,016
Amounts due from related parties	34,020	21,786
Other financial assets	1,109	2,565
Derivative financial instruments	1,640	700
Other receivables	83,066	91,964
Prepayments	69,979	92,081
	1,290,259	1,260,883

The concentration of credit risk with respect to trade receivables is limited, as the Group's customer base is large and geographically spread. As at 31 December 2025 a part of the trade receivables amounting to €36 million (2024: €30 million) is past due over one year but partly impaired. These overdue receivables relate to a number of customers and remain outstanding mainly due to ongoing discussions about claims and/or variation orders.

Retentions relate to amounts retained by customers on progress billings. In the United Kingdom and Ireland in particular, it is common practice to retain a percentage of invoiced amounts until completion of the project. Amounts due from related parties mainly comprise receivables from joint ventures and associates. Other receivables include €13.6 million for the Group's entitlement to old receivables of BAM Deutschland AG (2024: €13.6 million).

The ageing analysis of trade receivables and related provisioning is as follows:

	2025		2024	
	Trade receivables	Provision for impairment	Trade receivables	Provision for impairment
Not past due	372,530	(10)	333,443	(11)
Up to 3 months	39,582	(73)	47,285	(79)
3 to 6 months	6,323	(35)	26,410	(155)
6 to 12 months	11,207	(1,305)	17,431	(907)
1 to 2 years	26,537	(391)	21,815	(643)
Over 2 years	9,933	(4,763)	7,876	(694)
	466,112	(6,577)	454,260	(2,489)

Movements in the provision for impairment of trade receivables are as follows:

	2025	2024
As at 1 January	2,489	6,425
Additions to provision for impairment	5,573	1,641
Release	(1,375)	(285)
Receivables written off during the year as uncollectable	(65)	(5,332)
Exchange rate differences	(45)	40
As at 31 December	6,577	2,489

Provision for impairment of receivables in 2025 and 2024 is mainly related to disputed balances and final negotiations on these balances with the customers. No significant credit losses were incurred. Additions to and releases of provisions for impaired receivables are included in other operating expenses in the income statement.

21. Cash and cash equivalents

Cash and cash equivalents include the Group's share in cash of joint operations of €187.5 million (2024: €197.9 million). Cash in joint operations is subject to project-specific funding agreements and embedded in the normal course of project activities, with distributions to the Group only available after consultation with relevant joint operation partners. From the remaining balance, an amount of €28.6 million (2024: €23.2 million) is restricted for specific VAT and wage tax payments.

22. Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale rather than through continuing use. For this to be the case the asset (or disposal group) must be available for immediate sale in its present condition and its sale must be highly probable. Non-current assets (or disposal groups) classified as held for sale are measured at the lower of the asset's carrying amount and the fair value less costs to sell. Depreciation or amortisation of an asset and equity accounting for joint ventures and associates ceases when it is classified as held for sale.

The breakdown of assets held for sale is as follows:

	2024
Investment in joint venture Invesis	80,389
Other	10,155
	90,544

In December 2024, the Group reached an agreement to sell its remaining 50% interest in the joint venture Invesis (formerly BAM PPP) to PGGM Infrastructure Fund ("PGGM"). The carrying amount of €187.4 million was transferred to assets held for sale in December 2024 and measured at fair value less costs to sell. Upon this transfer, the Group accounted for the following effects in 2024:

- reassessed the fair value of the contingent consideration that was agreed in the partial sale of Invesis to PGGM in 2020, resulting in a gain of €20 million recognised as a result from discontinued operations (Note 12).
- recognised an impairment of €107.0 million on the carrying amount of the joint venture; and

- discontinued hedge accounting and therefore reclassified Invesis' reserves of €31.3 million to the income statement.

The 2024 impairment of the carrying amount of the joint venture is specified as follows:

	2024
Fair value of consideration	104,389
Settlement contingent consideration related to sale in 2020 and other items	(23,000)
	81,389
Cost to sell	(1,000)
Carrying amount of joint venture	(187,383)
Impairment	(106,994)

Invesis' result for 2024 can be summarised as follows:

	2024
Share in result joint venture before transfer to held for sale	(1,484)
Reclassification of reserves	31,290
Impairment	(106,994)
Share in result of joint ventures	(77,188)

The sale was completed in March 2025. The total consideration received of €107.5 million included the settlement of the contingent consideration agreed in the partial sale to PGGM in 2020. On a discounted basis, the fair value of the consideration at the date of disposal was €104.4 million

Other assets classified as held for sale in 2024 include equipment of BAM Infra Funderingstechnieken. The Group reached a sale agreement with a third party and the assets transferred in February 2025.

As at 31 December 2025, no assets are classified as held for sale.

23. Group equity

The Company's share capital is classified as equity. It consists of the Company's ordinary shares and preference shares. The surplus paid by shareholders above the nominal value of shares is recognised as share premium. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Repurchases of own shares are deducted from retained earnings on a cost basis.

The cost represents the market price paid on the acquisition date. When repurchased shares are sold or re-issued subsequently, any amount received is recognised as an increase in retained earnings, and the resulting surplus or deficit on the transaction remains in retained earnings.

Dividend is recognised as a liability in the period in which it is approved by the Annual General Meeting.

At year-end 2025, the authorised capital of the Group was 400 million ordinary shares (2024: 400 million) and 600 million preference shares (2024: 600 million), all with a nominal value of €0.10 per share (2024: €0.10 per share). All issued shares have been paid in full (only ordinary shares).

23.1 Outstanding shares

	Number of ordinary shares	Number of treasury shares	Number of ordinary shares in issue
As at 1 January 2024	284,037,876	15,059,622	268,978,254
Shares issued			
Repurchase of ordinary shares	-	16,449,195	(16,449,195)
Awarded LTIP shares	-	(3,778,374)	3,778,374
Dividends	-	(7,216,389)	7,216,389
As at 31 December 2024	284,037,876	20,514,054	263,523,822
Shares issued			
Repurchase of ordinary shares	-	7,222,303	(7,222,303)
Awarded LTIP shares	-	(900,723)	900,723
Cancellation of shares	(12,037,876)	(12,037,876)	-
As at 31 December 2025	272,000,000	14,797,758	257,202,242

On 17 May 1993, the Company granted Stichting Aandelenbeheer BAM Groep ('the Foundation') a call option to acquire class B cumulative preference shares in the Company's share capital. This option was granted up to such an amount as the Foundation might require, subject to a maximum of a nominal amount that would result in the total nominal amount of class B cumulative preference shares in issue and not held by the Company equalling no more than 99.9% of the nominal amount of the issued share capital in the form of shares other than class B cumulative preference shares and not held by the Company at the time of exercising of the right referred to above.

The board of directors of the Foundation has the exclusive right to determine whether or not to exercise this right to acquire class B cumulative preference shares.

In 2025, a portion of treasury shares was cancelled as these shares were no longer required following the cessation of stock-dividend issuances after 2024 and the repurchase and LTIP-related share movements described in note 23.3 below.

23.2 Dividend

On 8 May 2025, the annual general meeting approved a cash dividend of €0.25 per ordinary share with a scrip alternative. On 6 June 2025, the Group paid €66.0 million in cash (2024: €25.8 million in cash and distributed 7.2 million shares to shareholders that opted for stock dividend).

23.3 Treasury shares

During 2025, the Group repurchased 7.2 million own shares for a total consideration of €50.0 million (2024: €65.5 million), comprising of:

- the €50 million share buyback (6.8 million shares); and
- repurchases from employees (0.4 million shares) of a part of the shares that vested under long-term incentive plans to settle their wage tax and social security premiums.

23.4 Dividend proposal

The Company proposes to declare a cash dividend of €0.30 per ordinary share over 2025.

24. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. After initial recognition borrowings are measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised. The effective interest rate amortisation is included as finance costs in the income statement (unless the costs are capitalised). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

	As at 1 January 2025	Changes from financing cash flows		Other changes		As at 31 December 2025
		Proceeds from borrowings	Repayments of borrowings	Effective interest method	Other	
Non-recourse property financing	36,852	-	(2,220)	-	1,610	36,242
Recourse property financing	12,160	23,000	(931)	-	(1,610)	32,619
Other non-recourse financing	15,619	10,342	(4,676)	-	-	21,285
Other recourse financing	2,219	-	(1,427)	-	-	792
	66,850	33,342	(9,254)	-	-	90,938

	As at 1 January 2024	Proceeds from borrowings	Repayments of borrowings	Effective interest method	Other	As at 31 December 2024
Recourse property financing	13,874	500	(2,214)	-	-	12,160
Other non-recourse financing	12,066	6,146	(2,593)	-	-	15,619
Other recourse financing	3,170	-	(951)	-	-	2,219
	61,574	12,549	(7,273)	-	-	66,850

24.1 Non-recourse property financing

Non-recourse property loans finance land positions and building rights acquired for property development and ongoing property development projects. The average term of non-recourse property financing is 1.8 years (2024: 2.8 years). Interest on these loans is generally based on Euribor plus a margin. The margin is generally fixed during the term of the loan. The terms of property loans are relatively short, therefore interest margins are generally in line with the market.

The carrying amount of the assets financed with these loans is €104 million at year-end 2025 (2024: €129 million). The assets are pledged as a security for lenders. These loans will be payable on demand if the agreed qualitative and quantitative conditions relating to interest and capital repayments, among other things, are not met.

24.2 Recourse property financing

Recourse property loans finance land and building rights and property development. The average term of these loans is 3.2 years (2024: 2.3 years). Interest on these loans is generally based on Euribor plus a margin. The margin is generally fixed during the term of the loan. For loans amounting to €24 million, the interest is (partially) fixed (2024: €1 million). The carrying amount of the assets financed with these loans is €152 million at year-end 2025 (2024: approximately €98 million). These assets constitute a security for lenders and additional securities exist in the form of a guarantee provided by the Group, in some cases supplemented by a bank guarantee. These loans will be repayable on demand if the agreed qualitative and quantitative conditions relating to interest and capital repayments, among other things, are not met.

24.3 Other non-recourse financing

Other non-recourse loans finance assets other than property, mainly cars and installations. Of the non-current part, €4.1 million has a term to maturity of more than five years (2024: €4.7 million). The average term to maturity of these loans is 8 years (2024: 8 years). The average interest rate is 3.7% (2024: 3.3%).

24.4 Committed syndicated credit facility

On 30 November 2022, the Group entered into a revolving credit facility agreement that provides a facility of maximum €330 million which can be used for general corporate purposes, including working capital financing. The facility had a term of four years (until 30 November 2026) plus two one-year extension options. In 2024, the second extension option was exercised and the maturity is extended to 30 November 2028.

Loans obtained under the facility are subject to variable market interest rates (EURIBOR) plus a margin in the range of 1.75% - 3.00% depending on the Group's recourse leverage ratio. On an annual basis, the margin is adjusted based on the Group's performance on four ESG KPIs. The maximum margin adjustment is plus/minus 0.05%, depending on the number of ESG KPI's meeting their respective target. The RCF is subject to financial covenants (see note 23.6) and to market conform commitment and utilisation fees. The facility has not been used in 2024 and 2025.

24.5 Bank overdrafts

Besides the committed syndicated credit facility, the Group holds €153 million (2024: €153 million) in bilateral credit facilities.

24.6 Covenants

Terms and conditions, including covenants, for project specific financing, being non-recourse PPP loans and (non-) recourse property financing loans, are directly linked to the respective projects. A relevant ratio in non-recourse property financing is the loan to value ratio, i.e. the ratio between the value of the loan and the carrying amount of the assets of the project. In PPP loans and recourse property financing the debt service cover ratio is generally applicable. This is a ratio of the interest and repayment obligations to the operational cash flows of the respective project. A breach of covenants may require immediate repayment of the respective outstanding loan. During 2025, no early payments were made as a result of not adhering to the financing conditions of project related financing (2024: nil).

The Group's revolving credit facility is subject to a number of financial covenants. Non-compliance with the covenants could qualify as an event of default based on which the lenders may require immediate repayment of outstanding loans and cancel their commitments. Terms and conditions for the committed syndicated credit facility are based on the Group as a whole, excluding non-recourse elements. The ratios for this financing arrangement (all recourse) are the leverage ratio, the interest cover ratio, the solvency ratio and the guarantor cover.

The capital base in the financial covenants, as part of the solvency ratio, is adjusted for, among other things, the hedging reserve and remeasurements of post-employments benefits. The requirements and realisation of the financial covenants is as follows:

	Calculation	Requirement	2025	2024
Leverage ratio	Net borrowings/EBITDA	≤ 2.50 ¹	(3.1)	(4.3)
Interest cover ratio	EBITDA/net interest expense	≥ 4.00	N/A	N/A
Solvency ratio	Capital base ² /total assets	≥ 15%	31.9%	31.6%
Guarantor covers	EBITDA share of guarantors	≥ 70%	104.5%	103.2%
	Assets share of guarantors	≥ 70%	104.8%	100.5%

¹ An increased recourse leverage ratio of 2.75 is permitted for each second and third quarter of the year.

² The capital base in the financial covenant is adjusted for the hedging reserve and remeasurements of post-employment benefits, among other things

The Group reported a net recourse interest income instead of an expense for 2024 and 2025, making the recourse interest cover ratio not applicable.

25. Employee benefits

(a) Pension obligations

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation. When the plan assets exceed the defined benefit obligation, the Group recognises a pension asset, which is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available when it can be realised during the life of the plan, or upon settlement of the plan's liabilities. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise. Current service costs of defined benefit plans are recognised immediately in the income statement, as part of 'employee benefit expenses', and reflect the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past-service costs are recognised immediately in the income statement. Interest expenses are included in the 'employee benefit expenses'.

For defined contribution plans, the Group pays contributions to administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Other employment obligations

Other employment obligations comprise jubilee benefits, retirement gifts, temporary leaves and similar arrangements and have a non-current nature. These obligations are discounted to their present value.

Remeasurements are recognised- in profit or loss.

	2025	2024
Defined benefit asset	35,095	46,123
Defined benefit liability	8,548	14,474
Other employee benefits obligations	12,573	12,774
	21,121	27,248

The Group operates defined contribution plans in the Netherlands, United Kingdom, Belgium, Germany and Ireland under broadly similar regulatory frameworks. All pension plans that are accounted as defined benefit arrangement are closed for new entrants. Defined benefit plans in the United Kingdom and Ireland are in a net asset position; there is no asset ceiling on these plans as the Group is entitled to a return of surplus at the end of the plans' lives. A further description of the post-employment benefit plans per country is as follows:

Netherlands

In the Netherlands, the Group makes contributions to defined benefit schemes as well as defined contribution schemes. The pension schemes in the Netherlands are subject to the regulations as stipulated in the Pension Act. Due to the Pension Act the pension plans need to be fully funded and need to be operated outside the Company through a separate legal entity. Several multi-employer funds and insurers operate the various pension plans. The Group has no additional responsibilities for the governance of these schemes. The Group has made agreements with a specific group of pensioners regarding a possible supplementary indexation, the granting of which is entirely at the discretion of the Group and will only be considered if, at a minimum, the associated conditions are met.

The basic pension for every employee is covered by multi-employer funds in which also other companies participate based on legal requirements. These funds have an indexed average salary scheme and are therefore defined benefit schemes. Specifically, these are the industry pension funds for construction, metal & technology and railways. As these funds are not equipped to provide the required information on the Group's proportionate share of pension liabilities and plan assets, the defined benefit plans are accounted

for as defined contribution plans. The Group is obliged to pay the predetermined premium for these plans. The Group may not reclaim any excess payment and is not obliged to make up any deficit, except by way of the adjustment of future premiums. The build-up of future pension entitlements for employees is covered by the multi-employer funds or external insurance companies. Defined benefit schemes are closed for future accumulation and indexation is mainly linked to the industry pension fund for construction. Pensions for salaries exceeding the basic pension amount (top-up part) are not covered by multi-employer funds and are carried out under separate contracts and qualify as defined contribution schemes. The Group has established an accountability committee, with representation from the Central Works Council (CWC) and the Socio-Economic Committee of the BAM pensioners association (SEC).

At year-end 2025, the (twelve-month average) coverage rate of the industry pension fund for construction is 133% (2024: 126%). The industry pension fund for metal and technical sectors has a (twelve-month average) coverage rate of 115% at year-end 2025 (2024: 113%). The (twelve-month average) coverage rate of the industry pension fund for railways is 136% (2024: 132%).

United Kingdom

In the United Kingdom, the Group makes contributions to defined benefit plans as well as defined contribution plans. The Group is responsible for making supplementary contributions to recover the historical financing deficits. The plan for supplementary contributions was last revised after the most recent actuarial valuations of the funds in April 2023 and led to supplementary contributions of €2 million in 2025 (2024: €6 million). The Group replaced the closed defined benefit pension schemes with defined contribution schemes, which are executed by an independent insurance company. Following the closure of future accumulation in defined benefit pension schemes in 2010, employees who participated in these schemes were invited to participate in the defined contribution schemes.

During 2023, the High Court in the United Kingdom concluded in a case between Virgin Media and NTL Pension Trustees II that a salary-related contracted-out scheme cannot be changed unless the actuary confirmed in writing (through a so-called section 37 confirmation) that the scheme would continue to satisfy the legal norms. If such confirmation would not exist, the High Court concluded that the change would automatically void. In 2024, an appeal of the case in the Court of Appeal was dismissed and the ruling upheld. The case has the potential to cause significant issues in the United Kingdom pensions industry. An

initial assessment of the historic scheme amendments has identified that the majority of amendments do not require further action at this stage. For some amendments, further investigation is required to identify as to whether the appropriate written actuarial confirmation was in place at the date of the amendment. Until the exercise is completed, it is impossible to estimate the potential impact, if any, on the Group's schemes.

In addition, several defined benefit schemes are accounted for as defined contribution schemes as the external parties administering the funds are not able to provide the required information. These schemes have a limited number of members. The Group is obliged to pay the predetermined premium for these plans. The Group may not reclaim any excess payment and is not obliged to make up any deficit, except by way of the adjustment of future premiums. The Group did not make material contributions in 2025 and 2024.

Ireland

In Ireland, the Group has a defined benefit scheme and a multi-employer pension scheme, which was fully converted from a defined benefit scheme to a defined contribution scheme with effect from 1 January 2006 for new entrants. The Group is responsible for making supplementary contributions to recover the historical financing deficits. The plan for supplementary contributions was last revised after the most recent actuarial valuations of the funds in 2017 and led to supplementary contributions of €4 million in 2025 (2024: €4 million).

Other

Includes pension plans in Belgium and Germany. In Belgium, the Group makes contributions to a relatively small defined benefit scheme that is executed by an external insurance company. The Group has also made arrangements for employees to participate in a defined contribution scheme. The defined contribution plans are subject to the law of 28 April 2003 on occupational pensions and due to changes in the law in December 2015 defined contribution plans are classified and accounted for as defined benefit plans.

In Germany, the Group operates one remaining small defined benefit pension scheme financed by the employer, which is closed to new participants.

The significant actuarial assumptions per country were as follows:

	Netherlands	United Kingdom	Ireland	Other
2025				
Discount rate	3.8%	5.5% - 5.7%	4.30%	3.8% - 4.2%
Salary growth rate	-	-	-	0% - 3%
Pension growth rate	0% - 3.5%	2.1% - 3.0%	0% - 2.1%	2.0% - 2.3%
2024				
Discount rate	3.3%	5.5% - 5.6%	3.8%	3.2% - 3.6%
Salary growth rate	-	-	-	2.0% - 2.3%
Pension growth rate	0% - 3.5%	2.1% - 3.2%	0% - 2.1%	2.0% - 2.3%

Assumptions regarding future mortality are based on actuarial advice in accordance with published statistics and experience in each country.

Movements in the defined benefit pension plans over the year are as follows:

	Netherlands	United Kingdom	Ireland	Other	Total
As at 31 December 2025					
Defined benefit liability	(1,180)	-	-	(7,368)	(8,548)
Defined benefit asset	-	34,739	356	-	35,095
	(1,180)	34,739	356	(7,368)	26,547
<i>Present value of obligation</i>					
As at 1 January 2025	260,646	560,925	69,033	21,367	911,971
Service cost	-	241	1,020	225	1,486
Interest expense	8,327	29,352	2,537	703	40,919
Remeasurements	(10,673)	(8,583)	(5,294)	(3,368)	(27,918)
Plan participants contributions	-	-	215	114	329
Benefit payments	(16,628)	(32,531)	(4,750)	(1,346)	(55,255)
Settlements	(49,076)	-	-	-	(49,076)
Transfer to held for sale	-	-	-	-	-
Disposals	-	-	-	-	-
Exchange rate differences	-	(27,473)	-	51	(27,422)
As at 31 December 2025	192,596	521,931	62,761	17,746	795,034
<i>Fair value of plan assets</i>					
As at 1 January 2025	254,853	602,455	73,626	12,686	943,620
Interest income	8,198	31,571	2,800	402	42,971
Remeasurements	(10,272)	(16,338)	(13,438)	(2,377)	(42,425)
Employer contributions	4,520	3,057	4,664	848	13,089
Plan participants contributions	-	-	215	113	328
Benefit payments	(16,628)	(32,531)	(4,750)	(1,346)	(55,255)
Administration cost	(179)	(2,123)	-	-	(2,302)
Settlements	(49,076)	-	-	-	(49,076)
Disposals	-	-	-	-	-
Transfer to held for sale	-	-	-	-	-
Exchange rate differences	-	(29,421)	-	52	(29,369)
As at 31 December 2025	191,416	556,670	63,117	10,378	821,581

	Netherlands	United Kingdom	Ireland	Other	Total
Amounts recognised in the income statement					
Service cost	-	241	1,020	225	1,486
Net interest expense	129	(2,219)	(263)	301	(2,052)
Changes and plan amendments and settlements	-	-	-	-	-
Administration cost	179	2,123	-	-	2,302
	308	145	757	526	1,736
Amounts recognised in other comprehensive income					
Remeasurements:					
• Return on plan assets, excluding interest income	10,272	16,338	13,438	2,377	42,425
• (Gain)/loss from change in demographic assumptions	-	(390)	-	-	(390)
• (Gain)/loss from change in financial assumptions	(10,102)	(12,858)	(5,294)	(1,164)	(29,418)
• Experience (gains)/losses	(571)	4,666	-	(2,205)	1,890
	(401)	7,756	8,144	(992)	14,507
Income tax	-	(1,939)	(1,018)	(78)	(3,035)
Remeasurement net of tax	(401)	5,817	7,126	(1,070)	11,472

	Netherlands	United Kingdom	Ireland	Other	Total
As at 31 December 2024					
Defined benefit liability	(5,793)	-	-	(8,681)	(14,474)
Defined benefit asset	-	41,530	4,593	-	46,123
	(5,793)	41,530	4,593	(8,681)	31,649
<i>Present value of obligation</i>					
As at 1 January 2024	277,423	588,648	68,838	22,256	957,165
Service cost	-	73	1,002	198	1,273
Interest expense	8,345	27,734	2,429	787	39,295
Remeasurements	(8,689)	(54,022)	(494)	(645)	(63,850)
Plan participants contributions	-	-	237	121	358
Benefit payments	(16,433)	(28,468)	(2,979)	(1,350)	(49,230)
Exchange rate differences	-	26,960	-	-	26,960
As at 31 December 2024	260,646	560,925	69,033	21,367	911,971
<i>Fair value of plan assets</i>					
As at 1 January 2024	267,116	639,689	69,691	13,373	989,869
Interest income	8,077	30,222	2,540	483	41,322
Remeasurements	(7,267)	(72,488)	(326)	(782)	(80,863)
Employer contributions	3,539	6,459	4,463	850	15,311
Plan participants contributions	-	-	237	120	357
Benefit payments	(16,433)	(28,468)	(2,979)	(1,350)	(49,230)
Administration cost	(179)	(2,114)	-	(8)	(2,301)
Exchange rate differences	-	29,155	-	-	29,155
As at 31 December 2024	254,853	602,455	73,626	12,686	943,620

	Netherlands	United Kingdom	Ireland	Other	Total
Amounts recognised in the income statement					
Service cost	-	73	1,002	198	1,273
Net interest expense	268	(2,488)	(111)	304	(2,027)
Administration cost	179	2,114	-	8	2,301
	447	(301)	891	510	1,547
Amounts recognised in other comprehensive income					
Remeasurements:					
• Return on plan assets, excluding interest income	7,267	72,488	326	782	80,863
• (Gain)/loss from change in demographic assumptions	(731)	2,475	2,146	-	3,890
• (Gain)/loss from change in financial assumptions	(7,958)	(58,398)	(3,186)	(21)	(69,563)
• Experience (gains)/losses	-	1,901	546	(625)	1,822
	(1,422)	18,466	(168)	136	17,012
Income tax	366	(4,615)	22	(50)	(4,277)
Remeasurement net of tax	(1,056)	13,851	(146)	86	12,735

The average duration of the defined benefit obligations per country were as follows:

	Netherlands	United Kingdom	Ireland	Other
Average duration (in years) - 2025	10	12	16	10
Average duration (in years) - 2024	11	13	17	10

Plan assets are comprised as follows:

	Netherlands	United Kingdom	Ireland	Other	Total
2025					
Equity instruments	-	44,747	6,962	-	51,709
Debt instruments	-	488,883	51,664	-	540,547
Property	-	830	3,121	-	3,951
Qualifying insurance policies	191,416	7,467	-	10,378	209,261
Cash and cash equivalents	-	14,743	1,370	-	16,113
	191,416	556,670	63,117	10,378	821,581
2024					
Equity instruments	-	71,288	5,291	-	76,579
Debt instruments	-	511,159	64,009	-	575,168
Property	-	3,899	3,086	-	6,985
Qualifying insurance policies	254,853	339	-	12,686	267,878
Cash and cash equivalents	-	15,770	1,240	-	17,010
	254,853	602,455	73,626	12,686	943,620

Plan assets do not include the Company's ordinary shares. Assets with a value of €252 million are unquoted (2024: €360 million).

The impact to the defined benefit obligation to changes in weighted principal assumptions is as follows:

	2025		2024	
	Increase by	Decrease by	Increase by	Decrease by
	0,5%	0,5%	0,5%	0,5%
Discount rate	(€43 million)	€47 million	(€52 million)	€58 million
Indexation	€23 million	(€22 million)	€29 million	(€27 million)
Salary increase	€0 million	(€0 million)	€0 million	(€0 million)

If the life expectancy increases or decreases by one year, the pension liability will increase or decrease by approximately €29 million (2024: increase or decrease by €34 million). The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur as changes in assumptions are correlated. The sensitivity analyses are based on the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) as when calculating the pension liability recognised within the statement of financial position.

Through its defined benefit pension plans the Group is exposed to a number of risks, the most significant of which are detailed below:

Risk	Impact
<i>Asset volatility</i>	Plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit.
<i>Bonds yields</i>	A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
<i>Salary growth</i>	Plan liabilities are calculated based on future salaries of the plan participants, so increases in future salaries will result in an increase in the plan liabilities.
<i>Pension growth</i>	The majority of the plan liabilities are calculated based on future pension increases, so these increases will result in an increase in the plan liabilities.
<i>Life expectancy</i>	The majority of the plan liabilities are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan liabilities.

For funded plans, the Group ensures that the investment positions are managed within an asset-liability matching ('ALM') framework that has been developed to achieve long-term investments that are in line with the obligations under the pension schemes. The Group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency. The Group monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. The Group has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

Employer contributions to post-employment benefit plans for 2026 are expected to decrease from €13 million in 2025 to €6 million. The contributions in 2024 and 2025 include extra amounts for indexation.

26. Provisions

Provisions for warranties, restructuring costs, claims/legal obligations, associates and joint ventures and onerous contracts are recognised when: (a) the Group has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources will be required to settle the obligation; and (c) the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Restructuring provisions are recognised when a detailed formal plan has been approved, and the restructuring has either commenced or has been announced publicly. Restructuring provisions comprise lease termination penalties and employee termination payments. Future operating losses are not recognised. If the Group's share in losses exceeds the carrying amount of the investment (including separately presented goodwill and other uninsured receivables), further losses will not be recognised, unless the Group has provided securities to the associate or joint venture, committed to liabilities or payment on behalf of the associate and joint venture. In that case, the excess will be provided for.

Provisions are classified in the balance sheet as follows:

	2025	2024
Non-current	85,806	64,646
Current	133,329	116,155
	219,135	180,801

The non-current part of provisions is discounted at a rate in the range of 0% to 6% (2024: 0% to 6%).

The provision for onerous contracts is based on judgments and uncertainties as described in note 3.1. Approximately 49% of the provision is current in nature (2024: 65%).

The provision for warranty concerns the best estimate of the expenditure required to settle complaints and deficiencies that became apparent after the delivery of projects and that fall within the warranty period. In reaching its best estimate, the Group takes into account the risks and uncertainties that surround the underlying events which are assessed periodically. Approximately 67% of the provision is current in nature (2024: 55%).

The provision for claims and legal obligations represents the Group's best estimate, at the reporting date, of the expenditure required to settle present obligations arising from claims, building repair responsibilities and other compliance related matters. The recognised amount includes expected costs for investigations, remediation activities, building repair work and for addressing matters related to evolving building safety requirements. Approximately 89% of the provision is current in nature (2024: 100%).

	Warranty	Restructuring	Claims and legal obligations	Joint ventures	Onerous contracts	Other	Total
As at 1 January 2024	30,957	7,117	-	2,334	148,071	8,415	196,894
Charged/(credited) to the income statement:							
- Additional provisions	15,960	12,236	6,796	651	133,734	1,072	170,449
- Release	(3,307)	-	-	-	(3,880)	(1,499)	(8,686)
Used during the year	(6,798)	(15,559)	-	(1,584)	(153,471)	(1,691)	(179,103)
Exchange rate differences	-	-	139	-	1,073	35	1,247
As at 31 December 2024	36,812	3,794	6,935	1,401	125,527	6,332	180,801
Charged/(credited) to the income statement:							
- Additional provisions	23,570	8,563	40,757	3,571	98,302	4,575	179,338
- Release	(5,610)	(673)	-	-	(9,287)	(46)	(15,616)
Used during the year	(10,185)	(7,760)	(2,050)	(1,123)	(102,179)	(472)	(123,769)
Exchange rate differences	-	-	(934)	-	(621)	(64)	(1,619)
As at 31 December 2025	44,587	3,924	44,708	3,849	111,742	10,325	219,135

As at 31 December 2025, other provisions include €3.0 million for the remaining exposure on financial guarantees related to the sale of BAM Deutschland AG (2024: €3.0 million).

27. Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. A contract liability is recognised when the Group has an obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

	Notes	2025	2024
Trade payables		505,836	499,685
Amounts due to customers (contract liabilities)	6	855,094	823,479
Amounts due to related parties	28	38,521	47,171
Social security and other taxes		174,856	181,157
Pension premiums		8,817	8,126
Amounts due for work completed		92,269	86,713
Amounts due for work in progress		579,710	548,114
Other liabilities		25,532	39,240
Accrued expenses and deferred income		222,954	199,918
		2,503,589	2,433,603

Amounts due to related parties mainly comprises payables to joint ventures and associates.

The amounts due for work completed and for work in progress relate to suppliers of the Group for contract work performed.

28. Related parties

The Group identifies subsidiaries, associates, joint ventures, third parties executing the Group's defined benefit pension plans and key management as related parties. Transactions with related parties are conducted at arm's length, i.e. on terms comparable to transactions with third parties.

28.1 Key management compensation

Key management includes members of the Executive Board and the Supervisory Board. The compensation paid or payable to members of the Executive Board is as follows:

	(in € thousand)					
	2025					
	Fixed remuneration	Short-term incentive	Long-term incentive ¹	Other benefits ²	Post-employment benefits	Total
R.J.M. Joosten	892	877	1,231	22	196	3,218
H. de Pater ³	396	386	334	15	87	1,218
L.F. den Houter	103	-	178	4	23	308
	1,391	1,263	1,743	41	306	4,744
	2024					
	Fixed remuneration	Short-term incentive	Long-term incentive ¹	Other benefits ²	Post-employment benefits	Total
R.J.M. Joosten	854	706	974	22	188	2,744
L.F. den Houter	610	504	668	22	134	1,938
	1,464	1,210	1,642	44	322	4,682

¹ For Mr De Pater, this includes the value of an extraordinary restricted share plan awarded to him per 20 April 2023.

² The amount shown under 'Other benefits' consists of the car allowance or company car cost.

³ The remuneration of Mr De Pater has been included per his appointment as CFO with the exception of the value under 'Long-term incentive'.

The short-term incentive plan ('STIP') is part of the remuneration package of the Executive Board and is based on financial objectives (70%) and non-financial objectives (30%). Further information about STIP is specified in the remuneration report. For 2025, the Supervisory Board determined that payout over 2025 results is 98% of fixed remuneration (2024: 81%).

Post-employment benefits to members of the Executive Board are an age-independent gross allowance of 22% of their fixed remuneration from which they need to finance their own retirement savings, including a surviving dependent's pension.

The long-term incentive plan ('LTIP') relates to the Performance Share Plan. Additional information is included in the remuneration report and in note 29. No loans or advances have been granted to the members of the Executive Board. On 31 December 2025, Mr Joosten held 100,000 privately acquired BAM shares and Mr De Pater 63.

The supervisory board remuneration only comprises fixed remuneration, as further explained in the remuneration report, and is as follows:

<i>(in € thousand)</i>	2025	2024
H.Th.E.M. Rottinghuis, chair	133	131
B. Elfring, vice-chair	90	84
J.C. Hanson	83	13
D. Koopmans	89	87
M.P. Sheffield	83	82
N.M. Skorupska	83	88
G. Boon, former vice-chair	20	85
	581	570

No share options, loans or advances have been provided to the members of the Supervisory Board. On 31 December 2025, Mr Elfring, Mrs Hanson, Mrs Koopmans and Mr Rottinghuis respectively held 50,000, 2,254, 15,000 and 100,000 privately acquired BAM shares.

28.2 Sales and purchase of goods and services

A major part of the Group's activities is carried out in joint ventures. These activities include the assignment and/or financing of land as well as carrying out construction contracts. In 2025, the Group carried out transactions with associates and joint ventures related to the sale of goods and services for €158 million (2024: €84 million) and related to the purchase of goods and services for €55 million (2024: €48 million). Short term receivables from joint ventures and associates amount to €34 million (2024: €22 million) and short term liabilities amount to €39 million (2024: €47 million).

28.3 Loans to related parties

At year-end 2025, the Group had outstanding loans to joint ventures and associates for the amount of €110 million (2024: €93 million). These loans were provided on normal commercial terms and conditions, except that a number of loans does not have a fixed repayment date. Interest rates for these loans are at arm's length. Loans to related parties are included in 'Other financial assets' in the statement of financial position.

29. Share-based payments

The Group operates equity-settled share-based plans. The fair value of the employee services received in exchange for the grant of the shares is recognised as cost with a corresponding credit entry of equity. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The total amount to be expensed is determined by reference to the fair value of the shares granted:

- including a market performance condition based on the Company's share price;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in the income statement within 'personnel expenses', with a corresponding adjustment to equity. In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

The Group operates a Performance Share Plan for members of the Executive Board and for a limited group of senior management positions below the Executive Board. Under the Performance Share Plan, each year performance shares are conditionally awarded subject to performance over a vesting period of three years and, for members of the Executive Board, followed by a lock-up period of two years. Further information about the Performance Share Plan is included in the remuneration report.

In principle, conditionally awarded shares are forfeited if the participant is no longer employed by the company, unless agreed upon otherwise. However upon termination of employment due to retirement, disability or death the participant (or his or her heirs) reserves the right on the pro rata number of conditionally awarded shares to become unconditionally pursuant to the same vesting conditions as described above (pro rata means the number of full months that the participant was engaged by the Group during the performance period divided by 36 months). For the performance shares, the most recent expected results of the Group were included to calculate the expected vesting of performance shares.

Conditional shares in the Performance Share Plan include a dividend right like ordinary shares, however these dividends will be paid out in shares at the vesting date. Therefore, the dividend yield on the conditional shares equals nil.

In 2025, an amount of €2.6 million was charged (2024: €2.7 million) to the income statement arising from the share plans.

The movement of the Performance Share Plan (in number of conditionally awarded shares) during 2025 for the members of the Executive Board and for other participants is as follows:

(in # of shares)	As at 1 January 2025	Awarded	Dividend rights	Vested (including dividend)	Unvested	Forfeited	As at 31 December 2025
R.J.M. Joosten	869,872	181,521	22,748	(262,318)	(23,847)	-	787,976
H. de Pater	76,141	111,033	2,116	(20,023)	(1,820)	-	167,447
L.F. den Houter	403,651	-	8,651	(166,529)	(15,139)	-	230,634
Other participants	1,971,887	709,767	50,620	(430,010)	(41,073)	(263,939)	1,997,252
	3,321,551	1,002,321	84,135	(878,880)	(81,879)	(263,939)	3,183,309

The movements per plan for 2025 are as follows:

(in # of shares)	As at 1 January 2025	Awarded	Dividend rights	Vested (including dividend)	Unvested	Forfeited	As at 31 December 2025
2022-2024	960,759	-	-	(878,880)	(81,879)	-	0
2023-2025	1,252,256	-	45,646	-	-	(80,986)	1,216,916
2024-2026	1,108,536	-	38,489	-	-	(120,902)	1,026,124
2025-2027	-	1,002,321	-	-	-	(62,051)	940,270
	3,321,551	1,002,321	84,135	(878,880)	(81,879)	(263,939)	3,183,309

In 2025, the Performance Share Plan 2022-2024 vested at 91%.

The fair value per share of the 2025 award in connection with the TSR performance part amounted to €6.76 per share and is determined using a Monte Carlo simulation model. For the other (non) financial performance measures, the fair value equals the share price at the grant date. The key assumptions used in the valuations of the fair values were as follows:

	2025
Share price at grant date (in €)	6.38
Risk-free interest rate (in %)	1.82
Volatility (in %)	33.82

Expected volatility has been determined based on historical volatilities for a period of five years.

30. Joint operations

A part of the Group's activities is carried out in joint arrangements and classified as joint operations. These arrangements remain in place until a project is finished. In practice, the duration of the majority of the joint operations is generally limited to a period of one to four years, with the exception of joint operations in connection with land and building rights held for strategic purposes. Based on an assessment of balance sheet total, revenue and result, none of the joint operations is individually material to the Group. The Group's share in revenue of joint operations amounts to €769 million in 2025 (2024: €717 million), representing 11% of the Group's revenue (2024: 11%).

The Group's share in the balance sheets of joint operations is indicated below:

	2025			Total
	Division NL	Division UK&I	Belgium, Germany and International	
<i>(in € million)</i>				
Assets				
Non-current assets	16.0	15.2	-	31.2
Current assets	61.9	248.9	20.7	331.5
	77.9	264.1	20.7	362.7
Liabilities				
Non-current liabilities	12.6	4.7	-	17.3
Current liabilities	34.9	230.6	20.3	285.8
	47.5	235.3	20.3	303.1
Net assets	30.4	28.8	0.4	59.6

(in € million)	2024			Total
	Division NL	Division UK&I	Belgium, Germany and International	
Assets				
Non-current assets	2.1	14.0	-	16.1
Current assets	79.5	201.9	25.6	307.0
	81.6	215.9	25.6	323.1
Liabilities				
Non-current liabilities	9.1	9.1	-	18.2
Current liabilities	50.1	177.0	25.3	252.4
	59.2	186.1	25.3	270.6
Net assets	22.4	29.8	0.3	52.5

As of 31 December 2025, the Group has capital commitments for joint operations amounting to nil (2024: nil). Guarantees issued by banks and surety companies amount to nil (2024: nil).

31. Commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred and conditional contractual obligations to purchase land for property development activities is as follows:

	2025	2024
Property, plant and equipment	-	1,647
Land	171,740	134,304
	171,740	135,951

The conditional nature of the contractual obligations to purchase land relate to, among other items, the amendment of development plans, the acquisition of planning permissions and the actual completion of property development projects.

32. Contingencies

32.1 Claims and legal proceedings

In the normal course of business, the Group is exposed to claims from (sub)contractors and clients that generally arise from a dispute about the quality of work and the amount of compensation. Additionally, the Group is exposed to certain risks following guarantees and indemnities provided in divestments of (former) subsidiaries. The Group recognises provisions for claims and/or exposures when a cash outflow is probable. When not resolved or settled, claims may subsequently involve legal proceeding which, if decided or settled adversely, may have a material impact on the Group's financial position, operational result or cash flows.

Ethical misconduct or non-compliance with applicable laws and regulations (such as competition, bribery and corruption) could expose BAM to liabilities or have a negative impact on its business and reputation. BAM may be subject to administrative, civil or criminal liabilities including significant fines and penalties, as well as suspension or debarment from government or non-government contracts for some period of time.

32.2 Guarantees

Guarantees and bonds are provided in the ordinary course of business to clients, either by the Company (parental guarantees), by banks (bank guarantees), or by surety companies (surety bonds), to secure due performance of the Group's contractual obligations. These securities can only be called by the client in case of (proven) default. It is not expected that any material risks will arise from these securities. The parental guarantees issued by the Company amount to €120 million (2024: €111 million). Guarantees and bonds issued by banks and surety companies amount to €1.3 billion (2024: €1.3 billion). Guarantee facilities (capacity at banks and securities to issue guarantees and bonds) amount to €2 billion (2024: €2.1 billion).

33. Audit fees

The fees stated below for the audit of the financial statements are based on the total fees for the audit of the financial statements, regardless of whether the procedures were already performed in the financial year. Expenses for services provided by the Company's current independent auditor, EY Accountants BV ('EY') and its foreign member firms to the Group are specified as follows:

	2025			2024		
	EY	EY foreign member firms	Total	EY	EY foreign member firms	Total
€ thousands						
Audit fees	3,718	3,350	7,068	3,471	2,991	6,462
Audit-related fees	690	67	757	803	18	821
Other non-audit fees	-	-	-	-	-	-
	4,408	3,417	7,825	4,274	3,009	7,283

Audit-related fees include the provision of limited assurance on the Group's sustainability statement of €544,000 (2024: €675,000).

34. Events after the reporting period

In January 2026, the Group signed an agreement to acquire Gebroeders Blokland B.V., an integrated residential property developer and builder based in Hardinxveld-Giessendam, The Netherlands. The acquisition includes a portfolio of land and building rights for approximately 2,400 homes, strengthening the Group's position in the Dutch residential development market.

The agreed purchase consideration consists of a fixed amount of €62 million and a limited contingent consideration component, the outcome of which depends on future events. Completion of the business combination is subject to approval by the Dutch Authority for Consumers and Markets (ACM) under the Dutch Competition Decree.

As the agreement was concluded after the reporting date, the transaction is classified as a non-adjusting event. Therefore, no adjustments have been made to the consolidated financial statements as at 31 December 2025. The Group will recognise the identifiable assets, liabilities and goodwill upon completion in accordance with IFRS 3.

Company statement of financial position

	Notes	31 December 2025	31 December 2024
Non-current assets			
Intangible assets	2	313,578	320,792
Tangible fixed assets		1,181	1,395
Financial assets	3	913,622	801,084
Deferred tax assets	4	65,254	80,723
		1,293,635	1,203,994
Current assets			
Receivables	5	53,585	78,410
Cash and cash equivalents	6	321,827	239,777
		375,412	318,187
Total assets			
		1,669,047	1,522,181
<i>Equity attributable to shareholders of the Company</i>			
Issued and paid capital	7	27,200	28,404
Share premium	7	810,907	810,907
Legal reserves	7	(39,293)	(19,886)
Retained earnings	7	(51,757)	(6,160)
Net result	7	210,990	82,248
		958,047	895,513
Provisions			
	8	6,754	6,013
Non-current liabilities			
Lease liabilities		777	968
		777	968
Current liabilities			
Lease liabilities		466	481
Other liabilities	9	703,003	619,206
		703,469	619,687
Total equity and liabilities			
		1,669,047	1,522,181

Company income statement

	Notes	2025	2024
Internal charges	10	45,364	39,753
Other income	11	-	20,069
Personnel expenses	12	(26,391)	(22,665)
Depreciation and amortisation charges		(625)	(722)
Impairment charges		-	-
Other operating expenses		(18,913)	(14,890)
Operating result		(565)	21,545
Finance income		28,531	20,402
Finance expense		(28,749)	(30,480)
		(218)	(10,078)
Result before tax		(783)	11,467
Income tax	13	19,764	57,505
Share in result of subsidiaries, joint ventures and associates		192,009	13,276
Net result		210,990	82,248

Notes to the company financial statements

1. Summary of the accounting policies

1.1 Basis of preparation

The company financial statements of Royal BAM Group nv ('the Company' or 'BAM') have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In accordance with subsection 8 of section 362, Book 2 of the Dutch Civil Code, the recognition and measurement principles applied in these company financial statements are the same as those applied in the consolidated financial statements.

The expected credit losses on receivables from subsidiaries have not been included in the company financial statements, since these have been eliminated within the book value of the receivables.

1.2 Investments in subsidiaries

Investments in subsidiaries are measured at net asset value. The net asset value is determined using the accounting policies, as described in the consolidated financial statements. The net asset value of subsidiaries comprises the cost, excluding goodwill, of BAM's share in the net assets of the subsidiary plus BAM's share in income or losses since acquisition, less dividends received.

1.3 Income tax

Corporate income tax is charged and/or allocated to the subsidiaries forming part of the fiscal unity, as if they were independent taxable entities. Tax receivables and payables to the respective subsidiaries are included in current receivables and current other liabilities.

2. Intangible assets

	Goodwill	Non-integrated software	Other	Total
As at 1 January 2024				
Cost	517,454	3,855	883	522,192
Accumulated amortisation and impairments	(203,488)	(3,484)	(684)	(207,656)
	313,966	371	199	314,536
Additions	-	-	-	-
Amortisation	-	(148)	(89)	(237)
Exchange rate differences	6,493	-	-	6,493
	320,459	223	110	320,792
As at 31 December 2024				
Cost	524,441	3,855	883	529,179
Accumulated amortisation and impairments	(203,982)	(3,632)	(773)	(208,387)
	320,459	223	110	320,792
Amortisation	-	(72)	(88)	(160)
Exchange rate differences	(7,054)	-	-	(7,054)
	313,405	151	22	313,578
As at 31 December 2025				
Cost	517,387	3,855	883	522,125
Accumulated amortisation and impairments	(203,982)	(3,704)	(861)	(208,547)
	313,405	151	22	313,578

3. Financial assets

	Shares in subsidiaries	Receivables from subsidiaries	Other participating interests	Total
As at 1 January 2024	633,972	126,174	176,819	936,965
Net result for the year	90,464	-	(77,188)	13,276
Dividends	(135,748)	-	-	(135,748)
Investments	135	4,014	8,405	12,554
Movements in hedge reserves	-	-	(26,345)	(26,345)
Remeasurements of post-employment benefit obligations	(13,791)	-	-	(13,791)
Exchange rate differences	14,856	-	(683)	14,173
As at 31 December 2024	589,888	130,188	81,008	801,084
Net result for the year	192,579	-	(570)	192,009
Dividends	(160,302)	-	-	(160,302)
Investments	-	169,721	-	169,721
Disposal	-	-	(80,389)	(80,389)
Reclassifications	39,934	(19,773)	-	20,161
Remeasurements of post-employment benefit obligations	(11,873)	-	-	(11,873)
Exchange rate differences	(16,789)	-	-	(16,789)
As at 31 December 2025	633,437	280,136	49	913,622

The disposal of other participating interests in 2025 and the net result recognised in 2024 relate to Invesis (Note 22). Refer to Other Information (Note 8.4), for the list of principal subsidiaries, joint ventures and associates.

The 2025 investment in receivables from subsidiaries reflects a cash withdrawal by division NL as part of its internal funding arrangements with the Group.

4. Deferred tax assets

	2025	2024
Deferred tax assets	65,254	80,723

The Company carries the full balance of deferred tax assets on carry forward losses of the fiscal unity.

5. Receivables

	2025	2024
Amounts due from subsidiaries	43,823	37,196
Other receivables	5,969	28,086
Prepaid expenses	3,793	13,128
	53,585	78,410

Receivables are due within one year. Other receivables in 2024 included the contingent consideration due from PGGM related to the divestment of 50% of the shares of BAM PPP to PGGM Infrastructure Fund ("PGGM") in December 2020, which has since been settled in 2025 as disclosed in note 12 to the consolidated financial statements.

6. Cash and cash equivalents

	2025	2024
Cash at bank and in hand	321,827	239,777

Cash and cash equivalents are at the free disposal of the Company.

7. Equity attributable to shareholders of the Company

At year-end 2025, the authorised capital of the Group was 400 million ordinary shares (2024: 400 million) and 600 million preference shares (2024: 600 million), all with a nominal value of €0.10 per share (2024: €0.10 per share). All issued shares have been paid in full.

Movements in shareholders' equity are as follows:

Movements in shareholders' equity are as follows:	Attributable to the shareholders of the Company					Total
	Issued and paid capital	Share premium	Legal reserves	Retained earnings	Net result	
As at 1 January 2024	28,404	810,907	79,488	(173,295)	174,991	920,495
Net result for the year	-	-	-	-	82,248	82,248
Appropriation of result	-	-	-	174,991	(174,991)	-
Dividend payment	-	-	-	(25,840)	-	(25,840)
Remeasurements of post-employment benefit obligations	-	-	-	(12,735)	-	(12,735)
Movements in cash flow hedges	-	-	(26,345)	-	-	(26,345)
Repurchase of ordinary shares	-	-	-	(65,525)	-	(65,525)
Share-based payments	-	-	-	2,709	-	2,709
Exchange rate differences	-	-	20,506	-	-	20,506
Transfers	-	-	(93,535)	93,535	-	-
As at 31 December 2024	28,404	810,907	(19,886)	(6,160)	82,248	895,513
Net result for the year	-	-	-	-	210,990	210,990
Appropriation of result	-	-	-	82,248	(82,248)	-
Dividend payment	-	-	-	(65,998)	-	(65,998)
Remeasurements of post-employment benefit obligations	-	-	-	(11,472)	-	(11,472)
Movements in cash flow hedges	-	-	-	-	-	-
Repurchase of ordinary shares	-	-	-	(50,036)	-	(50,036)
Cancellation of shares	(1,204)	-	-	1,204	-	-
Share-based payments	-	-	-	2,573	-	2,573
Exchange rate differences	-	-	(23,523)	-	-	(23,523)
Transfers	-	-	4,116	(4,116)	-	-
As at 31 December 2025	27,200	810,907	(39,293)	(51,757)	210,990	958,047

On 8 May 2025, the annual general meeting approved a cash dividend of €0.25 per ordinary share with a scrip alternative (2024: €0.20 per ordinary share). On 6 June 2025, the Group paid €66.0 million in cash (2024: €25.8 million in cash and distributed 7.2 million shares to shareholders that opted for stock dividend)

During 2025, the Group repurchased 7.2 million own shares for a total consideration of €50.0 million (2024: €65.5 million). This comprises the repurchase programme of the €50 million share buyback (6.8 million shares) and the repurchase from employees (0.4 million shares) of a part of the shares that vested under the performance share plan and special incentive plan to settle their wage tax and social security premiums.

7.1 Share premium, legal reserves, retained earnings and net result

Legal reserves comprise the reserves for (cash flow) hedging, translation differences and the Group's non-distributable reserve relating to undistributed profits accumulated in joint ventures and associates. These legal reserves are required by Dutch law and are not distributable.

The hedging reserve amounts to nil (2024: nil) and the translation reserve amounts to €90 million negative (2024: €66 million negative). The Group's non-distributable reserve relating to undistributed profits accumulated in joint ventures and associates amounts to €51 million (2024: €46 million). The sum of share premium retained earnings and net result are in principle distributable except for an amount of €90 million, which is to cover the negative translation reserve.

7.2 Dividends per share

The net result for 2025 amounting to €211 million has been attributed to shareholders' equity. The Company proposes to declare a cash dividend over 2025 of €0.30 per ordinary share.

8. Provisions

	2025	2024
Subsidiaries	5,397	-
Employee benefits	1,357	6,013
	6,754	6,013

Employee benefits provision mainly relates to the defined benefit liability of the Dutch pension plan as disclosed in note 25 of the consolidated financial statements.

9. Other liabilities

	2025	2024
Amounts due to subsidiaries	686,638	598,785
Income tax payable	4,740	10,375
Other liabilities	11,625	10,046
	703,003	619,206

Amounts due to subsidiaries is related to intercompany financing and the Group's cash pool structure. The amounts are payable on demand and are subject to an interest rate equal to one month EURIBOR or SONIA. Other liabilities mainly consist of trade and other payables.

10. Internal charges

Internal charges represent revenue from services that have been charged to subsidiaries in respect of management activities and responsibilities. The company charges these to its subsidiaries on a cost-plus basis.

11. Other income

Other income in 2024 included the gain on the contingent consideration related to the divestment of 50% of the shares of BAM PPP to PGGM Infrastructure Fund (“PGGM”) in December 2020, as disclosed in note 12 to the consolidated financial statements.

12. Employee benefit expenses

	2025	2024
Wages and salaries	20,886	18,244
Social security costs	1,747	1,514
Share-based payment expense	2,329	1,303
Pension costs - defined contribution plans	1,420	1,589
Pension costs - defined benefit plans	9	15
	26,391	22,665

At year-end 2025, the Company employed 99 FTE (2024: 101). The average number of FTE in 2025 was 100 (2024: 101). There are no employees in other countries than the Netherlands.

13. Income tax expense

The Company’s effective tax rate differs from the applicable nominal tax rate of 25.8%. The difference in both 2025 and 2024 is mainly attributable to the recognition of additional deferred tax assets relating to tax losses. This is based on the Group’s forecast of taxable profits for the next five years.

14. Related parties

The Company has entered into arrangements with a number of its subsidiaries and affiliated companies in the course of its business. These arrangements relate to service transactions and financing agreements and were conducted at market prices.

15. Commitments and contingencies

15.1 Guarantees

At 31 December 2025, the Company has issued parent company guarantees amounting to €120 million (2024: €111 million).

15.2 Third-party liability

The Company is jointly and severally liable for the debts of the subsidiaries based in the Netherlands pursuant to section 403, Book 2 of the Dutch Civil Code.

The Company, together with other participants, has a joint and several liability for deficits in the Group’s cash pool as a whole.

The Company forms a fiscal unity with BAM’s major Dutch and certain other subsidiaries for income tax and VAT purposes and, for that reason, it is jointly and severally liable for the Dutch income tax and Dutch VAT liabilities of the whole fiscal unity.

Bunnik, the Netherlands, 25 February 2026

Supervisory Board:

H.Th.E.M. Rottinghuis

B. Elfring

J. Hanson

D. Koopmans

N.M. Skorupska

M.P. Sheffield

Executive Board:

R.J.M. Joosten

H. de Pater



Key upgrades to Manchester Airport Terminal 2, United Kingdom



Other information

[Articles of Association](#) 236

[Anti-takeover measures](#) 237

[List of principal subsidiaries, joint arrangements and associates](#) 238

8.1 Independent auditor's report and limited assurance report on sustainability information

Independent auditor's report

To: the shareholders and supervisory board of Koninklijke BAM Groep N.V.

Report on the audit of the financial statements 2025 included in the annual report

Our opinion

We have audited the accompanying financial statements 2025 of Koninklijke BAM Groep N.V. based in Bunnik, the Netherlands. The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:

- The consolidated financial statements give a true and fair view of the financial position of Koninklijke BAM Groep N.V. as at 31 December 2025 and of its result and its cash flows for 2025 in accordance with International Financial Reporting Standards as adopted in the European Union (EU-IFRSs) and with Part 9 of Book 2 of the Dutch Civil Code
- The company financial statements give a true and fair view of the financial position of Koninklijke BAM Groep N.V. as at 31 December 2025 and of its result for 2025 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

- The consolidated statement of financial position as at 31 December 2025
- The following statements for 2025: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows
- The notes comprising material accounting policy information and other explanatory information

The company financial statements comprise:

- The company statement of financial position as at 31 December 2025
- The company income statement for 2025
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Koninklijke BAM Groep N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

Koninklijke BAM Groep N.V., (the company, and together with its consolidated subsidiaries, Royal BAM Group), offers its clients products and services in the sectors Construction and Property and Civil Engineering. Revenues from construction contracts, is considered an area requiring significant judgments and a key source of estimation uncertainty. Land and building rights involved in property development, at the company's own risks and rewards, requires recoverability testing based on the net realizable value. We paid specific attention in our audit to a number of areas driven by the operations of Royal BAM Group and our risk assessment.

Materiality

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€54 million (2024: €45 million)
Benchmark applied	0.8% of revenue from continued operations for 2025 (2024: 0.75% of revenue)
Explanation	Based on our analyses of the common information needs of users of the financial statements, we presume result before tax would be an appropriate benchmark to determine materiality. However, result before tax has been volatile and consequently we considered revenues to be a more appropriate benchmark to determine materiality.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of €2.7 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Royal BAM Group is at the head of a group of entities. The financial information of this group is included in the financial statements. The Company is structured in divisions and is mainly active in the Netherlands, the United Kingdom, Ireland and Belgium, and we tailored our group audit approach accordingly.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Based on our understanding of the group and its environment, the applicable financial framework and the group's system of internal control, we identified and assessed risks of material misstatement of the financial statements and the significant accounts and disclosures. Based on this risk assessment, we determined the nature, timing and extent of audit work performed, including the entities or business units within the group (components) at which to perform audit work. For this determination we considered the nature of the relevant events and conditions underlying the identified risks of material misstatements for the financial statements, the association of these risks to components and the materiality or financial size of the components relative to the group. We communicated the audit work to be performed and the identified risks through instructions for component auditors as well as requesting component auditors to communicate matters related to the financial information of the component that is relevant to identifying and assessing risks.

We have:

- performed audit procedures ourselves in respect of areas such as the valuation of goodwill, taxation and pensions;
- selected 8 components to perform audits for group reporting purposes, primarily because we identified a significant risk of material misstatement for one or more account balances and/or disclosures.

This resulted in a coverage of 72% of revenue and 83% of total assets.

For other components, we performed specified audit procedures and analytical procedures to corroborate that our risk assessment and scoping remained appropriate throughout the audit.

For the components of Royal BAM Group in the United Kingdom, Ireland and Belgium, we involved EY component auditors, who are familiar with local laws and regulations. We involved non-EY component as well as EY component auditors for projects with external partners in which Royal BAM Group does not have a majority share. We performed site visits to meet with local management and component teams, observe the component operations, discuss the group risk assessment and the risks of material misstatements for BAM Construction Ltd, BAM Infrastructure Ltd, BAM Contractors Ltd, BAM Belgium B.V., BAM Bouw en Techniek B.V., BAM Residential B.V., BAM Energie & Water B.V., and BAM Infra B.V. We reviewed and evaluated the adequacy of the deliverables from component auditors and reviewed key working papers for selected components to address the risks of material misstatement. We held planning meetings, key meetings required based on circumstances and we attended closing meetings with local management and component teams for these 8 components. During these meetings and calls, amongst others, the planning, procedures performed based on risk assessments, findings and observations were discussed and any further work deemed necessary by the primary or component team was then performed.

By performing the audit work mentioned above at the entities or business units within the group, together with additional work at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Teaming and use of specialists

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a listed client in the real estate and construction industry. We included specialists in the areas of IT audit, corporate finance, income tax, pensions, construction projects, land and building rights, share based payments and forensics.

Our focus on climate-related risks and the energy transition

Climate change and the energy transition are high on the public agenda. Issues such as CO₂ reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets and provisions or the sustainability of the business model. These issues entail access to financial markets of companies with a larger CO₂ footprint.

The executive board summarized the Royal BAM Group's commitments and obligations, and reported in the Section 2 "Our strategy" and 3.2, "Sustainability performance" of the annual report and Note 2.1.1, "Climate-related matters" in the financial statements how the Company is addressing climate-related and environmental risks also taking into account related regulatory and supervisory guidance and recommendations.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and the effects of the energy transition and the company's commitments and (constructive) obligations, are taken into account in estimates and significant assumptions, as well as in the design of relevant internal control measures. Furthermore, we read the annual report and considered whether there is any material inconsistency between the sustainability information in Sections 2.4, "Strategy 2024-2026: Focus, Transform, Expand" and 3.2, "Sustainability performance" and the financial statements, including Note 2.1.1, "Climate-related matters".

Based on the audit procedures performed, we do not deem climate-related risks to have a material impact on the financial reporting judgements, estimates or significant assumptions as at 31 December 2025.

Our focus on fraud and non-compliance with laws and regulations Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the Company and its environment and the components of the system of internal control, including the risk assessment process and the executive board's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes.

We refer to Chapter 4 of the annual report for the executive board's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We specifically considered fraud risk factors relating to non-compliance with anti-fraud and anti-bribery laws and regulations both as a result of active transactions involving illegal payments (bribery), especially in tender processes, or passive transactions. We evaluated whether these fraud risk factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organisations. For these risks we have, among other things, performed procedures to evaluate whether the selection and application of accounting policies by the Company, particularly those relating to subjective measurements and complex transactions, as disclosed in Note 3 'Critical accounting judgments and key sources of estimation uncertainties' to the consolidated financial statements, may be indicative to fraudulent financial reporting. We have also used data analysis to identify and address high-risk journal entries and other adjustments made in the financial reporting process. We evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

The following fraud risk identified required significant attention during our audit.

Presumed risks of fraud in revenue recognition

We presumed that there are risks of fraud in revenue recognition. We evaluated that revenues from construction contracts give rise to these risks, including the related valuation of work in progress, due to an intentional over-estimation and/or under-estimation of the project results and required contract provisions. The risk relates to projects that are considered key (key projects) due to, amongst others, their relative size and complexity and may take the form of:

Fraud risk

- Incorrect recognition and valuation of variable considerations (i.e. variation orders, claims, penalties and bonuses)
- Incorrect estimation of costs to complete (including an increased estimation uncertainty due to supply chain pressure and inflationary aspects)

Our audit

We describe the audit procedures responsive to this fraud risk in the description of our audit approach for the key audit matter Valuation of key projects and revenue recognition.

We considered available information and made enquiries of relevant executives, directors, internal audit, legal, compliance, tender desk, local management and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements, including compliance with tender laws and regulations. This is assessed from our general industry experience, through discussions and inquiries with the executive board, compliance officer and tender desk manager, reading minutes, inspection of internal audit and compliance reports, and performing substantive tests of details of classes of transactions, account balances or disclosures. As part of these procedures, we selected tenders and tested compliance with the tender policy, performed data-analytic procedures and remained alert to any indication of irregularities.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in section Basis of preparation in Note 2.1 to the consolidated financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the executive board made a specific assessment of the Company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the executive board exercising professional judgment and maintaining professional scepticism. We considered whether the executive board's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern or the executive board's use of the going concern basis of accounting. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

The key audit matter "Investigation by the Dutch authorities" which was included in our last year's auditor's report, is not considered a key audit matter for this year as the investigation was closed in December 2024. In comparison with previous year, there were no relevant changes to our other key audit matters.

Valuation of key projects and revenue recognition

Royal BAM Group is involved in large and complex construction projects on which it recognises revenue based on the cost-to-cost method. The valuation of key projects and revenue recognition are significant to the financial statements based on the quantitative materiality and the degree of management judgment required to apply the cost-to-cost method for complex construction projects. As disclosed in notes 3.1 and 6 to the consolidated financial statements, under the cost-to-cost method, costs are recognised as incurred and revenue is recognised on the basis of the proportion of total costs at the reporting date to the estimated total costs of the contract. The amount of project revenue and profit recognised as well as provisions for onerous contracts in a year is dependent, inter alia, on the actual costs incurred, the assessment of the measure of progress of (long-term) contracts and the forecasted contract revenue and costs to complete of each project. Furthermore, the amount of revenue and result are influenced by the recognition and valuation of variation orders and claims. This often involves a high degree of judgment due to the complexity of projects, uncertainty about costs to complete and uncertainty about the outcome of discussions with clients on variation orders and claims.

We presumed that there are risks of fraud in revenue recognition, in particular related to revenues from construction contracts. We therefore considered this to be a key audit matter. The risk relates to projects that are considered key (key projects) due to, amongst others, their relative size and complexity.

Risk

Our audit procedures included obtaining an understanding of the internal control environment of Royal BAM Group, evaluating implementation of relevant controls, performing physical and digital site visits (using webcams), vouching project valuations and challenging the executive board's position for key projects based on supporting documentation and Royal BAM Group's accounting policy. In connection with our component teams and based on our understanding of Royal BAM Group, inquiries with management and other procedures, we have selected projects which we deem key projects for our audit procedures.

Our audit approach

For long-term contracts, we also compared the position that Royal BAM Group is currently taking to the positions taken in previous year, to ensure consistency in the valuation and to perform back testing on this estimate. During our procedures we had an increased focus on the impact of challenging market conditions from economic volatility, global political uncertainties due to international conflicts, inflationary aspects and supply chain pressure. In cases where a high amount of judgment is involved, we gained additional comfort by comparing the executive board's positions to opinions from external parties such as lawyers or surveyors. For specifically complex projects we involved our own construction experts to determine the reasonableness of the executive board's estimations of variable considerations and costs to complete.

Key observations

Overall, in our view revenues are recognised and projects have been valued in accordance with EU-IFRSs

Valuation of land and building rights

Risk	<p>As per 31 December 2025, Royal BAM Group recognised land and building rights (€331 million). Land and building rights are generally acquired at a premium on their value in current condition.</p> <p>As disclosed in Note 3.4 to the consolidated financial statements, the estimates supporting the value of land and building rights relate to the future development of prices of residential housing for terms that vary from one year to more than thirty years, inherently creating significant estimation uncertainty. External parties, appraisers and institutions are involved to support the positions of the executive board.</p> <p>In our audit of the financial statements, we specifically considered the estimation uncertainty relevant for the company's positions in land and building rights that are considered key due to, amongst others, their relative size or complexity. We therefore determined this to be a key audit matter.</p>
Our audit approach	<p>Our audit procedures included obtaining an understanding of the methods and models used by Royal BAM Group in determining the net realizable value of land and building rights, including the identification of relevant controls.</p> <p>We involved our own valuation specialists to determine the reasonableness of the assumptions and models used by Royal BAM Group to support the value of land and building rights. We have assessed the calculations of the net realizable values of the land and building rights and challenged the reasonableness and consistency of the assumptions used by the executive board. We also determined consistency with prior years and external appraisals and public information, such as plans and decisions of government bodies.</p> <p>We also evaluated the executive board's assumptions concerning the future development of prices of residential housing with independent expectations of external parties, appraisers and institutions.</p>
Key observations	<p>In our view the valuation applied by Royal BAM Group is in accordance with EU-IFRSs.</p>

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report (excluding the sustainability statement) and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub-section 2 of the Dutch Civil Code for the remuneration report

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The executive board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code. The executive board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with Sections 2:135b and 2:145 sub-section 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the executive board and the supervisory board for the financial statements

The executive board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRSs and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the executive board is responsible for such internal control as the executive board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the executive board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the executive board should prepare the financial statements using the going concern basis of accounting unless the executive board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The executive board should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

In this respect we also submit an additional report to the audit committee of the supervisory board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the audit committee and the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Report on other legal and regulatory requirements and ESEF Engagement

We were engaged by the shareholders meeting as auditor of Koninklijke BAM Groep N.V. on 22 April 2015, as of the audit for the year 2016 and have operated as statutory auditor ever since that date.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Reporting Format (ESEF)

Royal BAM Group has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in the XHTML format, including the (partially) marked-up consolidated financial statements as included in the reporting package by Royal BAM Group, complies in all material respects with the RTS on ESEF.

The executive board is responsible for preparing the annual report, including the financial statements, in accordance with the RTS on ESEF, whereby the executive board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N, "Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument" (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:

- Obtaining an understanding of the Company's financial reporting process, including the preparation of the reporting package
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
 - Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF
 - Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Utrecht, 25 February 2026

EY Accountants B.V.

Signed by J.H.A. de Jong

Limited assurance report of the independent auditor on the sustainability statement

To: the shareholders and the supervisory board of Koninklijke BAM Groep N.V.

Our conclusion

We have performed a limited assurance engagement on the consolidated sustainability statement for 2025 of Koninklijke BAM Groep N.V. based in Bunnik, the Netherlands (hereinafter: the company or Royal BAM Group N.V.) in chapter 6 Sustainability statement of the accompanying management report including the information incorporated in the sustainability statement by reference (hereinafter: the sustainability statement).

Based on our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects:

- prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and compliant with the double materiality assessment process carried out by the company to identify the information reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Our conclusion has been formed on the basis of the matters outlined in this limited assurance report.

Basis for our conclusion

We have performed our limited assurance engagement on the sustainability statement in accordance with Dutch law, including Dutch Standard 3810N, “Assurance-opdrachten inzake duurzaamheidsverslaggeving” (Assurance engagements relating to sustainability reporting), which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised), “Assurance engagements other than audits or reviews of historical financial information”.

Our assurance engagement was aimed to obtain a limited level of assurance that the sustainability statement is free from material misstatements. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities in this regard are further described in the section ‘Our responsibilities for the limited assurance engagement on the sustainability statement’ of our report.

We are independent of Royal BAM Group N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. This includes that we do not perform any activities that could result in a conflict of interest with our independent assurance engagement and we are not involved in the preparation of the sustainability statement, as doing so may compromise our independence. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants). The ViO and VGBA are at least as demanding as the International code of ethics for professional accountants (including International independence standards) of the International Ethics Standards Board for Accountants (the IESBA Code) as relevant to limited assurance engagements on sustainability statements of public interest entities in the European Union.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent limitations associated with measurement or evaluation of sustainability information

Significant uncertainties affecting the quantitative metrics and monetary amounts

Chapter 6.2 General information and sustainability reporting principles of the sustainability statement paragraph “Estimations, sources of estimation, and outcome uncertainty” in the sustainability statement identifies the quantitative metrics and monetary amounts that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the company has made in measuring these in compliance with the ESRS. The significant uncertainties relate to reliance on third-party data, resource inflows and Scope 3 GHG emissions.

Comparability may be limited for entity-specific sustainability information

The company provides additional entity-specific sustainability information, which are summarised and referenced in chapter 6.2 *General information and sustainability reporting principles (ESRS 2)*. The comparability of entity-specific sustainability information between entities and over time may be affected by the absence of a uniform practice or availability of external information sources to measure or evaluate this information that can support comparability. This allows for the application of different, but acceptable, measurement techniques.

Inherent limitations of a double materiality assessment process

The sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Inherent limitations of forward-looking information

In reporting forward-looking information in accordance with the ESRS, the executive board describes the underlying assumptions and methods of producing the information, as well as other factors that provide evidence that it reflects the actual plans or decisions made by the company (actions). Forward-looking information relates to events and actions that have not yet occurred and may never occur. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Responsibilities of the executive board and the supervisory board for the sustainability statement

The executive board is responsible for the preparation of the sustainability statement in accordance with the ESRS, including the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the sustainability statement, the executive board is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation). The executive board is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company’s sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the executive board is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the sustainability reporting process including the double materiality assessment process carried out by the company.

Our responsibilities for the limited assurance engagement on the sustainability statement

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

We apply the applicable quality management requirements pursuant to the Nadere voorschriften kwaliteitsmanagement (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included amongst others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the company, its activities and the value chain and its key intangible resources in order to assess the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS
- Obtaining through inquiries a general understanding of the internal control environment, the company's processes for gathering and reporting entity-related and value chain information, the information systems and the company's risk assessment process relevant to the preparation of the sustainability statement and for identifying the company's activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance information about the implementation or testing the operating effectiveness of controls
- Assessing the double materiality assessment process carried out by the company and identifying and assessing areas of the sustainability statement, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise ('selected disclosures'). Designing and performing further assurance procedures aimed at assessing that the sustainability statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the double materiality assessment process in the sustainability statement made by the executive board appears consistent with the process carried out by the company.
- Determining the nature and extent of the procedures to be performed for the group components and locations. For this, the nature, extent and/or risk profile of these components are decisive.
- Performing analytical review procedures on quantitative information in the sustainability statement, including consideration of data and trends
- Assessing whether the company's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends, however our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the executive board's estimates
- Analyzing, on a limited sample basis, relevant internal and external documentation available to the company (including publicly available information or information from actors throughout its value chain) for selected disclosures

- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statement
- Considering whether the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives, reconcile with the underlying records of the company and are consistent or coherent with the sustainability statement, appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met, and whether the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy delegated acts, and comply with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented
- Considering the overall presentation, structure and fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the sustainability statement, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)
- Considering, based on our limited assurance procedures and evaluation of the evidence obtained, whether the sustainability statement as a whole, is free from material misstatements and prepared in accordance with the ESRS.

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Utrecht, 25 February 2026

EY Accountants B.V.

signed by J.H.A. de Jong

8.2 Articles of Association provisions governing the distribution of profit

(Summary of Article 31 of the Articles of Association)

From the profit achieved in any financial year, an amount will first be distributed, where possible, on the class B cumulative preference shares, calculated by applying the percentage stated below to the mandatory amount paid up on those shares as at the start of the financial year for which the distribution is made. The percentage referred to above will be equal to the average of the Euribor rates for money market loans with a maturity of 12 months – weighted according to the number of days for which these rates prevailed – during the financial year for which the distribution is made, plus one percentage point. Euribor refers to the Euro Interbank Offered Rate as determined and published by the European Central Bank.

Subsequently, if possible, a dividend will be distributed on each financing preference share of a certain series, with due consideration of the provisions of this article, equal to an amount calculated by applying a percentage to the nominal amount of the financing preference share concerned at the start of that financial year, plus the amount of share premium paid in on the financing preference share issued in the series concerned at the time of initial issue of the financing preference shares of that series, less the amount paid out on each financing preference share concerned and charged to the share premium reserve formed at the time of issue of the financing preference shares of that series prior to that financial year.

If and to the extent that a distribution has been made on the financing preference shares concerned in the course of the year and charged to the share premium reserve formed at the time of issue of the financing preference shares of the series concerned, or partial repayment has been made on such shares, the amount of the distribution will be reduced pro rata over the period concerned according to the amount of the distribution charged to the share premium reserve and/or the repayment with regard to the amount referred to in the preceding sentence.

The calculation of the dividend percentage for the financing preference shares of a certain series will be made for each of the series of financing preference shares referred to below, in the manner set forth for the series concerned.

Series FP1 to FP4

The dividend percentage will be calculated by taking the arithmetic mean of the yield to maturity on euro government loans issued by the Kingdom of the Netherlands, with a remaining term matching as closely as possible the term of the series concerned, as published in the Euronext Prices Lists, plus two percentage points.

Series FP5 to FP8

The dividend percentage will be equal to the average of the Euribor rates for money market loans with a maturity of 12 months – weighted according to the number of days for which these rates prevailed – during the financial year for which the distribution is made, plus two percentage points.

The above percentages may be increased or reduced by an amount of no more than 300 basis points.

The above percentages apply for the following periods: series FP1 and FP5: five years; series FP2 and FP6: six years; series FP3 and FP7: seven years and series FP4 and FP8: eight years. After a period expires, the percentage will be modified in accordance with the rules laid down in Article 31 paragraph 6(c) of the Articles of Association.

The Supervisory Board shall determine, based on a proposal by the Executive Board, what part of the profit remaining after application of the above provisions will be added to the reserves. The part of the profit that remains thereafter is at the disposal of the General Meeting, subject to the provision that no further dividends will be distributed on the preference shares and with due consideration of the other provisions of Article 31 of the Articles of Association.

8.3 Anti-takeover measures

Royal BAM Group nv has taken the following measures to protect itself against any undesired developments that might have an impact on the independence, continuity and/or identity of the company and the group of companies associated with the company.

Pursuant to a resolution passed by the General Meeting on 12 June 1972, the Articles of Association include the possibility of issuing preference shares. In 1978, Stichting Aandelenbeheer BAM Groep (hereafter referred to as 'the Foundation') was founded with a view to this possibility. The objective of the Foundation is to look after the interests of the Group. Specifically, the Foundation seeks to ensure that the interests of the company, the Group and all their stakeholders are safeguarded as much as possible, and that influences which could undermine the independence and/or continuity and/or identity of the Group and which conflict with those interests are averted to the best of the Foundation's ability. The Foundation attempts to achieve this objective by acquiring and holding class B cumulative preference shares in the company's capital, by exercising the rights connected with those shares and/ or by using its right of enquiry.

As announced at the General Meeting held on 4 June 1992, and considered at the General Meeting on 8 June 1993, the company granted the Foundation an option to acquire class B cumulative preference shares in the company's capital on 17 May 1993. This option was granted up to such an amount as the Foundation might require, subject to a maximum of a nominal amount that would result in the total nominal amount of class B cumulative preference shares in issue and not held by the company equalling no more than ninety-nine point nine per cent (99.9%) of the nominal amount of the issued share capital in the form of shares other than class B cumulative preference shares and not held by the company at the time of exercising the right referred to above. The board of the Foundation has the exclusive right to determine whether or not to exercise this right to acquire class B cumulative preference shares. No class B cumulative preference shares have been issued at this time. On 6 October 2008, the company granted the Foundation the right, under Article 2:346(c) of the Dutch Civil Code, to submit a petition as referred to in Article 2:345 of the Dutch Civil Code (right of enquiry).

The Supervisory Board and the Executive Board reserve the right, in the interests of the company and its associated companies, to resolve to take alternative measures to protect the Group against influences that might be regarded by the Supervisory Board and the Executive Board, after balancing the interests of the company and all of the stakeholders in the Group, as being potentially damaging to the independence, continuity and/or identity of the Group.

The Foundation's board consists of three members who are appointed by the Foundation's board, after notification to the Executive Board. The Foundation is supported by its own legal and communication advisors. The composition of the board at the end of 2025 was:

J.J. Nooitgedagt, chair;

F.K. Buijn;

P. van Riel.

The chair of the Foundation's board receives an annual fee of €12,000 from the Foundation. The Foundation pays an annual fee of €10,000 to each of the other members of its board.

The particulars of the board members are:

J.J. (Jan) Nooitgedagt (1953), chair

Mr Nooitgedagt has served on the Foundation's board since 2017 and was appointed chair in that same year. He is a Dutch national. A former member of the executive board and chief financial officer of Aegon, Mr Nooitgedagt is chair of the supervisory board of PostNL N.V., board member of various non-profit organisations and chair of the board of Stichting Beschermingspreferente Aandelen Fugro.

F.K. (Frederik) Buijn (1950)

Mr Buijn has been a member of the Foundation's board since 2012. He is a Dutch national. Due to his long-term experience as a qualified civil-law notary, Mr Buijn is well-versed in corporate law. Mr Buijn is a member of the board of the Stichting Preferente Aandelen Arcadis N.V. He is involved in various family companies as chair or as a member of foundation trust offices.

P. (Paul) van Riel (1956)

Mr van Riel became a member of the Foundation's Board in 2019. He is a Dutch national. He is former CEO and chair of the management board of Fugro N.V. He is chair of the supervisory board of NV HVC and chair of the board of Stichting Preferente Aandelen Arcadis N.V.

8.4 List of principal subsidiaries, joint arrangements and associates

A list of associates as referred to in Sections 379 and 414, Book 2, of the Netherlands Civil Code has been deposited at the Office of the Trade Register in Utrecht.

Subsidiaries	%
BAM Groep Nederland bv*, Bunnik (Netherlands)	100
BAM Nederland bv*, Bunnik (Netherlands)	100
BAM Bouw en Techniek bv*, Bunnik (Netherlands)	100
BAM Residential bv*, Bunnik (Netherlands)	100
uniting the activities of:	
BAM Wonen bv*, Bunnik	100
Homestudios bv*, Bunnik	100
AM bv*, Utrecht	100
BAM Specials bv*, Bunnik (Netherlands)	100
uniting the activities of:	
BAM Energie & Water bv*, Nieuwleusen	100
BAM Telecom bv*, Zwammerdam	100
BAM Infra Nederland bv*, Gouda (Netherlands)	100
uniting the activities of:	
BAM Infra bv*, Gouda	100
BAM Infra Rail bv*, Bunnik	100
BAM Infraconsult bv*, Bunnik	100
BAM Belgium bv, Berchem, Antwerp (Belgium)	100
uniting the activities of:	
BAM Interbuild bv, Berchem, Antwerp	100
Kairos nv, Antwerp	100
BAM Construct & Ventures UK Ltd, Hemel Hempstead (United Kingdom)	100
Uniting the activities of:	
BAM Construction Ltd, Hemel Hempstead	100
BAM FM Ltd, Glasgow, Strathclyde	100
BAM Nuttall Ltd, Camberley, Surrey (United Kingdom)	100
BAM Contractors Ltd, Kill, County Kildare (Ireland)	100

* In respect of these subsidiaries, Royal BAM Group nv has deposited a declaration of joint and several liability pursuant to Section 403, Part 9, Book 2 of the Netherlands Civil Code.



09



Transpennine route railway upgrade between Leeds and Huddersfield, United Kingdom



Appendices

Royal BAM Group nv shares [240](#)

Ten-year overview [242](#)

Glossary [243](#)

9.1 Royal BAM Group nv shares

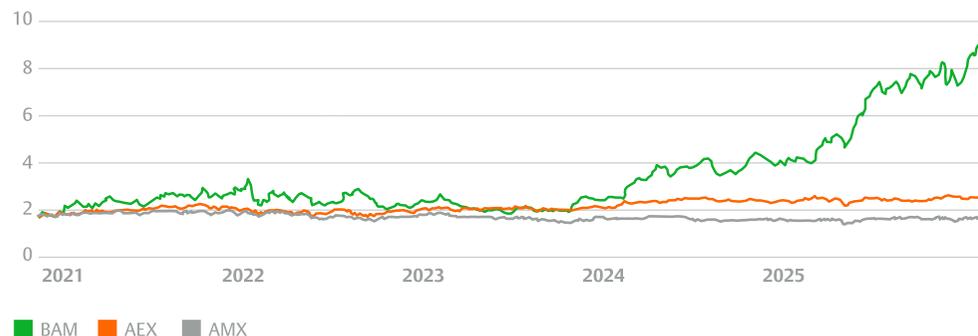
BAM has been listed on Euronext Amsterdam since 1959 (symbol: BAMNB; ISIN code: NL0000337319). In March 2025 BAM was promoted from the AScX small cap index to the AMX index for mid-sized companies, and options are traded by Liffe, the Euronext derivatives exchange. The market capitalisation at year-end 2025 was €2.4 billion (year-end 2024: €1.1 billion)

Share price and trading in 2025

BAM's share price at year-end 2025 was €9.30, which was 121% above the closing price at year-end 2024 (€4.20). The AMX index ended the year up 10%. BAM's share price has increased by 444% over the last five years. By way of comparison, the AEX and the AMX indexes rose by 52% and 2% respectively in the same period. The graph below shows the history of the BAM ordinary share price over the past five years. The average daily trade in BAM shares was 934 thousand shares (2024: 829 thousand). In 2025, the average daily trade in BAM shares amounted to €6.3 million (2024: €3.2 million).

Ordinary share price movement¹

(in €)



¹ AEX and AMX indices rebased to the BAM share price as on 1 January 2021.

Dividend policy

BAM has a dividend policy to distribute a dividend reflecting between 30 and 50% of the net result for the year. When deciding upon the dividend, the Company considers the balance sheet structure supporting the strategic agenda. The proposal is to distribute a dividend of €0.30 over 2025 (dividend 2024: €0.25).

Shareholders

BAM closely monitors developments in its shareholder base through market information and a yearly shareholder identification report. Under the Dutch Financial Supervision Act, shareholders must disclose to the Dutch Authority for the Financial Markets (AFM) when they hold 3% or more of shares and when they transfer to a different threshold level. At year-end 2025, the aggregate holdings of funds controlled by Dimensional Fund Advisors, JP Morgan Asset Management, Moneta Asset management and The Vanguard Group each surpassed 3% in BAM's share capital. BAM holds 14.8 million treasury shares, of which 3.5 million shares are allocated for the long-term incentive plan.

Geographical distribution of shareholders at 31 December 2025



Investor relations policy

The purpose of the Group's investor relations policy is to provide accurate, transparent and consistent information in a timely manner to stakeholders, which includes existing and potential shareholders, financial institutions, brokers and the media. BAM intends to ensure there is a clear understanding of its strategy, performance and decisions to create awareness and confidence. Information is made available through the annual report, quarterly financial and other information, press releases and presentations to investors, which are all available on the Company's website. BAM discloses price-sensitive information without delay through a press release and on its website.

BAM has embedded a closed period in its reporting calendar. In this period, the Company does not engage with investors, analysts or the press about general business matters. This closed period starts six weeks prior to the publication of each annual report and half-year report and three weeks prior to the publication of the first and third quarter trading updates.

Information per share

<i>(in € per share, unless otherwise indicated)</i>	2025	2024	2023	2022	2021
Number of ordinary shares ranking for dividend	257,202,242	263,523,822	268,978,254	268,119,569	273,296,017
Average number of ordinary shares	260,413,636	268,969,034	269,966,098	271,783,810	273,296,017
Net result ranking for dividend	0.82	0.31	0.65	0.67	0.07
Equity attributable to shareholders	3.72	3.40	3.42	3.02	2.39
Dividend ¹	0.30	0.25	0.20	0.15	-
Pay-out (in %)	36.6	81.0	30.7	22.3	-
Dividend yield (in %) ²	3.2	6.0	8.3	6.9	-
Highest closing price	9.37	4.71	2.68	3.44	3.03
Lowest closing price	3.99	2.41	1.76	1.97	1.61
Price on 31 December	9.30	4.20	2.42	2.17	2.69
Average daily trade (in number of shares)	934,000	829,000	1,785,000	2,151,000	2,021,000
Market capitalisation at year-end (x €1,000) ³	2,391,981	1,106,800	650,927	581,819	735,166

¹ Dividend proposal 2025.

² Based on share price at year-end.

³ Based on total number of ordinary shares in issue.

Number of outstanding ordinary shares

BAM has a policy of buying back shares to meet its obligations under various long-term incentive plans and to avoid dilution. During 2025, the number of shares qualifying for dividends decreased by 6.3 million as a result of buy backs.

Key financial dates

2026

7 May Annual general meeting of shareholders

7 May Trading update first quarter 2026

30 July Publication of half-year results 2026

5 November Trading update first nine months 2026

2027

18 February Publication of annual results 2026

5 May Annual general meeting of shareholders

5 May Trading update first quarter 2027

29 July Publication of half-year results 2027

4 November Trading update first nine months 2027

9.2 Ten-year overview

(x € million, unless otherwise stated)¹

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenue	7,039.9	6,455.7	6,270.5	6,618.2	7,315.3	6,768.2	7,209.1	7,207.8	6,603.7	6,976.1
Adjusted EBITDA ²	400.3	333.3	304.3	350.2	278.4	200.8	235.4	213.7	113.1	159.8
Adjusted EBITDA margin (in %) ²	5.7	5.2	4.9	5.3	3.8	2.9	3.3	3.0	1.7	2.3
Operating result	238.2	58.8	170.7	213.4	78.1	(221.3)	52.3	105.2	28.6	32.9
Result before tax	248.5	67.3	183.6	215.7	65.8	(236.9)	50.6	114.5	58.3	60.1
Net result	211.0	82.2	175.0	177.7	17.0	(122.4)	12.0	24.4	13.4	49.2
• from continuing operations	211.0	62.2	175.0	177.7	17.0	(272.0)	12.0	24.4	13.4	49.2
• from discontinued operations	-	20.0	-	-	-	149.7	-	-	-	-
• attributable to the shareholders of the Company	211.0	82.2	175.0	179.6	18.1	(122.2)	11.8	23.8	12.5	46.8
Basic earnings per share (in €1)	0.81	0.31	0.65	0.66	0.07	(0.45)	0.04	0.09	0.05	0.17
Diluted earnings per share (in €1)	0.80	0.30	0.64	0.65	0.07	(0.45)	0.04	0.09	0.05	0.17
Dividend per ordinary share (in €1) ³	0.30	0.25	0.20	0.15	-	-	-	0.14	0.10	0.09
Equity attributable to the shareholders of the Company	958.0	895.5	920.5	810.6	653.6	583.4	628.4	729.0	852.2	834.3
Subordinated convertible bonds	-	-	-	-	-	118.7	120.5	117.6	115.0	112.5
Capital base	958.0	895.5	920.5	810.6	653.6	702.1	748.9	846.7	967.2	946.7
Total assets	4,101.5	3,891.0	3,932.0	3,819.4	4,495.9	5,244.5	4,540.2	4,578.0	4,571.2	4,812.0
Capital ratio (in %)	23.4	23.0	23.4	21.2	14.5	13.4	16.5	18.5	21.2	19.7
Capital employed	1,456.2	1,317.6	1,345.7	1,194.3	1,272.6	1,957.3	1,536.1	1,388.7	1,520.1	1,657.3
Return on capital employed (in %)	17.2	5.8	13.7	16.8	5.6	(4.2)	3.4	7.5	2.8	2.9
Additions to property, plant and equipment	63.5	72.9	80.0	92.9	64.9	58.7	82.3	83.1	82.4	61.9
Additions to right-of-use assets	143.4	102.2	107.4	43.7	51.3	78.4	118.1	-	-	-
Depreciation property, plant and equipment	51.5	41.9	39.3	39.6	51.4	54.0	54.0	63.8	55.0	60.3
Depreciation right-of-use assets	101.0	82.0	77.7	68.5	85.6	99.2	99.7	-	-	-
Amortisation intangible assets	5.3	3.9	4.3	8.6	8.4	6.0	5.9	6.0	4.1	4.1
Impairments (including from joint ventures and associates)	(3.6)	114.5	2.6	15.0	48.5	74.7	18.5	23.8	4.8	50.7
Order book	13,004	13,008	9,809	10,038	13,243	13,760	12,659	12,692	11,609	10,193
Average number of employees (in FTE)	13,323	13,172	13,344	14,608	17,001	18,731	19,433	20,194	19,720	20,370

¹ All amounts are as reported in the respective year.

² From continued and discontinued operations.

³ For 2025 dividend proposal

9.3 Glossary

Some measures included in this annual report are not IFRS measures and are generally referred to as non-IFRS measures. The Group uses these as internal measures of performance to compare against budget, prior year and/or latest internal forecasts. The non-IFRS measures are reported in this annual report, as the Group believes they will support stakeholders to understand the Group's financial position and results of operations. Included below are reconciliations of the respective non-IFRS measure to the closest financial measure under IFRS for stakeholders to appropriately understand their nature. Amounts are in thousands of euro, unless stated otherwise.

Adjusted EBITDA

Result before tax, impairment charges, interest, depreciation and amortisation and excluding restructuring costs and pension one-off results. Adjusted EBITDA is determined as follows:

	2025	2024
Result before tax	248,548	67,330
Result from discontinued operations	-	20,069
Finance result	(10,353)	(8,538)
Operating result ("EBIT")	238,195	78,861
(Reversal of impairments) / impairments	(7,050)	4,433
Share in impairment charges of associates and joint ventures	3,483	110,050
Depreciation and amortisation	157,791	127,769
EBITDA	392,419	321,113
Restructuring costs	7,890	12,236
Pension one-off	-	-
Adjusted EBITDA	400,309	333,349

Capital base

Equity attributable to the shareholders of the Company plus subordinated convertible bond. Capital base is determined as follows:

	2025	2024
Equity attributable to the shareholders of the Company	958,047	895,513
Subordinated convertible bond	-	-
Capital base	958,047	895,513

Capital employed

Non-current assets plus net working capital plus cash and cash equivalents. Capital employed is determined as follows:

	2025	2024
Non-current assets	1,374,609	1,291,283
<i>Plus: net working capital</i>	<i>(801,849)</i>	<i>(737,241)</i>
<i>Plus: cash and cash equivalents</i>	<i>883,427</i>	<i>763,421</i>
Capital employed	1,456,187	1,317,463

Capital ratio

Capital base divided by total assets. Capital ratio is determined as follows:

	2025	2024
Capital base	958,047	895,513
Total assets	4,101,503	3,891,006
Capital ratio	23.4%	23.0%

Cash flow from working capital

The sum of decrease/(increase) in inventories, decrease/(increase) in trade and other receivables and increase/(decrease) in trade and other payables as presented in the consolidated statement of cash flows.

Cash flow from working capital is determined as follows:

	2025	2024
Decrease/(increase) in inventories	(55,358)	15,612
Decrease/(increase) in trade and other receivables	(52,799)	26,314
Increase/(decrease) in trade and other payables	72,539	(39,032)
Cash flow from working capital	(35,618)	2,894

EBIT

Earnings before interest and tax. The amount is the equivalent of operating result as specified in the reconciliation of adjusted EBITDA.

General Meeting

Annual general meeting of shareholders.

Liquidity position

The amount of cash and cash equivalents.

Net (debt) / cash

Cash and cash equivalents minus (non-current and current) borrowings minus (non-current and current) lease liabilities. Net (debt) / cash is determined as follows:

	2025	2024
Cash and cash equivalents	883,427	763,421
<i>Minus: non-current borrowings</i>	<i>(56,347)</i>	<i>(59,838)</i>
<i>Minus: current borrowings</i>	<i>(34,591)</i>	<i>(7,012)</i>
<i>Minus: non-current lease liabilities</i>	<i>(190,364)</i>	<i>(178,100)</i>
<i>Minus: current lease liabilities</i>	<i>(100,446)</i>	<i>(78,263)</i>
Net (debt) / cash	501,679	440,208

Net (debt) / cash before lease liabilities

Net (debt) / cash plus (non-current and current) lease liabilities. Net (debt) / cash before lease liabilities is determined as follows:

	2025	2024
Net (debt) / cash	501,679	440,208
<i>Plus: current lease liabilities</i>	<i>100,446</i>	<i>78,263</i>
<i>Plus: non-current lease liabilities</i>	<i>190,364</i>	<i>178,100</i>
Net (debt) / cash before lease liabilities	792,489	696,571

Net working capital

Current assets (excluding cash and cash equivalents) minus current liabilities (excluding current borrowings and current lease liabilities). Net working capital is determined as follows:

	2025	2024
Current assets	2,726,894	2,599,725
<i>Minus: cash and cash equivalents</i>	(883,427)	(763,421)
<i>Minus: current liabilities</i>	(2,780,353)	(2,658,716)
<i>Plus: current borrowings</i>	34,591	7,012
<i>Plus: current lease liabilities</i>	100,446	78,263
Net working capital	(801,849)	(737,137)

Order book

The amount of expected revenue from contracts with customers, for the next five years, that has been secured but has not yet been recognised as revenue as the respective performance obligation has not yet been satisfied. Order book is further specified in note 6.3 of the consolidated financial statements.

Return on capital employed (ROCE)

EBIT (on a rolling year basis) divided by the average four-quarter capital employed. Return on capital employed is determined as follows:

	2025	2024
EBIT	238,195	78,861
Average four-quarter capital employed	1,383,168	1,357,384
ROCE	17.2%	5.8%

Solvency

Equity attributable to shareholders of the Company, divided by total assets:

	2025	2024
Equity attributable to the shareholders of the Company	958,047	895,513
Total assets	4,101,503	3,891,010
Solvency	23.4%	23.0%

Trade working capital

Net working capital minus land and building rights, property development, non-trade receivables and payables (other financial assets, other receivables, taxes, derivative financial instruments, provisions, other liabilities and assets and liabilities held for sale). Trade working capital is determined as follows:

	2025	2024
Net working capital	(801,849)	(737,137)
<i>Minus: land and building rights</i>	(330,618)	(269,143)
<i>Minus: property development</i>	(189,716)	(179,905)
<i>Minus: non-trade receivables</i>	(140,181)	(227,847)
<i>Plus: non-trade payables</i>	454,581	476,175
Trade working capital	(1,007,783)	(937,857)

Trade working capital efficiency

The average four-quarters' trade working capital divided by revenue (on a rolling year basis). TWC efficiency is determined as follows:

	2025	2024
Average four-quarters' trade working capital	(838,479)	(753,070)
Revenue	7,039,900	6,454,951
TWC efficiency	(11.9%)	(11.7%)

Royal BAM Group nv

Runnenburg 9, 3981 AZ Bunnik
P.O. Box 20, 3980 CA Bunnik, the Netherlands

Statutory office in Bunnik, the Netherlands
Trade register number 30058019

+31 (0)30 659 89 88 – info@bam.com – www.bam.com

Illustrations:

Roy Howarth (cover image: Groyne sea defence refurbishment between Happisburgh and Winterton, Norfolk coast, United Kingdom), Brian Hill, BAM Media Gallery, Chris Pennarts, Devlin Photo Ltd, Diego Roserom, Eight Engines - Rupert Grimshaw, Futur Marketing, Jeroen Dietz, Jim Muir, Keith Hunter, Lisette van de Pavoordt, Mulholland Media, Niels Dros, Sander Koning, Shane van Hattum, Tomasz Kozak

European single electronic reporting format

This copy of the annual financial reporting of Royal BAM Group nv for the year ended 31 December 2025 is not presented in the ESEF-format as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). To download the ESEF reporting package, please visit www.bam.com/en/investors/annual-reports. In any case of discrepancies between this PDF version and the ESEF reporting package, the latter prevails.