



2025 Tax Report

Royal BAM Group nv





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Preface

BAM considers tax payments as a valuable contribution to the communities in which it operates. Besides monetary contribution, BAM believes that being open and transparent about its approach to tax forms an integral part of its social responsibility. Tax transparency is a critical element of our corporate governance framework and supports long term value creation for all our stakeholders. To turn our words into action, in 2022 we have endorsed the Tax Governance Code developed by VNO-NCW (a Dutch employers' organisation), which aims for greater transparency on the tax position of Dutch listed companies.

In addition this Tax Report has been prepared in accordance with Global Reporting Initiative 207: Tax, and is anchored in our broader sustainability reporting approach. As a Corporate Sustainability Reporting Directive (CSRD) company BAM is obliged to report under European Sustainability Reporting Standards (ESRS). The alignment between the ESRS and the GRI Standards enables us to provide coherent and interoperable disclosures. The ESRS framework allows entities to incorporate GRI disclosures into their ESRS sustainability statement, including topics not explicitly covered by ESRS, such as taxation.

This interoperability strengthens our ability to provide meaningful, decision useful insight into our tax governance, strategy, and country-by-country contributions. It also supports our compliance with the CSRD and reinforces the transparency and comparability of our sustainability disclosures across jurisdictions. The high degree of alignment between ESRS and GRI ensures that our tax reporting remains consistent with internationally recognised good practice in sustainability reporting.

All numbers in this Tax Report are in EUR x 1,000, unless stated otherwise. Furthermore, the same materiality threshold has been applied as for our Annual Report.

Throughout this report several terms and definitions are used, which are in line with its meaning under IAS 12, paragraph 5 and the GRI Standards Glossary. Terms and definitions not included under IAS 12, paragraph 5 or the GRI Standards Glossary are explained hereafter.

Tax contribution

Any actual (net) cash flow to or from national tax authorities.

Corporate tax

Domestic and foreign taxes which are based on taxable profits.

Withholding taxes

Taxes deducted at source, especially one levied by some countries on dividends, royalties, interest, services paid to a person or company resident outside that country.

Wage tax and social security premiums

Taxes withheld by BAM from employee remunerations and paid on behalf of employees to tax authorities.

Home countries

Countries where we have a permanent presence: Netherlands, United Kingdom, Ireland and Belgium.



1. Introduction

At Royal BAM Group, transparency is an important part of how we conduct business and how we aim to build trust with our stakeholders. As a construction company with a long-standing presence in the Netherlands, the United Kingdom, Ireland and Belgium, we contribute to society through the projects we deliver, the economic value we create, but also by the taxes we pay in the countries where we operate.

With this 2025 BAM Tax Transparency Report, we reaffirm our commitment to responsible tax behaviour and introduce the GRI 207: Tax Standard for the first time. This helps to further strengthen the clarity and comparability of our tax disclosures. The adoption of GRI 207 aligns with BAM's wider sustainability ambitions and responds to increasing expectations from investors, clients, governments, and civil society regarding openness in corporate taxation. Stakeholders expect companies to comply with tax laws while also providing visibility into their governance, approach, and contribution to public finances.

The global tax environment continues to evolve, driven by initiatives such as the OECD's BEPS project and the introduction of global minimum taxation rules. BAM supports these developments and remains committed to ensuring that our tax position reflects economic activity and that we pay the appropriate amount of tax in the right jurisdictions.

This report outlines our tax strategy, governance, and risk management approach, and shows how the tax function supports BAM's purpose of building a sustainable tomorrow. We do not use artificial or aggressive tax structures and aim to maintain constructive and professional relationships with tax authorities.

A core part of GRI 207 is the publication of country-by-country tax data, providing a clearer picture of where BAM operates, creates value, and contributes to public finances. By publishing this information, we seek to offer transparency about our economic footprint. In addition, in an annex to this report, we include our public country-by-country reporting as required under EU legislation.

As this is our first year reporting under GRI 207, we view it as a step in an ongoing process of improvement. We will continue to refine our reporting to ensure it remains aligned with evolving best practices and stakeholder expectations.

We invite you to review this report for an overview of the principles and practices that guide BAM's approach to taxation and our contribution to the communities in which we work.

Henri de Pater,
CFO

Walter Zuidgeest,
Head of Tax

Bunnik, the Netherlands
5 March 2026



2. Business and organisation

Royal BAM Group nv is a leading construction and property development company listed on Euronext Amsterdam with over 150 years of experience in delivering sustainable buildings, homes and infrastructure for public and private sector clients. With approximately 13,300 employees, BAM realised a revenue of €7 billion in 2025.

The company operates in its home markets the Netherlands, the United Kingdom and Ireland and also has activities in Belgium. BAM's 2024-2026 strategy 'Building a sustainable tomorrow' is built around three pillars: Focus, Transform, and Expand. The company concentrates on a profitable and predictable performance, driven by digital and scalable innovation, aligned with ambitious sustainability targets. The company's values are reliable, inclusive, sustainable, collaborative and ownership.

Mission and strategy

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, and through 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.

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.

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.



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.

Organisation

Royal BAM Group’s organisational structure is based on two divisions (one dedicated to the Netherlands and the other to the United Kingdom and Ireland), supported by a focused and streamlined corporate centre.

BAM focuses on its home markets (‘divisions’), where BAM leverages its scale and strong position to lead with replicable and ‘best-in-industry’ construction processes, delivered safely by highly skilled employees to create valuable, sustainable solutions for its clients.

BAM also has operating companies in Belgium (construction and property).

Royal BAM Group nv - Corporate centre



Netherlands

BAM Bouw en Techniek focuses on the commercial and technical development, preparation and construction of non-residential construction projects. BAM Bouw en Techniek also offers extensive services in the field of mechanical and electrical engineering. They deliver accommodation solutions that are flexible in terms of function, space and use. This ensures that the buildings and M&E installations are ready for the changing function and technology of the future.

AM, BAM Wonen and Homestudios are part of BAM Residential, combining the activities of area and property development with residential construction, making existing housing more sustainable and creating attractive homes. They also provide individual support for residents to help make their house a real home.

BAM Specials brings together a wide range of innovative and specialist activities in the field of construction and real estate. The focus lies primarily on developments in digital design and digital engineering, industrialisation, circularity, modular construction, the energy transition, and emerging technologies. The company comprises the business units BAM Telecom, BAM Energie & Water, BAM Modulaire- en Energieconcepten, BAM Materieel, BAM Industrie, BAM Wood Concepts, BAM Integrale Projecten Noord, BAM Integrale Projecten Zuid, Interflow, Schakel & Schrale, Bouwbedrijf Pennings and b.Home.

For more than 150 years, BAM Infra Nederland has been delivering infrastructure projects in the Netherlands. BAM Infra Nederland has the in-house expertise for large and small integrated projects in the field of construction and maintenance of roads, bridges, locks, tunnels, rail connections and loading facilities for buses, trucks and ships. The head office is located in Gouda and the operating company has an extensive network of branch offices.

**United Kingdom and Ireland**

Division United Kingdom and Ireland comprises of four business segments: BAM Construct UK, BAM Nuttall, BAM Contractors (Ireland) and BAM Ventures.

BAM Construct & Ventures UK is headquartered in Hemel Hempstead. With BAM Construction, the company is at the forefront of social and technological change in the United Kingdom's built environment. It has created some of Britain's best-known and best-performing buildings. BAM Construction operates from major regional centres in every major city of the United Kingdom.

BAM is a leader in digital construction and contributed to the development of platform design solutions to assist the whole sector through the Construction Industry Hub. It is known for its highly collaborative ethos.

BAM Nuttall is one of the leading infrastructure contractors in the United Kingdom market. In partnership with both public and private sectors, BAM Nuttall undertakes the full range of civil engineering activities for large and small scale projects, employing the best human, technical and financial resources to ensure the best quality and cost effective solutions for its clients. BAM Nuttall is focused on providing the highest professional standards in the civil engineering market, with emphasis on building strong, trusting and long lasting relationships with satisfied customers.

BAM Contractors is a leading construction company in Ireland, with approximately 750 employees. BAM Building is one of the largest and most successful construction companies in Ireland with a reputation for pioneering digital methods of construction; BAM Civil is a market leader in the delivering major civil engineering and infrastructure projects. Activities also include rail infrastructure, facility management, volumetric modular housing and property development (BAM Property). BAM Contractors is actively involved in various education, courts and motorway Public Private Partnership (PPP) projects in Ireland.

BAM Ventures comprises BAM FM (United Kingdom), BAM Properties (United Kingdom), BAM Site Solutions, BAM Plant (United Kingdom) and BAM Ritchies, BAM Charging Solutions and BAM Energy.

BAM FM, the facilities management business for the United Kingdom and Ireland, employs around 1,000 people.

Established in 1998, it has nine regional offices. providing hard and soft FM services for a range of public sector and private clients.

BAM Properties focuses on prime real estate developments in commercial, retail and leisure and residential sectors, and manages the whole development process – end to end – identifying and assembling sites, developing the building design and securing planning permission, through to financing, construction delivery, letting and sales.

BAM Ritchies is a leading geotechnical contractor, providing innovative and best-value solutions for ground engineering, ground investigation, geotechnics for renewable energy and waste, concrete techniques, and drilling and blasting.

BAM Charging Solutions delivers electric vehicle charging schemes for companies and public sector organisations on single and multiple sites.

BAM Energy promotes energy efficiency and energy generation from renewable sources.

Belgium

Interbuild, BAM FM and Kairos are developing, building and maintaining residential and non-residential projects in Flanders and the Brussels area, both in the private and public market.

Corporate Centre

BAM's Executive Committee consists of two Executive Board members (chief executive officer and chief financial officer), two chief operating officers, one responsible for the activities in the Netherlands and the other for the activities in the United Kingdom and Ireland, and the chief HR officer.



3. Financial year 2025

3.1 Significant events update

During 2025, the following significant events took place:

- On 16 January, Royal BAM Group is pleased to announce that the Science Based Targets initiative (SBTi) has validated its new reduction targets for Scope 1, 2, and 3 carbon emissions and its goal to achieve net zero by 2050. These updated goals reinforce BAM's commitment to sustainability and its mission to build a sustainable tomorrow.
- On 10 February, for the sixth consecutive year, Royal BAM Group has been named to the prestigious 'A List' by CDP, a leading global environmental non-profit. This recognition underscores BAM's consistent leadership in corporate transparency and performance on climate change.
- On 12 March, Royal BAM Group nv has been included in the AMX (Midkap) index of Euronext Amsterdam following its latest annual review. BAM's elevation to the AMX index is primarily attributed to its positive market value development.
- On 25 March, Royal BAM Group nv has completed the divestment of its remaining 50% stake in Invesis to PGGM Infrastructure Fund, as announced on 17 December 2024.
- On 8 May, Royal BAM Group nv announces that its shareholders adopted all resolutions at today's Annual General Meeting (AGM). Key items included the approval of a cash dividend, the appointment of Henri de Pater as a member of the Executive Board in the role of Chief Financial Officer (CFO) and the appointment of KPMG Accountants as the Company's external auditor for 2026 - 2028.
- On 12 May, Royal BAM Group nv starts a share buyback programme of €50 million, as announced on 13 February 2025. The share buyback is executed under terms of an engagement letter with a third party and upon the specific authorisation granted by the Annual General Meeting of 8 May 2025.
- On 21 May, BAM marked two important milestones in its sustainability journey: the validation of its targets by the Science-Based Targets initiative (SBTi) and the inclusion on CDP's 'A-list' of top-performing companies in the field.
- On 7 October, property developer AM has been named the winner of the Dutch Shared Mobility Award in the category of project and area developers. The prize, presented by Natuur & Milieu in collaboration with the Ministry of Infrastructure and Water Management and the Natuurlijk!Deelmobiliteit programme, recognises AM's forward-thinking vision and tangible results in the field of shared mobility.
- On 7 November, Van Oord has reached an agreement with BAM Infraconsult bv (BAM's civil engineering consultant in the Netherlands) on the intended acquisition of the Xbloc activities and associated assets.
- As from 17 November, area developer AM can officially call itself a B Corp. This international certification recognises companies that are not only profit-driven but also demonstrably make a significant positive impact on people and the environment. By achieving this certification, AM joins a select group of pioneers worldwide who use business as a force for positive change.
- On 15 December, BAM Netherlands has acquired a strategic stake in Droneview, a leading Dutch provider of drone services for the built environment.



3.2 Financial performance update

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

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

BAM maintained a strong financial position, supported by effective cost control and disciplined working-capital management, and both our cash position and solvency improved further. The company proposes to pay a dividend of €0.30 per share over 2025, representing a 20% increase compared with last year. In addition, we intend to return a further €30 million to shareholders through a share buyback. This indicates that we expect to return circa 50% of 2025 net income to shareholders.

Income Statement

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

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

² Restructuring costs and pension one-off results.



4. Tax policy

The Executive Committee of Royal BAM Group is committed to Building a sustainable tomorrow. Recognising the role tax plays in this regard, BAM has adopted tax principles that balance the interest of the various stakeholders.

This policy is applicable to all Royal BAM Group activities and all its companies, employees and any other representatives (hereafter 'BAM').

The tax policy applies to all taxes that BAM encounters in the course of its business. BAM's tax department supports awareness for and compliance with the tax policy.

The BAM Code of Conduct and BAM Values (collaborative, inclusive, ownership, reliable and sustainable) are a common foundation for how we work, set the standard for our behaviour and provide a compass for decision making. Derived from and in line with these values and code of conduct, BAM has adopted a tax policy.

This tax policy is intended to set forth BAM's tax strategy, a commitment to the application of good tax practices and the underlying tax principles. Furthermore, BAM has adopted the VNO NCW Tax Governance Code.

Approach to tax

Tax is an important subject for BAM and its stakeholders. Tax payments are not just a cost factor only, but also a contribution to society and seen as a means for social economic cohesion, sustainable growth and long-term prosperity. Therefore, BAM strives to come to a responsible approach to tax as an integral part of its corporate social responsibility agenda. BAM will seek to align the long-term interests of all its stakeholders, including clients, employees, business partners, investors, and wider society. BAM operates a zero-tolerance approach to the facilitation of tax evasion by any parties associated with BAM.

BAM's key tax principles are:

Accountability and governance

Tax is a core part of corporate social responsibility and governance and is overseen by the Executive Committee. BAM has a tax control framework that enables the company to identify and assess tax risks, define our tax risk appetite and monitor and report tax controls.

Tax compliance

BAM is committed to comply with the letter, the intent and the spirit of the tax legislation and transfer pricing rules of the countries in which BAM operates and to pay the right amount of tax at the right time.

Tax transparency and reporting

BAM regularly provides information to their stakeholders, including investors, policy makers, employees and the general public, about their approach to tax and taxes paid.

Relationships with tax authorities

BAM seeks, wherever possible, to develop cooperative relationships with tax authorities based on mutual respect, transparency and trust.

Business structures

BAM will only use business structures that are driven by commercial considerations, are aligned with business activity and have genuine substance.

This policy is achieved by effective operation of the policies, processes and systems together with the active leadership, participation, professionalism and commitment of all internal stakeholders involved. The management systems aim to meet the requirements of BAM, its clients and other external stakeholders.



The Executive Committee regards the responsibility of management in implementing this policy statement to be fundamental to BAM meeting its standards and commitments.

BAM has appointed a Director Tax for the Group to ensure awareness of this policy is promoted throughout the company, the effectiveness is monitored and areas for continual improvement identified and implemented.

Our tax policy can be found here: <https://www.bam.com/sites/bamc/files/2025-07/tax-policy-statement-2025.pdf>



5. Risk management and governance

5.1 Risk management

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

5.1.1 Risk management framework

In line with the requirements of the Dutch Corporate Governance Code, BAM's risk management framework is based on the Enterprise Risk Management - Integrated Framework (updated in 2017) of the Committee of Sponsoring Organisations of the Treadway Commission ('COSO ERM framework'). It provides a standardised framework for identifying risks, mitigating actions and implementing controls. BAM's risk management framework is reinforced by the integration of internationally recognised standards, which are embedded across its operations to support proactive identification, assessment and mitigation of strategic, operational, financial and compliance risks.

5.1.2 Tax Control Framework

Part of BAM's risk management framework is our effective tax control framework ('TCF'), which sets out the activities, tools, techniques and organisation arrangements to ensure all tax risks are identified, assessed, understood and that appropriate responses are in place to mitigate the impact of all risks. Tax risks are the risks that the company may be paying or accounting for an incorrect amount of tax (including both income and indirect taxes), or that the tax positions that the company adopts are out of step with the tax risk appetite that the Executive Board have authorised or believe is prudent. Tax risks may lead to a negative impact on the goals of the organisation, or to financial – or reputational – damage.

In organisations as ours, tax is impacting many processes in all parts of the organisation. As part of our TCF we have described the dedicated tax processes, such as the preparation of tax returns, step by step. By doing this we gain insight in where material risks are present in our processes. Where required we have implemented additional or tighter controls to manage these risks. Next to dedicated tax processes, tax can be relevant in business processes, such as tendering, HR, contract management, legal processes, etc. The relevant department also has a risk control framework in place, in which we ensure that the relevant tax step is included and controls are in place.

Risk assessment

For recurring processes, BAM performs a risk analysis regularly, but at least yearly. The risk analysis identifies the inherent tax risks. Inherent risk is the level of untreated risk that the organisation faces, defined as the magnitude of risk in the absence of any risk controls or mitigants. An inherent tax risk is the possibility of a tax return as a whole, or of a tax return item, to be materially misstated. In the context of tax supervision, it is particularly important to note that tax risks can occur at several levels within the organisation.

Then an estimate is made of the probability of an identified risk manifesting itself and the impact on the tax returns in the event it does.

This analysis leads to the identification of the most important risks (the so-called 'key risks'). Subsequently, for each risk identified, BAM determines the desired response, based on the tax strategy and risk appetite.



Controls

Once the risk assessment has been performed and the risks are identified and assessed, the subsequent step is to select and establish control activities that would eliminate these risks or reduce their occurrences to at least an acceptable level.

Control activities are the actions established that help ensure that management's directives to mitigate risks to the achievement of objectives are carried out. Control activities are performed at all levels of the entity, at various stages within business processes, and over the technology environment. They may be preventive or detective in nature and may encompass a range of manual and automated activities.

Our tax controls are inspired by the COSO risk control framework. COSO lists the following examples of control activities, which are our preferred control types:

- policies and procedures
- authorisations, approvals and verifications
- a system of reconciliations
- performance reviews
- segregation of functions.

All relevant elements of identified risks and the selected control measures are documented in our tax risk matrices.

Monitoring

Monitoring is an important element of our tax control framework. By monitoring we test and evaluate the performance of internal controls and to implement any improvements if required. Tax monitoring has two functions:

- **Retrospective:** Looking back and evaluate if the outcome of a process was correct. This can prevent material errors ending up in tax returns.
- **Prospective:** Going forward, detecting inadequate control or unknown risks.

Several monitoring activities are performed, whereby key control testing, data analysis and statistical sampling are the preferred monitoring methods.

5.1.3 Objectives

The TCF is a set of processes and internal control procedures ensuring that BAM's tax risks are known and controlled. Therefore, the TCF is an important means to manage our overall tax matters.

Furthermore, the TCF enables the company to achieve its operational and financial tax goals and to implement its tax strategy in a manageable and controllable manner. Also the TCF helps us communicate clearly about tax issues with all external and internal stakeholders. All elements together should lead to a fully functioning tax function, obtaining several advantages, which are also the objectives for preparing this TCF:

- Work is up to date
- Certainty about tax position (no 'surprises')
- Image improvement, increased stakeholder confidence
- Efficient and effective control system for taxation
 - Improved quality of tax data
 - Faster reporting of tax
 - Better understanding of the tax situation, providing more insight into tax options
- Fewer corrections during tax audits and lower audit costs

5.1.4 Scope

The Tax Control Framework deals with corporate taxes, employment taxes, value added taxes and withholding taxes and applies to all entities that are part of the annual report consolidation and in relationship with employees and representatives of BAM Group.



5.2 Governance

Despite international developments tax law remains a very country specific topic. Therefore we have tax functions at different levels and locations in the organisation. At the level of the divisions, we have local tax functions providing tax expertise for specific types of taxations. The local tax functions are responsible for the tax matters of local companies and activities. The corporate centre tax function at the level of the head office oversees, aligns and supports these local tax functions. Where specific tax expertise is not available in our own organisation we consult external tax advisors.

At the corporate centre the tax function consists of 2 FTE's. In the Netherlands 4 tax experts are responsible to each manage a specific tax type as corporate income tax, employee related taxes and VAT. For the United Kingdom and Ireland 5 FTE's are responsible for local tax matters. In Belgium tax matters are embedded within the finance function.

To clarify and define roles and responsibilities for cross-functional or departmental processes, RACI models have been developed, allocating the key functions responsible, accountable, consulted, and informed for the main processes of the Tax Function.

The BAM tax policy is intended to serve as a guidance to the application of good tax practices and the underlying tax principles. Everyone who is contributing to the tax function adheres to the BAM tax policy. Fostering a speak up culture, in which employees feel empowered to talk about any issue without fear of negative consequences, is essential for BAM. The Speak Up procedure, which is also summarised in the Code of Conduct, encourages the reporting of possible breaches and offers protection for those who speak up. Furthermore, the revised procedure also includes the new requirements of the (EU) Whistleblower Directive.

The Executive Committee has approved the BAM Tax Policy. Implementation and operation of the BAM Tax Policy, as well as reports on our tax position, tax risks and - developments, are reviewed by and discussed with the Audit Committee on a regular basis, no less than annually.

The corporate centre tax function regularly reports to the CFO and the Executive Committee on day-to-day operations, the status and effectiveness of the function and on tax developments.



6. Relationship with tax authorities

We seek to develop and maintain open, constructive and mutually respectful relations with tax authorities in our home countries based on transparency and trust. We only seek rulings from tax authorities to confirm the applicable tax treatment based on the full disclosure of the facts. We support the Organisation for Economic Co-operation and Development (OECD) initiatives to promote tax transparency and the reform of international tax systems in order to arrive at fair tax systems.

Netherlands

In the Netherlands, our relationship with the tax authorities is embedded in the ‘individual monitoring plan’. During quarterly update meetings, we inform tax inspectors of business developments and potentially relevant tax topics. We also strive to update the tax inspectors on BAM’s approach to tax. Furthermore, we proactively share our tax risk control matrix, which includes identified risks, potential exposure and mitigation measures. Finally, every year several risks are subject to a thorough and detailed internal review, whose outcome is shared and discussed with the tax authorities.

United Kingdom

In the United Kingdom, we have a dedicated HMRC Customer Compliance Manager. During yearly update meetings, we inform tax inspectors of business developments and potentially relevant tax topics. We also strive to update the tax inspectors on BAM’s approach to tax. Finally, we proactively share our tax risk control matrix, which includes identified risks, potential exposure and mitigation measures. Every three years, we are subject to re-assessment of our tax processes and the subsequent risk profile, by HMRC. Latest review has been finalised in 2024. Currently our risk profile is low, which means that HMRC fully trusts and relies on our tax processes.

Ireland

In Ireland, we have a more traditional relationship with the tax authorities, whereby filings are audited upon initiation by the Irish tax authorities.

Belgium

In Belgium, we have a more traditional relationship with the tax authorities, whereby filings are audited upon initiation by the Belgian tax authorities.



7. Tax features and incentives

A tax feature is a part of a tax system designed to keep the system coherent. A tax incentive is a governmental tax measure designed to incentivise or encourage a particular business activity by reducing related tax payments.

Tax incentives are available in the various countries where BAM operates. BAM will claim tax incentives if these are in line with business operations provided that BAM is entitled to these not just by the letter of the tax law, but also by its policy intention.

7.1 Tax features

Some of the most important tax features to BAM are:

7.1.1 Participation exemption (Netherlands and United Kingdom)

Royal BAM Group nv is BAM's ultimate parent company, and the Dutch participation exemption regime applies to income derived from its domestic and foreign subsidiaries. The Dutch participation exemption regime aims to eliminate economic double corporate taxation of profit distributions paid by a subsidiary to its parent company. A corporate taxpayer is exempt from Dutch corporate income tax on all benefits, such as dividends and capital gains, connected with a qualifying shareholding.

In the United Kingdom, a similar participation exemption regime (substantial shareholding exemption) applies.

7.1.2 Loss carry-forward

Operational losses incurred that lead to a tax loss in a specific year can be carried forward to be offset against the taxable profits of a future year. This offsetting is subject to several conditions that may differ per country. The most important conditions relate to the timing (indefinite carry-forward or time-capped) and amount (full offsetting of a taxable profit or a percentage thereof). In countries where BAM has active operations a loss carry-forward regime is applicable.

7.2 Tax incentives

Some of the most important tax incentives to BAM are:

7.2.1 Research and development tax credit - WBSO (Netherlands)

If a company carries out research and/or development projects, it may be able to make use of the Dutch research and development tax credit WBSO (in Dutch: Wet ter Bevordering van Speur- en Ontwikkelingswerk).

Each year, the Dutch government allocates the WBSO budget as part of its Tax Plan. The WBSO R&D tax credit offers support for two different types of projects:

- **Development project**
This category covers the development of technically new physical products, physical production processes or software (or parts thereof).
- **Technical scientific research**
This category covers exploratory research of a technical nature.

A company may apply for the WBSO tax credit for R&D activities carried out by its own employees, and for costs and expenditures incurred while carrying out an R&D project.



7.2.2 Energy Investment Allowance – EIA (Netherlands)

In the Netherlands, a company can receive a tax deduction for clearly defined investments (specific) and for tailor-made investments (generic) that result in substantial energy savings. A company can deduct 40 per cent of these investment costs from its taxable profit. This is possible on top of the usual depreciation. These investments are described as ‘company resources’ on the Energy List.

7.2.3 Environmental Investment Allowance - MIA (Netherlands)

In the Netherlands, a company can receive a tax deduction for investments listed on the Environment List, referred to as business assets, which are minimally damaging to the environment. A company can deduct up to 45 per cent of the investment costs for an environmentally friendly technology on top of the usual depreciation.

7.2.4 Research and Development expenditure credit – RDEC (United Kingdom)

Research and Development (R&D) reliefs support companies that work on innovative projects in science and technology. These can be claimed by companies that seek to research or develop an advancement in their field. Large companies can claim a Research and Development Expenditure Credit (RDEC) for working on R&D projects. A company may be able to claim corporation tax relief if the project meets the specific definition of R&D.

The credit is calculated at 13 per cent of a company’s qualifying R&D expenditure and is taxable as trading income. Regardless of whether a company makes a profit or loss, the credit may be used to discharge the company’s corporation tax liabilities.

7.2.5 Research and development tax credit (Ireland)

Money spent by a company on research and development activities may qualify for the R&D tax credit. The credit is calculated at 30 per cent of qualifying expenditure, and is used to reduce a company’s Corporation Tax.

A company may qualify for the R&D tax credit if:

- it is within the charge of Corporation Tax in Ireland;
- it carries out qualifying R&D activities in Ireland or the European Economic Area (EEA);
- the expenditure does not qualify for a tax deduction in another country.



8. Effective tax rate

The purpose of this section is to explain the tax charge and the effective tax rate in more detail.

Effective tax rate per country	Netherlands	UK	Ireland	Belgium	Australia	Canada	Costa Rica	Curacao	Denmark	Germany	Indonesia	Panama	Qatar	Spain	Tanzania	UAE	Total
Reported result before tax	154,024	90,961	18,472	11,138	26	-	(2,532)	(27)	(5,880)	(11,514)	-	(522)	-	263	(141)	(5,718)	248,550
Tax calculated at Dutch tax rate (25.8%)	39,738	23,468	4,766	2,874	7	-	(653)	(7)	(1,517)	(2,971)	-	(135)	-	68	(36)	(1,475)	64,126
Tax effects of:																	
- Tax rates in other countries	-	(731)	(3,555)	(40)	1	-	(107)	1	223	(483)	-	4	-	(2)	(6)	960	(3,735)
- Results of investments and other participations	(2,461)	144	2,130	(1,555)	-	-	-	-	-	3,453	-	-	-	-	-	-	1,712
- Non deductible expenses	4,108	(959)	1,115	215	-	-	-	-	-	-	-	-	-	-	-	-	4,479
- Adjustments from filing tax returns	(2,028)	2,500	95	99	-	-	-	-	-	(56)	181	(495)	-	49	-	-	345
- Previously unrecognised tax losses	(28,937)	(5)	(86)	(64)	-	-	-	-	-	(114)	-	-	-	(66)	-	-	(29,272)
- Tax losses no(t) (longer) recognised	270	-	-	246	-	-	760	6	1,294	115	-	131	-	-	42	531	3,395
- Change in uncertain tax provisions	-	(3,544)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,544)
- Pillar 2 Top-up tax	-	-	658	-	-	-	-	-	-	-	-	-	-	-	-	-	658
- Tax incentives	(435)	-	(169)	-	-	-	-	-	-	-	-	-	-	-	-	-	(604)
Tax charge/(gain)	10,255	20,873	4,954	1,775	8	-	-	-	-	(56)	181	(495)	-	49	-	16	37,559
Effective tax rate	6.7%	22.9%	26.8%	15.9%	31.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	94.8%	0.0%	18.6%	0.0%	(0.3%)	15.1%

**Tax calculated at Dutch tax rate**

BAM reported a profit before tax of €249 million over 2025. The IFRS reporting standards suggests that the presentation of the tax expense starts with the tax that would have been due if the profit before tax had been subject to the ultimate parent company's tax rate (25.8%).

Tax rates in other countries

As BAM does business in several countries where tax rates are applicable that differ from the Dutch tax rate, the impact of such different tax rates is shown. In 2025, the main driver of this item was Ireland, where operational profits are subject to 12.5 per cent corporate income tax.

Results of investments and other participations

In almost all countries where BAM operates, results from participations – operational results, dividend distributions and/or capital gains and losses – are fully or partly exempted from taxation (see also [7.1.1 Participation Exemption](#)). In 2025, BAM reported several results from non-consolidated subsidiaries, associates and joint ventures that are exempted from taxation.

Non-deductible expenses

Several countries where BAM has business activities do not allow full deduction of certain, specific, business expenses. These are mainly expenses for which also a private element can be identified, such as meals, entertainment, etc.

Furthermore, the amount is impacted by the taxation of an item for which no deferred tax liability had been recognised due to the Initial Recognition Exemption that was applied.

In the United Kingdom this number also includes the impact of share based payments, which results in an additional tax deduction.

Adjustments for filing tax returns

Current and deferred tax provisions reported relating to prior years have been updated to reflect positions more accurately. This is mostly due to the filing of tax returns which take place in a subsequent reporting period.

Previously unrecognised tax losses

In the Netherlands, BAM has a substantial amount of tax losses available for carry-forward. This amount of tax losses is not recognised in full. BAM therefore regularly reassesses the expected amount of tax losses that will be utilised in the foreseeable future. The foreseeable future is defined as the five years following the reporting date. Based on operational forecasts, the reassessment has resulted in additional recognition of tax losses in the Netherlands.

In addition, in the Netherlands BAM is, under strict conditions, entitled to a fiscal liquidation loss deduction for operational losses incurred abroad. For this future deduction a deferred tax asset is recognised.

Tax losses not or no longer recognised

Furthermore, BAM has reported operational losses in 2025 in some countries. It assesses if and to which extent these tax losses will be utilised in the foreseeable future. Based on this assessment, BAM has not recognised tax losses from 2025 for operational losses incurred in some countries.

Change in uncertain tax provisions

BAM regularly reassesses its identified tax risks and its potential exposure. It subsequently updates its provision for uncertain tax positions.

Pillar 2 Top-up tax

In December 2023, the Council of the European Union unanimously adopted the Directive implementing Pillar Two global minimum tax rules. This directive aims to ensure a global minimum level of taxation of 15% in all countries in which multinationals are present. The Group completed an assessment of the impact of the new rules based on initiatives presented by governments in countries in which the Group is active. Based on this assessment the Group expects to meet the transitional safe harbour requirements in almost all jurisdictions. In jurisdictions where transitional safe harbour requirements are not met, the Pillar Two charge is assessed to be immaterial.



The only exception is Ireland, where the corporate income tax rate is 12.5% for trading income and 25% for non-trading income. At the current mix of income, the Group expects an effective tax rate in Ireland in the range of 13% to 16%, potentially resulting in a relatively small amount of additional Pillar Two charge.

The Group applies the mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules.

Tax incentives

Tax incentives are available in the various countries where BAM operates. BAM will claim tax incentives if these are in line with business operations provided that BAM is entitled to these not just by the letter of the tax law, but also by its policy intention. Depending on the nature of the incentive it may reduce the effective tax rate of the Group.



9. Deferred taxes

Deferred taxes are taxes that are due in future years (liabilities) or recoverable in the foreseeable future (assets), due to timing differences between IFRS reporting and local tax rules.

For example, under IFRS, tangible assets are depreciated in a straight line for three years, while under Dutch local tax rules a minimum of five years is prescribed. This means that for tax purposes, tangible asset depreciation in years 1, 2 and 3 are lower than under IFRS, leading to a higher current tax liability as expected from the IFRS numbers. However, higher tax depreciation in years 4 and 5 leads to a lower current tax liability than expected from the IFRS numbers. This future lower current tax liability is reported at the end of years 1, 2, 3 and 4 in a deferred tax asset.

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
IFRS						
EBITDA	1,000	1,000	1,000	1,000	1,000	5,000
Depreciation	(500)	(500)	(500)	-	-	(1,500)
PBT	500	500	500	1,000	1,000	3,500
Tax GAAP						
EBITDA	1,000	1,000	1,000	1,000	1,000	5,000
Depreciation	(300)	(300)	(300)	(300)	(300)	(1,500)
PBT	700	700	700	700	700	3,500
Statutory tax rate	25%	25%	25%	25%	25%	25%
Current tax	175	175	175	175	175	875
Deferred tax	(50)	(50)	(50)	75	75	-
Total tax	125	125	125	250	250	875
Deferred tax asset	50	100	150	75	-	-
Effective tax rate	25%	25%	25%	25%	25%	25%

BAM has several deductible and taxable temporary differences resulting in deferred tax positions (per year-end 2025), that can be summarised as follows:

Deferred tax	Assets	Liabilities	Net
Intangible and financial assets	38,125	2,670	35,455
Tangible assets	1,435	51,844	(50,408)
Work in progress	4,704	-	4,704
Trade and other receivables	-	-	-
Loans and borrowings	48,138	125	48,013
Derivatives	-	423	(423)
Employee benefits provision	63	8,728	(8,665)
Other provisions	2,861	-	2,861
Current liabilities	250	74	176
Tax loss and tax credits	70,121	-	70,121
Subtotal	165,697	63,864	101,833
Netting	(54,793)	(54,793)	-
Total reported	110,904	9,071	101,833

Intangible and financial assets

In countries where we have finalised projects and do not expect to continue operations we intent to liquidate local legal entities. In the Netherlands BAM is, under strict conditions, entitled to a fiscal liquidation loss deduction. For this future deduction a deferred tax asset is recognised.

Tangible assets

This item relates to right-of-use assets that are recognised on the IFRS balance sheet, which is subject to depreciation. For tax purposes, recognition and subsequent depreciation are not allowed.



Furthermore, local tax rules dictate specific depreciation schemes for groups of assets. This depreciation scheme may differ from the depreciation scheme applied under IFRS.

Work in progress

This item relates to the operational losses reported in Dutch CV companies. Operational losses are reported in the year of occurrence under IFRS, but can only be deducted for tax purposes up to the amount of capital contributed into the CV company.

Loans and borrowings

Loans and borrowing mainly relate to financial leases, which are accrued in full under IFRS. This is not allowed for tax purposes, where only the actual payments made during a year are tax-deductible.

Employee benefits provision

Especially defined benefit pension schemes result in a pension asset or provision under IFRS, taking into account future payments and remeasurements for actuarial gains and losses. Local tax legislation does only accept tax deduction for actual payments made during the year.

Other provisions

In general, the rules for recognising a provision under local tax legislation is more strict than under IFRS. As a result, expected costs can be accrued earlier under IFRS than under local tax legislation.

Tax losses and tax credits

Reference is made to [paragraph 12](#) of this Tax Report.

Netting

Deferred tax assets and liabilities are offset to the extent the company has a legally enforceable right to do so for current tax payments, and both the asset and the liability relate to income taxes levied by the same taxation authority.



10. Country-by-country reporting

Country	Third Party Sales	Intragroup Transactions	Total Revenue	Profit (loss) Before Income Tax	Income Tax Paid (on cash basis)	Income Tax Accrued - Current Year	Number of Employees	Tangible Assets other than Cash and Cash Equivalents
Netherlands	3,394,781	469,361	3,864,142	128,625	19,456	20,181	6,817	313,287
United Kingdom	2,839,219	247,244	3,086,462	91,521	8,845	17,550	5,602	172,142
Ireland	526,224	8,916	535,140	26,729	6,397	3,689	734	1,604
Belgium	124,434	15,617	140,051	5,111	1,246	1,020	214	8,518
Australia	77,749	-	77,749	26	(26)	8	51	8
Canada	-	-	-	-	-	-	-	-
Costa Rica	-	-	-	(2,532)	-	-	-	-
Curacao	-	-	-	(27)	-	-	-	-
Denmark	117,494	-	117,494	(5,880)	-	-	21	38,411
Germany	33	590	623	(11,514)	1,460	-	-	-
Indonesia	-	-	-	-	179	-	-	-
Panama	-	-	-	(522)	-	-	-	-
Qatar	-	-	-	-	-	-	-	-
Spain	-	-	-	263	57	-	-	-
Tanzania	7	-	7	(141)	-	-	2	-
UAE	-	-	-	(5,718)	-	16	3	-
Total	7,079,940	741,728	7,821,668	225,941	37,614	42,464	13,444	533,969



Country-by-country reporting (CbCR) is based on OECD BEPS Action 13 requirements and serves a fundamentally different purpose from financial reporting under IFRS. Although both use accounting data, the resulting numbers diverge. IFRS presents the performance and financial position of the group as a single consolidated entity for external stakeholders. CbCR provides a geographical breakdown of revenue, profits, taxes, substance, and assets, with the aim to enable stakeholders to better understand where multinational enterprises generate profits and where they pay taxes. Because IFRS focuses on the group as a whole, while CbCR looks at each tax jurisdiction, the data sets are inherently different. CbCR numbers are not a geographical restatement of IFRS figures. They include intra-group transactions, use cash taxes, and document economic substance on a per-jurisdiction basis. Consequently, differences between IFRS and CbCR are expected and stem from fundamentally different objectives and reporting frameworks.

More specifically, the differences can be identified as follows:

Revenue

The concept of revenue for the CbCR is different from the revenue definition under IFRS and comprises any kind of income, except income relating to subsidiaries, associates and/or joint ventures.

Therefore, revenue for CbCR purposes includes not only IFRS revenues, but for example also net capital gain from sale of fixed assets, interest income, income from internal services and internal CTC-charges, and any other sources of income there might be. The difference between the revenue reported in the Annual Report and the CbCR revenue can be explained as follows:

IFRS revenue	7,039,900
Income from Intragroup Transactions	741,728
Interest income	26,014
Proceed from sale of fixed assets	3,259
Other income	10,768
CbCR revenue	7,821,668

Profit (Loss) Before Income Tax

For CbCR purposes results from participations, subsidiaries and/or joint ventures should be excluded from the result before tax. The difference between the IFRS result before tax reported in the Annual Report and the CbCR result before tax can be explained as follows:

IFRS result before tax	248,549
Result from non-consolidated associates	(1,904)
Result from joint ventures	(20,704)
CbCR result before tax	225,941

Income Tax Accrued – Current Year

Under CbCR this is the sum of the accrued current corporate income tax payable or receivable relating to the current financial year. Accruals relating to previous years and deferred tax accruals are not included, resulting in the following reconciliation between IFRS numbers and CbCR numbers:

IFRS current tax expense	34,197
Pillar 2 charge	(658)
Current tax expense prior years	8,925
CbCR current tax expense	42,464



11. Total tax contributions

This overview provides with information on tax cash flows to and from national taxation authorities on corporate income tax, withholding taxes, VAT and wage tax and social security premiums. The numbers represent all subsidiaries where BAM holds a 100% shareholding. Joint venture companies are represented to the extent BAM is performing the administration for such joint venture.

2025						
Country	Corporate tax	Dividend withholding tax	Other withholding tax	VAT or GST	Wage tax and social security premiums	Total
Netherlands	19,456	9,900	-	158,811	260,663	448,830
United Kingdom	8,845	-	-	270,081	169,192	448,119
Ireland	6,397	-	6,818	(17,283)	22,658	18,590
Belgium	1,246	-	-	1,273	7,809	10,328
Australia	(26)	-	-	957	2,115	3,046
Canada	-	-	-	-	-	-
Costa Rica	-	-	-	-	-	-
Curacao	-	-	-	-	-	-
Denmark	-	-	-	-	1,159	1,159
Germany	1,460	-	-	-	-	1,460
Indonesia	179	-	-	-	-	179
Panama	-	-	-	-	-	-
Qatar	-	-	-	-	-	-
Spain	57	-	-	-	-	57
Tanzania	-	-	-	-	18	18
UAE	-	-	-	412	-	412
Total	37,614	9,900	6,818	414,251	463,614	932,198

2024						
Country	Corporate tax	Dividend withholding tax	Other withholding tax	VAT or GST	Wage tax and social security premiums	Total
Netherlands	11,703	3,876	-	183,573	256,103	455,255
United Kingdom	787	-	-	239,980	154,082	394,849
Ireland	1,413	-	6,391	(10,164)	22,215	19,855
Belgium	1,546	-	-	2,217	7,893	11,656
Australia	139	-	-	1,150	498	1,787
Canada	67	-	-	-	-	67
Costa Rica	-	-	-	-	-	-
Curacao	-	-	-	-	-	-
Denmark	-	-	-	(16,507)	3,333	(13,174)
Germany	(190)	-	-	-	-	(190)
Indonesia	-	-	-	-	-	-
Panama	-	-	-	-	-	-
Qatar	-	-	-	-	-	-
Spain	-	-	-	-	-	-
Tanzania	-	-	-	-	-	-
UAE	-	-	-	-	-	-
Total	15,465	3,876	6,391	400,249	444,124	870,105



BAM included comparative figures for the total tax contributions as disclosed above. For the United Kingdom, the comparative figures for VAT and wage taxes and social security premiums, have been restated, following a prior period error. In the 2024 Tax Report the euro amounts shown were the amounts in local currency and not in euros.

Withholding taxes in the Netherlands represent the tax withheld from dividend payments to our shareholders.

Withholding taxes in Ireland represent Relevant Contracts Tax ('RCT'), a withholding tax that applies to certain payments by principal contractors to subcontractors in the construction, forestry and meat-processing industries. The RCT tax rate will depend on the subcontractor's compliance record with the Irish tax authorities.

The negative VAT contribution in Ireland is the consequence of the local VAT law. The supply of construction services to certain customers is subject to the reverse charge mechanism, thereby shifting the VAT charge to the client. Conversely, income invoices from suppliers are received including local VAT, which can be reclaimed from the Irish tax administration.



12. Tax losses available for carry-forward

BAM has incurred tax losses in several countries. These tax losses are, subject to certain criteria, available for carry-forward and will – where possible – be settled against future operational profits.

In countries where we continue operations, tax losses that can be utilised in the foreseeable future are recognised in the form of a deferred tax asset. The foreseeable future is defined as the five years following the reporting date.

Netherlands

In the Netherlands, BAM has a total amount of tax losses available for carry-forward of roughly €340 million as per year-end 2025. BAM assessed that it is probable that €256 million of the total amount can be utilised in the foreseeable future, and this is therefore recognised as a deferred tax asset.

Available tax losses can be carried forward indefinitely and can be settled against profits up to €1 million in full. Additionally, 50 per cent of profits exceeding €1 million can be settled against available tax losses.

United Kingdom

In the United Kingdom, BAM has a relatively small amount of tax losses available for carry-forward of €2 million. As these tax losses are restricted in use no deferred tax asset has been recognised.

Ireland

In Ireland, BAM has a total amount of tax losses available for carry-forward of roughly €21 million as per year-end 2025. As the majority of these tax losses are ringfenced by specific provisions in the Irish tax legislation, it is not expected that they will be utilised in the foreseeable future. Only for €2 million BAM expects to be able to utilise against future operational profits, and is therefore recognised as a deferred tax asset.

Belgium

In Belgium, BAM has a total amount of tax losses available for carry-forward of roughly €26 million at year-end 2025. Of this total amount, €16 million is expected to be utilised in the foreseeable future and recognised as a deferred tax asset.

Available tax losses can be carried forward indefinitely and can be settled against profits up to €1 million in full. Additionally, 70 per cent of profits exceeding €1 million can be settled against available tax losses.

Germany

In Germany, operational losses have been incurred in the past resulting in tax losses available for carry forward. As BAM has ceased operational activities in Germany no deferred tax asset has been recognised.

	TLCF available		of which recognised	Tax rate	Deferred tax asset
	Income tax	Trade tax			
Netherlands	339,788	-	255,640	25.8%	65,955
United Kingdom	1,519	-	-	25.0%	-
Ireland	20,594	-	1,648	12.5%	206
Belgium	25,747	-	15,840	25.0%	3,960
Germany	324,189	281,676	-	30.0%	-
Total	711,837	281,676	273,128		70,121



13. Business structure

At the end of 2025, BAM's legal structure consisted of roughly 400 legal entities.

This significant number of legal entities is caused by the nature of our business. Many projects are co-creations with other construction companies or area development companies, each with different participants and with different share ratios. Especially within the property development business (AM), this is very common.

Also, the type of financing for a project may require the incorporation of separate legal entities for individual projects.

As outlined in our tax policy, we will not make use of 'tax havens' or of 'non-cooperative jurisdictions' (in the sense of secrecy jurisdictions with none or very low taxation) other than for business purposes (i.e., not for tax avoidance purposes). All entities that are present within our structure serve a business purpose. In countries where we have sold businesses or the business is in the process of wind-down, we generally dissolve the legal entities when the business terminates. Nevertheless, some legal entities and/or structures are present that currently serve a remote business purpose. BAM is in the process of dissolving these legal entities when possible.

In line with our 2025 Annual Report, we have disclosed the materially active and controlled BAM companies.

Subsidiaries	%
BAM Groep Nederland bv*, Bunnik (Netherlands)	100
BAM Nederland bv*, Bunnik (Netherlands)	100
BAM Bouw en Techniek bv*, Bunnik (Netherlands)	100
BAM Residential bv*, Bunnik (Netherlands)	100
uniting the activities of:	
BAM Wonen bv*, Bunnik	100
Homestudios bv*, Bunnik	100
AM bv*, Utrecht	100
BAM Specials bv*, Bunnik (Netherlands)	100
uniting the activities of:	
BAM Energie & Water bv*, Nieuwleusen	100
BAM Telecom bv*, Zwammerdam	100
BAM Infra Nederland bv*, Gouda (Netherlands)	100
uniting the activities of:	
BAM Infra bv*, Gouda	100
BAM Infra Rail bv*, Bunnik	100
BAM Infraconsult bv*, Bunnik	100
BAM Belgium bv, Berchem, Antwerp (Belgium)	100
uniting the activities of:	
BAM Interbuild bv, Berchem, Antwerp	100
Kairos nv, Antwerp	100
BAM Construct & Ventures UK Ltd, Hemel Hempstead (United Kingdom)	100
uniting the activities of:	
BAM Construction Ltd, Hemel Hempstead	100
BAM FM Ltd, Glasgow, Strathclyde	100
BAM Nuttall Ltd, Camberley, Surrey (United Kingdom)	100
BAM Contractors Ltd, Kill, County Kildare (Ireland)	100

* In respect of these subsidiaries, Royal BAM Group nv has deposited a declaration of joint and several liability pursuant to Section 403, Part 9, Book 2 of the Netherlands Civil Code. A list of associates as referred to in Sections 379 and 414, Book 2, of the Netherlands Civil Code has been deposited at the Office of the Trade Register in Utrecht.



14. GRI207: Tax – compliance overview

Principle and best practice determination

Management approach disclosure

1. Approach to tax

1.a A description of the approach to tax, including:

1.a.i Whether the organisation has a tax strategy and, if so, a link to this strategy if publicly available.

1.a.ii The governance body or executive-level position within the organisation that formally reviews and approves the tax strategy, and the frequency of this review.

1.a.iii The approach to regulatory compliance.

1.a.iv How the approach to tax is linked to the business and sustainable development strategies of the organisation.

2. Tax governance, control, and risk management

2.a A description of the tax governance and control framework, including:

2.a.i The governance body or executive-level position within the organisation accountable for compliance with the tax strategy.

2.a.ii How the approach to tax is embedded within the organisation.

2.a.iii The approach to tax risks, including how risks are identified, managed, and monitored.

2.a.iv How compliance with the tax governance and control framework is evaluated.

2.b A description of the mechanisms for reporting concerns about unethical or unlawful behavior and the organisation's integrity in relation to tax.

2.c A description of the assurance process for disclosures on tax and, if applicable, a reference to the assurance report, statement, or opinion.

Compliance

Although tax is not considered a material topic in our annual report, the managements approach to tax – in line with GRI 103 – is disclosed throughout this Tax Report, especially in our tax policy ([par. 4](#)), risk management and governance ([par. 5](#)) and relationship with tax authorities ([par. 6](#)).

Our approach to tax is explained in our tax policy ([par. 4](#)).

Our tax strategy is embedded in our tax policy ([par. 4](#)).

Our tax policy explains that it has been approved by the Executive Committee and the Audit Committee ([par. 4](#)). Furthermore, relevant tax governance is explained in [par. 5.2](#).

Our approach to regulatory compliance is embedded in our tax policy ([par. 4](#)).

Tax is a core part of corporate social responsibility and governance and is overseen by the Board ([par. 4](#)). Furthermore, we will only use business structures that are driven by commercial considerations ([par. 4](#) and [par. 13](#)).

Our tax risk management and governance are explained in [par. 5](#).

Governance of the tax function is explained in [par. 5.2](#).

How the approach to tax is embedded in the organisation is explained in our tax policy ([par. 4](#)). Furthermore, the governance of the tax function is explained in [par. 5.2](#).

Our tax risk management is explained in [par. 5.1](#).

Our tax risk management is explained in [par. 5.1](#). Compliance with the tax governance and control framework is explained in our tax policy ([par. 4](#)) and in our governance paragraph ([par. 5.2](#)).

BAM has a Speak Up procedure in place for reporting concerns about unethical or unlawful behaviour in relation to tax ([par. 5.2](#)).

Assurance to this report is included as an Annex to this report.

**3. Stakeholder engagement and management of concerns related tax**

3.a A description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including:

3.a.i the approach to engagement with tax authorities;

3.a.ii the approach to public policy advocacy on tax;

3.a.iii the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders.

Our relationship and cooperation with tax authorities is explained in [par. 6](#).

BAM is actively participating in tax groups at VNO-NCW and Bouwend Nederland, which groups are engaged in dialogues on development of and changes in (international) tax laws and regulations. BAM has endorsed the VNO-NCW Tax Governance Code ([par. 4](#)).

Tax controls are audited internally and in the Netherlands the outcome is shared and discussed with Dutch tax authorities.

4. Country-by-country reporting

4.a All tax jurisdictions where the entities included in the organisation's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes.

A CbC report is included in [par. 10](#).

4.b For each tax jurisdiction reported in Disclosure 207-4-a:

Our business structure is included in [par. 13](#).

4.b.i Names of the resident entities

Our business structure is included in [par. 13](#) and a full list of legal entities is deposited and publicly available with the Dutch Chamber of Commerce.

4.b.ii Primary activities of the organisation;

Our business structure is included in [par. 13](#). Furthermore, our business activities are elaborated on in [par. 2](#).

4.b.iii Number of employees, and the basis of calculation of this number;

A CbC report is included in [par. 10](#).

4.b.iv Revenues from third-party sales

A CbC report is included in [par. 10](#).

4.b.v Revenues from intra-group transactions with other tax jurisdictions;

A CbC report is included in [par. 10](#).

4.b.vi Profit/loss before tax;

A CbC report is included in [par. 10](#).

4.b.vii Tangible assets other than cash and cash equivalents;

A CbC report is included in [par. 10](#).

4.b.viii Corporate income tax paid on a cash basis;

A CbC report is included in [par. 10](#).

4.b.ix Corporate income tax accrued on profit/loss;

A CbC report is included in [par. 10](#).

4.b.x Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax.

An explanation to our ETR can be found in [par. 8](#).

4.c The time period covered by the information reported in Disclosure 207-4.

A CbC report is included in [par. 10](#).



Independent auditor's review report

Our conclusion

We have reviewed the Tax Report (that covers the report until page 31 and as such does not include Annex I) of Koninklijke BAM Groep N.V. (hereinafter: the company or Royal BAM Group nv) based in Bunnik, the Netherlands for the financial year ended 31 December 2025.

Based on our review, nothing has come to our attention that causes us to believe that the Tax Report for the financial year ended 31 December 2025 is not prepared in all material respects in accordance with the Global Reporting Initiative (GRI) Standard 207-1 to 207-4 (hereinafter: the Standard).

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2400, 'Oprichting tot het beoordelen van financiële overzichten' (Engagements to review historical financial statements).

A review of the Tax Report in accordance with the Dutch Standard 2400 is a limited assurance engagement. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of the Tax Report' section of our report.

We are independent of Royal BAM Group nv in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of the basis of preparation

We draw attention to the preface of the Tax Report which describes the basis of preparation, being the Standard. The Tax Report is prepared by Royal BAM Group nv to report on the tax approach of the company. As a result, the Tax Report may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.

Responsibilities of the Executive Board for the Tax Report

The Executive Board is responsible for the preparation of the Tax Report in accordance with the Standard. Furthermore, the Executive Board is responsible for such internal control as it determines is necessary to enable the preparation of the Tax Report that is free from material misstatement, whether due to fraud or error.

Our responsibilities for the review of the Tax Report

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2400.



Our review included among others:

- Obtaining an understanding of the company and its environment and the applicable financial reporting framework, in order to identify areas in the Tax Report where material misstatements are likely to arise due to fraud or error, designing and performing analytical and other review procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion
- Obtaining an understanding of the company's accounting systems and accounting records and consider whether these generate data that is adequate for the purpose of performing the analytical procedures
- Making inquiries of the Executive Board and others within the company
- Applying analytical procedures with respect to information included in the Tax Report
- Obtaining assurance evidence that the Tax Report agrees with, or reconciles to, the company's underlying accounting records and annual report for the year ended 31 December 2025
- Evaluating the assurance evidence obtained
- Considering the appropriateness of accounting policies used and considering whether the accounting estimates and related disclosures made by the executive board appear reasonable
- Considering whether the Tax Report and the related disclosures have been prepared in accordance with the Standard and represent the underlying transactions and events free from material misstatement.

Utrecht, 5 March 2026

EY Accountants B.V.

Signed by: J.H.A. de Jong



Annex 1 EU Public country-by-country report

This EU Public country-by-country report has been prepared in accordance with Directive (EU) 2021/2101, as transposed into applicable national legislation.

The information contained in this report has been compiled on the basis of the Group's consolidated financial records and internal reporting systems for the relevant financial year and reflects management's interpretations of the applicable legal requirements. The report presents selected aggregated data on the Group's activities, revenues, profit or loss before tax, corporate income tax paid and accrued, and

number of employees per jurisdiction, as required by the Directive. The information disclosed is not intended to replace or reconcile to statutory financial statements or tax returns, and should be read in conjunction with the Group's consolidated financial statements and other publicly available disclosures. Any interpretations of the data should take into account the limitations inherent in the scope and purpose of this report.

Finally, this annex is not part of the scope to which the independent auditor's review report of EY applies to.

Country	Third Party Sales	Intragroup Transactions	Total Revenue	Profit (loss) Before Income Tax	Income Tax Paid (on cash basis)	Income Tax Accrued - Current Year	Stated capital	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents
Netherlands	3,394,781	469,361	3,864,142	128,625	19,456	20,181	2,814,518	56,426	6,817	313,287
United Kingdom	2,839,219	247,244	3,086,462	91,521	8,845	17,550	121,192	359,040	5,602	172,142
Ireland	526,224	8,916	535,140	26,729	6,397	3,689	952	71,274	734	1,604
Belgium	124,434	15,617	140,051	5,111	1,246	1,020	161,276	78,272	214	8,518
Australia	77,749	-	77,749	26	(26)	8	1	16,563	51	8
Canada	-	-	-	-	-	-	-	(3,420)	-	-
Costa Rica	-	-	-	(2,532)	-	-	-	(23,276)	-	-
Curacao	-	-	-	(27)	-	-	14	1,362	-	-
Denmark	117,494	-	117,494	(5,880)	-	-	67	(108,010)	21	38,411
Germany	33	590	623	(11,514)	1,460	-	272,037	(249,338)	-	-
Indonesia	-	-	-	-	179	-	-	-	-	-
Panama	-	-	-	(522)	-	-	9	(6,037)	-	-
Qatar	-	-	-	-	-	-	23	(1,396)	-	-
Spain	-	-	-	263	57	-	3	(29,833)	-	-
Tanzania	7	-	7	(141)	-	-	-	-	2	-
UAE	-	-	-	(5,718)	-	16	7,230	(2,992)	3	-
Total	7,079,940	741,728	7,821,668	225,941	37,614	42,464	3,377,322	158,635	13,444	533,969



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