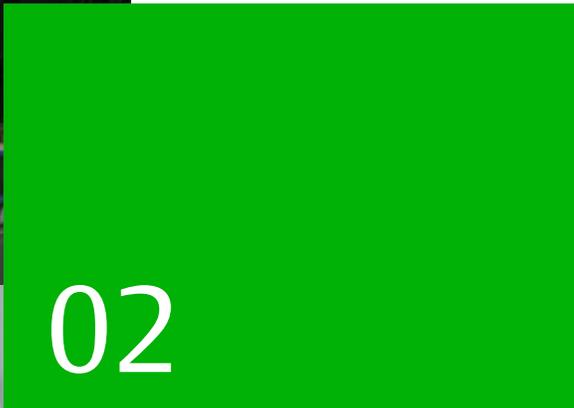


Reconstruction of IJ-viaduct at Amsterdam Central station, the Netherlands



Our strategy

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Construction of Greystones Community College, Co. Wicklow, Ireland



2.1 Building a sustainable tomorrow

Our mission

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

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

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

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

2.2 The world around us: our drivers and influencers

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

Geopolitics and the EU

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

Economic conditions

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

Labour and skills shortages

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

Materials and supply chain

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

Climate and ecology

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

Technology and innovation

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

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

2.3 Our markets

Rigorous focus

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

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

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

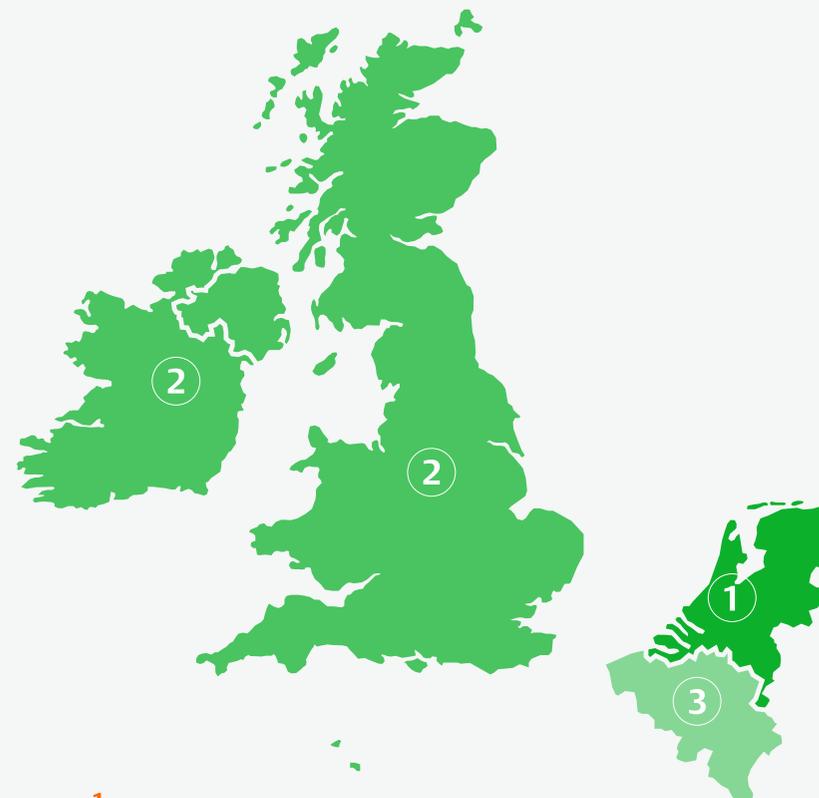
These transitions create long-term demand across our markets in the Netherlands, the United Kingdom and Ireland, and Belgium, and shape where and how we choose to compete.

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

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

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

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



1
Netherlands
division

BAM Infra Nederland
BAM Bouw en Techniek
BAM Residential
BAM Specials

2
**United Kingdom,
Ireland**
division

BAM Infrastructure
BAM Construct and Ventures
BAM Contractors (Ireland)

3
Belgium

BAM Interbuild
Kairos

2.4 Strategy 2024-2026: Focus, Transform, Expand

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

Focus



Transform



Expand



Focus

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

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

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

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

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

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

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



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

Transform

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

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

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

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

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

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

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

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

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

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



Expand



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

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

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

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

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

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

Our strategic evolution

From broad ambition to focused brilliance

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

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

Standing out in a competitive market

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

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

Product-market combinations

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

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



Mixed use development of Deleers
Campus, Anderlecht, Belgium

How we select the right contracts and tenders

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

Framework agreements

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

Two-stage tendering

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

Property Development Projects

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

Connecting ambition, strategy and value creation

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

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

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

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

Value creation model

Our foundations

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

Our contribution

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



Our work in action

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

Our impact on society



Social

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



Environmental

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



Economic

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

Sustainable Development Goals in practice



2.5 How we create value for society

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

Our sustainability foundation

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

Our value creation drivers

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



Bajeskwartier area redevelopment, Amsterdam, the Netherlands

Economic value

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

Environmental value

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

Social value

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

How we drive sustainability

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



2.6 The BAM Experience

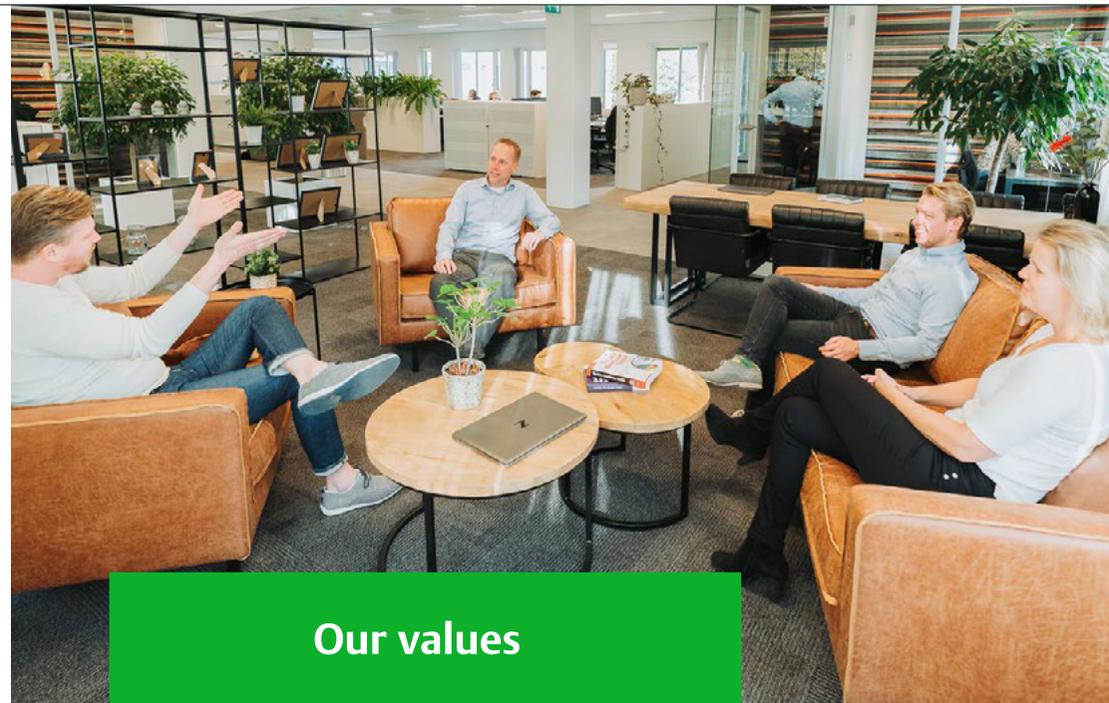
With the introduction of The BAM Experience in 2024, we have set the course of an essential enabler to build a sustainable tomorrow. As that is a big promise that we can't keep without our people.

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

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

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

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



Our values



Sustainable



Inclusive



Reliable



Ownership



Collaborative

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

[Click on the icon](#)

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

Guided by values, united by culture

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

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

Sustainable career development

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

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

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

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

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

Embracing diversity and fostering inclusion

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

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

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

Building our communities

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

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

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



Story

Michel Koning

rigger

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

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



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

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

Our values

Sustainable

Inclusive

• **Reliable**

Ownership

Collaborative



Reliable