

The details as referred to in Article 16.2 of the company's Articles of Association in the context of the proposal to appoint Mr E.J. Bax, MBA as a member of the Executive Board were published on the company's website and are as follows:

The Supervisory Board presents Mr E.J. Bax, MBA as a candidate based on a binding proposal to have him appointed by the General Meeting with effect from 1 May 2014 as a member of the Executive Board for a period of four years. The central works council issued a positive advice.

The Supervisory Board has considered as follows in that respect. This appointment is in line with the wish to expand the Executive Board to five members, as was the case until 2011. This number provides the opportunity to allocate the duties of the Executive Board in such a way that its members will be able to devote sufficient operational attention to the group companies and in the meantime enable the chairman to spend sufficient time and energy on the Group's strategy and the execution thereof.

Upon meeting Mr Bax, the Supervisory Board concluded that he boasts extensive expertise in the field of management and supervision. Mr Bax has gained substantial commercial knowledge and experience, as well as knowledge and experience in managing large, international organisations.

Mr Bax joined CRH in 1984 and subsequently fulfilled various operational and commercial positions at different business units of CRH. Thereafter, he held a number of positions in CRH's senior management, including the position of managing director Europe Building Products as of 2003 and managing director Europe Distribution Group as of 2007. In 2010, Mr Bax was appointed group managing director Europe Products & Distribution. He studied 'Engineering, Building & Construction' at the institute of technology in Tilburg and secured an MBA at Erasmus University Rotterdam and Georgia State University in Atlanta, USA.

Mr Bax has the Dutch nationality and is 56 years of age. He does not hold any shares in the company's equity.

Mr Bax's remuneration as a member of the Executive Board is fully in accordance with the remuneration policy as determined by the General Meeting of Shareholders. The highlights of the management agreement concluded with him are as follows.

Regular compensation

The regular annual gross-compensation will amount to €470,000.- as per 1 May 2014.

Variable remuneration

The annual variable remuneration will amount to a maximum of 60 per cent of the regular annual compensation. The variable remuneration depends on the realisation of pre-determined measurable objectives and targets. The part of the annual variable remuneration related to financial targets will amount to a maximum of 40 per cent of the regular annual compensation. The annual result of Royal BAM Group is the leading criterion. If the agreed annual result is achieved, the variable remuneration will amount to 40 per cent and proportionally less, if this is not the case. In the event of a major negative deviation from target, no payment will be granted on this component. A maximum of 20 per cent is related to objectives derived from Royal BAM Group's strategic agenda.

The remuneration policy for members of the Executive Board also includes a component rewarding long-term improvement. The long-term remuneration plan (LTR) is based on a remuneration in conditionally granted phantom shares. No shares or options are granted. The phantom shares are converted into unconditional shares three years after having been granted conditionally, such depending on performance. The unconditional phantom shares will be locked for another two years thereafter. The financial payment will not take place until after this holding period. The amount of the unconditional LTR depends on the extent to which the expected performance was achieved. The expected performance is the realised value development (change to share price plus dividend) of the BAM shares, compared with the average value development of shares in a number of companies similar to BAM.

Pension

Mr Bax will arrange his own provisions for pension, to which BAM Group will annually contribute a gross amount of € 52,000.-.

Miscellaneous

Expenses made by Mr Bax will be reimbursed – if made on reasonable grounds and in the interest of BAM – after written proof of these expenses has been submitted.

A company car will be provided, the cost of which is charged to the company.

The company does not provide any share option schemes.

The agreement does not include a change of control clause; the remuneration does not depend on a change of control in the company.

Details Article 16.2 of the company's Articles of Association relating to Mr E.J. Bax, MBA

Duration and termination

The agreement is concluded for a period of four years. The appointment as a member of the Executive Board is also for a period for four years. The notice period for the Executive Board member amounts to three months. The notice period for the company amounts to six months.

In case the company terminates the contract within the contractual period of four years, a compensation of one year's regular compensation will be paid. If Mr Bax will not be appointed by the annual general meeting of shareholders, the company will pay a compensation of 50 per cent of the annual regular compensation.