

Royal BAM Group nv

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

[Terms of disclosure for corporate questionnaire 2024 - CDP](#)

▪

Contents

C1. Introduction

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☒ Publicly traded organization

(1.3.3) Description of organization

Royal BAM Group nv designs, builds and maintains high quality, sustainable buildings, homes, and infrastructure for public and private sector clients. Using the latest industry innovations, our 13,500 employees reduce the carbon footprint of the built environment, whilst delivering increased well-being and social value to the communities we serve. With annual revenues of approximately 6.5 billion, the Group supports clients through two main divisions (Netherlands, and United Kingdom and Ireland) and a PPP business. Royal BAM Group nv is listed on the Amsterdam Euronext exchange.

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/31/2023	Select from: ☒ Yes	Select from: ☒ No

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

6270000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☒ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

NL0000337319

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

724500V38C5KTDY5BS93

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☒ Belgium

☒ United Kingdom of Great Britain and Northern Ireland

☒ Denmark

☒ Ireland

☒ Australia

☒ Netherlands

(1.22) Provide details on the commodities that you produce and/or source.

Timber products

(1.22.1) Produced and/or sourced

Select from:

☒ Sourced

(1.22.2) Commodity value chain stage

Select all that apply

☒ Production

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☒ Yes, we are providing the total volume

(1.22.5) Total commodity volume (metric tons)

15778

(1.22.8) Did you convert the total commodity volume from another unit to metric tons?

Select from:

☒ Yes

(1.22.9) Original unit

Select all that apply

☒ Cubic meters

(1.22.10) Provide details of the methods, conversion factors used and the total commodity volume in the original unit

We measure timber use in cubic metres. For the conversion to metric tonnes, we have used an industry average conversion factor of 0.7 t/m³.

(1.22.11) Form of commodity

Select all that apply

☒ Boards, plywood, engineered wood

☒ Sawn timber, veneer, chips

(1.22.12) % of procurement spend

Select from:

☒ 1-5%

(1.22.13) % of revenue dependent on commodity

Select from:

☒ 1-10%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:

☒ Yes, disclosing

(1.22.15) Is this commodity considered significant to your business in terms of revenue?

Select from:

☒ Yes

(1.22.19) Please explain

BAM uses timber for delivering its assets, mainly dwellings and properties such as offices.

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☒ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☒ Upstream value chain

☒ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☒ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☒ All supplier tiers known have been mapped

(1.24.6) Smallholder inclusion in mapping

Select from:

☒ Smallholders not relevant, and not included

(1.24.7) Description of mapping process and coverage

BAM has a Group wide procurement database containing all spend data from all tier 1 suppliers. Where we occasionally have insight in tier 2 suppliers (based on engagement with tier 1 suppliers), we have not mapped our supply chain further. As a project organisation, the supply chain differs from project to project and from year to year providing additional challenges in mapping supply chain and engaging with suppliers compared to a manufacturer with a fixed supply chain. Our customers are mapped through our tender database (CRM), containing all information on running tenders, and through our project database, containing information on running and delivered projects.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☒ No, and we do not plan to within the next two years

(1.24.1.5) Primary reason for not mapping plastics in your value chain

Select from:

☒ Judged to be unimportant or not relevant

(1.24.1.6) Explain why your organization has not mapped plastics in your value chain

While we acknowledge plastics as an important environmental problem worldwide, plastics in the construction sector is only a very small commodity compared to construction materials. Therefore, BAM's focus is on construction materials that have a large environmental impact, such as steel and concrete, and not on plastics.
[Fixed row]

(1.24.2) Which commodities has your organization mapped in your upstream value chain (i.e., supply chain)?

Timber products

(1.24.2.1) Value chain mapped for this sourced commodity

Select from:

☒ Yes

(1.24.2.2) Highest supplier tier mapped for this sourced commodity

Select from:

☒ Tier 1 suppliers

(1.24.2.3) % of tier 1 suppliers mapped

Select from:

☒ 100%

(1.24.2.7) Highest supplier tier known but not mapped for this sourced commodity

Select from:

☒ All supplier tiers known have been mapped for this sourced commodity

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

2

(2.1.4) How this time horizon is linked to strategic and/or financial planning

BAM has a strategic period 2023-2026. Short term horizon is directly linked to the end year (2026) of the strategic period.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

6

(2.1.4) How this time horizon is linked to strategic and/or financial planning

BAM's medium-term horizon is linked to our next strategic period 2026-2030.

Long-term

(2.1.1) From (years)

7

(2.1.2) Is your long-term time horizon open ended?

Select from:

☒ No

(2.1.3) To (years)

26

(2.1.4) How this time horizon is linked to strategic and/or financial planning

BAM's long-term horizon runs to 2050 and is not directly linked to our strategic planning.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☒ Yes	Select from: ☒ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☒ Yes	Select from: ☒ Both risks and opportunities	Select from: ☒ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

- ☒ Climate change
- ☒ Forests

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- ☒ Dependencies
- ☒ Impacts
- ☒ Risks
- ☒ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- ☒ Direct operations
- ☒ Upstream value chain
- ☒ Downstream value chain

(2.2.2.4) Coverage

Select from:

- ☒ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

- ☒ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- ☒ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- ☒ Annually

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk management process

Select from:

- ☒ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- ☒ Local
- ☒ Sub-national
- ☒ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

- ☒ TNFD – Taskforce on Nature-related Financial Disclosures

Enterprise Risk Management

- ☒ Enterprise Risk Management
- ☒ Internal company methods

International methodologies and standards

- ☒ Life Cycle Assessment

Other

- ☒ Desk-based research
- ☒ Materiality assessment
- ☒ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

- ☒ Drought
- ☒ Cold wave/frost

- ☑ Landslide
- ☑ Wildfires
- ☑ Heat waves
- ☑ Subsidence

Chronic physical

- ☑ Heat stress
- ☑ Sea level rise
- ☑ Coastal erosion
- ☑ Change in land-use
- ☑ Changing wind patterns
- ☑ Increased severity of extreme weather events
- ☑ Seasonal supply variability/interannual variability
- ☑ Changing temperature (air, freshwater, marine water)
- ☑ Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

- ☑ Carbon pricing mechanisms
- ☑ Changes to international law and bilateral agreements
- ☑ Changes to national legislation
- ☑ Increased difficulty in obtaining operations permits
- ☑ Lack of mature certification and sustainability standards

Market

- ☑ Availability and/or increased cost of certified sustainable material
- ☑ Availability and/or increased cost of raw materials
- ☑ Changing customer behavior

Reputation

- ☑ Impact on human health
- ☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

- ☑ Heavy precipitation (rain, hail, snow/ice)
- ☑ Flood (coastal, fluvial, pluvial, ground water)
- ☑ Storm (including blizzards, dust, and sandstorms)

- ☑ Temperature variability
- ☑ Scarcity of land resources
- ☑ Land loss to desertification
- ☑ Declining ecosystem services
- ☑ Increased ecosystem vulnerability

- ☒ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)
- ☒ Stigmatization of sector

Technology

- ☒ Transition to lower emissions technology and products
- ☒ Unsuccessful investment in new technologies

Liability

- ☒ Exposure to litigation
- ☒ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- | | |
|---|--|
| ☒ NGOs | ☒ Regulators |
| ☒ Customers | ☒ Local communities |
| ☒ Employees | ☒ Other commodity users/producers at a local level |
| ☒ Investors | |
| ☒ Suppliers | |

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- ☒ No

(2.2.2.16) Further details of process

BAM has two key-processes in place for identifying, assessing and responding to climate-related risks and opportunities: 1) ERM process: integrated multi-disciplinary company-wide risk management process focusing on climate-related risks and opportunities on a medium-term and long-term horizon for direct, upstream and downstream operations. 2) Tender Stage Gate procedure focussing on risks and opportunities at project level on a short-term, medium-term, and long-term time horizon for direct and downstream operations.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☒ Yes

(2.2.7.2) Description of how interconnections are assessed

Interconnections are very common in all risks and opportunities assessed in BAM's Enterprise Risk Management process. Part of the process is to identify (new) interconnections and how measures or developments influence BAM's ability to mitigate risks, utilise opportunities and/or reach sustainability targets (impact). Trade-offs between climate and nature are identified, such as the use of HVO to reduce CO2 emissions which has a potential negative impact on biodiversity.

[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☒ Yes, we are currently in the process of identifying priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☒ Direct operations

☒ Upstream value chain

☒ Downstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☒ Areas important for biodiversity

- ☒ Areas of limited water availability, flooding, and/or poor quality of water

(2.3.4) Description of process to identify priority locations

BAM is currently mapping its priority locations. For own operations and downstream (project sites), BAM is assessing if they are near nature reserves (areas important for biodiversity) and BAM assesses the climate risks of every location and screens the areas of origin from its timber use.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

- ☒ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

- ☒ Qualitative
- ☒ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- ☒ EBITDA

(2.4.3) Change to indicator

Select from:

- ☒ % decrease

(2.4.4) % change to indicator

Select from:

☒ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☒ Frequency of effect occurring

☒ Time horizon over which the effect occurs

☒ Likelihood of effect occurring

(2.4.7) Application of definition

The frequency of effect, time horizon and likelihood of effect are used to determine whether or not a risk or opportunity is relevant. Whether or not a risk or opportunity is substantive is based on the potential impact on financial metrics: BAM defined the financial or strategic impact as substantive when the effect of an identified risk and/or opportunity is large enough to affect BAMs revenue and/or EBITDA to a noticeable degree on the short-, medium- and long-term. The quantifiable indicator used to define the impact is defined as the effect on revenue and/or PBT in euros. Climate-related risks and or opportunities are defined as substantive when impact on revenue is larger than 50 million and/or the effect on EBITDA is larger than 1% of the EBITDA (3 million).

Opportunities

(2.4.1) Type of definition

Select all that apply

☒ Qualitative

☒ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☒ Revenue

(2.4.3) Change to indicator

Select from:

- ☒ Absolute increase

(2.4.5) Absolute increase/ decrease figure

50000000

(2.4.6) Metrics considered in definition

Select all that apply

- ☒ Frequency of effect occurring
- ☒ Time horizon over which the effect occurs
- ☒ Likelihood of effect occurring

(2.4.7) Application of definition

The frequency of effect, time horizon and likelihood of effect are used to determine whether or not a risk or opportunity is relevant. Whether or not a risk or opportunity is substantive is based on the potential impact on financial metrics: BAM defined the financial or strategic impact as substantive when the effect of an identified risk and/or opportunity is large enough to affect BAMs revenue and/or EBITDA to a noticeable degree on the short-, medium- and long-term. The quantifiable indicator used to define the impact is defined as the effect on revenue and/or PBT in euros. Climate-related risks and or opportunities are defined as substantive when impact on revenue is larger than 50 million and/or the effect on EBITDA is larger than 1% of the EBITDA (3 million).

Risks

(2.4.1) Type of definition

Select all that apply

- ☒ Qualitative
- ☒ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- ☒ Revenue

(2.4.3) Change to indicator

Select from:

☒ Absolute decrease

(2.4.5) Absolute increase/ decrease figure

50000000

(2.4.6) Metrics considered in definition

Select all that apply

☒ Frequency of effect occurring

☒ Time horizon over which the effect occurs

☒ Likelihood of effect occurring

(2.4.7) Application of definition

The frequency of effect, time horizon and likelihood of effect are used to determine whether or not a risk or opportunity is relevant. Whether or not a risk or opportunity is substantive is based on the potential impact on financial metrics: BAM defined the financial or strategic impact as substantive when the effect of an identified risk and/or opportunity is large enough to affect BAMs revenue and/or EBITDA to a noticeable degree on the short-, medium- and long-term. The quantifiable indicator used to define the impact is defined as the effect on revenue and/or PBT in euros. Climate-related risks and or opportunities are defined as substantive when impact on revenue is larger than 50 million and/or the effect on EBITDA is larger than 1% of the EBITDA (3 million).

[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☒ Yes, both in direct operations and upstream/downstream value chain

Forests

(3.1.1) Environmental risks identified

Select from:

☒ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☒ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☒ Not an immediate strategic priority

(3.1.3) Please explain

*Plastics is not a material topic for BAM.
[Fixed row]*

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Market

☒ Lack of availability and/or increased cost of raw materials

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Belgium

☒ Ireland

☒ Netherlands

☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

BAM relies on the use of (certified) sustainable hydrogenated vegetable oils (HVO) to reduce the CO2 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. However, in early 2023 we saw a sudden increase in HVO costs and BAM had to cover part of the price increase. As we were not using that much HVO at that point, impact on operational costs was not significant. In the second half of 2023, we have substantially increased our HVO use to a total of 5 million litres for the full year 2023, making BAM much more vulnerable to cost fluctuations. The demand for sustainable HVO is growing, while the supply is not expected to rapidly grow as it depends on the availability of byproducts. 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.

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ Likely

(3.1.1.14) Magnitude

Select from:

☒ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the coming years, we expect to use ca. 6 million litres of HVO per year. If increasing demand leads to further increase of the price of HVO by 1 euro /litre, total potential annual costs for BAM could be up to 6 million litres (maximum). We do however expect that up to 75% of our clients for current and future projects would be willing to cover this price increase. The minimum is therefore 25% of 6 million euros equalling 1.5 million euros.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

1500000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

6000000

(3.1.1.25) Explanation of financial effect figure

Calculation: minimum financial effect 6 million litres HVO x 1 euro x 25% 1.5 million euros. Calculation: maximum financial effect 6 million litres HVO x 1 euro 6 million euros.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☒ Increase environment-related capital expenditure

(3.1.1.27) Cost of response to risk

38000000

(3.1.1.28) Explanation of cost calculation

As disclosed in our annual report 2023: "The total investment and right to use (lease) additions for 2023 in electric equipment and vehicles is 38 million euro".

(3.1.1.29) Description of response

BAM is heavily investing in electric equipment to minimise the dependency on fossil fuels. Small equipment is already mostly electrified and BAM is running more pilots with electric heavy equipment. An example of heavy equipment pilot is the introduction of the first full electric drilling rig in the Netherlands in 2023. This response will lead to HVO being phased out, mitigating the risk of increasing operational costs. This strategy is also contributing to further driving down CO2 emissions, other emissions and noise from our operations. As such, it is also positively contributing to our sustainability themes decarbonisation, biodiversity and health, and to SDGs 8, 11 and 15.

Forests

(3.1.1.1) Risk identifier

Select from:

☒ Risk3

(3.1.1.2) Commodity

Select all that apply

☒ Timber products

(3.1.1.3) Risk types and primary environmental risk driver

Market

☒ Lack of availability and/or increased cost of certified sustainable material

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Belgium

- ☒ Ireland
- ☒ Netherlands
- ☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Globally, the construction industry accounts for 25 per cent of all timber use. BAM has a continuous need for raw materials including timber. In 2023, our total timber use was 16,250 m3., of which more than 96% was certified sustainable. Deforestation can lead to lower amounts of sustainable certified timber available and an increased cost of certified sustainable timber, which is particularly a risk for BAM as BAM anticipates to use more timber in the future due to the rising demand in sustainable housing solutions in the Netherlands for which using timber is one of the solutions.

(3.1.1.11) Primary financial effect of the risk

Select from:

- ☒ Increased production costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

- ☒ More likely than not

(3.1.1.14) Magnitude

Select from:

- ☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

BAM is relying on certified sustainable timber and spends circa 70 million euro annually. A drop in certified sustainable timber supply will directly impact BAM's operational costs and ability to further decarbonise its products.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

14000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

35000000

(3.1.1.25) Explanation of financial effect figure

BAM spent ca. 70 million on procuring timber products in 2023. A price increase of up to 20-50% is considered if the availability of sustainable certified timber would plummet. This would result in a potential financial impact figure of 14 million (70 million x 20%) – 35 million (70 million x 50%).

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☒ Implementation of environmental best practices in direct operations

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

No costs are associated with this response. On the contrary, becoming more resource efficient will more likely reduce costs.

(3.1.1.29) Description of response

Collaboration with stakeholders across the value chain to use rest material to produce chipboard, decreasing the use of timber from forests. Residual flows from Dutch forests and waste from BAM Residential is processed into a 100% biobased chipboard or OSB (oriented strand board)-equivalent board. This joint ambition leads to the production of 75,000 square meters of biobased and recycled chipboard material per year.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☒ Increased severity of extreme weather events

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Netherlands

(3.1.1.9) Organization-specific description of risk

In the Netherlands, BAM holds a portfolio of land positions in our property development business unit. BAM's land and building rights and property development position in 2023 was 442m (see Annual Report 2023), and consists of various positions across Netherlands. Through climate change and increased likelihood and severity of extreme weather events, these land positions could devalue ("stranding risk"), for instance as an area becomes more vulnerable to flooding or subsidence through changing groundwater level or droughts. While mitigating measures can be taken, e.g. develop climate-adaptive assets on these land positions, they will be less attractive and less valuable. The more long-term a land position is held, the higher the risk of changing valuation.

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ Very likely

(3.1.1.14) Magnitude

Select from:

☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

It will initially be an administrative financial effect, as climate risks are included in company valuation assessments and vulnerable land positions will be devalued in the inventory, impacting the financial position. Eventually it will impact the financial performance of BAM, when these devalued land positions and developments are sold.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

0

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

(3.1.1.25) Explanation of financial effect figure

Many factors influence the long term value of the land positions under general dynamics of demand for these locations, and for this risk specifically the type and severity of weather events and their temporary or permanent influence on the characteristics of the position. Within this context, we have estimated that up to 10% of the value could be lost across the portfolio, under the influence of increased severity of extreme weather events (10% of 442M 44,2M).

(3.1.1.26) Primary response to risk**Infrastructure, technology and spending**

☒ Increase investment in R&D

(3.1.1.27) Cost of response to risk

200000

(3.1.1.28) Explanation of cost calculation

2 FTE for 1 year 200,000 (1 FTE for the development of the climate risk scan, 1 FTE for the continued implementation of the climate risk scan for each new land acquisition and the additional time spent on including climate risks in the company valuation assessments).

(3.1.1.29) Description of response

The response is two-fold. 1) Climate risks are starting to be included in company valuation assessments (for example goodwill) in BAM. This provides regular insight in the valuation of the current landbank, preventing a misrepresentation of the inventory value in the long term. 2) For evaluating the potential acquisition of new land, BAM has developed a climate risk scan. This climate risk scan is part of our tender stage gate process, and helps inform decision making. The climate risk scan identifies the level of severity of the relevant climate risks on a specific location. This informs BAM to either value it less (or more) and which climate-adaptive measures would need to be taken into account for developments on this land.

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☒ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

6270000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☒ 100%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

423000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☒ 1-10%

(3.1.2.7) Explanation of financial figures

The transitional risk which might lead to an increase in HVO price affects our entire business, as we use HVO on nearly all of our projects. The physical risks mainly impact our land positions for our property development business unit. This property development business unit was responsible for 423 million euro revenue in 2023.

Forests

(3.1.2.1) Financial metric

Select from:

☒ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☒ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

3100000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☒ 41-50%

(3.1.2.7) Explanation of financial figures

Our Construction and Property part of the business, where the use of timber is mainly applicable, was responsible for 3.1 billion euro revenue in 2023. This equals to 49% (3.1/6.3) of our total revenue in 2023.

[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☒ No, and we do not anticipate being regulated in the next three years

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	Select from: ☒ Yes, we have identified opportunities, and some/all are being realized
Forests	Select from: ☒ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp1

(3.6.1.2) Commodity

Select all that apply

☒ Not applicable

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

- ☒ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

- ☒ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- ☒ Netherlands

(3.6.1.8) Organization specific description

BAM has identified an increasing demand for affordable and sustainable housing in our home markets in the UK and The Netherlands: The Dutch government has announced in the Residential Building program that 900,000 homes must be built up to and including 2030. Regionally, the aim is for almost 40% (350,000 homes) of these new homes to be built are affordable owner-occupied homes or rentals. Similarly, in the United Kingdom The Affordable Homes Programme provides grant funding to support the capital costs of developing affordable housing for rent or sale. The increased demand for affordable and sustainable housing offer opportunities for BAM to increase its market share by offering innovative solutions. Particularly the use of prefabricated and/or modular buildings in combination with the use of renewable materials such as timber is identified by BAM as a key opportunity to increase BAM's capacity to offer affordable and sustainable housing. BAM is researching and developing new products and services to meet the increasing demand for sustainable housing in our home markets, for example with the BAM Flow concept: A housing concept using prefabricated timber modules that contribute to the development of affordable and sustainable homes.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- ☒ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☒ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☒ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Besides increasing sustainability, prefabricated houses are built at a lower cost per unit and decreased construction time. Therefore, this gives BAM the opportunity to respond to the high demand for housing and increase our market share in The Netherlands. In 2023, BAM Residential Netherlands had a revenue of about 389 million. BAM expects revenue of BAM residential to increase again after 2023 due to the continuing demand of affordable and sustainable housing.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

39000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

78000000

(3.6.1.23) Explanation of financial effect figures

BAM strives to increase its BAM Residential Netherlands revenue by 10-20% by 2026 with help of this innovation, the potential impact figure is between 39 million and 78 million (10% and 20% of 376 million).

(3.6.1.24) Cost to realize opportunity

10000000

(3.6.1.25) Explanation of cost calculation

BAM has invested ca. 10 million euro in developing the factory that produces BAM Flow homes in 2023.

(3.6.1.26) Strategy to realize opportunity

In 2023, BAM Residential piloted the first products from its new housing concept: BAM Flow. BAM Flow contributes to the solution for the high demand for sustainable and affordable homes. The housing concept has wood as a sustainable basis and is built off-site. With the combination of sustainability, industrialization and digitization, Flow is implementing BAM's strategy 'Building a sustainable tomorrow'. In the housing market, activities are shifting from the construction site to prefabrication under controlled conditions. Further integration of the prefabricated modules in the conceptual construction flows enables BAM to scale up faster to sustainable solutions based on the wishes of clients and residents. This is how BAM is responding to the opportunity of increasing market demand for affordable and sustainable housing. The result of this action is that in the short- and medium-term, BAM's current housing concept will be gradually replaced by the BAM Flow concept and BAM is in good position to meet the increasing demand for affordable and sustainable housing.

Forests

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp3

(3.6.1.2) Commodity

Select all that apply

☒ Timber products

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☒ Increased demand for certified and sustainable materials

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☒ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- ☒ Netherlands
- ☒ United Kingdom of Great Britain and Northern Ireland

(3.6.1.8) Organization specific description

The mitigation of deforestation and forest degradation requires measures, such as the sourcing of sustainable certified timber. BAM sees that the demand for sustainable materials of buildings is increasing, mainly in the Dutch and UK market. This provides an opportunity for BAM to increase market share, if BAM can make sure it is well positioned to provide sustainable solutions with certified sustainable materials (timber). BAM's strategy to realize this opportunity is to only work with suppliers that offer certified sustainable timber. In 2019, BAM signed an updated covenant with FSC not only to recommit to only use certified sustainable timber, but also to commit to apply more timber and to stimulate the use of timber as replacement of other less sustainable building materials. The covenant with FSC stimulates the construction industry to be transparent. The application of sustainable timber positively influences our goal to be the most sustainable construction company in Europe.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- ☒ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

- ☒ More likely than not (50–100%)

(3.6.1.12) Magnitude

Select from:

- ☒ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The demand for sustainable homes and buildings is increasing. Timber as a construction material is becoming more attractive and more clients are interested in our timber-based solutions. If BAM can make sure our capacity and capabilities grow along with the market demand, BAM foresees that a revenue increase of 5-10% is considered feasible for our Dutch and UK Construction and Property business

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

150000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

300000000

(3.6.1.23) Explanation of financial effect figures

A revenue increase of 150-300 million (5-10% of 3 billion revenue 2023) is anticipated for the Construction and Property business line in Netherlands and UK.

(3.6.1.24) Cost to realize opportunity

1000000

(3.6.1.25) Explanation of cost calculation

BAM has expanded its procurement team with dedicated sustainability focus, both at Group level and at division level. Estimated costs (wages IT solutions) are ca. 1 million euro/year.

(3.6.1.26) Strategy to realize opportunity

BAM has already implemented the strategy to only procure certified sustainable timber across all its projects and presents figures averaging over 99% certified sustainable timber use. This has the short term result that BAM can show to clients we can guarantee a sustainable timber supply and that we can offer sustainable timber solutions. Going forward, the use of certified sustainable timber will become an even more integral part of our sustainability strategy to further decarbonise the built environment. This is supported by the BAM Residential housing concept BAM Flow, offering sustainable and affordable timber-based homes.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☒ Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☒ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☒ Netherlands

☒ United Kingdom of Great Britain and Northern Ireland

(3.6.1.8) Organization specific description

In both the Netherlands and the UK, grid congestion is a big problem. In both countries, the national grid administrators are planning to substantially invest in the grid in the coming years, to decrease congestion and to prepare the grid for the increasing share of intermittent renewable electricity. For example, National Grid will invest 60 billion pounds Sterling in the coming 5 years, and the largest grid administrator in the Netherlands, Tennet, even speaks about an investment of 160 billion euro in the coming 10 years. BAM is already doing quite some work for these clients. BAM is typically well equipped to build substations and supporting infrastructure for overhead power lines. An increase in investments in national grids can thus result in an increase in projects for BAM and an increase in revenue.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- ☒ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

- ☒ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

- ☒ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

BAM is already seeing an increase in tenders for substations, especially in the United Kingdom. BAM therefore expects its revenue in this market to substantially grow in the coming years. For the Netherlands, it is not yet clear what portion of the planned investments BAM is well suited for to realistically take up. At the moment, we do not yet see a significant increase in grid related projects in the Netherlands within BAM, so we have not yet included a growth projection for the Netherlands.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

- ☒ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

0

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

3500000000

(3.6.1.23) Explanation of financial effect figures

We calculated on the basis of the projected investments bij National Grid. The 60 billion pounds Sterling (70 billion) reserved by National Grid is not all meant for substations, and not all meant for the short term. Nevertheless we expect that these substation projects can add up to 5% of 70 billion, ca 3.5 billion, to BAM's revenue in the coming years.

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

BAM does not make specific costs to realize this opportunity. BAM's approach is to shift resources and focus to sustainable growth markets, such as the electricity grid, away from more conventional construction work.

(3.6.1.26) Strategy to realize opportunity

BAM's strategy, Focus, Transform and Expand is revolved around focusing more on sustainable markets: "It is not about changing course, but continuing on the journey which has brought us success. We will focus on selecting profitable projects which align with our sustainability targets, helping ensure we remain predictable, profitable, and sustainable in the future. Recognising that maintaining the status quo will only take us so far, we understand the need to transform our products and services. We are committed to continuous evolution, striving to becoming more digital, scalable, and even more sustainable. Because when we transform, we will uncover new opportunities – opportunities to expand into, such as growing in energy markets, and renovating and retrofitting." More specifically related to this opportunity, BAM has selected the energy market as one of the markets we can grow in, and is reallocating resources and capabilities to put ourselves in a position where we can also deliver on that ambition.

[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☒ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

1700000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☒ 21-30%

(3.6.2.4) Explanation of financial figures

376 million euro of BAM Residential 1.3 billion euro of Civil UK&I makes 1.7 billion euro (rounded). This equals to 27% (1.7/6.3) of our total revenue in 2023.

Forests

(3.6.2.1) Financial metric

Select from:

☒ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

3100000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 41-50%

(3.6.2.4) Explanation of financial figures

Our Construction and Property part of the business, where the use of timber is mainly applicable, was responsible for 3.1 billion euro revenue in 2023. This equals to 49% (3.1/6.3) of our total revenue in 2023.

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☒ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☒ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☒ Executive directors or equivalent

☒ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☒ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

There is a public D&I Policy statement which describes BAM's overall commitment and how D&I is embedded in all layers of the organisation. This includes key principles, the framework to set and monitor objectives across the organisation and how responsibilities are governed. More specifically, the Supervisory Board, Executive Board and Executive Committee recognise the benefits and importance of diversity in their composition, as outlined in the Annual Report. The profile for the Supervisory Board includes a minimum 30 per cent target for female and male board members respectively. The present composition of the Supervisory Board is in line with the targets set. For the Executive Board and Executive Committee, a minimum 25 per cent target was set for female and male board members, respectively. With the appointment of Sabine van Hooijdonk-Verboom as CHRO the female representation increased to 20 per cent which is still not in line with the above target. In

accordance with the 2021 law on diversity at the top of large corporations ('Wet evenwichtiger verhouding tussen mannen en vrouwen in het bestuur en de raad van commissarissen'), BAM has set and reconfirmed fitting and challenging targets on diversity for its Supervisory Board, Executive Board and Executive Committee and senior leadership group. In addition, an action plan was established in order to achieve these targets (page 64 of BAM's annual report 2023)

(4.1.6) Attach the policy (optional)

BAM annual report 2023.pdf,Diversity and Inclusion Policy Statement.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	Select from: ☒ Yes
Forests	Select from: ☒ Yes
Biodiversity	Select from: ☒ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board’s oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☒ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☒ Board Terms of Reference

☒ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☒ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☒ Overseeing the setting of corporate targets

☒ Monitoring progress towards corporate targets

☒ Approving corporate policies and/or commitments

☒ Approving and/or overseeing employee incentives

☒ Overseeing and guiding major capital expenditures

☒ Overseeing and guiding the development of a climate transition plan

☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☒ Monitoring the implementation of the business strategy

☒ Overseeing reporting, audit, and verification processes

☒ Monitoring the implementation of a climate transition plan

☒ Overseeing and guiding the development of a business strategy

☒ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

The Executive Committee defines BAM's sustainability strategy, which is part of BAM's company wide strategy, in consultation with the Group Director Strategy and the management teams of the divisions. The sustainability strategy includes key strategic objectives, goals and targets related to climate related issues (reduction of CO2 emissions and carbon intensive resources as well as other climate related risks and opportunities). All these key strategic objectives, goals and targets are

translated into Strategic and Operational plans of BAM's divisions. The Operational plans include annual budgets attached to the actions to achieve these climate related objectives. Meetings between the Executive Committee and senior management of the segments are used to review and guide these Strategic and Operational plans as well as monitor implementation and performance of the objectives, goals and targets that are included in them. This includes quarterly meetings where the divisions report progress to the Executive Committee and the Group Director Strategy. Critical concerns are reported to the Executive Committee at least in quarterly reports, or whenever more urgency is required. The Executive Committee communicates to the Supervisory Board according planned reporting cycles, or whenever more urgency is required. Sustainability is part of how managers and employees do their day-to-day jobs. It is addressed, for example, at regular work discussions and performance reviews. In this way, climate related issues are assessed across all levels of the Group, from BAM's Executive Committee to its local activities.

Forests

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- ☒ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- ☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- ☒ Board Terms of Reference
- ☒ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- ☒ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- ☒ Overseeing the setting of corporate targets
- ☒ Monitoring progress towards corporate targets
- ☒ Approving corporate policies and/or commitments
- ☒ Approving and/or overseeing employee incentives
- ☒ Overseeing and guiding major capital expenditures
- ☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
- ☒ Monitoring the implementation of the business strategy
- ☒ Overseeing reporting, audit, and verification processes
- ☒ Overseeing and guiding the development of a business strategy
- ☒ Overseeing and guiding acquisitions, mergers, and divestitures
- ☒ Overseeing and guiding the development of a climate transition plan

(4.1.2.7) Please explain

The Executive Committee defines BAM's sustainability strategy, which is part of BAM's company wide strategy, in consultation with the Group Director Strategy, Innovation and Sustainability and the management teams of the operating companies. The sustainability strategy includes key strategic objectives, goals and targets related to forest related issues (e.g. sourcing of 100% certified sustainable timber). Key strategic objectives, goals and targets are translated into Strategic and Operational plans of BAM's operating companies. The Operational plans include annual budgets attached to the actions to achieve these climate related objectives. Meetings between the Executive Committee and senior management of the Operating companies are used to review and guide these Strategic and Operational plans as well as monitor implementation and performance of the objectives, goals and targets that are included in them. This includes quarterly meetings where the operating companies report progress to the Executive Committee and the Group Director Strategy. Critical concerns are reported to the Executive Committee at least in quarterly reports, or whenever more urgency is required. The Executive Committee communicates to the Supervisory Board according planned reporting cycles, or whenever more urgency is required.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- ☒ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- ☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- ☒ Board Terms of Reference

- ☒ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- ☒ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- | | |
|--|---|
| ☒ Reviewing and guiding annual budgets | ☒ Overseeing and guiding public policy engagement |
| ☒ Overseeing and guiding scenario analysis | ☒ Approving and/or overseeing employee incentives |
| ☒ Overseeing the setting of corporate targets | ☒ Overseeing and guiding major capital expenditures |
| ☒ Monitoring progress towards corporate targets | ☒ Monitoring the implementation of the business strategy |
| ☒ Approving corporate policies and/or commitments | ☒ Overseeing reporting, audit, and verification processes |
| ☒ Monitoring the implementation of a climate transition plan | |
| ☒ Overseeing and guiding the development of a business strategy | |
| ☒ Overseeing and guiding acquisitions, mergers, and divestitures | |
| ☒ Overseeing and guiding the development of a climate transition plan | |
| ☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities | |

(4.1.2.7) Please explain

The Executive Committee defines BAM's sustainability strategy, which is part of BAM's company wide strategy, in consultation with the Group Director Strategy, Innovation and Sustainability and the management teams of the operating companies. The sustainability strategy includes key strategic objectives, goals and targets related to biodiversity (e.g. offering biodiversity-positive alternatives to tenders and developments with design in scope). Key strategic objectives, goals and targets are translated into Strategic and Operational plans of BAM's operating companies. The Operational plans include annual budgets attached to the actions to achieve these climate related objectives. Meetings between the Executive Committee and senior management of the Operating companies are used to review and guide these Strategic and Operational plans as well as monitor implementation and performance of the objectives, goals and targets that are included in them. This includes quarterly meetings where the operating companies report progress to the Executive Committee and the Group Director Strategy. Critical concerns are reported to the Executive Committee at least in quarterly reports, or whenever more urgency is required. The Executive Committee communicates to the Supervisory Board according planned reporting cycles, or whenever more urgency is required.

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☒ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- ☒ Consulting regularly with an internal, permanent, subject-expert working group
- ☒ Engaging regularly with external stakeholders and experts on environmental issues
- ☒ Integrating knowledge of environmental issues into board nominating process
- ☒ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
- ☒ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

- ☒ Executive-level experience in a role focused on environmental issues
- ☒ Management-level experience in a role focused on environmental issues

Forests

(4.2.1) Board-level competency on this environmental issue

Select from:

☒ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☒ Consulting regularly with an internal, permanent, subject-expert working group

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	Select from: ☒ Yes
Forests	Select from: ☒ Yes
Biodiversity	Select from: ☒ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Assessing environmental dependencies, impacts, risks, and opportunities
- ☒ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ☒ Managing public policy engagement related to environmental issues
- ☒ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ☒ Monitoring compliance with corporate environmental policies and/or commitments
- ☒ Measuring progress towards environmental corporate targets
- ☒ Measuring progress towards environmental science-based targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- | | |
|--|---|
| ☒ Developing a climate transition plan | ☒ Developing a business strategy which considers environmental issues |
| ☒ Implementing a climate transition plan | ☒ Managing environmental reporting, audit, and verification processes |
| ☒ Conducting environmental scenario analysis | ☒ Managing acquisitions, mergers, and divestitures related to environmental |
| issues | |
| ☒ Managing annual budgets related to environmental issues | ☒ Managing major capital and/or operational expenditures relating to |
| environmental issues | |
| ☒ Implementing the business strategy related to environmental issues | |

Other

- ☒ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ More frequently than quarterly

(4.3.1.6) Please explain

Sustainability is part of BAM's mission and vision and improving environmental impact (e.g. climate and biodiversity) has explicitly been made part of BAM's key strategic objectives. Responsibility for these strategic objectives lies with BAM's Executive Committee, which consists of the CEO, CFO, Chief Operating Officer (COO) the Netherlands and COO United Kingdom and Ireland. The Executive Committee defines the Sustainability Policy in consultation with the Group Director Strategy and the management teams of the operating companies. The Strategic Plan for climate related issues are an integral part of the 2023-2026 Strategic Agenda. Each year the priorities for the next year are discussed, agreed and monitored as part of the yearly Operating Plans. Action plans and targets are included in a separate Sustainability Operating Plan and in Operating Plans of Operating companies. The Sustainability Operating Plan is prepared and agreed between the Group Director Strategy and senior representatives of each operating company involved in climate-related issues. This is called the Sustainability Community Table within BAM's governance. Meetings with senior management are used to define sustainability issues and reach agreement on prioritising objectives, monitoring activities, and reporting results. Critical concerns are reported to the Executive Committee at least in quarterly reports, or sooner whenever more urgency is required. The Executive Committee communicates to the Supervisory Board according to planned reporting cycles, or whenever more urgency is required. In addition, each segment measures KPIs addressing issues of relevance to its own business. Each operating company has a management team member who has the responsibility for sustainability. The segments report progress quarterly to the Executive Committee and the Group Director Strategy together with details of actions taken to support the Group's business objectives.

Forests

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- ☒ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Assessing environmental dependencies, impacts, risks, and opportunities
- ☒ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ☒ Managing public policy engagement related to environmental issues
- ☒ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ☒ Monitoring compliance with corporate environmental policies and/or commitments
- ☒ Measuring progress towards environmental corporate targets
- ☒ Measuring progress towards environmental science-based targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- ☒ Developing a climate transition plan
- ☒ Implementing a climate transition plan
- ☒ Conducting environmental scenario analysis issues
- ☒ Managing annual budgets related to environmental issues
- ☒ Implementing the business strategy related to environmental issues
- ☒ Developing a business strategy which considers environmental issues
- ☒ Managing environmental reporting, audit, and verification processes
- ☒ Managing acquisitions, mergers, and divestitures related to environmental issues
- ☒ Managing major capital and/or operational expenditures relating to environmental issues

Other

- ☒ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ Quarterly

(4.3.1.6) Please explain

Sustainability is part of BAM's mission and vision and improving environmental impact (e.g. climate and biodiversity) has explicitly been made part of BAM's key strategic objectives. Responsibility for these strategic objectives lies with BAM's Executive Committee, which consists of the CEO, CFO, Chief Operating Officer (COO) the Netherlands and COO United Kingdom and Ireland. The Executive Committee defines the Sustainability Policy in consultation with the Group Director Strategy and the management teams of the operating companies. The Strategic Plan for climate related issues are an integral part of the 2023-2026 Strategic Agenda. Each year the priorities for the next year are discussed, agreed and monitored as part of the yearly Operating Plans. Action plans and targets are included in a separate Sustainability Operating Plan and in Operating Plans of Operating companies. The Sustainability Operating Plan is prepared and agreed between the Group Director Strategy and senior representatives of each operating company involved in climate-related issues. This is called the Sustainability Community Table within BAM's governance. Meetings with senior management are used to define sustainability issues and reach agreement on prioritising objectives, monitoring activities, and reporting results. Critical concerns are reported to the Executive Committee at least in quarterly reports, or sooner whenever more urgency is required. The Executive Committee communicates to the Supervisory Board according to planned reporting cycles, or whenever more urgency is required. In addition, each segment measures KPIs addressing issues of relevance to its own business. Each operating company has a management team member who has the responsibility for sustainability. The segments report progress quarterly to the Executive Committee and the Group Director Strategy together with details of actions taken to support the Group's business objectives.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- ☒ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Assessing environmental dependencies, impacts, risks, and opportunities
- ☒ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ☒ Managing public policy engagement related to environmental issues
- ☒ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ☒ Monitoring compliance with corporate environmental policies and/or commitments

- ☒ Measuring progress towards environmental corporate targets
- ☒ Measuring progress towards environmental science-based targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- | | |
|---|---|
| <ul style="list-style-type: none"> ☒ Developing a climate transition plan ☒ Implementing a climate transition plan ☒ Conducting environmental scenario analysis issues ☒ Managing annual budgets related to environmental issues environmental issues ☒ Implementing the business strategy related to environmental issues | <ul style="list-style-type: none"> ☒ Developing a business strategy which considers environmental issues ☒ Managing environmental reporting, audit, and verification processes ☒ Managing acquisitions, mergers, and divestitures related to environmental ☒ Managing major capital and/or operational expenditures relating to |
|---|---|

Other

- ☒ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ Quarterly

(4.3.1.6) Please explain

Sustainability is part of BAM's mission and vision and improving environmental impact (e.g. climate and biodiversity) has explicitly been made part of BAM's key strategic objectives. Responsibility for these strategic objectives lies with BAM's Executive Committee, which consists of the CEO, CFO, Chief Operating Officer (COO) the Netherlands and COO United Kingdom and Ireland. The Executive Committee defines the Sustainability Policy in consultation with the Group Director Strategy and the management teams of the operating companies. The Strategic Plan for climate related issues are an integral part of the 2023-2026 Strategic

Agenda. Each year the priorities for the next year are discussed, agreed and monitored as part of the yearly Operating Plans. Action plans and targets are included in a separate Sustainability Operating Plan and in Operating Plans of Operating companies. The Sustainability Operating Plan is prepared and agreed between the Group Director Strategy and senior representatives of each operating company involved in climate-related issues. This is called the Sustainability Community Table within BAM's governance. Meetings with senior management are used to define sustainability issues and reach agreement on prioritising objectives, monitoring activities, and reporting results. Critical concerns are reported to the Executive Committee at least in quarterly reports, or sooner whenever more urgency is required. The Executive Committee communicates to the Supervisory Board according to planned reporting cycles, or whenever more urgency is required. In addition, each segment measures KPIs addressing issues of relevance to its own business. Each operating company has a management team member who has the responsibility for sustainability. The segments report progress quarterly to the Executive Committee and the Group Director Strategy together with details of actions taken to support the Group's business objectives.

[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☒ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

15.9

(4.5.3) Please explain

BAM believes providing incentives for the management to reach climate-related targets is key to ensure climate-related issues maintain an important part of BAM's strategy and management.

Forests

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☒ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

0

(4.5.3) Please explain

Forest related issues are not yet covered in the monetary incentives, but in the 2023-2026 Long Term Incentive plan all sustainability KPIs are included and forest related issues are part of the board level monetary incentives.

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Board/Executive board

(4.5.1.2) Incentives

Select all that apply

☒ Bonus – set figure

(4.5.1.3) Performance metrics

Targets

☒ Progress towards environmental targets

☒ Achievement of environmental targets

☒ Organization performance against an environmental sustainability index

Strategy and financial planning

☒ Achievement of climate transition plan

Emission reduction

☒ Reduction in emissions intensity

Resource use and efficiency

☒ Other resource use and efficiency-related metrics, please specify :Reduction of waste intensity

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☒ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

BAM's 2023 Short-term incentive plan was partly based on BAM meeting it's scope 1 and 2 intensity target, it waste intensity target and the result of CDP Climate. BAM's Long-Term incentive plan 2023-2026 is linked to all BAM's Sustainability targets, such as scope 1,2 intensity, scope 3, circularity, climate adaptation and biodiversity.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The incentives provide a personal incentive for the board members to meet or exceed BAM's Sustainability targets. This contributes to the achievement of BAM's targets as it increases senior management buy in and focus.

Forests

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Board/Executive board

(4.5.1.2) Incentives

Select all that apply

☒ Bonus – set figure

(4.5.1.3) Performance metrics

Resource use and efficiency

☒ Improvements in commodity volume data collection, reporting and third-party verification/certification

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☒ Long-Term Incentive Plan, or equivalent, only (e.g. contractual multi-year bonus)

(4.5.1.5) Further details of incentives

Part of the Long-Term incentive plan 2023-2026 is linked to the achievement of BAM's Sustainability targets, including BAM's Biodiversity target of which sourcing 100% certified sustainable timber is part of.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The incentives provide a personal incentive for the board members to meet or exceed BAM's Sustainability targets. This contributes to the achievement of BAM's targets as it increases senior management buy in and focus.

[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☒ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

- ☒ Climate change
- ☒ Forests
- ☒ Biodiversity

(4.6.1.2) Level of coverage

Select from:

- ☒ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

- ☒ Direct operations
- ☒ Upstream value chain
- ☒ Downstream value chain
- ☒ Portfolio

(4.6.1.4) Explain the coverage

The environmental policy is applicable to all Royal BAM Group activities and all its companies. BAM Works towards a greener portfolio and revenue - this is an integral part of BAM's overall strategy and spans the sustainability principles as outlined in our sustainability strategy. Our social themes are covered by the Human Rights Policy Statement which we could not include in this question as there is a 1 document limit.

(4.6.1.5) Environmental policy content

Environmental commitments

- ☒ Commitment to a circular economy strategy
- ☒ Commitment to comply with regulations and mandatory standards
- ☒ Commitment to take environmental action beyond regulatory compliance
- ☒ Commitment to engage in integrated, multi-stakeholder landscape (including river basin) initiatives to promote shared sustainability goals
- ☒ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

- ☒ Commitment to 100% renewable energy
- ☒ Commitment to net-zero emissions
- ☒ Commitment to not invest in fossil-fuel expansion

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

- ☒ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

- ☒ Publicly available

(4.6.1.8) Attach the policy

Sustainability Policy Statement.pdf

[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☒ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☒ Forest Stewardship Council (FSC)

☒ Science-Based Targets Initiative (SBTi)

(4.10.3) Describe your organization's role within each framework or initiative

BAM is a member of FSC and SBTi.

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☒ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☒ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☒ Paris Agreement

(4.11.4) Attach commitment or position statement

Screenshot website statement on lobbying activities.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☒ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

BAM's engagement activities are through trade associations, mainly through the Dutch organisation Bouwend Nederland. BAM's COO the Netherlands is part of the board of Bouwend Nederland and oversees if their activities are in line with BAM's Sustainable commitments.

[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

	Environmental issues the policy, law, or regulation relates to
Row 1	<i>Select all that apply</i> ☒ Climate change

[\[Add row\]](#)

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

☒ Other trade association in Europe, please specify :Bouwend Nederland

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Bouwend Nederland is the trade association for construction in the Netherlands and has a sustainability agenda in line with BAM and the Paris Agreement. For example, they support the electrification of construction equipment which is a key aspect for driving down scope 1 emissions for BAM in our climate transition plan.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

300000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Membership fee, which contributes to realising the sustainability agenda of Bouwend Nederland on behalf of BAM and all other members.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☒ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☒ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☒ ESRS

☒ GRI

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☒ Climate change

☒ Forests

☒ Biodiversity

(4.12.1.4) Status of the publication

Select from:

☒ Complete

(4.12.1.5) Content elements

Select all that apply

☒ Strategy

☒ Governance

☒ Emission targets

☒ Emissions figures

☒ Commodity volumes

☒ Biodiversity indicators

☒ Public policy engagement

☒ Content of environmental policies

(4.12.1.6) Page/section reference

See sections 2, 3.3, and 6.

(4.12.1.7) Attach the relevant publication

bam-2023-annual-report.pdf

(4.12.1.8) Comment

No further comments

[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☒ Yes

(5.1.2) Frequency of analysis

Select from:

☒ Annually

Forests

(5.1.1) Use of scenario analysis

Select from:

☒ No, and we do not plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☒ Judged to be unimportant or not relevant

(5.1.4) Explain why your organization has not used scenario analysis

BAM makes use of the 'general' timber supply chain and has little concrete dependencies on specific parts of the timber supply chain. This implies that only the high-level results of scenario analysis would be relevant for BAM. These insights can also be derived in a different way, which is why BAM decided that investing significant time and resources in using scenario analysis on forests is not in BAM's interest at the moment.

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☒ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Policy

☒ Market

☒ Reputation

☒ Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

- ☒ 1.5°C or lower

(5.1.1.7) Reference year

2021

(5.1.1.8) Timeframes covered

Select all that apply

- ☒ 2025
- ☒ 2030
- ☒ 2040
- ☒ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☒ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

- ☒ Level of action (from local to global)
- ☒ Global targets
- ☒ Methodologies and expectations for science-based targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

BAM has updated its science-based target in line with 1.5°C trajectory of the IEA NZE 2050 scenario. The scenario was applied without any alterations to the underlying inputs, assumptions and methods used by the IEA.

(5.1.1.11) Rationale for choice of scenario

BAM uses this scenario to explore relevant climate change risks on both medium term (2030) and long term (2050), as these timeframes are both relevant for BAM but ask for a different strategic approach. The results of the analysis show that the effects of climate change of an average global temperature increase of 1.5 degrees in 2100 are manageable and would not significantly impact our business. BAM continuously monitors these risks and opportunities. The scenario analyses

have informed BAMs business objectives and strategy as BAM used the results to set a science-based target for 2030. BAM linked this to its ambition of having a net positive impact on climate change, resources and people by 2050.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 6.0

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☒ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Acute physical

☒ Chronic physical

☒ Technology

☒ Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ 3.5°C - 3.9°C

(5.1.1.7) Reference year

2000

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

☒ 2050

☒ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☒ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

BAM has developed a climate scan that is applied to key projects where physical climate related risks may be an issue. In the Netherlands, this climate scan makes use of the 'klimaateffecten atlas' (climate effects register) which is based on the 14 climate scenarios of KNMI (Royal Netherlands Meteorological Institute) which are based on the climate scenarios of ICCP. The most severe climate scenario used by KNMI and in our climate scan is based RCP 6.0 (global temperature rise of 3-4 C by 2100). The scenario is applied without any alterations to the underlying inputs, assumptions and methods.

(5.1.1.11) Rationale for choice of scenario

This climate scan is applied in the early phase of a project (or tender) and based on the outcome, climate change adaptation measures are then discussed with the clients and in most cases implemented. BAM has selected this scenario as this is the most severe scenario used by the KNMI, and therefore offers the most serious physical risks that we want to take into account in the projects that we do.

[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

- ☒ Risk and opportunities identification, assessment and management
- ☒ Strategy and financial planning
- ☒ Resilience of business model and strategy
- ☒ Capacity building
- ☒ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

- ☒ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

BAM has released its new sustainability strategy in 2023, which was partly based on BAM's climate change scenario analysis. A key outcome of the scenario analysis was that the world, and with that BAM, needed to further accelerate its carbon emissions reduction pace. The strategy contains specific targets for the short and mid term (up to 2030) and an outlook for the long term (2050). BAM is working on transforming the business and align it with a maximum temperature increase of 1.5°C and with the IEA NZE 2050 scenario. Scenario analysis shows that the demand for low or zero-carbon assets both in the residential and civil sectors in both the Netherlands and UKI will rapidly increase in the coming years. This has resulted into increasing the ambition levels of the targets in our Sustainability Strategy. For example, BAM is increasing its effort to reduce our operational carbon footprint during construction and to design our products toward low or zero-carbon assets and projects to improve BAM's sustainability performance and safeguard a future for BAM. The example above is how the outcomes have influenced both strategy and target setting and transition planning. But the outcomes have also influenced other business processes. Financial planning has been influenced as we are speeding up the electrification of our vehicle fleet and equipment, and mandate the use of HVO instead of diesel and pay the premium also if clients are not willing to contribute. Capacity building is particularly influenced as we are increasing investments in our modular timber construction facility.

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☒ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☒ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☒ Yes

(5.2.5) Description of activities included in commitment and implementation of commitment

BAM is no longer taking up projects related to fossil fuel expansion. In our strategy, we have done an elaborate 'product-market combinations' analysis, in which the fossil fuel market is specified as market to withdraw from. In our baseline process where we assess all tenders, sustainability criteria are now included to make sure all incoming projects adhere to the minimal sustainability standards.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☒ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

BAM has an ongoing dialogue with key shareholders throughout the year. Some shareholders, such as VBDO (Dutch Association of Investors for Sustainable Entrepreneurship), Eumedion and Milieudefensie (Friends of the Earth) request BAM to report on certain topics in its annual report and/or ask further details on BAM's climate transition plan. Prior to BAM's Annual General Meeting, shareholders can reach out to BAM and meetings can be planned to pre-discuss certain topics. In 2023, BAM has discussed its climate transition plan with the above mentioned shareholders. These shareholders generally then also make use of the opportunity to ask questions during the AGM to ratify BAM's response to the questions discussed in the 1 on 1 meetings.

(5.2.9) Frequency of feedback collection

Select from:

☒ Annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

BAM's climate transition plan is based on concrete roadmaps containing specific CO2 reduction measures. Key measures for our direct impact (scope 1 and 2) are electrification of vehicle fleet and equipment and replacing the use of diesel by HVO (as a short-term transition measure). For our value chain impact (scope 3) the focus is on make use of more sustainable materials (e.g. timber instead of concrete, recycled steel, low-carbon asphalt) and developing and designing net-zero buildings as much as possible. Key dependencies are: - the availability of green electricity - the availability of certified sustainable HVO - availability and technological improvement in electric cars, vans and equipment - availability of sustainable construction materials, such as certified sustainable timber

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

In 2023, BAM has: - reduced its scope 1 and 2 intensity by 56% versus 2015. - increased the share of HVO use to 27% - increased the share of electric vehicles to 47% in 2023. - improved the measurement of scope 3 and disclosed the scope 3 footprint with limited assurance Full details of BAM's climate transition plan and the progress can be found in BAM's annual report 2023 (see attached).

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

bam-2023-annual-report.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☒ Biodiversity

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

Biodiversity is also an important topic in BAM's Sustainability strategy. There are some measures that are necessary in BAM's climate transition plan that can have a negative impact on biodiversity, such as the use of HVO and investment in electric equipment (sourcing of metals needed for the batteries). These tradeoffs are being considered and the impact is assessed to make sure we can mitigate part of these impacts to also realise our biodiversity goals.

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

- ☒ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

- ☒ Products and services
☒ Upstream/downstream value chain
☒ Investment in R&D
☒ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Both climate change risks and opportunities have already influenced BAMs strategy in the business area of products and services. The risks and opportunities identified are related to an increasing demand for low-carbon products. For BAM, this requires the development of new solutions for new-builts as well as solutions to

renovate existing assets. This is a tremendous opportunity for BAM to increase revenue and offer new products and services within growing markets. The identified risks and opportunities have already led to an increased share of low-carbon products and services in 2023.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change
- ☒ Forests

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate-related risks and opportunities in parts of the supply chain have already influenced BAMs strategy in this area. Royal BAM Group spends around 70% of its yearly revenue on procurement of products and services. In general, risks and opportunities in the supply chain are identified at project level. Typical risks identified with material suppliers in the supply chain (such as aggregate and concrete, steel and glass) are changing regulations and increasing costs and availability of raw materials and energy. This has already influenced BAM's strategy because this led to development of new products, increasing focus on recycled content and life cycle analysis. Forest related risks have affected our procurement strategy and how BAM participates with partners such as FSC.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

BAM invests in innovation and R&D to: 1) Create competitive advantage based on innovation, and recurring superior financial returns for shareholders. 2) Improving product and project quality for our clients, and 3) Building a sustainable environment for society in general. Innovation on 'climate change and energy solutions' has been identified as a significant business opportunity for BAM in BAM's 2023-2026 strategy. R&D and innovation influenced BAMs business and strategy since BAM continued investing in several innovation initiatives at segment level.

Operations

(5.3.1.1) Effect type

Select all that apply

☒ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Both climate change risks and opportunities have already influenced BAMs strategy and direct operations. Driving down CO2 emissions in our operations is a key factor in BAM's CO2 reduction targets. The short term reduction targets and BAM's Science Based Target drives CO2 reduction in the short term and medium term time horizon. Every segment (business unit) produces specific CO2 emissions management and reduction plans to ensure BAM plays its role in mitigating climate change risks, driving down CO2 emissions during operations and to contribute to the realization of (market and reputation) opportunities by improving BAM's sustainability performance. These plans are fully aligned with BAMs Science-Based targets at Group level.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

- ☒ Direct costs
- ☒ Capital expenditures

(5.3.2.2) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

- ☒ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Risks and opportunities have affected BAM's direct costs and capital expenditures. A few examples: In 2023, BAM has mandated the use of HVO instead of diesel on all projects, even if clients are not willingly to pay for the premium. This has resulted in an increase in fuel costs on projects. The capital expenditure has been affected by the identified risks and opportunities as investments in electrification of fleet and equipment have been increased, as well as the investment in modular timber construction to utilise identified market opportunities.

[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
	Select from: ☒ Yes	Select all that apply ☒ A sustainable finance taxonomy	Select from: ☒ At both the organization and activity level

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☒ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☒ Total across climate change mitigation and climate change adaption

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☒ Yes

(5.4.1.5) Financial metric

Select from:

☒ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

1308000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

20.9

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

20

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

30

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

85.8

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

14.2

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

The analysis with regard to taxonomy eligibility was carried out on data per project. 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 Company'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 Do No Significant Harm 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. Further details are listed in BAM's annual report 2023 in chapter 6.6 EU Taxonomy.

Row 2

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☒ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☒ Total across climate change mitigation and climate change adaption

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☒ Yes

(5.4.1.5) Financial metric

Select from:

☒ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

39000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

20.8

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

20

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

30

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

77.3

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

22.7

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

The eligibility scan for capital expenditures in 2023 (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 16 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. Further details are listed in BAM's annual report 2023 in chapter 6.6 EU Taxonomy.

Row 3

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☒ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☒ Total across climate change mitigation and climate change adaption

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☒ Yes

(5.4.1.5) Financial metric

Select from:

☒ OPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

28100000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

39.9

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

40

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

45

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

92.9

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

7.1

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

The expense accounts identified to determine operational expenditures according to the EU taxonomy definition are the following: • Repairs and maintenance; • Short-term leases (
[Add row]

(5.4.2) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Row 1

(5.4.2.1) Economic activity

Select from:

☒ Infrastructure for rail transport

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☒ Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply

☒ Turnover

☒ CAPEX

☒ OPEX

(5.4.2.5) Types of substantial contribution

Select all that apply

☒ Activity enabling mitigation

(5.4.2.6) Taxonomy-aligned turnover from this activity in the reporting year (currency)

923000000

(5.4.2.7) Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

14.7

(5.4.2.8) Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

14.7

(5.4.2.9) Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0

(5.4.2.13) Taxonomy-aligned CAPEX from this activity in the reporting year (currency)

25200000

(5.4.2.14) Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

13.5

(5.4.2.15) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

13.5

(5.4.2.16) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

0

(5.4.2.20) Taxonomy-aligned OPEX from this activity in the reporting year (currency)

27200000

(5.4.2.21) Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

38.6

(5.4.2.22) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

38.6

(5.4.2.23) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

0

(5.4.2.27) Calculation methodology and supporting information

All the activities within the Group's portfolio included in the Climate Delegated Act have been identified. This process considered activities under the climate change mitigation and climate change adaptation objectives. Examples of eligible economic activities include 'Infrastructure for rail transport', 'Construction of new buildings' and 'Renovation of existing buildings'. Refer to Annual Report 2023 chapter 6.6 EU Taxonomy for further details.

(5.4.2.28) Substantial contribution criteria met

Select from:

☒ Yes

(5.4.2.29) Details of substantial contribution criteria analysis

The eligible activities identified in the previous phase are analysed to verify their compliance with the substantial contribution criteria of the EU Taxonomy. BAM mainly focused its assessment on activities that are considered sustainable in perspective of the Company's sustainability strategy, such as rail projects, modular timber construction (Flow concept), energy neutral houses, nearly-zero-energy buildings and renovation of houses and buildings. Refer to Annual Report 2023 chapter 6.6 EU Taxonomy for further details.

(5.4.2.30) Do no significant harm requirements met

Select from:

☒ Yes

(5.4.2.31) Details of do no significant harm analysis

An analysis of existing environmental procedures was performed to verify compliance with the DNSH criteria for each activity or project, dependent on the granularity of the assessment. BAM has evaluated these DNSH criteria to establish a sufficient amount of detail for the procedures involved. Non-compliance with any of the DNSH criteria results in an 'eligible-not aligned' outcome of the assessment.

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

☒ Yes

(5.4.2.33) Attach any supporting evidence

bam-2023-annual-report_0.pdf

Row 2

(5.4.2.1) Economic activity

Select from:

☒ Construction of new buildings

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☒ Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply

☒ Turnover

☒ CAPEX

☒ OPEX

(5.4.2.5) Types of substantial contribution

Select all that apply

☒ Transitional activity

(5.4.2.6) Taxonomy-aligned turnover from this activity in the reporting year (currency)

284000000

(5.4.2.7) Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

4.5

(5.4.2.8) Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

4.5

(5.4.2.9) Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0

(5.4.2.13) Taxonomy-aligned CAPEX from this activity in the reporting year (currency)

12500000

(5.4.2.14) Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

6.7

(5.4.2.15) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

6.7

(5.4.2.16) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

0

(5.4.2.20) Taxonomy-aligned OPEX from this activity in the reporting year (currency)

800000

(5.4.2.21) Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

(5.4.2.22) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

(5.4.2.23) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

(5.4.2.27) Calculation methodology and supporting information

All the activities within the Group's portfolio included in the Climate Delegated Act have been identified. This process considered activities under the climate change mitigation and climate change adaptation objectives. Examples of eligible economic activities include 'Infrastructure for rail transport', 'Construction of new buildings' and 'Renovation of existing buildings'. Refer to Annual Report 2023 chapter 6.6 EU Taxonomy for further details.

(5.4.2.28) Substantial contribution criteria met

Select from:

☒ Yes

(5.4.2.29) Details of substantial contribution criteria analysis

The eligible activities identified in the previous phase are analysed to verify their compliance with the substantial contribution criteria of the EU Taxonomy. BAM mainly focused its assessment on activities that are considered sustainable in perspective of the Company's sustainability strategy, such as rail projects, modular timber construction (Flow concept), energy neutral houses, nearly-zero-energy buildings and renovation of houses and buildings. Refer to Annual Report 2023 chapter 6.6 EU Taxonomy for further details.

(5.4.2.30) Do no significant harm requirements met

Select from:

☒ Yes

(5.4.2.31) Details of do no significant harm analysis

An analysis of existing environmental procedures was performed to verify compliance with the DNSH criteria for each activity or project, dependent on the granularity of the assessment. BAM has evaluated these DNSH criteria to establish a sufficient amount of detail for the procedures involved. Non-compliance with any of the DNSH criteria results in an 'eligible-not aligned' outcome of the assessment.

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

☒ Yes

(5.4.2.33) Attach any supporting evidence

bam-2023-annual-report_0.pdf

Row 3

(5.4.2.1) Economic activity

Select from:

☒ Renovation of existing buildings

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☒ Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply

☒ Turnover

☒ CAPEX

☒ OPEX

(5.4.2.5) Types of substantial contribution

Select all that apply

☒ Transitional activity

(5.4.2.6) Taxonomy-aligned turnover from this activity in the reporting year (currency)

65000000

(5.4.2.7) Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

1

(5.4.2.8) Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

1

(5.4.2.9) Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0

(5.4.2.13) Taxonomy-aligned CAPEX from this activity in the reporting year (currency)

1000000

(5.4.2.14) Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

0.5

(5.4.2.15) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

0.5

(5.4.2.16) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

0

(5.4.2.20) Taxonomy-aligned OPEX from this activity in the reporting year (currency)

100000

(5.4.2.21) Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

0.2

(5.4.2.22) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

0.2

(5.4.2.23) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

0

(5.4.2.27) Calculation methodology and supporting information

All the activities within the Group's portfolio included in the Climate Delegated Act have been identified. This process considered activities under the climate change mitigation and climate change adaptation objectives. Examples of eligible economic activities include 'Infrastructure for rail transport', 'Construction of new buildings' and 'Renovation of existing buildings'. Refer to Annual Report 2023 chapter 6.6 EU Taxonomy for further details.

(5.4.2.28) Substantial contribution criteria met

Select from:

☒ Yes

(5.4.2.29) Details of substantial contribution criteria analysis

The eligible activities identified in the previous phase are analysed to verify their compliance with the substantial contribution criteria of the EU Taxonomy. BAM mainly focused its assessment on activities that are considered sustainable in perspective of the Company's sustainability strategy, such as rail projects, modular timber construction (Flow concept), energy neutral houses, nearly-zero-energy buildings and renovation of houses and buildings. Refer to Annual Report 2023 chapter 6.6 EU Taxonomy for further details.

(5.4.2.30) Do no significant harm requirements met

Select from:

☒ Yes

(5.4.2.31) Details of do no significant harm analysis

An analysis of existing environmental procedures was performed to verify compliance with the DNSH criteria for each activity or project, dependent on the granularity of the assessment. BAM has evaluated these DNSH criteria to establish a sufficient amount of detail for the procedures involved. Non-compliance with any of the DNSH criteria results in an 'eligible-not aligned' outcome of the assessment.

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

☒ Yes

(5.4.2.33) Attach any supporting evidence

bam-2023-annual-report_0.pdf

Row 4

(5.4.2.1) Economic activity

Select from:

☒ Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☒ Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply

☒ Turnover

☒ CAPEX

(5.4.2.5) Types of substantial contribution

Select all that apply

☒ Activity enabling mitigation

(5.4.2.6) Taxonomy-aligned turnover from this activity in the reporting year (currency)

30000000

(5.4.2.7) Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

0.5

(5.4.2.8) Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

0.5

(5.4.2.9) Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0

(5.4.2.13) Taxonomy-aligned CAPEX from this activity in the reporting year (currency)

200000

(5.4.2.14) Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

0.1

(5.4.2.15) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

0.1

(5.4.2.16) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

0

(5.4.2.27) Calculation methodology and supporting information

All the activities within the Group's portfolio included in the Climate Delegated Act have been identified. This process considered activities under the climate change mitigation and climate change adaptation objectives. Examples of eligible economic activities include 'Infrastructure for rail transport', 'Construction of new buildings' and 'Renovation of existing buildings'. Refer to Annual Report 2023 chapter 6.6 EU Taxonomy for further details.

(5.4.2.28) Substantial contribution criteria met

Select from:

☒ Yes

(5.4.2.29) Details of substantial contribution criteria analysis

The eligible activities identified in the previous phase are analysed to verify their compliance with the substantial contribution criteria of the EU Taxonomy. BAM mainly focused its assessment on activities that are considered sustainable in perspective of the Company's sustainability strategy, such as rail projects, modular