

Annual Report 2021

Create the future

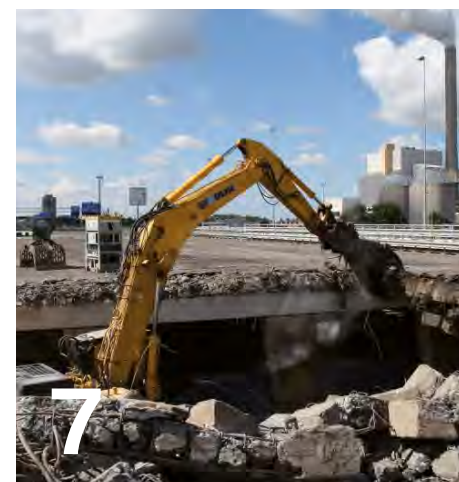
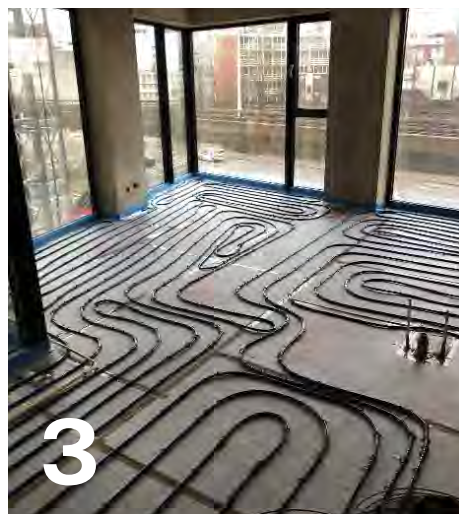


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2021 in pictures

In 2021 the TBI companies worked on many attractive projects in which craftsmanship, innovation and constant attention to safety and social trends were key factors.



1 In Wehl Koopmans realised geWOONhout, its own assembly factory for the circular wooden housing modules. **2** In the summer the J.P. van Eesteren and Croonwolter&dros construction consortium delivered the last phase of the new European Patent Office building, including the 16.000 m² pond and magnificent waterfall. **3** With HAUT in Amsterdam J.P. van Eesteren has constructed the tallest hybrid-wooden residential building in the Netherlands. It is also the first residential building with BREEAM Outstanding certification. HAUT incorporates the complete product package of WTH:

floor heating and cooling via district heat, primary pipe-work and insulation. **4** Eekels made a major contribution towards the sustainable Ferry Bryggen, winner of the KNVS Ship of the Year 2021 award, from Damen Shipyard Group in Gorinchem. **5** In 2021 the Rotterdam Marathon could be held again. As a proud sponsor of the TBI Business Runs we were, of course, on the starting line with a large group of runners. **6** In 2021 all Voorbij Prefab's shells were produced using 'green' concrete. **7** TBI Infra acquired Struijk Sloop-en Grondwerken (demolition and earthworks) and Struijk Milieu (environment).



8 Merwedekanaalzone Utrecht: Merwede-C - a development consortium of AM and Synchroon - jointly developed an over four hectare site in the new Merwede neighbourhood in Utrecht. **9** Voton produced and delivered 6.000 pre-stressed prefab piles to construction consortium De Groene Boog for the A16 Rotterdam. **10** Little C, developed and built by ERA Contour and J.P. van Eesteren, enriches Rotterdam with a new, lively city neighbourhood that exudes craftsmanship. **11** The TBI academy Talent Group in action in Noordwijk. **12** The Mobilis-Van Gelder consortium is constructing the new

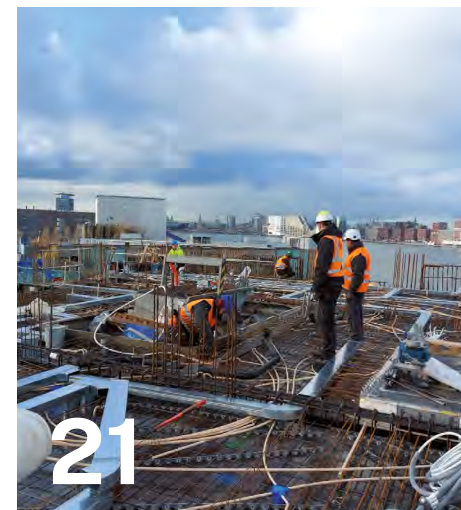
Amstelstroombrug in Amsterdam for which 34 concrete beams were installed in August 2021. **13** Our people on the building site, in the workshop and in the office make Voorbij Funderingstechniek a success. Our people and the equipment, because these cranes are our hands and feet. **14** A digital twin for the virtual testing (iFAT) of the technical tunnel installations (TTI) on the RijnlandRoute and a virtual Education and Training system that enables road traffic controllers to start practicing and gaining experience before the object has been built. **15** Mechanic Comfort Partners at work.



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16 The TenneT AIS Bay Project. Croonwolter&dros are pre-assembling and testing the modular substation of the future safely and efficiently in the assembly hall in Kampen before it is taken to the site. This considerably shortens the construction time on site. **17** The Kubel cleaner: an installation to make cleaning the buckets used to pour concrete at height safer, easier and more sustainable. The new kubel cleaner was developed by MDB and J.P. van Eesteren. **18** HEVO is involved in the development and realisation of circular new construction for the Aeres Hogeschool (college) Almere. What is special about this smart and energetic building is the innovative circular tendering of the

implementation phase. **19** Hazenberg's SmartPack team converting 37 homes in Dongen into sustainable Nil-on-the-Meter homes for client Casade. **20** Restoration of the Karel van Gelre mausoleum in the Eusebiuskerk in Arnhem by Nico de Bont. **21** Giesbers InstallatieGroep is responsible for the sanitary installation and floor heating in the City Licoon project of Heddes construction and development. **22** In Breda Synchroon and J.P. van Eesteren are working on 5TRACKS, an urban area in which living, working, a hotel, a park, hospitality and shops are combined in a surprising way.

Message from the Chairman of the Executive Board



In Veldhoven Croonwolt&dros are using a digital scale model developed in BIM to work on installations with very stringent demands in respect of wellbeing and health.

Message from the Chairman of the Executive Board

TBI is on track. The financial results for the year under review were remarkably good. The outlook also looks healthy, despite the fact that the Covid-19 crisis is still not over. The recalibration of our strategy took further shape in 2021. The objective is even more focus on social trends and (market) developments. The urgency of this is clear. TBI's specific goals will be elaborated further in 2022. There are many opportunities our solid foundation will enable us to grasp, in transparent cooperation with our stakeholders. The new (Dutch government) coalition agreement offers key starting points for this for the coming years. Nevertheless, the geopolitical situation around Ukraine is very precarious and causing considerable uncertainty.

Accepting our social responsibility

We are facing enormous social challenges, such as climate change, decreasing biodiversity, shortages of housing, labour and raw materials, and better mobility and accessibility due to urbanisation. With Stichting TBI as our sole shareholder, social responsibility is deeply embedded in our DNA. This inspires and connects our employees and provides intrinsic motivation. Our strategy is focused explicitly on accepting and effectuating this responsibility. Also with a view to long-term continuity.

Our 'purpose' is to build a sustainable and healthy living environment now and in the future. This will be achieved with our recalibrated strategy on the basis of three strategic pillars: Sustainable solutions, People & Teams and Market leadership. Our customers ask expressly for sustainable solutions. Two ambitions for this first pillar were already defined in an earlier phase: using more wood in buildings, we are leading the way in this, and using more low-CO₂ concrete. Both ambitions are already being realised. A following step is an even greater and more dominant acceleration in the transition to renewable energy and a circular economy. With the People & Teams pillar TBI's focus is not only on craftsmanship and talent, but also on leadership and diversity. The third pillar is Market leadership. To achieve this we will implement a targeted approach to further optimising our manufacturing technology and realising customer value through on-going digitalisation. With regard to our recalibrated strategy, during 2022 clear impact areas, ambitions and concrete objectives will be formulated for all three pillars under the motto 'Focus and Urgency'. The course we are steering and how we are accelerating our ambitions and formulating

concrete targets must be clearly measurable. In this way TBI's financial future will continue to look healthy.

Historically high results

Together we have worked hard to make good use of the possibilities and potential of the various TBI companies. This has borne fruit. In 2021 it once again led to higher operating revenue and an improved operating result. Cash flow and liquidity also remained healthy. At the same time, the order book is yet again at a historic high. Our employees delivered an excellent performance because they remained flexible and resilient under often difficult circumstances - one of the reasons why the consequences of the Covid-19 crisis were limited. And there were hardly any sources of infection within TBI. The economy held up well and consumer confidence remained high.

Most of the engineering companies performed well in the year under review. The building installation quota increased. The integration of yacht building company De Keizer Marine Engineering, which was acquired by Eekels Technology at the end of 2020, went extremely

“The objective is even more focus on social trends and (market) developments.”

smoothly. This is enabling us to achieve growth in an interesting market in which engineering and high quality technology make the difference. Development in the residential and non-residential building markets was good for all the companies, with the result in project development being excellent. However, the Infra segment lagged behind in this regard with a slightly negative result. The nitrogen problem and the lack of adequate government policy in this regard was one of the causes, as were the high-risk large projects and contract forms. Despite these difficult market conditions Infra's order book is well filled.

The step towards new tendering procedures - two-phase contracts - is important for the infrastructure sector. The aim of Rijkswaterstaat (Directorate-General for Public Works and Water Management) is a fairer distribution of risks. The major social issues have made the government see very clearly the importance of healthy and energetic infrastructure companies that must invest and continue innovating. This is creating a far better project cooperation culture between Rijkswaterstaat and the participating companies.

“Sustainable solutions generally mean long-term partnerships.”



Emiel Roozen and Bart van Breukelen

Sustainable developments

The strategic agenda formulated several years ago and recalibrated at the end of 2021 has landed well in the TBI companies. This is illustrated by the following examples from the year under review:

- Modulemakers, Croonwolter&dros' new factory in Amersfoort, designs and manufactures modular sustainable construction technology;
- As of 1 October 2021 the Dutch activities of Struijk Sloop- en Grondwerken (demolition and earthworks) and Struijk Milieu (soil and asbestos decontamination) were acquired and will reinforce TBI Infra, in particular in the field of circularity and (raw) material recovery;

- Construction of Koopmans Bouwgroep's new energy-neutral geWOONhout factory was completed and ready to begin assembling wooden ready-to-use housing modules from the beginning of 2022. The aim is a totally CO₂-neutral process.

Employees, diversity and safety

With sustainable solutions we accelerate the substantiation of the responsibility our DNA makes us feel and the solution of the major social challenges we face as a society. It also requires that our employees show leadership and have considerable empathy. Sustainable solutions generally mean long-term partnerships. We work with many different

“Good employees and varied teams are essential for TBI’s long-term continuity.”

partners and clients, such as corporations and energy companies. In these working relationships our teams are always technically extremely strong, but sometimes they are insufficiently tuned to ‘the other side of the table’. We need to understand the interests of all the stakeholders in the process. This needs some more work: We must invest in our training programmes and take steps in the area of diversity.

The availability of skilled people is also an urgent problem. There are around 500 vacancies in our engineering companies alone. The amount of work and the social challenges we face are therefore highly dependent on the good people we are able to retain and recruit. Our existing internal training courses and regional partnerships play a role in this. We are not shying away from taking greater responsibility for training professionals, perhaps through an in-house TBI vocational school. We are also a firm supporter of more permanent employment contracts in the construction sector. Craftsmanship is an asset. We must make efforts to help find work in our sector for people right across the board. Refugees for example, and people with a distance to the labour market. We could also, in our mutual and social interest, employ foreign workers who are working in

our country. Especially if they have proven themselves and are already living (with their family) in the Netherlands. We must try and induce these employees to change their status from self-employed-with no employees to permanently employed.

Safety has a high priority for TBI. This is another reason why expanding our group of professionals is important. It goes without saying that we constantly endeavour to include our sub-contractors in the further development of our safety culture.

Good employees and varied teams are essential for TBI’s long-term continuity. This is why we have put eight employees in the spotlight in this Annual Report. They tell us what they think about their opportunities and the (im)possibilities within TBI and what fascinates them about and binds them to the specific TBI company for which they work.

Seizing opportunities with new projects

A very well-filled order book means many opportunities in the current financial year and the coming years.

Trendsetting new projects are being developed, built and realised, including the renovation of the House of Representatives, the construction of 800 homes next to the Kralingse Plas (lake) in Rotterdam and the construction of a public transport terminal in Amsterdam.

TBI has a clear merger and acquisition strategy. In particular we see opportunities in the area of management and maintenance, sustainability, building automation and installation engineering (residential construction). We are focusing on activities that help accelerate or add knowledge to our existing businesses. The acquisition of Struijk’s activities dovetails well with this strategy, as does HEVO’s acquisition of plan developer FAME at the end of 2021. The FAME acquisition has brought with it a leading position in the development of future-proof living concepts for people with a care and support need.

All in all, in 2021 we once again saw a significant strengthening of TBI and a sharpening of its focus on socially-relevant projects. Based on this foundation, our ambitions and the commitment of our employees we see plenty of possibilities to take full advantage of the many opportunities. I would like to thank everyone for their contributions in the present and the future.

Rotterdam, 17 March 2022

Bart van Breukelen
Chairman of the Executive Board
TBI Holdings B.V.

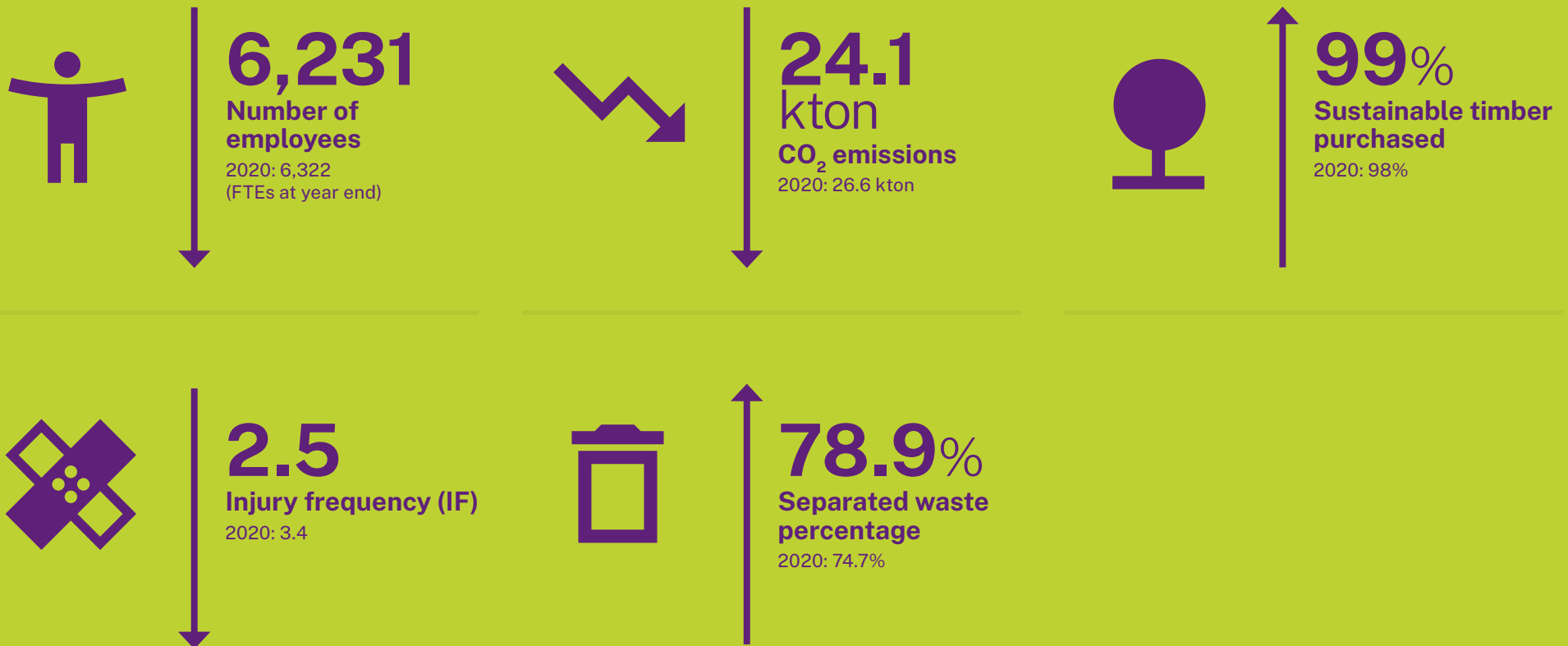


TBI at a glance

In Wehl Koopmans now has its own facility for the assembly of wooden circular economy housing modules.

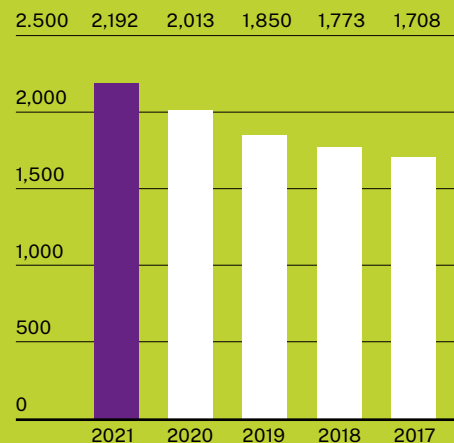
TBI at a glance

- Recalibrated strategy: Sustainable solutions, People & Teams and Market leadership
- Acquisition of the activities of Struijk (TBI Infra) and plan developer FAME (housing concepts)
- Iconic projects including: management and renovation of the House of Representatives, Groene Boog Rotterdam, Nieuw Kralingen Rotterdam, VU Amsterdam's new (university) research building, 5TRACKS in Breda and TenneT transformer stations
- All TBI companies worked in compliance with Veiligheid in Aanbesteding (ViA) (Safety in Procurement)
- More and more initiatives involving construction using timber and low-CO₂ concrete from TBI companies
- To mark its 40th anniversary, in 2022 TBI is planting the TBI Forest in Kranekamp (Overijssel) and is a partner of 'Trees for All'
- Initiatives that will significantly reinforce diversity and inclusivity

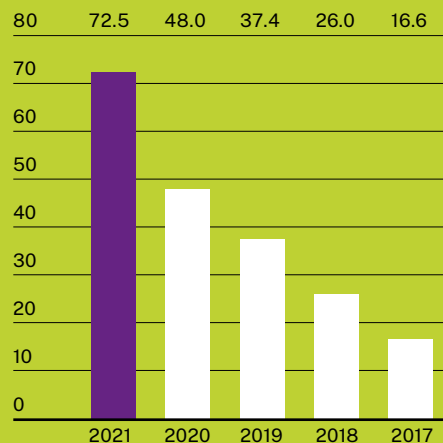


TBI at a glance

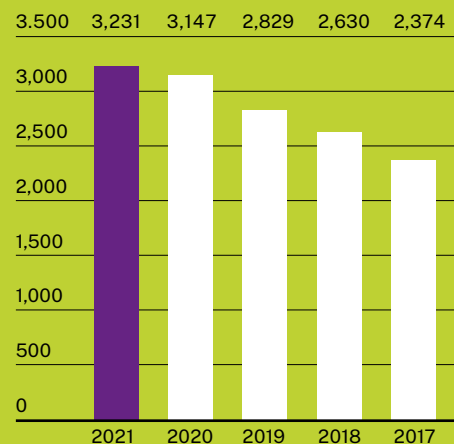
Operating revenue
(in millions of Euros)



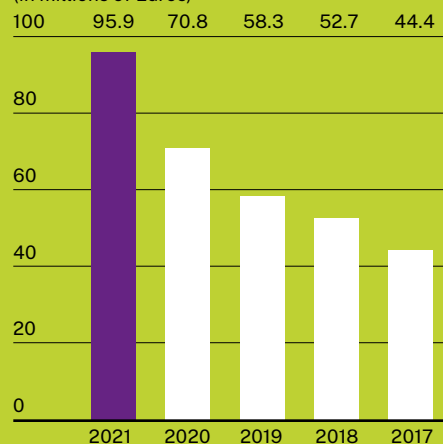
Operating result (EBIT)
(in millions of Euros)



Order book
(in millions of Euros)



**Operating result from normal activities before
amortisation and depreciation (EBITDA)**
(in millions of Euros)



J.P. van Eesteren completed the ground-breaking HAUT project: the tallest hybrid wooden building in the Netherlands and the first residential building to be awarded BREEAM Outstanding certification.

Profile

TBI is a group of companies that renews, constructs and maintains the living environment in a sustainable way. TBI is hallmarked by its agile (network) organisation. TBI's 19 independent subsidiaries work together to offer market-oriented solutions in the Engineering, Construction & Development and Infrastructure sectors. TBI has highly-qualified specialist expertise and a diverse portfolio. Its integrated (project) approach based on shared knowledge is an important component for serving the Dutch market. In 2021 TBI's workforce averaged 6,270 full-time employees who were active throughout the Netherlands working on housing, offices, schools, hospitals, roads, tunnels, bridges, locks, factories and marine installations ranging from small initiatives to large, high-profile projects for public and private clients. In 2021 TBI achieved operating revenue of € 2,192 million.

Working with cultural values and core qualities

Our cultural values are responsible, passionate and connected. These components sum up how we interact with each other, our clients and other stakeholders and form the basis for our conduct and decisions. Our core qualities are craftsmanship, entrepreneurship, innovative strength and risk management through good contract and project

management. They really make a difference in our day-to-day work because the client recognises these qualities as hallmarks of our companies.

We safeguard our cultural values and core qualities through:

- The independent position of the TBI companies coupled with our brand strategy;
- Investing in innovation, a transparent culture and diversity;
- Our management development policy, our TBI academy and other leadership and education programmes.

TBI's unique and social character offers a stable foundation

TBI was founded in 1982 and thanks to its unique character has evolved and expanded into one of the largest engineering, construction, development and infrastructure concerns in the Netherlands.

Stichting TBI - the sole shareholder - strives to achieve a market-conforming return and supports and promotes activities in the field of culture, science, education and community. This is laid down in its Articles of Association. The Stichting's goals are:

- the long-term continuity of TBI Holdings B.V.;
- the preservation of monumental heritage;
- to contribute towards the education of TBI employees' children via Stichting Studiefonds TBI (TBI Scholarship Fund).

Social responsibility is embedded in TBI's DNA. The result is very involved employees, (financial) stability and the freedom to be enterprising, make considered choices and set goals for both the short and long term. This creates extra scope for innovation and sustainable developments. That's how we create the future with people who want to do the right things.

TBI is a private company with a full structure regime. This not only gives substance to the environmental and social aspects but also to governance and transparent business operations.

Soufiane Moujtahid

Aged 36

Main Contractor

Has worked for ERA Contour since 2009
(with a short break)

Soufiane's motto: "Alone you can do nothing, together you go further. Projects are becoming more complex so more and more different parties are needed to achieve something. The complexity means projects also take longer. That's why I want to build up longer-term relationships. For future projects as well if that would be useful. In my day-to-day work I see my role being like a director's - who gauges the atmosphere, makes connections and achieves solutions in collaboration. Creating the right balance in a team is essential. That team has a clear goal and we must keep each other well informed. We need each other.

'Mi Oso' in Amsterdam-Zuidoost (south east) is a good example. This is a residential neighbourhood comprising 42 owner-occupied houses and 84 rented apartments built around a green, sheltered courtyard garden. Everyone is happy with the end result. All the parties worked together very well and were very involved. The project even won the 2021 Amsterdam New Construction prize.

I'm always working to get parties connected and committed. At the start of a project I look at what is needed and what (new) parties offer. This applies for



“Like a director who gauges the atmosphere, makes connections and achieves solutions.”

both internal and external parties. Then I focus on the content. Sometimes projects are for 90 percent achieved with external parties because that's a better fit.

First and foremost you have to know what you are building or want to develop. Then the requests go out and lead to discussions. You probe and get a feeling about whether parties are open to cooperation, whether they are from the area and whether they have experience with similar projects. During the

conversation I look for involvement. And whether they are interested in working together to find solutions.

That is the art of team building. Seeking a relationship. Black and white thinking ultimately doesn't work. As the main contractor you want to see added-value from your cooperation partners. They must be able to work outside the box. Always with an eye for a high-quality end product, win-win situations and a long-term relationship”.

Organisation chart



Engineering

Comfort Partners

Croonwolter&dros

Eekels Technology

Giesbers
InstallatieGroep

Soltegro

WTH

Construction & Development

ERA Contour

Hazenberg Bouw

HEVO

J.P. van Eesteren

Koopmans Bouwgroep

MDB

Nico de Bont

Synchroon

Voorbij Prefab

Infra

Mobilis

Struijk

Voorbij
Funderingstechniek

Voton



Engineering



Installs high-quality systems in and around residential buildings for a comfortable, sustainable, healthy and safe living environment.

www.comfort-partners.nl

Number of employees (FTEs): 209

Management Board: Ron van Schaijck, Roderick Soesman

Projects in 2021 included:

- Management and maintenance of installations for various housing associations including Ymere and Alliantie.
- Renovation of ground-level housing for clients including Dura Vermeer.
- Installation work in new-build projects in the Groningen region for Friso, Trebbe, Geveke and Heijmans.
- Installation work in new-build house and apartment projects in the Amsterdam region for BAM, HSB and Ballast Nedam.



Specialises in electrical engineering, mechanical engineering, automation and computerisation and is active in the non-residential building, industry and infrastructure sectors.

www.croonwolterendros.nl

Number of employees (FTEs): 2,695

Management Board: Piet Jan Heijboer, Eugène de Roodt, Angela van Rijn-Hoogweg, Mark van Wordragen

Projects in 2021 included:

- Responsible for multi-disciplinary maintenance of 6 tunnels in South-Holland. The focus was on predictive maintenance: not too early or too late, but exactly when needed.
- As partners of TenneT, Croonwolter&dros and Mobilis (SC&M) were responsible for the realisation of the new-build transformer station at Wijk aan Zee, one of the largest 'meter cupboards' in the Netherlands.
- New-build of the new Geo-Information Sciences and Earth Observation (ITC) building on the University of Twente campus.



Carries out projects plus maintenance and service work in the technical automation, electrical engineering and mechanical engineering disciplines in the marine & offshore and industry & infra sectors. www.eekels.com

Number of employees (FTEs): 763

Management Board: Hendrik de Haan en Bart Brom

Projects in 2021 included:

- Refitting/conversion of cruise liner 'Amadea' in cooperation with the Marine & Offshore Business Units, Eekels Romania and Systemen (MAS) for Bernhard Schulte Cruise Services. The aim of the refit/conversion was compliance with future "green" legislation and improved efficiency.
- In cooperation with and for Mobilis the development of the e-CO₂tainer - a mobile power supply for use 'on location' including at Mobilis construction sites. During construction work a substantial supply of power with peak capacity is often required before a network connection is available.

Engineering (continued)



- For and in cooperation with Damen Shipyards we worked for nearly two years on the engineering, preparatory work and installation work on-board two Hydrographic Survey Vessels (HSVs), the 'Zr.Ms. Luymes' and the 'Zr. Ms. Snellius', the primary task of which will be mapping the seabed for the Dutch Royal Navy's Hydrographic Service.
- Eekels built a completely new installation in Farmsum for EEW. This installation will pump the sewage sludge, which is delivered in containers, to the waste-to-energy incinerator.

As a total mechanical engineering installer has all the installation technology disciplines in-house with a focus on making housing more sustainable. www.giesbers.com

Number of employees (FTEs): 268

Management Board: Peter Giesbers, René Giesbers, Rob van Breemen

Projects in 2021 included:

- Installing individual water/heat pumps, closed vertical bottom heat exchangers (sources) and mechanical ventilation systems by means of heat recovery fans in 69 houses on the Fridtjof Nansenhof in Amsterdam (client: HSB Bouw).
- Fitting the plumbing and central heating systems in 399 apartments in De Singelblokken in Amsterdam. Some work will be carried out in 2022. The project will be completed at the end of 2024 (client: Heddes Bouw).
- Installing the complete mechanical engineering installation, apart from the electrical engineering installation and the installations outside the apartments, in 289 apartments in the

Sluisbuurt Amsterdam (in cooperation with J.P. van Eesteren).

- Installing the mechanical engineering installations, apart from the electrical engineering and the heat recovery system, in the 400 apartment Verde-Vista block in Zoeterwoude. Each apartment is heated and cooled with the help of an individual air/water heat pump (client: Plegt-Vos).
- Plumbing, floor heating and the entire HCS installation in the 218 apartment King's Park in Zoetermeer (client: Ballast-Nedam and Eonic).



Specialist in the integrated and multidisciplinary design of systems and software. As an automation and engineering bureau delivers reliable integrated solutions for the seamless integration of automation, mechanical engineering and electrical engineering. www.soltegro.nl

Number of employees (FTEs): 39

Management Board: Arthur van der Wateren, Harry Halman

Projects in 2021 included:

- For construction consortium Comol5 on behalf of RijnlandRoute the development of a digital twin for the virtual testing of the tunnel technology installations and a virtual Education and Training system. This enables the road traffic management to be practiced before the system is completed.
- Proof-Of-Concept (POC) AIS high voltage stations for TenneT: for client Croonwolter&dros the drafting of the primary, secondary and tertiary design. Responsibility for technical management and guaranteeing the integrity of the design.

Engineering (continued)



- Development of an Asset Management Monitoring Platform for Sluis Eefde (lock) with which real-time insight into the status and performance of the underlying systems is acquired and displayed clearly on a dashboard. This prevents and quickly solves malfunctions, reduces maintenance costs and collects the information needed for preventative maintenance.
- Development and application of Model Based System Engineering to record coherence and behaviour of Industrial Automation & Electrical Engineering Systems for the renovation of the Afsluitdijk (client: construction consortium Levvel).

Specialist in residential and non-residential building projects in which floor heating, floor cooling, primary pipe-work, ventilation and control technology are used to create a healthy indoor climate. www.wth.nl

Number of employees (FTEs): 76
Management Board: Fred Verdel

Projects in 2021 included:

- Installing floor heating with modular plastic distributors in 655 apartments in the Grotius tower blocks in Den Haag (in cooperation with J.P. van Eesteren and Giesbers).
- Installing floor heating and primary pipe-work in 325 all-life-phases apartments in the De Nieuwe Plantage project in Amsterdam (in cooperation with the Van Dam Groep).
- Installing floor heating in a 65,000 m² Van Helsing Supervers manufacturing hall in Venlo (in cooperation with Van De Ven Bouwbedrijf and Van Panhuis).

Construction & Development



As a sustainable urban innovator ERA Contour develops, constructs and renovates neighbourhoods in which people can live happily and safely. The aim is to achieve strong cities and happy clients.

www.eracontour.nl

Number of employees (FTEs): 346
Management Board: Bianca Seekles, Jeroen Heijdra, Job van Zomeren

Projects in 2021 included:

- Anna Bijns in Den Haag - the residential complex and the 228 characteristic portico houses were renovated and made sustainable (client: Haag Wonen).
- BUUR in Utrecht: construction of 454 new-build apartments (clients: Mitros, Portaal and Wonam).
- De Nieuwe Defensie in Utrecht - the construction of 950 new-build apartments in various phases (client: BPD).
- Little C in Rotterdam - the development and construction of the urban ensemble of 15 residential and office buildings on the Coolhaven in

Rotterdam (in cooperation with J.P. van Eesteren).

- Nieuw Kralingen in Rotterdam - area development and construction of 800 homes on the Kralingse Plas (in cooperation with Heijmans).
- SAWA in Rotterdam - development and construction of a 50 metre high totally wooden residential building (in cooperation with Nice Developers).

Construction & Development (continued)



As a development builder Hazenberg is at home in the southern Dutch market for new-build residential and non-residential building construction, existing building transformation and making more sustainable, and long-term maintenance.

www.hazenberg.nl

Number of employees (FTEs): 128

Management Board: Boudewijn de Bont, Roel Maas

Projects in 2021 included:

- Social housing in Dongen - existing housing made Nil-on-the-Meter by SmartPack team (client: Casade).
- The Rock in Etten-Leur - design and construction of 75 sustainable apartments for people aged up to 30. Sharing is the key in this green living concept with shared roof terraces and space for plants and animals in the shared garden (client: Alwel).
- Juf Nienke in Amsterdam - construction of a sustainable, circular economy residential building with 61 varied homes in modular wooden construction (client: Dokvast).

- The City in Tilburg - new-build residential towers with 450 homes in a green and sustainable environment. As a component of Cobbencampus we are building an innovative student concept focused on community and meeting (client: Magis Vastgoed).
- Wervenkade in Dordrecht - new-build of 63 gas-free houses, partially circular economy built with attention paid to biodiversity and integration with surrounding nature (client: Bemog Projectontwikkeling).



HEVO is the Dutch specialist in the field of sustainable housing. With our extensive experience (since 1970) with housing concepts, advice and (risk-bearing) building management, every day our 100 experts create a built environment that offers users optimum living, learning and working. Specifically for housing that incorporates care and welfare, HEVO-FAME is active with the plan development and construction of integrated, area-oriented housing concepts for vulnerable people.

www.hevo.nl

Number of employees (FTEs): 88

Management Board: Ewoud van der Sluis, Michiel Otto

Projects in 2021 included:

- Development and construction of circular economy new construction for the Aeres Hogeschool (college) Almere. What is special about this smart and energetic building is the innovative circular tendering of the implementation phase.

- Risk-bearing project management of the development and construction of knowledge centre Mozaïek Oud-Beijerland comprising three schools, a care institute and special secondary education.
- Renovation and transformation of the GGD Hart voor Brabant offices, where activity-related work is implemented.
- Risk-bearing project management of the development of new-build residential care centre Jabikshof Leeuwarden via sale and lease back construction with investor.
- Concept development of residential care building Sorghvliet in Andijk.
- Total concept redevelopment of Amstelplein Uithoorn with rental apartments, shops and food service establishments.

Construction & Development (continued)



A renowned development and construction company that under the motto 'making buildings smarter' develops, designs, builds and maintains innovative offices, hospitals and other non-residential projects.

www.jpvaneesteren.nl

Number of employees (FTEs): 350

Management Board: Marco Peppel, Bart van Lunteren

Projects in 2021 included:

- The highest points (100 and 120 metres) of the Grotius residential towers in Den Haag were reached. In cooperation with BESIX (client: Provast).
- The homes in the 73 metre high HAUT hybrid wooden residential tower in Amsterdam were delivered (client: Lingotto).
- Work started on the construction of the OMA designed high-end office building at Apollolaan 171 in Amsterdam (client: Kroonenberg Groep).

- Delivery of the Gouda Weeshuis (orphanage) conversion into a boutique hotel and apartments (client: Whitehouse development).
- Construction work began on the 100 metre high Justus residential tower - the first building in the Amsterdam Sluisbuurt. An in-house project development of J.P. van Eesteren.



Development and construction company that constructs safe, sustainable and beautiful buildings in which people enjoy living, working and spending their leisure time. Because: Everything that's valuable deserves the best!

www.koopmans.nl

Number of employees (FTEs): 294

Management Board: Hans Smit, Melcher Groenendijk

Projects in 2021 included:

- Delivery of the 113 concept houses of the De Kade, Eiland L project in Veenendaal (client: LATEI from Amersfoort).
- Large-scale redevelopment of De Nieuwe Es in Hengelo is going full speed ahead. In total the project involves 159 owner-occupier and 70 rental houses. Two of the three phases have been completed. This includes the first four houses constructed in accordance with the HOUTbaar HUIS concept developed within TBI WOONlab.

- 72 staircase entrance flats and community spaces on the Rembrandtkade in Deventer were very successfully renovated and made sustainable.
- The construction of 125 Kop van de Bakens apartments in Waterfront Harderwijk began. A joint development of development consortium Waterfront Harderwijk vof, comprising TBI companies Koopmans Bouwgroep and Synchron.

Construction & Development (continued)



Hires out construction equipment to TBI companies and third parties.

Hire includes delivery, assembly/disassembly and advice. www.mdb.nl

Number of employees (FTEs): 90

Management Board: Jos Huijzer

Projects in 2021 included:

- For ERA Contour - new-build on a former Defence Ministry site in Utrecht. The 6-year phased project comprises a total of around 1,200 ground level and high rise homes in different styles.
- For ERA Contour - Buur is a 3-year project involving the construction of 3 buildings containing a total of 454 apartments.
- For Hazenberg - the Wervenkade project in Dordrecht comprises 63 homes in 3 different models: Merwede homes, spacious quayside homes and exclusive park homes.
- For Koopmans - Kop van de Bakens in Harderwijk is the final phase of the Waterfront project with 125 homes of different types.



A top of the market company for the classic restoration, contemporary repurposing and planned maintenance of large and small monuments.

www.nicodebont.nl

Number of employees (FTEs): 88

Management Board: Boudewijn de Bont, Roel Maas

Projects in 2021 included:

- Domtoren in Utrecht - large-scale restoration of an iconic 14th century church tower incorporating natural stone, slate roof and leaded glass (client: municipality of Utrecht).
- 'Huis van Bosch' in 's-Hertogenbosch - restoring, making sustainable and repurposing as a Museum the house of painter J Heronimus Bosch (client: municipality of 's-Hertogenbosch).
- Chassékazerne in Breda: sustainable repurposing of monumental barracks to create the 'Breda Botanique' bustling hotspot (client: Synchroon).
- Groote Museum ARTIS in Amsterdam - classic restoration and sustainable repurposing as a museum of a historic gentlemen's club (client: ARTIS).

SYNCHROON

An innovative project developer that invests, on a risk-bearing basis, in projects and district development in and around urban areas.

www.synchroon.nl

Number of employees (FTEs): 49

Management Board: Henri van Dam, Tobias Verhoeven

Projects in 2021 included:

- 5TRACKS Breda - living, working, a hotel, park, food service, shops – all come together in the three 5TRACKS buildings. A surprising, urban environment next to Breda station and city centre. Partner: J.P. van Eesteren (construction and development).
- Huis op Zuid - a new, mixed-use building with a centre section of rental apartments, and commercial facilities in the plinth. The municipality of Rotterdam will be responsible for realising sports and swimming facilities in addition to the Synchroon project.

Construction & Development (continued)



voorbij prefab

- Porseleinen Toren Delft - tower block with over 85 apartments and 200 m² of food service establishments in the plinth. The building will also contain a collective skybar on the fourth floor with a green roof garden where residents can meet and enjoy the greenery and the view over the city. Partner: ERA Contour (construction).
- Schieveste Schiedam - in the second most important public transport terminal in the south of the Randstad will arise a metropolitan urban area with around 3,000 owner-occupier and rental homes, commercial and social facilities. Synchroon and its partners VolkerWessels, Dura Vermeer, Van Omme & De Groot (Development consortium Schieveste) are responsible for this development.

A leading and innovative manufacturer of sustainable prefabricated concrete products with a clear focus on housing and industry. www.voorbijprefab.nl

Number of employees (FTEs): 38
Management Board: Dorien Staal

Projects in 2021 included:

- Besides TBI companies the most important clients for the prefab shells are VolkerWessels, Dura Vermeer, Bolton Bouw, Heembouw, Van der Heijden Bouw en Ontwikkeling and Ten Brinke.
- The manufacture of prefab transformer stations for Alfen and counterweights for Hitachi, plus the manufacture of the concrete components of VelopA's street furniture.
- In 2021 the Groene Casco (Green Shell) developed by Voorbij Prefab and made of low-CO₂ concrete with a CO₂ reduction of up to 44% was registered in the National Environment database as the Groene Voorbij Casco.

Infra



A civil infrastructure builder and smart connector of leading projects that offer solutions in the field of infrastructure, industry, water and energy. www.mobilis.nl

Number of employees (FTEs): 372
Management Board: Robert-Jan Feijen, Ivo Baert, Remco Hoeboer

Projects in 2021 included:

- Construction consortium Nieuw-Zuid (Mobilis, Boskalis, Van Gelder) is constructing the Amsterdam South Public Transport Terminal - a high-quality transport junction with international allure in which train, metro, tram and bus services meet and are integrated into the Zuidas business district.
- Together with Van Gelder worked on the Kempenbaan project - the widening of the three kilometre Kempenbaan, the construction of a cycle bridge over the A67, new water management and a 1.5 kilometre long acoustic screen.

- In Panheel, together with Croonwolter&dros, constructed a new sewage treatment plant. Special in respect of this project was working in a construction team during the implementation, the application of organic Nereda technology for the water purification and the Verdygo-principle that makes the construction and installation almost totally modular and sustainable.
- Together with Strukton Civiel worked on the Switch Zuid-West - the new 380kV high-tension bridge in Zeeland to provide extra capacity for the transport of renewable energy (client: TenneT).

Infra (continued)



Struijk focuses primarily on demolition, soil and asbestos decontamination and road-plate rental for multidisciplinary infrastructural and industrial projects in particular in the field of circularity.

www.struijk.nl

Number of employees (FTEs): 30

Management Board: Robert-Jan Feijen, Ivo Baert

Directors: Corstian van Hartingsveldt, Hans Lievaart

Projects in 2021 included:

- Building refurbishment of DP Erasmus MC, RET Station Leuvehaven Rotterdam and asbestos decontamination of exterior cladding RDM Grofsmederij in Rotterdam (client: J.P. van Eesteren).
- Kemira, Botlekweg 175 Europoort (client: Mobilis).
- Demolition and asbestos decontamination of former schools - Wellant College, 2nd and 3rd Pijnackerstraat, and Schiedamseweg 280-282 in Rotterdam (client: municipality of Rotterdam).



Specialist in the design and implementation of all foundation technologies in common usage in the infrastructure, water, utilities and industrial building sectors: From soil and water retaining structures, strut frames and anchoring, to different types of pile systems.

www.voorbijfunderingstechniek.nl

Number of employees (FTEs): 141

Management Board: Sjoerd Opdam

Projects in 2021 included:

- 5TRACKS Breda - the manufacture of 847 VSP-GI foundation piles and the vibration-free installation of 202 m1 steel dam wall (client: J.P. van Eesteren).
- Doorslagzone Nieuwegein - the manufacture of 702 prefab concrete piles, delivery by Voton (client: Koopmans).
- Amsterdam Logistic Cityhub - the manufacture of 5,582 vibro-piles and 78 VSP-GI piles (client: Bouw-bedrijf Vrolijk).

- For all three projects mentioned above the foundation pile design was optimised through the use of BASE FT.
- RijnlandRoute N206 Ir. G. Tjalmaweg Leiden – Katwijk, Boskalis - Definitive dam wall constructions, combi-wall construction, temporary caisson sheet piling, temporary strut frames, temporary grout anchors, prefab concrete piles (delivered by Voton), VSP-GI combi piles, steel tubular piles, temporary steel Bailey bridges and the placement of injection hoses for water glass injection. Dam wall construction application method: vibration and pressing (vibration free). Dam wall grout anchor design optimising Sunken Location.



Specialises in the manufacture of pre-stressed concrete piles.

www.voton.nl

Number of employees (FTEs): 18

Management Board: Sjoerd Opdam

Projects in 2021 included:

- Woonfabriek BAM, Oudkarspel - manufacture of around 2,600 pre-stressed concrete piles (client: Heicombinatie SPS).
- Zaanse Helden apartments, Zaandam - manufacture and delivery of around 1,300 pre-stressed concrete piles (client: Plomp Funderingstechniek).
- New motorway between the A13-A16 Rotterdam - manufacture and delivery of over 6,000 pre-stressed concrete piles (client: De Groene Boog).
- Roggebotbrug Kampen (viaduct and culvert) - manufacture and delivery of around 250 pre-stressed concrete piles (client: Voorbij Funderingstechniek).



Environment, organisation and strategy

Koopmans Bouwgroep is building five residential tower blocks in Almere DUIN.

External environment

As far as can be seen thus far, the effects of the Covid-19 pandemic on the construction sector have been far more limited than those felt by many other sectors and during previous crises. According to the EIB (Economic Institute for the Construction Industry), in 2021 construction production increased. This, along with the fact that many foreign workers had returned home due to the pandemic so were unavailable, exacerbated the shortage on the labour market. The number of hours worked also decreased. These factors contributed towards putting upwards pressure on the hourly rate. On top of that, a shortage of materials and a sharp increase of the energy prices meant raw materials and other necessities became more expensive and delivery times were longer.

Social trends and developments

Covid-19

Covid-19 has accelerated the emergence of fundamental changes in the construction sector. Many developments in the built world are being re-examined. A prime example of this is the office market in which investment in both renovation and new-build are falling sharply. At the same time, the sharp increase in online shopping has created considerable demand for new distribution centres and urban logistics. Existing school buildings must be provided with additional or good ventilation systems. In the residential building market too there is considerable demand for renovations and small conversions, partly due to more working from home.

The developments in respect of infrastructure and (e-)mobility are also subject to change. As a result, the crisis not only poses threats for TBI it also offers opportunities.

The fundamental trends and developments were related to underlying factors, such as scarcity on the labour market, continued pressure on the housing market and infrastructure projects, more stringent legislation and regulations in the fields of safety, sustainability and circularity, and higher client demands and wishes. On top of all this there were disruptive forces, such as other players (than the 'traditional' construction companies) entering the market, the industrialisation of construction processes, new materials and, last but not least, the increasing digitalisation of products and processes.

To ensure its continued success TBI has responded to these developments by recalibrating its strategy.

We are investing in:

- sustainable solutions and circularity
- data-driven products and services
- training and craftsmanship
- leadership and diversity
- manufacturing technology
- process digitalisation

These themes are becoming increasingly important components of our future.

The nitrogen problem

The nitrogen problem continues to be the cause of substantial negative and multi-year effects in the construction sector. The reason for this is the lack of political decision making - at all government levels - and clear policies regarding this issue.

The construction sector remains of the opinion that the government is not sufficiently focused on the sectors in which nitrogen emissions are high, while the construction sector actually has a limited influence.

In 2021 the effects of the nitrogen problem were once again clearly visible. Some projects were cancelled and the tendering of new projects was significantly delayed.

This means the nitrogen problem will continue to have a long-term negative effect, especially for the infrastructure sector.

“In 2021 the effects of the nitrogen problem were once again clearly visible.”

“The construction of prefab housing is being scaled-up.”

Developments in housing construction and the coalition agreement

The nitrogen problem is also having some effect on the new residential building projects pipeline, especially when it comes to the larger area developments involving zoning procedures. Nevertheless, in 2021 more permits for new-build housing were issued than in 2020. The number has been rising for over 18 months and is now at its highest for a decade. This trend is continuing despite the nitrogen problem and the Covid-19 crisis. As a result ING (bank) expects the number of new-build homes to rise slightly to 72,000 in 2022 (2021: 71,000).

Central government stimulation is also contributing towards the positive developments in residential building construction. This is the result of extra investments in the acceleration of policy making for various large housing estates. On Prinsjesdag (budget day) it was stated that, to supplement the 2019 Residential Building Impulse, for the coming ten years an extra € 100 million a year will be made available for the acceleration of housing construction. This will make municipal projects affordable, for example through the soil being decontaminated or infrastructure being installed.

Other measures to solve the shortage in the housing market are up to the new Cabinet, with the return of a Ministry for Housing and Spatial Planning. This will have a directing function, will support municipalities and provinces with the selection of locations for residential housing construction and will conclude



HEVO completed the 'Het Mozaiek' Knowledge centre in Oud-Beijerland.

performance agreements with them. This will bring construction to 100,000 homes a year, with special attention being paid to starters, seniors and the middle-income group. The construction of prefab housing is also being scaled-up. The mobility fund is being increased by € 7.5 billion to give access to new homes. In addition, the landlord levy is being abolished, which will create space for corporations to invest in housing construction, renovation, sustainability, quality of life and affordability.

There is also a Ministry for Climate and Energy with access to a climate and transition fund of € 35 billion for the coming ten years. The target has been raised to 55% CO₂ reduction in 2030. For the built environment this means a substantial extra saving amounting to 7 Megaton. There will be a National Insulation Programme, the installation of hybrid heat pumps will be stimulated, the introduction of an insulation standard for rented housing will be accelerated and district heat networks will be implemented at a neighbourhood level. Circular and climate-proof construction will also be encouraged.

We applaud the new Cabinet's commitment to sustainability. The coalition agreement contains many measures that are good for public housing and offer opportunities for TBI.

The increase in house prices (in 2021) was, to a great extent, due to scarcity. Increases to construction material prices will raise the cost price of housing even further, so the prices of both existing and new owner-occupied homes will continue to rise. In the fourth quarter of 2021 the average price of a new-build house was € 427,000. This is 6% higher than a year earlier. The rise in the price of existing homes on the housing market has been even sharper. These developments are also due to the current scarcity of construction sites.

The sustainability challenge

In 2050 the Netherlands' entire housing stock must be energy-neutral. Industrial and utility buildings must also be made sustainable. This challenge is embedded in international agreements and legislation. Concrete measures aimed at reducing CO₂

emissions by at least 55% by 2030 (and 95% in 2050) compared to emissions in 1990 have been agreed. At the Climate Summit held in Glasgow at the end of 2021 additional agreements were made in respect of cleaner mobility.

TBI, as one of the largest engineering, construction, development and infrastructure concerns in the Netherlands, has a major role to play in this sustainability challenge. But the group also wants to show leadership. With a focus on the energy transition, circularity, (modular) manufacturing technology and digitalisation TBI is responding pro-actively to the relevant consequences and opportunities in the field of:

- buildings: municipal neighbourhood plans for insulation and alternatives to gas;
- mobility: electric vehicles and new mobility services;
- industrialisation: more efficient processes through process improvement;
- energy: adaption of the energy infrastructure, renewable onshore energy.

“TBI is focused on the transition to a circular construction economy.”

Transition to a circular construction economy

The (construction) economy must be fully circular by 2050: by 2030 at least half of the building materials used must be secondary, or pre-used. The circular agenda will also make a substantial contribution towards the reduction of CO₂ from the extraction, production and transport of building materials. This dovetails with the ambition of halving the CO₂ used in construction by 2030 and completely eliminating it by 2050: from production and manufacture to exploitation and transport. With its recalibrated strategy and innovative developments TBI is clearly focused on this transition to a circular construction economy.

The goal of circular construction is the development of sustainable buildings and the reduction of waste and CO₂ emissions. Developments in this respect we are already seeing are the constructing of building in such a way that they can be disassembled and reassembled, and a shift from owning to using. In the context of the Dutch government-wide programme for a circular Netherlands in 2050 and the Raw Materials Agreement, a Transition Agenda for a Circular Construction Economy has been introduced: From 2023 all government tenders (at every level) must be circular. Other measures TBI must take into account are a compulsory material passport, amendments to building legislation and regulations and a measuring system for circular buildings.

Market developments and competitive position

According to the EIB, despite the continuing Covid-19 crisis and nitrogen problem, in 2021 volume in the Dutch construction sector rose by a modest 2%. In this situation TBI's 9% increase in operating revenue was a relatively good performance.

TBI improved its competitive position in terms of both quality and quantity and now ranks among the top-3 largest engineering, construction, development and infrastructure concerns in the Netherlands.

Key factors for the sector's growth are:

- the considerable housing need;
- the low (mortgage) interest rate;
- the high demand for solutions that increase sustainability;
- the replacement and maintenance of infrastructural works, such as bridges, locks, roads and energy networks.

In response to the Covid-19 crisis, more specifically should be added for the second year running:

- consumers spent far more on home improvements and sustainability in the context of working from home;
- the government has propped-up the economy with an extensive package of support measures.

At the same time, the construction sector is late-cyclic. This means that the construction industry is the last to feel a slowdown in economic development and the abolishment of government support measures. The economic developments are still good with growth of 2-3% expected in 2022,

but after that the negative influences will be felt for several years. This is particularly true for suppliers.

In addition, clients are more likely to reconsider (investment) decisions related to the renovation or new-build of objects such as hotels and offices. Banks are also becoming more reluctant to provide financing. The general acceptance of working from home is changing the need for (workplaces in) offices. As a result, housing needs are also changing - there is more demand for homes with an extra study or workroom and for more green in the neighbourhood.

Partly due to the high-density in the urban areas in which construction and installation projects are located, projects are becoming increasingly complex. This also applies for infrastructure projects. Lowering

the risk profile, especially of large infrastructure projects, is essential. Steps have been taken with the introduction of new tender procedures: the two-phase contracts. Given the major social issues Rijkswaterstaat (Directorate-General for Public Works and Water Management) has seen the need for healthy and energetic infrastructure companies that must be able to invest and continue innovating.

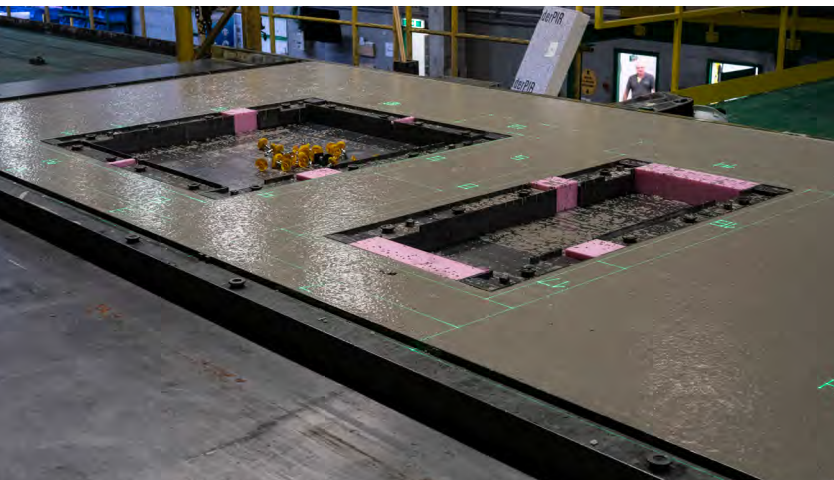
TBI strives for leading market positions. However, in the Dutch engineering, construction and infrastructure market you don't have to be big to be profitable. Small and medium-sized companies are often more successful. TBI strives for an optimum balance between growth, and with it the large scale of a concern, and the (innovative) entrepreneurship of the independent subsidiaries.

as a consequence of this, pricing in the chain is under pressure and is resulting in higher (purchase) prices. Subcontractors are going to be able to choose which main contractor they want to work for. Partnering in the chain is desirable for both the deployment of knowledge and the implementation capacity. In the long run, greater efficiency, digitalisation, industrialisation and robotics will mean more and better work can be completed with fewer employees.

According to the EIB it appears the construction sector is in a relatively better competitive position on the labour market than other sectors. Although the sector is sufficiently attractive to young people, the courses could be better tuned to the current day-to-day requirements. In addition, more attention should be paid to career perspectives. To retain or recruit employees it is important that TBI offers sufficient appreciation, in both tangible and intangible terms, and that the atmosphere in the organisation is optimal. Human Resource management is, therefore, crucial. The natural outflow due to disability and retirement must also be absorbed. Between our own (in-house) training courses, foreign colleagues and lateral entrants (career changers) we expect to be able to interest a great many (new) people in a career in TBI.

Labour market developments

Shortage on the labour market remains the greatest impediment to output growth, including for our subcontractors and suppliers. According to EIB publications, from now until the end of 2025 the construction and installation sector will need over 60,000 new workers in order to achieve the construction targets. If the labour capacity doesn't increase sharply the completion times of new-build projects will probably become longer. Experienced building site workers, such as bricklayers and bar benders, will be particularly scarce, but so too will other technically-trained people, such as electricians, work planners and contract managers, who are a critical success factor for achieving our goals. Partly



Value creation model

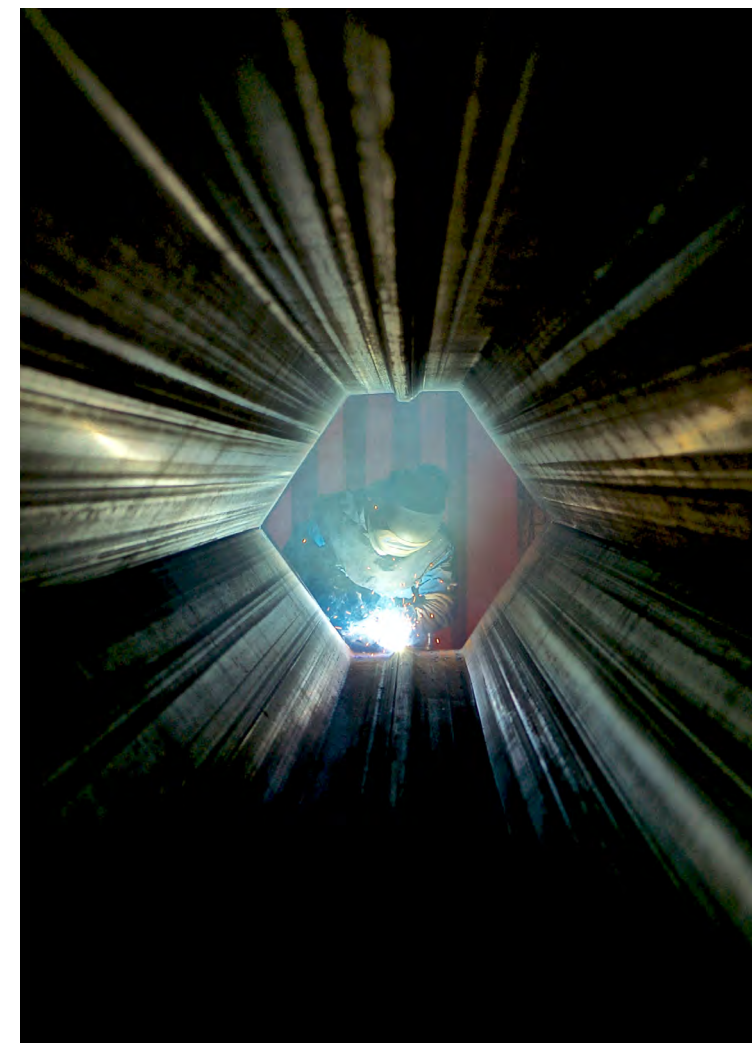
The way in which TBI creates value for its stakeholders is reflected in our value creation model. The model is based on the value creation model of the International Integrated Reporting Council (IIRC).

The following sections echo the structure of the value creation model. In the section 'Progress of strategic pillars in 2021' the output is described and our added-value is also discussed. Under 'Impact' the contribution towards the achievement of a number of Sustainable Development Goals (SDGs) is described.

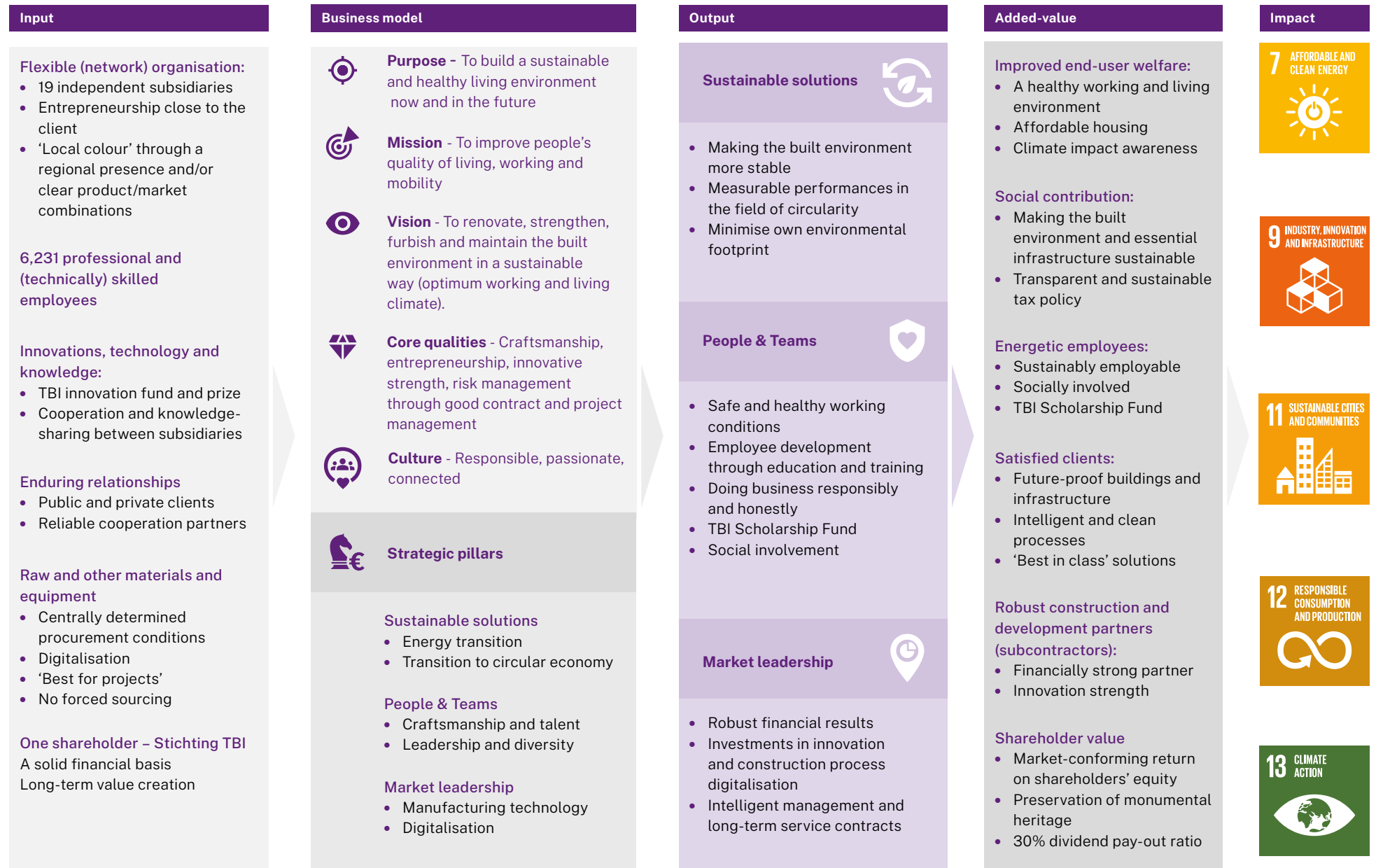
The materiality analysis we conducted in 2019 to determine the delineation of the annual report was recalibrated in 2020. This was used to compile an inventory of the topics that are important from the perspective of both the organisation and the stakeholders.

The stakeholder groups that are important for TBI are employees, project developers, (local) authorities, suppliers and sub-contractors, banks and insurers, and finally public and private clients.

In part due to the consequences of the Covid-measures an extensive, interactive stakeholder dialogue was not possible during 2021. In addition, in 2021 we worked on the strategy recalibration. For this reason it was decided to use the existing materiality matrix in this Annual Report and to compile a new materiality matrix in 2022 based on an extensive stakeholder dialogue. In this Annual Report the recalibrated strategy that will be rolled-out in 2022 takes precedence. We anticipate that in the materiality analysis of the current year the strategic pillars will be in line with the material topics in the GRI table. This matrix is included in 'Additional information' (see page 141). In the appendix Accountability and methodology published on www.tbi.nl/jaarverslag we describe the process used for this and explain the most material topics in more detail.



Value creation model



Paula Onrust

(Aged 29)

Software Engineer Eekels Yachting

Has worked for Eekels Yachting since 2017
(previously De Keizer Marine Engineering)



“As a Software Engineer I integrate many different systems on mega-yachts. All these systems can then be monitored and controlled from a single screen - the all-encompassing Alarm Monitoring and Control System (AMCS). This AMCS monitors the main engines, the generators, the navigation lights, and the pumps and valves of, for example, the (grey) water system up to and including the temperature of the swimming pool.

The great thing about working at Eekels is that I'm involved in projects from start to finish. On average that means 12 to 18 months. It starts with describing all the systems on board and collecting the information. Then you write the software in consultation with (the client of) the wharf. In the final stage I spend two or three days a week on board getting everything up and running. So I'm not always sitting in the office.

The yachts often cost over 100 million euro. Not only is great discretion required in connection with the client's privacy,

the quality delivered must, of course, also be very high. Our engineers are, therefore, not easily satisfied. It's good to see when they are really happy with the end result you have delivered. Everything must work perfectly. Therefore the software and the computer systems themselves have to be duplicated, with one active and the other on 'standby'. If one part of the system shuts down the rest must carry on working. The crew must be able to rely on this. Otherwise the AMCS will not be approved and the ship will not be insured.

De Keizer Marine Engineering was acquired by Eekels Technology at the end of 2020. In actual fact for me it has meant very little change. I do see more opportunities with this larger company. There are better possibilities for cooperation, for example with the Software Engineers from our branch in Emmen. The acquisition has also meant I have more opportunities for training and education. Sharing our high-quality knowledge is a big plus for my development because we all help each other. I learn from that”.

“Being involved in yacht-building projects from beginning to end is great.”

Input

Entrepreneurship as the basis has been TBI's corporate philosophy right since its founding in 1982. With its clear product/market combinations TBI focuses on market-oriented entrepreneurship with space for 'local colour' through a regional presence.

Agile network organisation

TBI is an agile network organisation of 19 independent subsidiaries. This is just one of the Group's differentiating and powerful components.

The Management Boards are expressly given the scope to be enterprising.

Professional and skilled employees

At the end of 2021 TBI had a workforce of 6,231 professional and (technically) skilled employees. Encouraging the development of its employees and the sharing of knowledge at all levels are fundamental

aspects of TBI's corporate culture. The TBI academy also supports employees with training and education in the area of personal development, leadership, project management and social skills.

Innovations, technology and knowledge

Craftsmanship, entrepreneurship and innovative strength are our core qualities, coupled with risk management through good contract and project management. These are essential to ensure a healthy future for the group. The ways we safeguard these core qualities include:

- maintaining and expanding our skills, including in cooperation with technical colleges;
- encouraging innovation through the TBI Innovation Fund and the TBI Innovation Prize, TBI X (an internal digital 'marketplace' for future creators) and the facilities of a TBI innovation hub (TBI MAAKlab) where innovators from all the TBI companies can meet each other;
- promoting collaboration and knowledge sharing between the TBI companies;
- firmly embedding the core qualities in our management development policy and TBI academy programmes.

Enduring relationships

Social responsibility and sustainability are in TBI's DNA, partly due to its shareholder structure based on a Foundation (steward-ownership). The shareholder's goals not only result in very committed employees, but they are also reflected in our enduring relationships with a wide range of public and private clients and reliable cooperation partners.

The development of the order book shows that TBI is focusing on a broad base of large public and private clients. This reduces our vulnerability in difficult times, which is why it remains a focus.

Raw materials, material and equipment

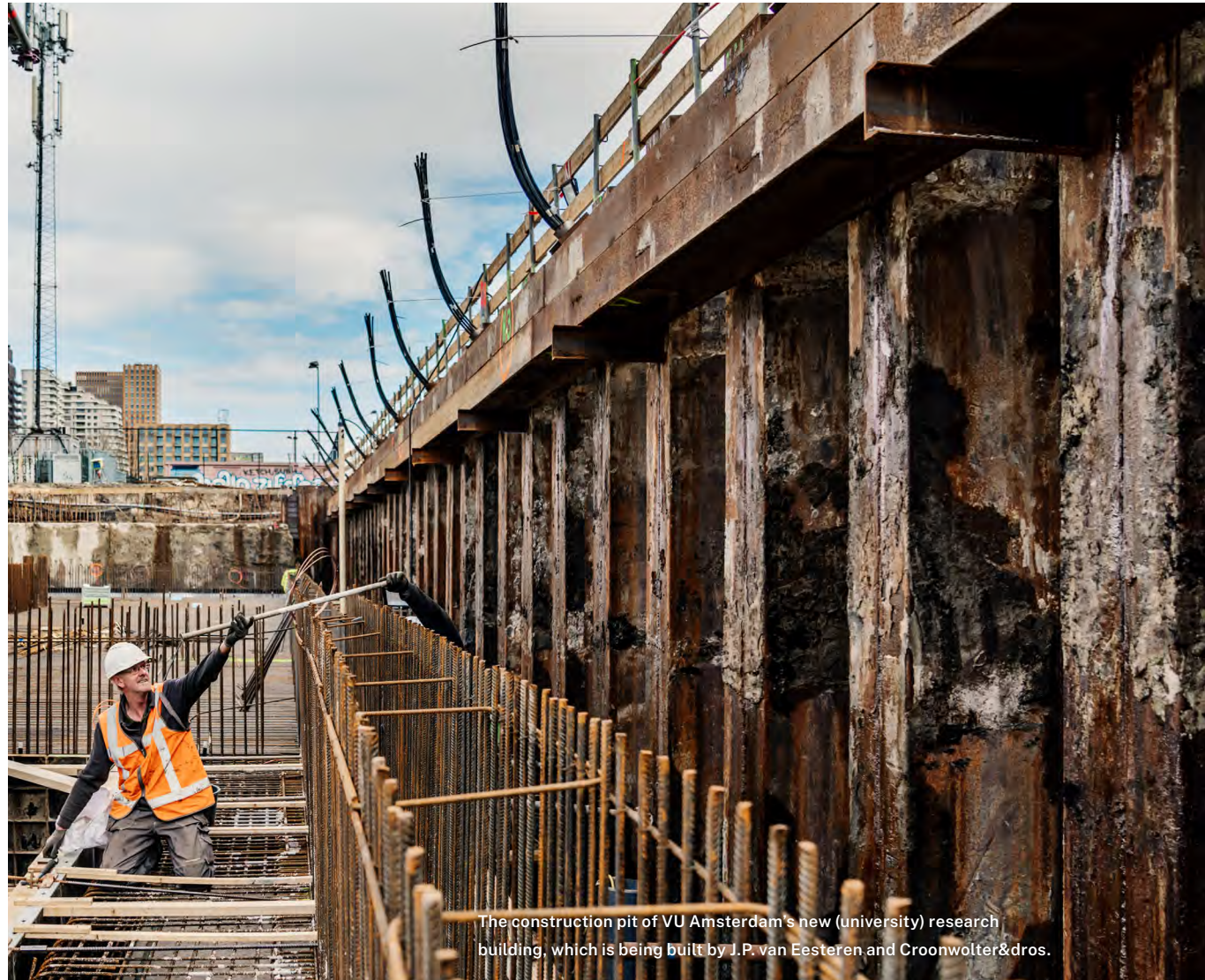
The transition to a fully circular construction economy is irreversible. In principle the independent subsidiaries take their own responsibility for this. Nevertheless there is a procurement policy with centrally determined purchasing conditions for raw materials and other materials and equipment, including specific sustainability stipulations for wood and concrete.

“Innovators from all the TBI companies meet each other at the TBI MAAKlab.”

Investment in (ICT) technology, process digitalisation and data-driven products and services is a key 'business driver' for TBI. The use of technologies such as drones, artificial intelligence (AI), virtual reality (VR), exoskeletons, bricklaying machines and BIM (Building Information Modelling platform) are stimulated and embraced within the Concern. Partnerships and solutions that are best for the client or the project are paramount. There is no forced sourcing within the Concern.

Stichting TBI as the only shareholder

Stichting TBI is the TBI Group's sole shareholder. Although the Stichting's goal is to strive for the continuity of TBI Holdings B.V., it nevertheless expects a market-conforming return. This means not only having a stable financial basis, but also the scope to be enterprising, make targeted choices and set short and long-term goals. Innovation and sustainability are given extra scope.



The construction pit of VU Amsterdam's new (university) research building, which is being built by J.P. van Eesteren and Croonwoltter&dros.

Business model

The spatial planning of the Netherlands involves dealing with many social challenges. There are major changes in progress in demographics, the labour market and mobility. The limited available space has to be shared and the ongoing urbanisation is having a growing impact on the environment that is resulting in a reduction of biodiversity. There are also economic considerations. And the need to adapt the built environment to cope with climate change. These challenges create problems, but they also offer opportunities.

Purpose

TBI's right to exist is legitimized by its building of a sustainable and healthy living environment for now and the future. To achieve this TBI must respond adequately to the major social challenges expressed in our vision.

Mission and impact

TBI improves the quality of people's living, working and mobility. We do this by renewing, organising and maintaining the built environment. Together with our partners we want to build our country's future, keeping in mind the idea that it can always be better, more attractive, smarter, more efficient and more sustainable. TBI has great potential for making a long-term positive social impact.

Carrying out our activities involves consuming natural resources. We are aware that our processes have a negative impact on the environment and accept our responsibility to minimise this negative impact. Our multi-stakeholder cooperation makes us an important link in the chain when it comes to

accelerating the positive impact. This is how we contribute towards the achievement of the following Sustainable Development Goals (SDGs):

- SDG 7: affordable, reliable, sustainable and modern energy for all;
- SDG 9: resilient infrastructure, sustainable industrialisation and innovation;
- SDG 11: inclusive, safe, resilient and sustainable cities and human settlements;
- SDG 12: sustainable consumption and production patterns;
- SDG 13: combat climate change and its impact.

In addition to the SDGs related to our core activities we also make an impact through our scale in the market in the broadest sense of the word and within a sector in which labour capacity is under pressure. The labour market and professional skills in the engineering, construction, development and infrastructure sector are very important for the (local) economy, where TBI needs the best people to realise its ambitions. Within TBI we follow an active policy with which we create value in line with the SDGs and contribute towards sustainable development. It goes without saying that we organise ourselves in line with the principles of these SDGs.

More details about TBI's contributions towards the SDGs can be found on www.tbi.nl/jaarverslag.

Vision

The challenge of making the built environment more sustainable is leading to the transition of our society and the adaption of our working environment. Society is digitalising at a rapid pace and smart technology is increasingly dominating our living and working environments. These technological developments are very important for the solution of environmental and mobility problems and play a crucial role in the transition from a centralised fossil energy provision to renewable (and decentralised) energy sources.

This demands a society with a strong infrastructure and smart offices, factories, logistics centres, homes and care sector real estate. TBI wants to play a pioneering role in achieving this. Not only must the built environment take less and less energy out, it must also start putting it back in. New technologies must contribute towards an optimum living and working climate. We build safe and well-managed tunnels, bridges, locks and buildings and realise

ground-breaking projects. But we also ensure existing buildings, and certainly outstanding monuments, are preserved for the future by renovating them, restoring them and making them more sustainable. We must cherish our cultural heritage.

Strategy and strategic pillars

Our strategy is based on three pillars with which we create value, have social impact and can enable our employees to develop. The progress of our strategic pillars in 2021 is reported on pages 39 to 58.

The pillars are:

- Sustainable solutions
- People & Teams
- Market leadership



Sustainable solutions

TBI is striving for sustainable solutions with a clear focus on energy transition and the transition to a circular economy. With regard to the energy transition TBI is focusing on minimising energy usage, nitrogen emissions and the CO₂ footprint. As far as circularity is concerned TBI is focussing on maximising the use of sustainable materials and making buildings, products, materials and raw materials reusable.

Circular entrepreneurship in the longer term is the starting point. Our achievements in the field of circularity show where our companies are creating more and more value. With our engineering, construction & development and infrastructure sectors we are occupying a key position in the circular construction chain. To increase our contribution towards a circular (construction) economy we measure our impact within this chain. This enables us to sharpen our focus and thus increase the combined positive impact achieved jointly by our companies.

In our view circular entrepreneurship is inextricably linked with innovation; with looking beyond the borders of your own area of expertise. For us this includes cooperation with other parties both within and outside the chain. By encouraging our employees to be enterprising, creative and critical, and to think outside the box, we deliver products and services needed by society. That's why all the TBI companies are always alert for circular solutions they can offer clients. For us they are opportunities to create extra value.



People & Teams

Craftsmanship and talent, along with leadership and diversity, are important considerations for TBI. In view of the scarcity of professionals TBI is focusing on retaining and developing employees. At the same time, we want to be an attractive employer for new, talented employees. We also stimulate leadership and diversity. This strengthens our teams and makes them more able to meet social challenges. And that encourages and motivates our employees to also accept social responsibility.

The developments in the construction sector and fundamental social changes constantly place new demands on our (future) employees and on us as an employer. We want to be one of the most attractive and safe employers in our sector, a concern in which employees are and remain fit and sustainably employable. One way we achieve this is by creating conditions in which employees can use their own initiative and can develop optimally by providing them with a safe and healthy working environment, good industrial relations and sufficient personal development opportunities in every TBI company.

This is how we want to attract and retain top-talents and successful, enterprising professionals. This means well-trained employees with different competencies, whose fresh vision and digital skills will strengthen our companies. We are also constantly on the lookout for people with technical skills. This is why we invest in vocational training. Professionals with a passion for construction and engineering and who want to work together and connect are extremely valuable.

Naturally we expect our employees to understand their job, but we attach at least as much value to their attitude and behaviour. Integrity is one of the mainstays of our organisation and a fundamental principle in all our dealings.



The sustainable restoration and repurposing of Huis van Bosch for the municipality of 's-Hertogenbosch by Nico de Bont.



Market leadership

Optimising our manufacturing technology and ongoing digitalisation are the focus for TBI to maintain and, where possible, expand a leading market position. Every day TBI works on improving projects and products throughout the process; from modular, industrial design until completion. To increase client value TBI also wants to digitise all processes to make working (together) smarter and more efficient.

All the TBI companies operate close to the client and are leaders in their market (segment). Entrepreneurship is the basis. Within TBI we have all the disciplines needed to make a real contribution towards the Netherlands' spatial organisation. Our portfolio offers the opportunity to answer social challenges and meet the wishes of our clients.

The TBI companies carry out assignments under their own name, but also work together. That is how we utilise the scale-benefits of the Concern. Together if we can, alone if we must makes TBI a flexible network organisation. This way of working creates fertile ground for innovation and synergy. It also increases our effectiveness and expertise in the field of multidisciplinary development, construction and (intelligent) management.

Together we cover the total chain from concept to operation and throughout the entire process we can play the desired (management) role and deliver solutions that take the worries off our clients' shoulders. The collaboration between our engineering companies and our construction and infrastructure companies in particular gives us a significant

competitive advantage. We want to strengthen our market position whenever possible through continuous investment in innovation, digitalisation and training. We strive for robust financial results by selecting the right projects, stringent risk management and optimum project control.

Our decentralised concern structure enables us to work in close cooperation with our clients and in this way respond to their needs. We challenge ourselves every day with new, complex projects. That demands good cooperation, both within our Concern and with reliable partners, and the use of smart technologies. The result is solutions our clients can depend on. We want to stand out due to our performance and client-friendliness and work closely together to achieve the best results - on time, on budget and of the right quality.

The social themes often demand collaboration and a cross-company approach. We want to work on issues such as sustainable and strong cities, energy-neutral and circular construction, smart future-proof buildings and safe mobility. Technology is more and more emphatically an essential component of the integrated solutions that are required. This makes the strong position of engineering within TBI of strategic importance.

“Together we cover the total chain.”

The key social and technological changes, that also go hand-in-hand with greater project complexity, are having a major impact on our field of work. They are urgent developments that offer opportunities for new products and services. And do so against a background of developments in the labour market, sharply increasing process digitalisation and the growing importance of social accountability and respect for the consumer's position.

Goals

Our goal is to keep the organisation future-proof. We do this by delivering sustainable solutions with the right people and teams and through market leadership. To achieve this we must continuously improve the profitability of all our activities and strengthen our market positions. This also implies that we must achieve or maintain a balance between the risk profiles of our strategic portfolio, possibly through acquisitions. With our recalibrated strategy we are adding more focus and urgency, optimising our activities and serving new markets. To achieve it we are focusing on:

- selecting the right projects;
- an approach that is market-oriented rather than 'cost-plus' driven;
- innovation and growth in market segments with better margins;
- reinforcing our project management and operational excellence.



J.P. van Eesteren's specialist *Verbouw, Onderhoud en Renovatie* (Rebuild, Maintain, Renovate) has totally transformed the monumental orphanage in Gouda into a hotel, a restaurant and city apartments.

Good contract and project management, which result in more risk management, is essential. The TBI programme 'How we Work' focuses on the clear identification of risks and dilemmas and the continuous mutual exchange of knowledge through regular internal consultation. The programme was set up to facilitate operational excellence in project management and support the companies.

The programme's starting points are culture, content and care. In 2021 the Management Boards of the TBI companies regularly discussed contract and project management with their Supervisory Boards, and contract and project management, risks and risk transparency within the organisation were once again topics dealt with during management development programmes. Intervention and leadership development now occupy an important position.

The implication is that several aspects of project management will become more standardised. Knowledge safeguarding and sharing between and among the TBI companies has also been facilitated through a Group programme and has sharpened TBI's focus on managing the (financial) risks that go hand-in-hand with our activities through proper contract and project management. This is increasingly being supported by digitalisation. Project risks are often substantial and are not decreasing because clients are inclined to let the executing party take over the risks. Our employees' awareness and knowledge about this is being enhanced with the aim of operating more efficiently and sustainably and reducing failure costs. This is also being discussed with clients.

Acquisitions are also important to enable TBI to achieve its goals and our recalibrated strategy provides a clear guideline for our portfolio. TBI wants to strengthen the Concern with companies that gain TBI momentum and a better market position in the fields of energy transition, circularity transition and the optimisation of manufacturing technologies and digitising. What we seek is companies that are knowledge-intensive and/or that have technology, a client base or a track-record in those markets or a more advanced position in the value chain. Supplementary to the Strategic Agenda, and specifically for the various segments, we are strengthening our geographical spread and our position in the replacement and maintenance market in which intelligent management is playing an increasingly important role.

Our ambitions, (short-term) targets and results are included in the following section 'Progress with strategic pillars in 2021'. On the basis of our recalibrated strategy, we are giving our role and impact more focus in 2022 and setting ourselves longer-term ambitions and new targets.

“Acquisitions are also important to enable TBI to achieve its goals.”

Tommy van Beem

Aged 31

TBI Programme Manager BIM

Has worked for Hazenberg and Nico de Bont since 2015

“For me BIM (Building Information Model) is the foundation under TBI’s value-driven engineering. BIM is much more than a 3D-model. In my view it’s an optimal preparation, which gives it added-value for the entire chain. Thanks to BIM you have a reliable and comprehensive design of the project. For me it’s also a working method - an enabler for the further digitising of the entire TBI organisation.

Being a modern, attractive employer is becoming increasingly important. Students want to work digitally. Quite simply, for them it goes without saying. Our extensive BIM know-how and experience will be a plus point. Sustainability also plays an important role. You have to have an integrated approach. You must consider all your stakeholders, including suppliers, subcontractors and clients.

BIM is increasingly being requested by clients. Also because of its visual power. That’s why BIM and digitalisation are also appearing in the restoration sector. For projects like the Dom Tower in Utrecht which involved repairing or disassembling and replacing over 10,000 natural stone components. The combination of craftsmanship and digitalisation played a role in our winning the project.

In practice I see the added-value of BIM very clearly. You work much smarter, more efficiently and more sustainably. Certainly when a project is complex. Less information is lost. Everything is saved in the BIM system. So in the future everyone doesn’t have to keep reinventing the wheel. You do a more thorough job, the quality of projects is better, and failure costs are reduced. It also delivers optimisation of design and build, such as more prefab, less waste and greater circularity.

BIM does demand a different way of working. I see that for many people digitalisation is a major transition. Getting all the employees on-board is a nice challenge for me. Having the right guidance and training is very important. It’s during projects that we really learn what BIM can give everyone. With BIM we are also binding the TBI companies to each other. We learn from each other and that accelerates the digital transition.”

“BIM is accelerating TBI’s digital transition”





Progress of strategic pillars in 2021

De Groene Boog is an energy-neutral motorway linking the A13 and the A16.

Sustainable solutions



KPIs	Target	Result 2021 (2020)
CO₂ emission Scope 1 and 2 (per FTE/ per million € operating revenue)	12% reduction compared to 2017	24.1 kton (26.6 kton) 3.8 ton (4.4 ton) CO ₂ emission per FTE/ 11.0 ton (13.2 ton) CO ₂ emission per million € operating revenue
Percentage of electric vehicles (of total lease vehicle fleet)	30% relative increase compared to 2017	16.8% (12.2%)
Waste separation percentage	≥ 70%	78.9% (74.7%)
Percentage of purchased timber that is sustainable	≥ 95.75%	99% (98%)

TBI wants to deliver sustainable solutions with a clear focus on energy transition and the circular transition. On the energy transition front TBI is focusing on minimising energy usage, nitrogen emission and the CO₂ footprint. An energy-neutral built environment is the starting point. On the circular transition front TBI is focusing on maximising the use of sustainable materials and the use of reusable buildings, products, materials and raw materials. Our activities related to the preservation of monumental heritage also fit in well with this.

Ambition

Circular entrepreneurship in the longer term is the starting point for TBI. This can be achieved by developing and using circular solutions in our projects. The wide diversity of its companies and its entrepreneurship-based approach means TBI can make impactful circular contributions throughout the construction chain. In the meantime, we are working on making our business operations more sustainable. We are doing this on the one hand reducing our footprint, and on the other hand by applying circular alternatives in our business operations

Making the built environment more sustainable

Making the built environment more sustainable is one of the greatest challenges, and one we worked hard on in 2021. All the TBI companies contributed towards more energy efficient homes, smarter buildings, a sustainable infrastructure and affordable and sustainable energy solutions for the client.

Tangible achievements in the field of circularity

A totally circular construction economy in 2050 is the sector's goal. Often the focus is still on the smart (re) use of materials. However, sustainable profit can also be achieved at the beginning through the project design and development process, the construction and installation method, logistics and, for example, intelligent (energy) management. This means circular entrepreneurship offers plenty of opportunities to be leaders in our markets and reduce our negative environmental impact.

This is how Synchroon takes a holistic approach with its 'Synchroon circular'. In Synchroon's vision it is important to develop 'healthy business cases'. Synchroon does this by looking at seven impact areas: a strong society, health and happiness, urban nature, CO₂ reduction, circular construction, circular flows and circular business cases. With a score sheet and a target per project Synchroon has achieved a concrete and measurable approach.

Dilemma

Energy transition versus (too) little urgency

The energy-transition still often appears to lack momentum. The urgency must move higher up clients' priority lists. Sustainability also has a financial component - significant investment is needed. So how important does TBI consider energy transition if (in the short-term) it's actually going to cost us money?

Energy transition is a spearhead of our strategy. In the context of the climate goals and with the combined knowledge of the TBI companies we will regularly serve more as a guide and director for the client. We will ensure our clients are aware of the measures that dovetail with and can be achieved within their projects. We are prepared to contribute financially through our innovative knowledge and strength.

To illustrate: reducing CO₂ emissions is incredibly important. Synchroon wants the emission to be reduced to zero by 2030. This forces the selection of the most sustainable options. It also demands a change from Synchroon's cooperation partners. Because Synchroon wants to make a start right now, the company has decided to offset the CO₂ impact of its projects in 2021 by planting over 200,000 trees.

In 2021 the results of circularity within TBI included:

- ModuleMakers - Croonwolver&dros' new factory in Amersfoort - designed and produced practicable modules for sustainable construction technology. That is efficient in terms of time and money, but above all it is cleaner, safer and healthier. It also makes buildings more manageable and, later on, more easily adaptable or reusable;
- in 2021 Koopmans Bouwgroep completed the new, energy-neutral geWOONhout factory. Since the beginning of 2022 this factory has been assembling ready-to-use wooden housing modules which can be connected and/or stacked together to form circular houses and (care) apartments. The aim is to achieve a completely CO₂-neutral process. geWOONhout is contributing towards a greener built environment and the solution of the climate and nitrogen problems and the housing shortage;
- the TBI MAAKlab is now a physical reality - a workspace in which we inspire innovators from all the TBI companies to develop innovations further and to work together on challenging issues, such as

energy transition, circular entrepreneurship and modular construction;

- the first four HOUTbaar (type HUIS) houses were built in Hengelo. HOUTbaar is TBI WOONlab's circular housing concept; groundbreaking in modular and circular construction from ERA Contour, Hazenberg Bouw and Koopmans Bouwgroep. HOUTbaar makes the large-scale construction of modular wooden housing possible. HOUTbaar (type LOFT) is currently under development;
- all concrete shells were made of low-CO₂ concrete. Voorbij Prefab has not applied for a patent on the invention, which was developed in cooperation with engineering bureau ABT. As the aim of the invention is to contribute towards climate improvement, Voorbij Prefab is willing to share the solution with market parties, on condition that they actively contribute towards its continued development. In this way we are accelerating innovation in the concrete sector;
- in 2021 Croonwolver&dros carried out a number of Smart Energy projects and at the end of 2021 had 4,258 housing equivalents in operation;
- Energico: energy management solutions for smart grids by Croonwolver&dros. In addition to various projects and developments Energico was also introduced as a corporate start-up.

“The purchasers followed a sustainable purchasing course.”

Minimising our own environmental footprint

TBI wants to minimise its own environmental footprint as far as possible. Our goal is to conduct our own business in a circular and sustainable way. To achieve this we must change our purchasing policy, working methods and energy and materials usage, for example by applying innovative solutions we develop in-house.

In 2021 this resulted in TBI's total CO₂ emission dropping to 24.1 kton (2020: 26.6 kton), of which 21.4 kton (2020: 21.8 kton) was Scope 1 CO₂ emission and 2.6 kton (2020: 4.8 kton) was Scope 2 CO₂ emission. Biogenic fuels accounted for 0.25 kton of the Scope 1 emission. Some of the initiatives and results that contributed towards this are listed below.

Purchasing

- TBI's purchasers followed a sustainable purchasing training course in cooperation with Copper8. At the end of the course the purchasing goals were shared with the (de)centralised Board(s) and will be embedded in the wider TBI programme during the current year.
- In 2021 preparations were made so that in 2022 the TBI Construction purchasers can focus on the implementation of two specific sustainable purchasing processes: waste reduction and sustainable/circular materials. The entire

purchasing process is also being examined to identify and achieve sustainable improvement steps.

- In 2021 almost 100% of the timber purchased by TBI was sustainable (FSC and/or PEFC certified). TBI's purchasing conditions stipulate that we only purchase sustainable timber for our projects, even if this is not specifically requested by the client.
- The TBI companies used a total of 12,500 m³ of sustainable wood in projects.
- TBI utilises as much fully circular work clothing as possible. Currently this amounts to around 63% of the total volume. With this TBI is playing a pioneering role in the market, in the coming year TBI will once again challenge manufacturers to make their clothing more sustainable.
- The 652nd electric car was added to the vehicle fleet. This means that 16.8% of our leased vehicle fleet is now electric (2020: 12.2%).

Sustainable construction sites

- The start of Electure - a partnership between TBI Infra and UMS. Electure advises on the electrification of equipment and supports making construction sites CO₂ emission-free. Finding the right balance between demand and supply, and fixed and variable power facilities is complex.
- Electure's measures included taking the e-CO₂ tainer into service. This is a mobile, sustainable power supply developed by Mobilis and manufactured by Eekels.
- In December 2021 TBI Infra acquired an interest in City Barging, a sustainable transporter of



construction materials and waste over water in the Amsterdam market. City Barging has a large fleet of vessels, half of which are electrically powered.

- Voorbij Funderingstechniek worked with other parties on the electrification of equipment including a midi-digger and shovel. A hydrozine (liquid hydrogen carrier) generator that can supply emission-free energy was also taken into service.
- At the end of 2021 TBI SSC supplied a dashboard for Voorbij Funderingstechniek with which users can monitor the piling plan via sensors. Any deviations that are found can be rectified immediately thus preventing unnecessary stagnation of the foundation machines.

Waste as raw material

- The activities of Struijk were acquired as of 1 October 2021. Struijk focuses primarily on demolition, soil and asbestos decontamination and road plate hire. Struijk reinforces TBI Infra, especially in the area of circularity and/or material recovery/re-use.
- To reduce the volume of waste and increase the separation percentage, a growing number of companies focused on raising the awareness, knowledge and visibility of waste streams on construction sites.
- In cooperation with Alba Concepts TBI began a waste challenge pilot trial. The aim is a substantial reduction of packaging materials on and related to the construction sites.

Characteristic is that we:

- go deep into the chain to achieve this (we are helping our chain partners solve a common problem);
- use benchmarks and data from our partner, Alba Concepts, and
- focus on scalability within TBI.
- A strategic assignment in the TBI TOP management programme is to achieve an even wider commitment within TBI in respect of packaging material reduction.
- Within the construction companies a wide range of (packaging) reduction initiatives has been developed. Hazenberg's Purchasing department has contractually instructed some core relations to reduce this to zero. This has led to positive reactions and an opening for consultation about this problem. Applicable to all the initiatives is that construction companies' Purchasers share ideas, initiatives or successes with each other via TBI Construction Purchasing Coordination. This will prevent the wheel having to be constantly reinvented within the Group.
- Our operating activities resulted in 53.0 kton of waste (2020: 52.8 kton) of which 78.9% was sorted before leaving our project and office sites (2020: 74.7%). The total volume of waste is partly dependent on the nature of the demolition activities on our project sites and is in line with 2020.

Dilemma

Sustainable versus profitable solutions

A (potential) large client comes with a construction or development project that is not developed sustainably (enough), but would be (very) profitable for TBI. Do we take the project on or not?

TBI companies use their experience and (combined) knowledge and strength to convince the client that with some adjustments the project will be more sustainable and, in the long-run, (socially) cheaper. And that the client will make more impact. Sacrificing a bit of margin is part of the deal for TBI, because the project is also very necessary for achieving the sustainability targets.

People & Teams



KPIs	Target	Result 2021 (2020)
Number of FTEs leaving at own request as a % of the total number if FTEs	≤ 6%	6.5% (4.3%)
Injury Frequency ratio (IF)	≤ 3.6	2.5 (3.4)
Sick leave percentage	≤ 4.5%	4.2% (4.2%)
Number of TBI Code of Conduct breaches	0	27 ¹ (11)

¹ Consolidated serious data leak figure included from 2021.

Craftsmanship and talent along with leadership and diversity are key components of our strategy.

Ambition

TBI wants to offer a safe working environment. This will enable talent and skill to be retained and developed. We want to be one of the most attractive employers in our sector – a company in which employees can be the best they can be and to which we can attract and retain top talent and successful professionals.

Both retaining well-trained people and recruiting new people remain major challenges. Maximum effort must be focused on new inflow and outflow from construction and engineering training courses, labour migrants (including with permanent contracts) and

lateral-entrants from other sectors. Safeguarding technical expertise, from foreman to carpenter and from electrician to calculator is at least equally important.

The continuous development of our employees is crucial. This is why TBI has its own academy offering a wide programme of training courses including trainee, talent and top programmes, project management training and an introduction programme. Several companies work with an online learning management system.

In addition to the programmes mentioned above, the companies themselves offer training at different levels. The active Jong TBI (Young TBI) network club plays an important role in promoting knowledge-sharing and personal development among young, enthusiastic employees in the TBI companies.

“The continuous development of our employees is crucial.”

Whether TBI is an attractive employer is measured in several ways, including the number of FTEs that have left at their own request. This is a good indicator. Several aspects play a role, such as sick leave in combination with safe and healthy working, the (preventive and in connection with Covid-19) possibility of working from home, assessment based on commitment and not just result, and security of employment.

At the end of 2021 our total workforce numbered 6,445 employees, which equated to 6,231 FTEs. In 2021 6.5% of the outflow was at the employee’s own request.

Of our total workforce:

- 11.3% (731) was female compared with 11.2% (734) in 2020;
- 83.0% (5,352) worked full-time (of which 94.4% were male and 5.6% female);
- 92.9% (5,990) had a permanent contract (93.4% of the men and 89.2% of the women).

At the end of 2021 our own office and project workforce was supplemented with 1,016 (2020: 1,051) temporary agency staff.



Safe and healthy working conditions

Safe working conditions and healthy employees are top priorities for TBI. All the TBI companies work in accordance with the TBI Safety Guidelines and, as of 1 January 2022, the ViA (Security in Procurement). De ViA is an initiative of the Governance Code for Safety in Construction (GCVB), of which TBI is a signatory. This involves more stringent terms when contracting chain partners and subcontractors:

- Clients will use the Safety Ladder for new tenders and contracts;
- Clients commit to helping the chain collectively improve safety in the construction sector.

Safety behaviour and awareness are central to this for TBI. We've been involved in the GCVB tight from the start. Together with other leading clients and contractors we are working on a safer and healthier working environment. The Dutch Safety Board calls the GCVB an 'Agent of Change' and considers it a key factor for reducing the number of fatal and serious accidents in the construction sector. TBI makes an

“Safety behaviour and awareness are central for TBI.”

active contribution towards the GCVB by participating in the CEO Kopgroep, the core group and various working groups and in June 2021 organised the online GCVB Safety Breakfast. The GCVB's initiatives are implemented within TBI whenever possible. In 2021 all the TBI companies implemented the Collision Hazard Reduction Policy and all the companies have made provisions for the introduction of the ViA.

Follow-up of the accident on the RijnlandRoute in 2019

In 2019 a tragic fatal accident took place at the construction site of the RijnlandRoute project. This project is being carried out by COMOL5 - an international consortium that includes Mobilis and Croonwolter&dros. As a result of this accident the Social Affairs and Employment Inspectorate, in line with its established policy, conducted a criminal investigation. In addition, immediately after the accident COMOL5 implemented an internal investigation to find out what the circumstances were and how such an accident can be prevented in the future. Right from the start of the investigation COMOL5 had a constructive attitude, cooperated fully and accepted responsibility for the accident. In addition, as a result of COMOL5's own internal investigation the necessary lessons have been learned and appropriate measures taken to prevent a recurrence. At the end of 2021 the Public Prosecution Service decided to impose a penalty order on COMOL5 in respect of the fatal accident.

Dilemma

Diversity versus women on the payroll

Diversity is moving higher and higher up our agenda. With only 11.3% of women on TBI's payroll a boost is needed in the area of diversity. This is essential for our future. How can TBI accelerate progress on this theme and attract and retain more talented females, while also attaching importance to the internal promotion of talented men?

In addition to filling vacancies internally, talented women will also be recruited externally and may be given priority in the event of equal suitability. A special network will also be set up within TBI: A network with both female and male mentors to which you can 'reflect yourself' as female. Mentors who have a listening ear and offer help where necessary. To prevent premature female outflow it is also important to facilitate employment conditions for employees in their 'rush-hour years'.

“Sustainable employability is a key concern.”

Healthy employees are vital for our organisation. Sustainable employability is a key concern bearing in mind the fact that our workforce is getting older, our working conditions are physically demanding and technically-trained people are in short supply. We consider the health and fitness of our people throughout their working life to be extremely important.

In 2021 this had the following results:

- The TBI companies have developed further in the field of safety behaviour and awareness. Virtually all the companies have made their safety awareness measurable and comparable and are Safety Ladder certificated. Tread 3 is now a minimum requirement for all the construction and infra companies;
- 15 TBI companies are now Safety Ladder certificated. This ladder has five Treads with which the safety awareness and degree of consciously acting safely of these companies are assessed against the various criteria;
- The TBI Safety Guidelines have now been implemented in the safety programme of every TBI company;
- The TBlveilig (TBI safety) app makes it easier for employees of TBI and its subcontractors to discuss (the lack of) safety and learn from each other. Via the app (un)safe situations can be reported, inspections set-up, tasks assigned, meetings

scheduled, follow-up to actions registered, et cetera. We strive for as few unsafe situations as possible, but also strive for the greatest number of reports as possible about the unsafe situations that nevertheless arise. We want to make the reporting of dangerous situations and accidents as easy as possible for the reporter. The further development of the TBlveilig app in 2021 and the making available of real-time safety dashboards have contributed towards up-to-date and reliable insight on both a company and a concern basis. This has expanded the organisation's ability to learn. In 2021 this resulted in a nearly 300% increase in the number of reports, not only of hazardous situations or actions but also of positive safety behaviour.

A good and careful registration of this type of report makes an active contribution towards increasing safety awareness among the TBI companies' employees;

- The TBI Safety Day takes place at the end of March in association with the National Construction Safety Day. Due to Covid-19, in 2021 it was decided to organise a digital programme that revolved around the employee and his or her home situation. A game was sent to every employee's home address to make safety a subject also talked about at home.

In this way special attention was also paid to the consequences of many people working from home. Not only the ergonomic challenges, which led to many neck and shoulder problems, but also the psychological issues that had a worrying effect in many cases. The impact of corona on the economy and the uncertainty about the individual's position played a role in this.



Dilemma

Sustainable solutions versus professionals

Scarcity on the labour market will continue in the coming years. That is a given. The inability to find and employ enough (technical) workers, is preventing TBI from accelerating the achievement of its objectives. What can we do ourselves to achieve our ambitions?

We will continue going full-speed-ahead with the training of (technical) professionals and talents via our own technical college and through cooperation with partners. Concrete plans for this will be drawn-up.

- Mobilis introduced the handy and mobile BHV (Emergency Response) container in the TenneT Eemshaven-Vierverlaten High Voltage Connection project. This container means that means that employees at a remote work site where there is no nearby central store of safety equipment do have access to such materials and equipment in the case of an emergency. Client TenneT has awarded the BHV container initiative a Golden Safety Helmet;
- A Sustainable Employability Framework has been drawn-up and provides our companies with guidelines for giving further shape to their own sustainable employability plans. This encompasses far more than just health. The theme is also becoming increasingly visible in other areas, such as recruitment and selection, and in the context of employee development and training;
- The learning management system has been implemented at a number of companies. This enables all the learning activities and training courses within an organisation to be managed with the help of an IT application;
- A performance management system has been purchased and put into operation at several companies. It will be implemented in the other companies during 2022. This system enables us to - via software - monitor and compare the organisation's goals and strategies with/against the performance of the employees - individually and as teams - required to achieve these goals and strategies;
- we have set-up an employer portal with our health insurance company, Zilveren Kuis Achmea, through which managers and HR can proactively find the intervention card with partners in the field of

- (preventative and curative) absenteeism guidance. This portal was prepared in 2021 and will go live with the first companies in 2022;
- since Covid-19 TBI Vitaal's reporting frequency to the Group Board regarding sick leave, preventative working from home and outflow has been high. Employees working on projects are also monitored very closely. In addition, several companies once again organised training courses in the field of healthy living and the TBI Fit and Energetic programme with a daily work-out has been offered to colleagues working from home;
- in the framework of sustainable employability and healthy working (from home) TBI Vitaal, in collaboration with HC Health, has developed and introduced two on-line self-help modules with

- which TBI employees can keep themselves fit and healthy. These have been offered TBI-wide since 2021.
- in 2021 the incident rate (IF) decreased to 2.5 (2020: 3.4). This is the lowest it has been for a decade and is well under the target of below 3.6;
- in 2021 the number of Lost Time Incidents involving TBI's own and hired-in employees dropped to 32 (2020: 41). In addition there were 145 accidents that did not require sick leave;
- Many of the accidents involved trips and falls and resulted in cuts and injuries to hands;





- Despite all the safety efforts in the chain the number of accidents among our subcontractors rose. This demands an even more far-reaching integrated safety approach. The introduction of the ViA (Safety in Procurement) is expected to make a good contribution towards this. From 2022 virtually all projects will follow the ViA, which will mean the entire chain will operate at a minimum safety level of two treads on the Safety Ladder;
- Over 100 colleagues participated in the TBI Business Runs as part of the Rotterdam Marathon for which TBI is main sponsor of the Business Runs.

Developing employees through education and training

Management Development is strategic for the growth of TBI. We expect our employees to adapt to changes in society and our industry and to work continuously on their personal development. Management Development is a tool with which to safeguard continuity by ensuring there is sufficient succession capacity within the organisation. This requires the identification of the key-positions and talents within the organisation and the utilisation of possibilities to facilitate the necessary development and placement of (future) successors. TBI invests heavily in employee development, including through specific TBI academy training programmes aimed at young potentials, professionals, older managers and future Directors. The target is for 60-65% of candidates for Board membership to have come up through the TBI ranks.

In 2021 the following results were achieved:

- ERA Contour and J.P. van Eesteren developed a How We Work course to further professionalise knowledge, skills and effectiveness as a project organiser, project coordinator, BIM modeller or project engineer. Personal learning goals and business objective form the basis for successful completion of the course;
- With the TBI Innovation Fund we offer employees a stage and springboard for new initiatives. This doesn't only generate innovative projects (see page 57), it also stimulates our employees' innovation;

- Jong TBI (Young TBI) is a platform to bind young, enthusiastic and ambitious employees within the TBI companies. In addition to expanding the network within TBI, in 2021 knowledge sharing and development was encouraged through a Delegeren Denken Doen (delegate, think, do) day during which the future of the construction and infrastructure sectors were discussed together with other large players in the construction sector. In addition, during the lockdown a painting course and a mindfulness course were organised to support staying mentally healthy. In July the first physical meetings since the start of the Covid-19 pandemic were organised – a visit to (the different construction phases) of the Grotius towers in Den Haag;
- The Management Development programme has been enriched with a leadership vision. This is also shared with and discussed during a number of academy programmes. Human Resources professionals within the TBI companies are supported in the implementation of the programme with webinars on the various topics;
- In 2021 more attention was paid to sustainable employability and the knowledge development of the different generations. Towards this end the 'Kracht van generaties' (Strength of generations) programme was developed specially for the 50 plus target group. Other generations have actively participated in this programme. When the corona situation made organising physical programmes impossible online alternatives were offered. This enabled a larger target group to be reached, for example for the kick-off of TEAM;

- TBI-wide a total of 103,057 hours (an average of 16.4 hours per FTE) and over € 4.7 million was invested in employee training and development (2020: 101,153 hours and € 4.5 million). In 2021 many training courses had to be carried out on-line rather than physically due to Covid-19;
- In total 237 employees participated in TBI academy training programmes (2020: 256);
- Six of the seven management trainees who graduated found a job within one of the TBI companies. In 2021 six new trainees started with a first project period in a TBI company and at the end of 2021 seven other trainees completed their second project period and will graduate in 2022.

Diversity

TBI strives for diversity in the broadest sense of the word because we are convinced that a varied team leads to a better performance. TBI also strives for more diversity in management positions and a better representation of women at every level in the organisation. This strengthens our organisation. Currently around 11% of management positions are held by women.

TBI Scholarship Fund

The goal of this foundation is to contribute towards the education, training and study of the children of (former) TBI employees. The foundation does this by offering the children themselves a reimbursement towards their tuition or college fees. An allowance can be granted for a Dutch government recognised higher educational institution. Combined with meaningful work this Scholarship Fund creates a strong bond with our employees.

The grant from the Scholarship Fund is intended as an extra helping hand that encourages further education. The allowance is not a loan – it is a true gift that does not have to be paid back at the end of the training/study period.

In 2021 the TBI Scholarship Fund:

- Received 2,480 study grant applications for the 2020/2021 academic year (2019/2020: 2,329) of which 2,253 were approved (2019/2020: 2,087);
- Had an available budget of € 1.54 million for the 2020/2021 academic year (2019/2020: € 2.0 million) and in 2020/2021 spent € 1.87 million (2019/2020: € 1.65 million) on educational grants and allowances.

By 1 May 2021 - the closing date for applications for the 2021/2022 academic year - 2,709 applications for grants had been received. TBI Holdings B.V. has made a budget of € 1.81 million, charged to 2021, available to Stichting Studiefonds TBI for this academic year.

In 2021 the Albert Dros Fund was dissolved. This Fund was set-up by installation company Wolter & Dros (now Croonwolter&dros) and intended to provide employees with financial support for the education of their children. As this fits seamlessly with the goals of Stichting Studiefonds TBI, the Board of the Albert Dros Fund has donated the remaining sum of money to Stichting Studiefonds TBI. This has made an additional amount of money available that is used in a special way. Every student eligible for a grant from the Scholarship Fund who starts as a freshman in the first year of a secondary school, receives an extra allowance of € 150 with which to purchase a (new) laptop, tablet or other study material. This one-time allowance is expected to be provided under certain conditions over the next five years.

In 2021 TBI participated in initiatives such as the women in construction election. The Executive Board also organised a diversity lunch during which women and men were asked how they think TBI can be made more attractive to a more diverse target group. The responses included the need for a mentor network and more attention for the 'rush hour years' of employees' lives. A start was also made on a series of interviews that will make women within TBI more visible and enable their stories to inspire others.

Doing business responsibly and with integrity

TBI does business with integrity and transparency and towards this end has drawn-up the TBI Code of Conduct. In 2021 the substantive standards framework and design of the Code was revised and distributed to all (new) employees. Our standards and values must be recognisable and appropriate for our day-to-day work. They are laid-down in the TBI Code of Conduct that is a specific component of every employee's individual employment contract.

In 2021 the following results were achieved:

- We received 365 reports, including 86 notifications of data leaks, related to the TBI Code of Conduct (2030: 247), of which 27 involved actual breaches of the Code. There were 6 breaches of legislation and regulations (2020: 8);
- Responsible tax policy: TBI has a horizontal supervision agreement with the tax authorities. This means that the tax authority's trust in a tax

payer rises above the confidence that the tax authority places in a tax payer without such a covenant;

Social involvement

Social involvement is in the TBI companies' DNA. The Group is involved in a large number of initiatives outside of its day-to-day operations and while preserving monumental heritage.

The results of this in 2021 included:

- TBI has signed a partnership with Trees for All and at the beginning of 2022 began with the planting of over 7,700 trees in Overijssel; the TBI Forest. The trees represent our (future) employees. Synchroon has its own CO₂-compensation programme via Trees for All and is planting trees in Bolivia;
- TBI made a monetary donation to Unicef in connection with enabling extra vaccinations in the poorer countries via the global COVAX initiative;
- Two top Dutch rugby clubs were sponsored - ASCRUM, a rugby club for students in Amsterdam and RUS, a women's rugby club for students in Utrecht. This has increased awareness of TBI within this target group. There are also parallels in competencies, discipline, cooperation, respect and perseverance. In 2022 we will enrich several TBI academy educational programmes with a module about team building developed in cooperation with these clubs;

- TBI, together with subsidiary MDB, has donated a unit to Blijdorp and ASVZ (support for people with a disability) so the clients of the day care facility have their own place in which to lunch, drink coffee, etc;
- The Delft Student Rowing Club, LAGA, is being sponsored. Many of the TU (University) students row and since 2021 they have also had their 'own' TBI boat;
- The strategic sponsorship of YES!Delft continued. This is a technology incubator and enterprise centre that helps students, scientists and professionals with (starting) their own company. This involves the mutual use of expertise;
- TBI is a proud main sponsor of Delft Hyperloop (a climate-neutral and scalable transportation system);
- TBI is a partner of the IMC Weekendschool in Rotterdam Delfshaven. The school is not only supported financially but also with a physical contribution through the organisation of lessons with TBI volunteers. Due to Covid-19 in 2021 fewer lessons were organised than planned;
- Theater Walhalla in Rotterdam is sponsored by TBI. This is a helping hand for a Rotterdam icon;
- TBI has a five-year sponsorship agreement with the Rotterdam Marathon (TBI Business Runs). This is a major and TBI-wide sponsorship, which many colleagues are involved in every year. This is a large sporting event with as objectives: connection, involvement, brand awareness and vitality;
- TBI is a sponsor of the Dutch Bach association.

TBI is a proud partner of Trees for All

“This isn’t only a sustainable project for nature, it is also a circularity project for the construction sector in which we are increasing building with wood and are a leader. We want to show that leadership. At the same time this commitment is a metaphor for the sustainable growth of TBI”, Bart van Breukelen, Chairman of the Executive Board of TBI Holdings.

TBI has existed for 40 years. A milestone. During this period we have, with our companies, versatile talent and insight, helped determined the face of the Netherlands. Throughout the past 40 years our social awareness has always been the common thread. That awareness is growing. It’s in our DNA and it connects us.

Based on that vision and our core activities, in 2021 we entered into a partnership with Trees for All. Trees for All plants trees for a better climate and greater biodiversity. That’s how together we want to make the earth, in all its variety, more sustainable. In 2022 one way we are doing this is by planting around 7,700 trees. This is about 3.3 hectares of woodland. That’s one tree for every employee, plus a few extra for the future.

The first trees were planted on Monday 7 February 2022 in Kranekamp (Overijssel). That’s where the TBI forest will grow. Bart van Breukelen and Harald van Keulen, Managing Director of TBI Bouw, planted the first tree. Employees were then given the opportunity to plant their own tree.





“Our vision is ‘Synchroon circular’; a holistic approach”

Tobias Verhoeven

Aged 45

Executive Director

Has worked for Synchroon since 2007

“I believe in the necessity of circular development. There is only one planet Earth. We must be thrifty with it. In my view we can really make an impact as a developer. But that demands a lot from us. Society and the economy also need to be overhauled. That is complex - both technically and financially. People have to have to be intrinsically motivated to change. So, first of all, we must look at ourselves. Step away from linear thinking and motivate others to do the same.

Our vision is ‘Synchroon circular’; a holistic approach. As a developer we can have a wide impact in the transition to a circular economy. Our ultimate goal is to create a resilient society. I think it is very important that people are brought more in balance with nature. In essence our vision is the development of healthy business cases.

We do this from within seven impact areas: a strong society, health and happiness, urban nature, CO₂ reduction, circular construction, circular streams and circular business cases.

With a score sheet and a target per project we arrive at a concrete and measurable approach. I will focus here on CO₂ reduction where there is a lot to be won and no more time to lose. We must become CO₂-neutral NOW. This is our

goal, although we haven’t managed to achieve it completely in our projects yet. In 2025 we are aiming for a 50% CO₂ reduction in our projects and by 2030 we will have reduced these emissions to zero. It’s an ambitious target, but it forces us to start making the most sustainable choices now. It also requires an enormous change. Not only from Synchroon, but also from our cooperation partners.

Our office in Utrecht is circularly furnished and is located next to the central station. That makes travelling by train easy. To make a start now we are offsetting the CO₂ emissions from our projects in 2021 with the planting of over 200,000 trees. We are doing this in cooperation with Staatsbosbeheer (Forestry Commission) in the Netherlands and Trees for All outside the Netherlands. Climate change is having particularly severe consequences around the equator. Trees provide not only CO₂-compensation they also provide a healthy living environment and, in countries like Bolivia, sustainable agriculture. What’s most important is a sharp focus on CO₂ reduction in projects. That will enable us to achieve our goal of CO₂ neutrality in 2030 without having to plant trees as compensation”.

Market leadership



KPIs	Target	Result 2021 (2020)
Operating (EBIT) margin	2-4%	3.3% (2.4%)
Solvency	≥ 30%	31.4% (32.7%)
ROIC (EBIT/ invested capital)	≥ 12%	16.8% (13.0%)
Trading working capital efficiency	≤ -5%	-8.3% (-9.3%)

Optimising our manufacturing technology and ongoing digitalisation are the focus for TBI to maintain and, where possible, expand a leading market position. Every day TBI works on improving projects and products throughout the process; from modular, industrial design until completion. To increase client value TBI also wants to digitise all processes to make working (together) smarter and more efficient.

Ambition and market position

TBI strives for a top-5 position in its core markets through its client-focused approach, high quality and entrepreneurship close to the client. Towards this end we strive for robust financial results by paying attention to the quality of our operating revenue, stringent risk management and optimum project management. This leads to client satisfaction, which is actively monitored using various methods, such as

NPS scores. We also apply benchmarks, including those of bouwnu.nl, RWS and ProRail.

In (installation) engineering TBI occupies a substantial market position with Croonwolter&dros, Eekels Technology, Comfort Partners, Giesbers InstallatieGroep, Soltegro and WTH. The trend growth rate of the total construction volume and an increased installation quota – the share of installation in the total construction volume – is bringing about positive developments in the installation sector. The energy transition means a huge challenge for our sector. This applies not only for installation in residential and non-residential buildings (of systems and equipment such as heat pumps, heat/cold storage and (re) charging facilities), but also installation related to the infrastructure (upgrading of heat and electricity networks). These developments are ongoing.

With nine companies in the residential and non-residential construction & development sector, TBI ranks among the leaders in this market sector. The medium-term prospects in these segments are good. The demand for (new-build) housing remains high and prices are still rising. This is partly due to the ongoing low mortgage rates and the structural shortfall. The renovation, rebuilding and transformation market is also developing well; the energy transition is playing an increasingly prominent role. Volume in the non-residential segment is also growing for a number of reasons including new office concepts, the (obligatory) sustainability improvement of education buildings and the construction and development of specific healthcare real estate. This is in part due to Covid-19-related measures, such as improved ventilation in buildings.

Although TBI has a smaller market share in the infrastructure market, our companies' expertise makes them valuable partners for our clients. Within this segment the integrated collaboration between the TBI Infra companies and Croonwolter&dros has been successful. We are striving to improve our results in this segment in 2022.



The small residential project Hazenberg is working on in the centre of Zevenbergen comprises 21 owner-occupier apartments, a parking garage, shops and food service establishments. The plan was worked out entirely in BIM.

“Our solid financial position offers space for continuous investment.”

Robust financial results

As a knowledge company our focus is margin above volume. Our solid financial position gives us the space for continuous investment. To safeguard this solid position we focus carefully on a number of KPIs.

In 2021 this led to the following results:

- Our order book rose by 3%. This meant 79% of the budgeted operating revenue for 2022 is covered.
- We sold 2,204 homes (2020: 974).
- We delivered 1,346 prefabricated concrete shells (2020: 1,119) and completed a total of 337 concept homes (2020: 849).
- Our operating result (EBIT) rose by a substantial 51%, which met one of the most important financial targets.
- The acquisition of plan developer FAME at the beginning of December 2021 further expanded our leading position in the development of future-oriented living concepts for people needing care and support.

Dilemma

Product and project versus value for the client

The TBI companies have a lot of (technical) knowledge and digital intelligence in house for improving construction and installation projects and their long-term management. Keeping this knowledge up-to-date demands continuous new investment. Do we want to take on the challenge in the current economic boom when there's plenty of work on offer and we're very busy?

Sustainable solutions are increasingly related to the use of contiguous data from the built environment. This is, or will be, acquired by TBI (via sensors) and translated into added-value for the client. We will continue investing in this and passing the information on to clients. In the long term this will create a major impact for many stakeholders, including TBI.

Investments in innovation and construction process digitalisation

Investing in innovation, new collaborations and product and process digitalisation is essential if TBI wants to maintain or expand its market leadership.

In 2021 this led to the following results:

- TBI invested over € 1.3 million from its Innovation Fund in innovative (development) projects of TBI companies.
- Besides TBI WOONlab, the MAAKlab and HOUTbaar 20 further investment proposals were honoured and supported financially by the TBI Innovation Fund;
- Three winners were chosen for the 7th edition of the TBI Innovation Prize: CO₂ tokens (best idea), the circular extension (best innovation) and ModuleMakers (impact Award). All 34 participants worked on/are working on solutions with potential and sustainable impact;
- In total 103 building sites were active with the Bewuste Bouwers (Considerate Constructors) Code of Conduct;
- Sensors are helping us keep more and more records about our machinery (what is where) and its use (where and for how long was it used);
- Fail Safe (sensing and home automation) is running in HOUTbaar-House and HOUTbaar-Loft. The aim of Fail Safe is a healthy indoor climate, increased comfort and energy efficiency;
- We have built a Data Integration Services Platform (DIP) with which we save data for ad hoc information provision. Microsoft advised us, including in respect of data warehousing, IoT and Artificial Intelligence (AI), with applications from Autodesk (voice software), Azure (AI) and Relatics (project information management).
- The Building Information Modelling (BIM) working method is now used across the board throughout TBI. It creates value through smart processes so that projects are delivered on time, within budget and with the right specifications. With themes such as standardisation and collaboration our ambition is to work out projects completely virtually.
- AI is increasingly being used. Algorithms, for example, optimally organise construction sites or make homes smarter. AI is also being used for generative building design based on predetermined frameworks
- Every year in the construction sector millions of invoices are sent in many different ways. Preparing them, and in particular processing them, costs a lot of time and money. It can be done better and more efficiently. Which is why, on 1 January 2022, the construction sector switched to electronic invoicing in accordance with DICO version SALES005. This means we are all using the same language. TBI was one of the drivers of this project.



“Artificial Intelligence is increasingly being used.”



Innovation is a verb at TBI

Douwe van den Wall Bake has been TBI's Innovation Manager since 2016. His role is to inspire and facilitate innovations and colleagues. The focus is on three themes - energy transition, industrialisation and asset management.

“Within TBI safety is the first priority, but innovation comes a close second.

The all-encompassing energy transition or the challenges related to circular construction won't be solved without innovations. They demand substantive cross-pollination and new forms of cooperation. That's why at TBI innovation really is something shared - we do it in cooperation with our clients, suppliers and partners, and first and foremost together with our colleagues in the TBI companies. For us entrepreneurship goes hand-in-hand with innovation ownership.”

TBI took a considered decision to not organise innovation centrally but rather to invest in an innovative eco system. Since 2014 we have organised the annual TBI Innovation Prize as a podium and springboard for our employees. Via the TBI Innovation fund experiments and development projects can be given a financial helping hand. A network of innovation coaches help teams progress further and innovation is also a component of the TBI academy programme. Via a digital platform (TBI X) we facilitate mutual inspiration and we offer our employees the opportunity to help each other. With TBI MAAKlab we also have a physical working and meeting

space. And not unimportant; innovation is on the agenda of all the Boards”.

According to Van den Wall Blake, for TBI innovation means proactive and sustainable operation, so it's a verb - a 'do' word. “This makes it an integral component of our business operations and, therefore, linked one-on-one to our long-term continuity. We also see that working on innovations is becoming increasingly important for our employees. Their work must be inspirational, socially relevant and must be able to create a real impact. In a nutshell: you have to have the space to let yourself go.”

He continues: “Innovations come in all shapes and sizes. They're definitely not always radically new sustainable solutions, they can also be small practical optimisations. These are essential for the short-term. Then we have our ground-breaking pilot projects in which we deliberately gain experience with new, ingenious technologies, materials or working methods. In the end it's all about the impact we, as TBI, can make with our innovations. Which is why in 2021a new category was included in the TBI Innovation Prize - the TBI Impact Prize.”



The TBI Climate Expedition – winners of the TBI Innovation Prize during a leadership trip to the Swiss Alps.

Innovative developments in 2021

Practical process optimisations

Kubel cleaner: an installation that makes cleaning kubels – the huge ‘buckets’ used to pour concrete at height – safer, easier and more sustainable. The new kubel cleaner was worked-out by MDB and J.P. van Eesteren and immediately tested during the construction of the Grotius residential tower blocks in Den Haag and the Nieuwe Plantage in Amsterdam.

BHV (emergency response) wheelbarrow: a solution for bringing emergency equipment nearer the construction activities. Devised and applied by J.P. van Eesteren.

Lichtapp (Lightapp): a way to make switching construction site lighting on and off easier and thus prevent light nuisance. The sites on which Mobilis is currently using the app include the construction of the Groene Boog.

Assembly jig with lifting frame: a mechanical engineering solution for unsafe and time-consuming assembly activities. The solution was devised and is being used in a Croonwolter&dros factory that produces modular high tension stations.

Installation modules: at WTH, in cooperation with partners, 6,000 articles were rationalised into 150 modular components. This is a fundamental step towards the further innovation and industrialisation of floor heating systems.

Experimental pilot projects

Project HAUT: the tallest hybrid wooden building in the Netherlands, constructed by J.P. van Eesteren for client Lingotto. The residential tower is ground-breaking primarily in respect of its architectural construction, acoustics and fire safety.

KVK floor: a pilot trial with a prefabricated hollow-walled floor with pluggable installations. This solution contributes towards the ‘legislation’ of residential buildings and is a development of Koopmans Bouwgroep in cooperation with partners.

Self-healing concrete: repair of cracks in the public bus lane at Schiphol, for the Province of Noord-Holland by Mobilis. Thanks to this ingenious concrete drastic and material-intensive reconstruct work is unnecessary.

Reinforcement method: fastening steel plates with epoxy glue and bolts: Mobilis for client Rijkswaterstaat (Suurhoffbrug). This unique lightweight and simple reinforcement method was devised with partners ARUP and RoyalHaskoningDHV.

ERA flats van (n)u: post WW2 flats in Rotterdam are being made sustainable for client Havensteder by ERA Contour and its construction partner Smits Vastgoedzorg. The flats are being made future-proof via a flexible package of (standardised) measures.

Domus Living: residential building that combines individual micro-apartments with a social community. An in-house development by Synchroon in the Houthavens (Amsterdam). The micro-apartments maximise space utilisation in a clever way.

Synchroon with mobility provider We Drive Solar: are constructing the mobility hub of the future in Wisselspoor Utrecht. Sub-area 1 is BREEAM Area hallmarked ‘Excellent’ by the Dutch Green Building Council (DGBC) and the mobility-hub dovetails perfectly with this. The new parking garage has bi-directional recharging posts so cars can be charged and discharged.

New sustainable solutions

geWOONhout: the industrial production of circular wooden terraced housing, by Koopmans Bouwgroep.

Energico: energy management solution for smart grids by Croonwolter&dros. As well as being used for various projects and developments, energico has also been introduced as a corporate start-up.

ModuleMakers: supplier of smart construction technology in handy modules by Croonwolter&dros. As well as being used for the various projects and developments of a configurator, ModuleMakers has also been introduced on the market as a corporate start-up.

Electure: helps contractors achieve zero emission construction sites, by TBI Infra. In 2021 the first e-CO₂ tainers were produced by Eekels and used on the Groene Boog site.

SCS: developer and provider of alternative cementitious binding systems, by TBI Infra. In 2021 SCS entered the market as an independent company.

BASE FT: optimisation of foundation plans so there is less nuisance and less lifting equipment is needed, by Voorbij Funderingstechniek. In 2021 additional new modules were developed in cooperation with partner Viktor.

Intelligent management and long-term service contracts

Intelligent management is an important new revenue model for TBI and is being expanded to achieve our aims. We start thinking along with the client regarding how to limit the Total Cost of Ownership (TCO) of an (infra) project as early as in the project engineering phase. At the same time we work on long-term value creation by carrying out preventative maintenance through monitoring.

In 2021 this delivered the following results:

- After over three years of construction and renovation, in mid 2021 the renovated Eefde lock complex went (back) into service. All the construction, renovation and maintenance activities were carried out under the TBI flag; from foundations, civil engineering and concrete repair to the equipment technology and software development with cyber-security. The integrated approach is reflected in the characteristics of both locks. There is also a 27-year maintenance contract;
- Croonwolter&dros has signed a large maintenance contract with KLM. Croonwolter&dros, together with two partners, is responsible for the technical management and maintenance (architectural, electrical, control and mechanical engineering) of building and building-related systems spread throughout 93 buildings with a total floor area of over 700,000 m²;

- A remotely-read central management system in the transformed IBM Ricardo Residences office was delivered at the beginning of 2021. The system is used to monitor any calamities as well as the ventilation and whether any maintenance is needed;
- A Smart Asset Management system was developed for the Limburg Water Company that will monitor the waste water treatment plant's performance and condition and provide timely warnings of potential failures. This will enable management and maintenance to be carried out in a more targeted manner while reducing costs and risks;
- When the new motorway linking the A13 and the A16 is completed in 2024, the Groene Boog building consortium (which includes Mobilis and Croonwolter&dros) will continue to be responsible for maintenance for 20 years. The route includes an energy-neutral tunnel;
- the DBFM Coen tunnel contract means the Mobilis/Croonwolter&dros consortium will keep the system operational until 2038;
- The RijnlandRoute (N434) is a new road linking Katwijk and Leiden. Mobilis and Croonwolter&dros are members of the contractor consortium that is also responsible for maintaining this road for 15 years;
- Westerschelde tunnel Maintenance, which includes Croonwolter&dros and Mobilis, is responsible for maintaining the Westerschelde tunnel until 2033 and the Sluiskil tunnel until 2025.

Dilemma

Standardisation versus leading market position

TBI, with a lot of creativity, knowledge and skill, often realises pioneering and high-profile sustainable projects.

Does standardisation fit in with this?

In the engineering phase creative and value-driven projects are designed. Standardisation and the digitalisation of the engineering leaves plenty of scope for creativity and design freedom. It also leads to lower failure costs and/or waste and greater safety on the construction site. It is, therefore, also more sustainable. If we want our existence to continue in the long-term standardisation is inevitable. However, projects can still be high-profile.



Financial results

Within the Westerpark West area development in Amsterdam J.P. van Eesteren is responsible for three residential buildings: Blend, Salt and Pepper; MDB supplied the high cranes.

Financial results

TBI can look back on an exceptionally good 2021. Profitability improved significantly, both operating revenue and cash and cash equivalents rose and orders received and the order book remained at a high level.

Introduction

Thanks to the excellent order book at the beginning of the year, the continuing demand for new home and the economic upturn, 2021 closed with the highest operating revenue in TBI's history. However, in 2021 a number of factors did have a negative effect on the operating results, such as the continuing corona and nitrogen crises, rising construction costs and an increasing shortage of labour. In addition, there were several large projects with a negative project result.

In 2021 market conditions for our residential construction and project development activities were favourable due to a historically-low (mortgage) interest rate and a high demand for rental and owner-occupied housing. Partly as a consequence of the nitrogen problem our companies were confronted with delays in the granting of licenses. Longer delivery times and pressure on margins due to price increases at subcontractors and suppliers also became more prevalent as the year progressed. Our project development activities not only had to deal with more complex licensing procedures but also faced the challenge of finding financially-feasible outsourcing for some projects and suitable development locations. Nevertheless 2021 was a very good year, also for our activities in real estate consultancy and building management.

In the non-residential sector, despite the delay of several projects at the beginning of 2021, the financial results improved due to the further recovery of price levels and increased volume. The redevelopment, renovation and maintenance markets developed positively. Non-residential is an important sector for both the Construction & Development segment and the Engineering segment.

In the infrastructure market the number of large tenders was limited as a result of the market's continuing uncertainty due to discussions about forms of contract, problems related to nitrogen and PFAS and the financial insecurities of (regional and local) authorities caused by Covid-19. These developments put price pressure on the infrastructure market.

The industrial sector developed positively in 2021. On balance there was a sufficient supply of new projects, which led to a stabilisation of the order book and price level. It is also very important that our companies are well-positioned in the energy and water treatment market.

The picture in the Marine market, a sector in which our Eekels Technology company is active, was mixed. Although the investment level in most sub-segments was low in 2021 due to overcapacity, the Yachting segment performed very well.

Operating revenue and results

Operating result (EBITDA)*		
(x € 1 million)	2021	2020
Engineering	28.6	21.7
Construction & Development	69.0	48.5
Infra	-0.8	0.3
Holding c.s.	-0.8	0.3
TBI	95.9	70.8

* From normal business activities (before deduction of reorganisation costs, depreciation, amortisation and impairments).

In 2021 TBI's profitability improved substantially. The Engineering and Construction & Development sectors achieved significantly higher operating results than in 2020, but Infra's operating result was lower than for 2020. The operating result before depreciation and amortisation (EBITDA) rose by 36% to € 95.9 million (2020: € 70.8 million).

TBI's total operating revenue rose by 9% to € 2,192 million (2020: € 2,013 million). The operating result (EBIT) rose by a substantial 51% to € 72.5 million in 2021 (2020: € 48.0 million).

Results

(x € 1 million)	2021	2020
Operating revenue	2,192	2,013
Operating result before depreciation and amortisation (EBITDA)*	95.9	70.8
Operating result (EBIT)	72.5	48.0
Net result	49.8	32.1
Operating margin (in %) based on EBITDA	4.4	3.5
Operating margin (in %) based on EBIT	3.3	2.4

* From normal business activities (before deduction of reorganisation costs and impairments).

“Net result rose by 55% to € 49.8 million.”

In 2021 we further streamlined our business processes and implemented a number of organisational changes at a cost of € 2.8 million (2020: € 2.3 million). A major portion of the reorganisation costs were related to the integration of the activities of Groothuis Wonen into Koopmans.

The net of financial income and expenses amounted to € 4.2 million negative – the same as for 2020. Partly as a result of the higher cash and cash equivalents and the related negative applicable interest rate, on balance the financial expenses increased.

In 2021 the effective tax burden was 27.3% (2020: 26.6%).

Net result rose by 55% to € 49.8 million (2020: € 32.1 million).

Orders received and order book

The value of orders received (in writing) in 2021 was € 2.2 billion – a 14% increase compared to 2020 (€ 1.9 billion). The order book (contracted work still to be carried out and new contracts still to be received) rose by 3% to € 3.2 billion (end of 2020: € 3.1 billion). When accepting new work the TBI companies' aim is projects for which the risk profile, the return and the capital utilisation are in balance.

A total of € 1.7 billion of the total order book is expected to be carried out in 2022. This amounts to 79% of the budgeted operating revenue for 2022. At the end of 2020 that was 78% (for 2021). The remainder of the order book will be carried out in 2023 or subsequent years.

Results of Engineering, Construction & Development and Infra

(x € 1 million)	2021	2020
Operating revenue	848	768
Operating result before depreciation and amortisation (EBITDA)*	28.6	21.7
Operating result (EBIT)	19.1	13.3
Operating margin in % based on EBITDA	3.4	2.8
Orders received	839	710
Order book at year end	1,064	998

* From normal business activities (before deduction of reorganisation costs and impairments).

In the Engineering segment operating revenue rose by 10% and a significantly higher operating result was achieved. The operating margin improved from 2.8% in 2020 to 3.4% in 2021. The companies in the Engineering sector are active in different market segments. In 2021 market conditions were mostly positive. The results achieved in the non-residential

market were much better. In the industrial markets they were better due to sufficient demand and an improved price level. The infrastructural activities in the Engineering sector were disappointing, primarily due to several negative project results. Market conditions in some segments of the Marine sector were challenging. Good operating results were achieved in the Yachting sub-segment.

The Engineering order book rose by 7% to € 1,064 million.

Construction & Development		
(x € 1 million)	2021	2020
Operating revenue	1,054	987
Operating result before depreciation and amortisation (EBITDA)*	69.0	48.5
Operating result (EBIT)	62.4	41.6
Operating margin in % based on EBITDA	6.5	4.9
Orders received	1,152	986
Order book at year end	1,667	1,504

* From normal business activities (before deduction of reorganisation costs and impairments).

In 2021 our companies in the Construction & Development segment achieved excellent results: operating revenue rose by 7% compared to the previous year and the operating result rose by a substantial 50% to € 62.4 million (2020: € 41.6 million). The operating margin rose further to 6.5%.

Much of the result improvement was achieved by our project development activities.

The number of homes sold rose by 126.3% to 2,204 (2020: 974). The number of delivered (built) homes rose by 33% to 2,304 (2020: 1,736).

The demand for new-build housing remains high. In 2021 the orders received rose by 17% compared to 2020 and the order book also increased.

Infra		
(x € 1 million)	2021	2020
Operating revenue	308	280
Operating result before depreciation and amortisation (EBITDA)*	-0.8	0.3
Operating result (EBIT)	-3.1	-1.4
Operating margin in % based on EBITDA	-0.3	0.1
Orders received	211	230
Order book at year end	500	644

* From normal business activities (before deduction of reorganisation costs and impairments).

In 2021 there was only a limited number of large tenders in the infrastructure market. The nitrogen crisis caused the postponement of a number of large infrastructure projects. Medium-sized projects were also delayed by uncertainties in the market (including due to discussions about forms of contract, nitrogen and PFAS) regarding the financial insecurities of (regional and local) authorities in part caused by

“TBI’s financial position remained very strong.”

Covid-19. As a result of these developments the order book decreased by 22% compared to 2020.

In 2021 operating revenue rose by 10% compared to 2020. The operating result (EBITDA) of the Infra segment fell to € -0.8 million (2020: € 0.3 million) primarily due to several negative project results in the civil concrete construction sector.

Balance sheet

TBI’s financial position remained strong with a solvency based on shareholder’s equity of 31.4% (2020: 32.7%). The causes of the drop in solvency compared to the end of 2020 included the higher investments in non-current assets and the higher cash and cash equivalents. The balance sheet total rose by € 929 million to € 1,096 million.

In 2021 € 5 million of the € 25 million unsubordinated loan provided by Stichting TBI was repaid. Taking the subordinated loan into account, the solvency based on the guarantee capital is 33.2% (2020: 35.4%).

Key balance sheet figures

(x € 1 million)	2021	2020
Non-current assets	146	127
Investments in real estate portfolio	222	218
Net working capital	-113	-47
Cash and cash equivalents	428	320
Shareholder's equity	344	304
Subordinated loan	20	25
Balance sheet total	1,096	929
Solvency based on shareholder's equity	31.4%	32.7%
Solvency based on guarantee capital	33.2%	35.4%

Non-current assets rose to € 146 million (2020: € 127 million). In 2021 net investments (investments minus divestments) in tangible and intangible non-current assets were higher than depreciation and amortisation. Net investments amounted to € 38 million (2020: € 22 million) and depreciation and amortisation amounted to € 21 million (2020: € 20 million). In 2021 investment areas included premises, replacements of and additions to equipment and the acquisition of the Dutch activities of Struijk Sloop- en Grondwerken and the FAME Groep and participations in Homeblocks and City Barging.

At the end of 2021 investments in the real estate portfolio (land positions, building rights, unsold housing under construction and unsold completed housing) amounted to € 222 million (2020: € 218

million). The increase of € 4 million was due to investments in project development dropping by € 4 million to € 181 million (2020: € 185 million). Taking non-recourse project financing into account, net investments in project development amounted to € 153 million (2020: € 152 million). In addition, the stock of unsold housing under construction and completed housing rose by € 7 million to € 40 million (2020: € 33 million).

Despite the higher investments in project development, net working capital decreased to € -113 million (2020: € -47 million). This was mainly due to improved pre-financing of projects in progress. In addition there was an increase in debtors and other receivables and an increase in current liabilities.

Net working capital

(x € 1 million)	2021	2020	Change
Debtors and other receivables	286	251	35
Work in progress	-188	-107	-80
Investments in the real estate portfolio	222	218	4
Creditors and other liabilities	-447	-422	-25
Other	14	13	1
Total	-113	-47	-65

(x € 1 million)	2021	2020	Change
Engineering	-90	-46	-44
Construction & Development	9	22	-13
Infra	-31	-21	-10
Other	-1	-3	2
Total	-113	-47	-65

Cash and cash equivalents rose by € 108 million to € 428 million (2020: € 320 million). Net cash and cash equivalents less current debts owed to banks (net cash and cash equivalents), amounted to € 414 million at the end of 2021 (end of 2020: € 311 million).

At the end of 2021 shareholder's equity was € 344 million (2020: € 304 million), an increase of € 40 million. This included the positive net result of € 49.8 million, the € 9.6 million dividend distribution in respect of 2020, and positive currency translation differences amounting to € 0.3 million.

Financing

TBI can draw on a € 75 million revolving credit facility provided by three banks. The facility was amended and extended by agreement on 1 November 2018. Of importance is the sustainability clause related to the facility: in the case of the (non) compliance with a number of the non-financial KPIs listed in the Annual Report, the surcharge can be adjusted in a way that is positive (or negative) for TBI.

On 1 November 2021 this Revolving Credit Facility (RCF) was extended by one year to 1 November 2025. This was possible primarily due to the RCF offering an option for extension on the first and second anniversaries of the agreement, on the basis of which as of 1 November 2019 the RCF was extended by one year to 1 November 2024. The second extension option was, after a one year postponement, honoured on 1 November 2021 by the bank syndicate. As a result

the expiry date of this RCF has become 1 November 2025.

Up to and including the end of 2021 this facility had not been used. The interest rate is based on Euribor, with the interest rate period being dependent on the selected term, increased by a surcharge. Financial covenants have been agreed to this end. In 2021 TBI once again amply satisfied the financial covenants.

TBI also has current account facilities totalling € 30 million with three banks. Interest is payable on these facilities at Euribor plus a surcharge. These facilities are only drawn down to meet short-term liquidity requirements. As at the end of 2021 no amounts had been drawn down from these facilities.

TBI can also draw on several non-recourse (real estate) financing facilities and several (non-recourse) sustainable projects financing facilities. These are relatively smaller loan amounts for, among other things, the financing of sustainable energy projects. With these project financing facilities the design, construction, maintenance and exploitation of solar projects and heat/cold storage installations are guaranteed financing for the duration.

In 2021 TBI had access to seven guarantee facilities with a total commitment of € 490 million (2020: € 420 million). The commitment is available to the TBI companies. In the second quarter of 2021 a solid guarantee provider joined the TBI guarantee portfolio. With this extra guarantee provider there is a balanced spread of providers, sufficient scope for the provision

of guarantees (headroom) and certainty for the future. The commitment is available to the TBI companies. In respect of bank guarantees the TBI companies are subject to the TBI guarantee policy. This policy includes guidelines regarding the maximum amounts and terms for providing individual guarantees. Deviation from the guidelines is only permitted with the prior approval of the Executive Board.

Outlook

With its modular construction technology ModuleMakers is contributing towards smarter, cleaner and healthier buildings – and with that to a better world.

Outlook

According to the Central Planning Bureau (CPB), until 2025 the Dutch economy will grow by an average of 1.6% and the national debt will increase to nearly 67% of GNP. Thereafter this might rise higher. In this way the CPB is quantifying the long-term effect the Covid-19 crisis will have on economic growth and in particular government finances. This will, ultimately, not leave TBI untouched, although until now the effects of the Covid-19 crisis on the construction sector have been limited. The geopolitical situation around Ukraine is also unresolved and causing uncertainty.

At € 3,2 billion the Concern's order book is slightly higher than last year and is well spread across the Engineering, Construction & Development and Infra segments. The companies that have been acquired in recent years are making a good contribution towards the operating result. The TBI companies' goal of further improving activities and giving substance to the strategy on the basis of entrepreneurship has been strengthened.

The TBI companies in Construction & Development are profiting from the favourable market. The underlying factors include the low mortgage interest rate, the demand for large and complex inner-city projects and the conversion of offices into housing. Nevertheless the development and execution of new projects is becoming more problematic due to the limited availability of developable land positions, investor reticence and the scarcity of labour. Sometimes financial feasibility is also a challenge, especially when it comes to constructing affordable rented housing.

Non-residential construction is still developing well at TBI with a number of large projects. Here the consequences of the Covid-19 crisis are apparent, as a result of which financiers and investors have become cautious about (the development of) hotels, food service and office premises and their renovation

or maintenance. The need for (new) office space is reducing due to more people working from home.

The infrastructure sector is having to cope with a lower supply of new orders as a result of the Covid-19 crisis and the nitrogen problem. Municipalities and provinces in particular are struggling with a lack of financial resources, which is resulting in fewer (medium-sized) projects coming onto the market. Despite this our infra companies have a good order book with a good spread for the current year and the market for maintenance and renovation will increase in the coming years. However, the new construction of large infrastructure projects must be further boosted through government policy that provides a stimulus. This will prevent the sector grinding to a halt.

The Engineering companies have well-filled order books. As project lead-times are shorter here our installation companies must remain alert. In 2022 they could be confronted with a decline in new contracts in the non-residential sector, in part due to projects being postponed.

Consumer confidence and investor reticence remain an important factor for TBI's (financial) prospects. Nevertheless the new government coalition agreement could also make a contribution. It is important that TBI's housing construction projects are

disposed of without too much delay. Despite the late cyclic nature of the construction sector the outlook in the medium-term remains good. According to the CBS, from now until 2024 95,000 new homes a year will be built. And then from 2025 to 2035 the requirement will remain at a high 75,000 homes a year. An important portion of this must be achieved in inner city areas. This will mean the main obstacles to spatial planning and regulatory authorities must be resolved very quickly. Moreover, to guarantee accessibility the government wants to invest more in the replacement and renovation of the existing infrastructure.

We expect the operating revenue, the number of employees and the research & development costs in 2022 will move around the 2021 level. In 2022 net-investments in (in)tangible non-current assets will be higher than the amortisation/depreciation costs due to several factors including investments in premises, equipment, digitalisation and Smart Energy activities. We are also taking an increase in net working capital, in part as a result of higher investments in project development, into account. This will be financed from the available cash and cash equivalents.



Governance

Synchroon and J.P. van Eesteren in Breda working on 5TRACKS - an urban area in which living, working, food service and shops are brought together in a surprising way.

Risk management

In the markets in which TBI operates, doing business is closely connected to taking and controlling risks. Managing risks is a prerequisite for success. Our organisation is built on entrepreneurship and our risk management is focused on this. The Management Boards of the individual TBI companies are responsible for formulating and implementing their own company's strategy. TBI offers the framework and resources to encourage this entrepreneurship.

Risk philosophy

We believe risk management only really comes to life when there is the right balance between the formal (hard) and informal (soft) aspects in an organisation. Formal aspects are embedded in our management and control systems – fixed frameworks within which the TBI companies should take responsible risks. The informal 'soft' side of risk management puts more emphasis on the employee, culture, flexibility, learning capacity and adaptability.

“Risks, management costs and return are weighed against each other.”

Culture

By positioning responsibility at a low level in our organisation and actively sharing learning experiences, we develop our employees' risk awareness in a positive way. This culture strengthens connections within our organisation.

Risk management approach

Project management is the guiding principle of our risk management approach. From the selection of an assignment up to and including the aftercare, our management and control systems are designed to strike the right balance between entrepreneurship and the risk profile we want for the Company.

Tendering processes

Our Management Boards are involved in the initial decision regarding whether or not to submit a bid. If the decision is to participate the structured preparation of a balanced proposal for the client begins. We weigh up the risks, the management costs and the return against each other. Bids for projects that will be undertaken as a joint venture, have a DBFM(O) character, require (pre-)financing, involve a contract amount that is greater than 20% of the

relevant TBI company's budgeted operating revenue or are outside the Netherlands, are submitted to the Supervisory Board for approval before being submitted to the (potential) client.

Projects of a given size (this differs per TBI company) undergo a Bid/No Bid procedure to determine whether they are compatible with the Company's risk appetite. To gain an integral picture of the project risks an integrated assessment is made of the available competences, the financial, legal, fiscal and insurance aspects, the planning, the technical risks and the risk management measures.

Management and control systems

Our formal management and control systems are aimed at the strategic, tactical and operational levels of our organisation. New risks are estimated and on-going projects monitored using the following instruments:

i. Strategic Agenda

TBI's long-term strategy is the responsibility of the Executive Board and is laid down in the Strategic Agenda. The main priorities of the Strategic Agenda are Sustainable solutions, People & Teams and Market leadership. The Operating Plans and budgets of the



ERA Contour is constructing the Mi Oso residential area in Amsterdam Zuidoost.

TBI companies are focused on these strategic pillars of which Risk Management forms an integral component.

ii. Operating Plans

Drawing-up and implementing annual plans and budgets is the responsibility of the company Management Boards. Their responsibilities and powers are laid-down in an authorisation schedules and management instructions. The Central Guidelines specify the minimum risk management measures that are required. Together these documents constitute the agreements that determine whether a process is managed centrally or locally and how decisions are made within TBI.

iii. Reporting

TBI has drawn-up separate guidelines for financial and non-financial reporting. The financial reporting guidelines are contained in the TBI Reporting Handbook. According to these guidelines every company Management Board must report to the Executive Board every quarter. These quarterly reports update the Executive Board regarding progress in relation to agreements and plans, financial and non-financial aspects and targets. They also include information about the most important risks. The reports are discussed and, where necessary, measures are implemented and/or plans adjusted.

The guidelines for non-financial reporting are contained in the Non-financial Reporting Handbook. TBI's sustainability report is based on the Standards of the Global Reporting Initiative (GRI). The GRI

context index can be referred to via our website: www.tbi.nl/jaarverslag. The aim of this reporting is to provide transparency regarding TBI's performance in respect of topics such as safety at work, doing business with integrity, environmental-impact and circular entrepreneurship. Our Integrated Annual Report provides a comprehensive picture.

In addition to the quarterly reports the Executive Board receives monthly reports of the key figures and is in regular contact with the company Management Boards. Cash positions and guarantees are monitored on a daily basis.

iv. Internal audit

The internal audit function is performed by the BDO. The internal audit plan is submitted to and approved by the Audit Committee.

Working of the management and control systems in 2021

In 2021 our hard and soft management systems worked properly and there are no indications that they will not continue to work properly in 2022. TBI cannot give any guarantee that risks will not arise. We will, therefore, remain constantly alert for any further tightening of procedures and measures that may be required to ensure we remain abreast of changes in the internal and external situation. This is a continuous process.

Final responsibility for risk management

The Management Boards of the TBI companies are responsible for compliance with the internal risk management and control systems and report regularly to the Executive Board.

The final responsibility for the way the TBI companies identify, manage and control risks rests with the Executive Board. To fulfil this responsibility the Executive Board decides the structure of the internal risk management and control systems and monitors compliance with these systems.

The Executive Board, supported by the Reporting and Control Department and independent experts, supervises compliance with the relevant financial and non-financial guidelines.

Risk appetite

We determine our risk appetite in a structured way for the following risk categories:

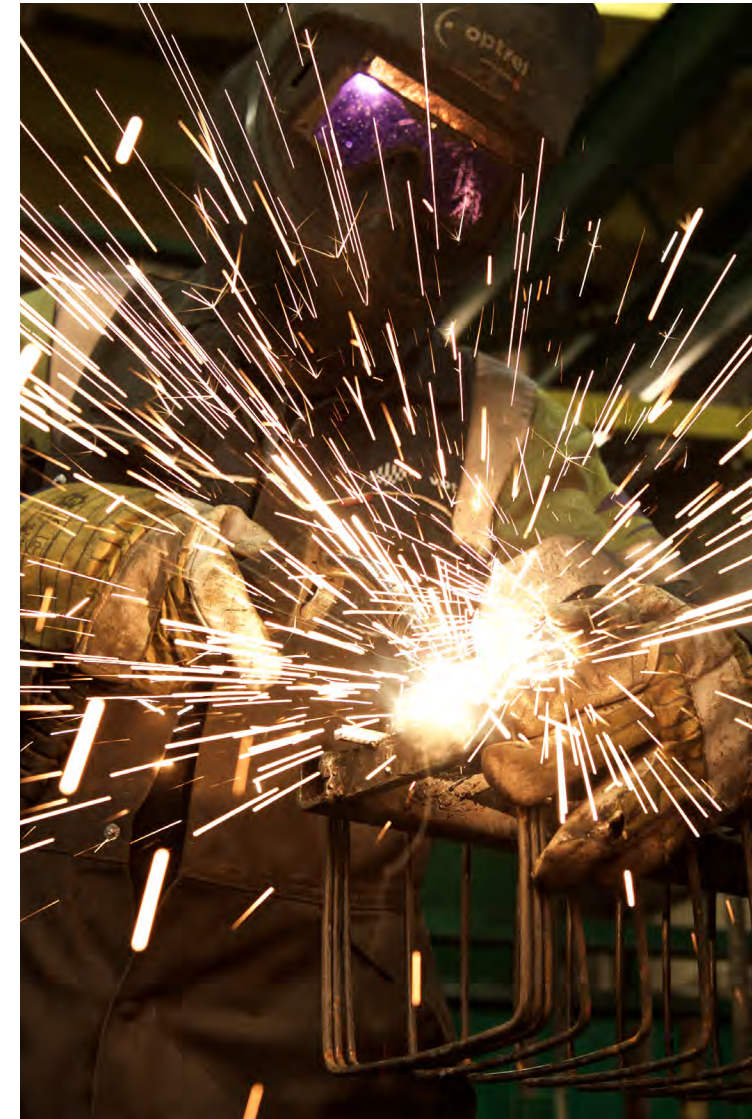
(i) strategic/market risks, (ii) operating risks, (iii) financial risks, (iv) compliance and integrity risks, (v) pandemics/Covid-19 risks and (vi) ICT/cyber-security risks. The essential risks in each of these categories are identified and the related management measures are determined. The TBI concern acts according to the specified risk appetite for each of these risks.

At the same time, this approach gives priority to a safe working environment, integrity in our dealings, compliance with legislation and regulations and data protection. These are areas in which we are not prepared to accept risks. The financial consequences of major risks are hedged within the TBI insurance programme.

This method and its results are explained in the tables on the following pages.

Risk appetite

Our risk appetite is determined by our Strategic Agenda in combination with social developments, our business goals, financial position, market conditions and operational issues. Within this playing field we decide how much risk we are willing to take and the set of measures we will implement to manage the risk. As far as our regular activities are concerned, to protect our solid financial basis our risk appetite is low. This solid basis allows us to take risks in order to innovate, invest and cooperate with other parties. We encourage entrepreneurship and use it to create opportunities to strengthen our market position.



Paul Frijters

Aged 55

Product Developer

Has worked for WTH since 2000

“For me innovation means working on the future. How can we continue improving our product, our process or our service so we can work more efficiently and stand out in the market? We innovate in cooperation with various (development) partners. One example of this is our new modular plastic distributor. Thanks to smarter design these now all have the same function and structure. This makes them interchangeable, with fewer products, maximum possibilities and flexibility.

The world around us is changing fast. Look at corona, the energy prices, energy transition or the housing market. How do they affect working from home, health care, infrastructure for transport and data, raw materials and the availability of raw materials? These are enormous risks, but also huge opportunities; if you play your cards right. Innovation is playing an increasingly important role in this.

This is where my practical experience comes in useful. The ‘youngsters’ are often theoretically well grounded and can collect and share information very quickly, but sometimes they’re lacking some technical baggage. By bringing together the practical knowledge and expertise gained from years of hands-on experience and the innovative, fresh vision of bright young people you can benefit from the strength of generations. That’s how we can accelerate innovation.







Last year I, along with a number of colleagues from other TBI companies, was able to follow the ‘Strength of Generations’ training course. Definitely the final day, when everyone could bring two colleagues from a younger generation along, was very enjoyable and educational. You become more aware of the different way young people think and work.

My work is my biggest hobby. I follow market developments very closely and immerse myself in the technology behind them. My knowledge in the field of heat generators and installations for heating, cooling, ventilating and controlling residential and non-residential buildings is wide. Understanding the engineering enables you to make the right choices and know what needs improving. I do notice that you have to take a rest every now and again to activate the creative process. To innovate and improve you sometimes have to take your foot off the gas and think ‘out of the box’.

I see innovation as a continuous process. You have you keep looking for and asking yourself: what is the client’s latent need?. Thanks to my experience I do that from many angles. Because who is the client? That’s what it’s about. The end user, the manager, the installer, the contractor or the project developer - everyone has their own interest in respect of the innovation process.”



“With innovations you must utilise the strength of generations”

Risk category	Risk appetite	Explanation
Strategic/market		To achieve our strategic goals and reinforce our market position, we are prepared to take low to medium risks. We create opportunities to reinforce our market position through the incentive to do business.
Operating		Our risk appetite in respect of our regular activities is low. For a few risks our risk appetite is non-existent, partly due to our wish to maintain our solid financial position.
Financial		From our solid financial base we are only prepared to accept low and, in exceptional cases, medium risk in order to innovate, invest and work in cooperations.
Compliance and integrity		Integrity is one of the most essential conditions of our organisation and a guiding principle for all our actions. We are not prepared to take any risks in this area.
Pandemics/Covid-19		The Covid-19 crisis that began in 2020 has made us aware of the risks related to pandemics. This pandemic continued into 2021 and once again affected the risk atmosphere of our companies. The basis was the same, TBI follows the advice of the RIVM (National Institute for Public Health and the Environment), Bouwend Nederland (construction industry employers' association), FME (technological industry employers' association) and Techniek Nederland. The health and safety of our employees (and clients) is the priority. The government and the construction and engineering sector have drawn-up the 'Working together safely' protocol in order to prevent the sector coming to a standstill. TBI has also drawn-up its own 'Safe Working Protocol'. Our risk appetite in this area is low.
ICT/cyber-security		In respect of the risks in the field of operational ICT systems, data integrity and privacy we are not prepared to take any risks. In the field of cyber-security our risk appetite is low.







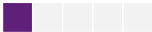







Risk category: strategic/market

Risk area	Risk appetite	Important management measures	Likelihood	Impact
Changes in market conditions		<ul style="list-style-type: none"> • A balanced portfolio of activities spread across clients and market segments. • Innovation and anticipation of market developments (including new environmental requirements). Internally through our knowledge centres, TBI WOONlab, Smart TBI and geWOONhout. Externally through cooperation with knowledge institutes and partners inside and outside the construction industry. • Risks are spread through collaborations with other construction companies. 		
Scarcity of specialists on the labour market		<ul style="list-style-type: none"> • Investments in our position as a preferred employer by offering an attractive workplace with sufficient training and development opportunities and good employment conditions. 		
Competition		<ul style="list-style-type: none"> • Creation of differentiating power by focusing on client satisfaction and the potential for cooperation between the TBI companies. 		
Price pressure		<ul style="list-style-type: none"> • Clear agreements made with parties in advance regarding the effects of price increases. 		
Climate change		<ul style="list-style-type: none"> • Focus on environmental-impact analyses, CO₂ reduction and the reuse of raw and building materials. • Circular entrepreneurship. • Contribute towards necessary reduction of emissions of harmful substances (including nitrogen). • Create awareness of alternate construction methods/materials taking the environment into account. 		
Innovation		<ul style="list-style-type: none"> • An innovative ecosystem: facilitate innovation hotbeds, offer space for innovation and stimulate cooperation. Results may be uncertain within limits. 		



Risk category: operational

Risk area	Risk appetite	Important management measures	Likelihood	Impact
Project management and execution		<ul style="list-style-type: none"> • Constant focus on compliance with internal project management procedures. • Responsibility for contract acceptance rests with the Management Boards of the TBI companies. Prior approval from the Supervisory Board of the company concerned is required for large projects or tenders with a high risk profile, in accordance with management instructions. • Prior approval from the Supervisory Board of the company concerned for investments in land positions, the acceptance of long-term obligations, the start of sales and the start of speculative construction projects and the financing of third party projects in progress. • Special education and training programmes for Project Managers. • Early involvement of lawyers, engineers, risk and insurance specialists and other specialists in the estimation of the quality and size of risks and agree the risk management measures. 		
Accepting work and supplying products and services		<ul style="list-style-type: none"> • Involvement of risk experts, contract managers, lawyers and insurance experts with projects at an early stage in order to solve risk-management issues. • Use of the comprehensive TBI insurance programme to cover the possible negative consequences of certain risks that the Company does not wish to carry itself. • The insurance policies in this programme are managed by TBI and placed via the co-insurance market with (inter)national insurers with an S&P rating of A or higher. 		
Health and safety of employees and subcontractors		<ul style="list-style-type: none"> • Prevention has the highest priority. The safety policy focuses on physical measures and personal behaviour (awareness) as a risk factor as well as on careful preparation of work, analyses of near accidents and hazardous materials. Toolbox meetings must minimise the risks. • Appropriate safety management systems under the responsibility of the TBI companies' Management Boards in accordance with the TBI Safety Guidelines. • Campaigns to increase safety awareness and the use of the TBI Safety app. • E-learning modules to share knowledge and increase safe working awareness. 		
Environmental awareness		<ul style="list-style-type: none"> • Environmental policy aimed at reducing the environmental-impact and neighbourhood nuisance and the deployment of local managers. 		






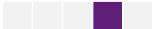



Risk category: financial

Risk area	Risk appetite	Important management measures	Likelihood	Impact
Financing and liquidity		<ul style="list-style-type: none"> The treasury function is centralised. Credit lines are made available to TBI companies on the basis of internal credit ratings. Project development is financed on a non-recourse basis. Constant focus on optimising working capital management. TBI strives for a solvency target of > 30% for all TBI companies. 		
Credit		<ul style="list-style-type: none"> Where necessary risks are hedged through credit insurance, bank guarantees and advance payments. Trade debtors as at the balance sheet date do not include any significant concentration of receivables in particular market sectors. Some of the receivables are concentrated in the Dutch public sector. 		
Interest rates		<ul style="list-style-type: none"> TBI is cautious about attracting external capital and therefore does not believe using financial instruments to hedge interest-rate risks is necessary. 		
Foreign currency		<ul style="list-style-type: none"> As most of TBI's revenue is generated in the Netherlands, measures to mitigate foreign currency risks are hardly necessary. 		

Risk category: compliance and integrity

Risk area	Risk appetite	Important management measures	Likelihood	Impact
Legislation and regulations		<ul style="list-style-type: none"> TBI companies observe legal provisions and industry codes of conduct such as the SBIB code, the NEPROM code and the Bouwend Nederland code. Supervision by internal and external experts. TBI's own activities are, in the main, limited to the Dutch Legislative Areas. Contract parties and cooperations are, in principle, limited to parties within the country borders. 		
Tax risks		<ul style="list-style-type: none"> TBI and the Dutch tax authorities have concluded a voluntary Horizontal Supervision Covenant. TBI's tax department strives for permanent up-to-date insight into relevant events and fast determination of positions and monitors and advises regarding follow-up and amendments. 		
Reputation		<ul style="list-style-type: none"> TBI has an up-to-date Code of Conduct that is applicable for all employees. Each year the members of the TBI companies' Management Boards sign an In Control-declaration and submit it to TBI. This declaration states that the companies have worked within the legal framework and in accordance with TBI's central guidelines. A Whistle-blower's scheme. Appointment of a Compliance Officer. Abroad: TBI only accepts business partners who are bound by the same jurisdiction as the TBI company. 		

Risk category: pandemics/Covid-19

Risk area	Risk appetite	Important management measures	Likelihood	Impact
Health of own and hired-in employees		<ul style="list-style-type: none"> In the case of a pandemic, or epidemic and possible infections, the entire concern is affected and by extension suppliers, clients and other relations. The close monitoring of health risks and follow-up through guidelines (from institutes) for safe working conditions for employees and other relations must mitigate this risk. 		
Operational		<ul style="list-style-type: none"> Continuous compliance with the Covid-19 guidelines in order to keep the construction sites and working areas open. Close contact with branch associations, such as Bouwend Nederland. Application of Good Practice and Lessons Learned. 		
Financial consequences		<ul style="list-style-type: none"> Carrying out scenario-analyses. For the time being management measures are focused on the long-term consequences. 		

Risk category: ICT/cyber-security

Risk area	Risk appetite	Important management measures	Likelihood	Impact
Operational ICT-systems and data integrity		<ul style="list-style-type: none"> • System components and the control system are routinely up-dated. • Data and systems are backed-up to ensure the continuity of critical functions. • Training and communication regarding user risks to increase risk awareness. • Standardisation of applications. 		
Cyber-security		<ul style="list-style-type: none"> • Security and cyber-chain resilience are components of TBI's total risk frameworks. • Set-up of internal, inter-discipline steering group comprising senior management and staff from several business units to jointly develop a strategy and framework for cyber-resilience. • Designation of responsibility for the implementation of cyber-resilience. • Cyber security is a standard component of strategy and security consultation. • Training employees to increase awareness of cyber-security. 		
Continuity		<ul style="list-style-type: none"> • A Business Continuity Plan and Disaster Recovery procedures have been drawn-up. 		

Rick Pattipeilohy

Aged 61

Project Director COMOL5 (international consortium that includes Mobilis and Croonwolter&dros)

Has worked for TBI since 1988

“How do I see the project environment? Who are the stakeholders? What are the risks and opportunities? precisely what does the client want? Good project management is becoming more and more complex and comprehensive, certainly in the infrastructure sector.

The RijnlandRoute is a very clear example of this. You have to have a very clear understanding of the scope of the work.

For me the ‘why’ behind the project is the crucial issue when it comes to looking for solutions. This requires a broad knowledge and a lot of knowledge transfer. Not only within the team, but also within the consortium and TBI. When realising a project not allowing there to be a wide gap between the people in the office and the people on site is essential. Especially with a very diverse group of (foreign) employees.

Luckily you don't have to have all the knowledge in-house. You can also hire it in via partners. That does often mean that a lot of different parties are involved. Everyone has their role. So then it's all about the sum of the whole and cooperation. Knowledge development is very important. Employees must, based on their role and expertise, have a good

understanding of why the project is being developed and be able to act accordingly.

In my view good project management is also essential for managing (financial) risks. Things you can do better are important in our transfer of knowledge. In a rapidly changing world you must always want to learn new things (from each other). That process can sometimes intimidate employees, but for me that's what makes it a challenge.

I see that all the people at TBI are committed to realising projects that are useful for society. The fact that TBI is a socially-committed employer on several fronts also has something to do with that. There are many opportunities for personal development. Certainly for young people. But attention is also paid to the ‘older brigade’. Just focusing on making lots of money is not the top priority for TBI. The fact that the shareholder is a Foundation says it all”.

“Good project management demands a lot of knowledge transfer.”



Corporate Governance

Responsible entrepreneurship, integrity, transparent reporting, accountability and supervision are the key guiding principles for our Corporate Governance policy. Good Corporate Governance is essential if we are to achieve our goals efficiently and effectively.

It helps us manage risks and take into account the interests of all our stakeholders, such as our shareholder, our employees and our clients as well as our social accountability.

TBI is a private limited company with a two-tier structure regime and with Stichting TBI as its sole shareholder.

Compliance with the Dutch Corporate Governance Code

The Executive Board and Supervisory Board of TBI apply the principles and best practices of the currently valid Dutch Corporate Governance Code (hereafter: the Code).

The provisions of the Code applied by TBI have been incorporated in TBI's Articles of Association, the Regulations of the Executive Board, the Regulations of the Supervisory Board and the profile sketch of the Supervisory Board, taking into account the ownership structure of TBI.

The principles and best practice provisions of the Code with regard to risk management, remuneration and the prevention of conflicts of interest have been implemented in the Executive Board's regulations with the exception of the provision related to the way the implementation of the remuneration policy is reported.

The embedding and maintenance of the standards and values of the Group and its affiliated companies, especially the supervision of the procedure for reporting (suspected) abuse and/or irregularities, is laid-down in the Supervisory Board regulations. The criteria in respect of the composition of the Supervisory Board are stated explicitly in the Supervisory Board profile sketch.

Organisation of the company

Executive Board and company Management Boards

The Executive Board is responsible for managing the company. The Executive Board develops and lays-down the corporate mission and vision and the resulting strategy and goals. The TBI companies' Management Boards are responsible for formulating and implementing the strategies of their companies. The Management Boards are also responsible for the day-to-day management and decision-making of the TBI companies. A characteristic of TBI's structure is the direct contact between the Executive Board and the Management Boards of the TBI companies. The same applies for the holding company office with a relatively small professional corporate staff that supports the TBI companies.

The tasks and working method of the Executive Board are laid-down in the TBI Executive Board Regulations. The Executive Board is responsible for the policy that is implemented with the aim of achieving the Company's strategy and goals. The Executive Board is, therefore, responsible for the Company's continuity and the resulting development of its financial and non-financial results, taking into account the social aspects of the implemented policy. In addition, the Executive Board is responsible for compliance with all relevant legislation and regulations, for managing the risks arising from its business operations and for financing the Company.



During the night of Sunday 9 May/Monday 10 May 2021 the temporary Suurhoffbrug was driven through Rotterdam to reach its destination in Oostvoorne. Construction consortium STIPT, which comprises Mobilis, Besix, Dura Vermeer and Hollandia Infra, is responsible for the renovation and new construction related to the temporary Suurhoffbrug for client Rijkswaterstaat.

The Executive Board regulations also explicitly stipulate the Executive Board's duty of care for ensuring TBI's proper fulfilment of responsible corporate citizenship.

The Executive Board exercises its management authority as a Board with shared responsibility: the members take decisions jointly on all matters of material importance to the Company. Each member is individually responsible for the proper performance of the tasks allotted to him or her. These tasks are allocated after consultation between the Executive Board members. The allocation of tasks and every change to the allocation are approved by the Supervisory Board in advance.

TBI strives for a composition of the Executive Board, Management Boards and Management that is sufficiently diverse in terms of aspects such as gender, knowledge, experience, skills and personality. We recognise the emancipatory and socioeconomic reasons for and benefits of more diversity. This is why our efforts include striving to improve the representation of women at every level of our organisation. This will strengthen our organisation. The current percentage of women in managerial positions is around 11 %.

In 2021 we implemented various initiatives to make TBI a more attractive employer for a more diverse target group.

Requirements that have become apparent are a mentor network and more attention for the career development of employees in the "rush hour of their life". We also began a series of interviews to make the women in TBI more visible. Their stories can inspire others.

This is why we are also paying special attention to female potential in our recruitment and selection procedures. This is leading to an increase in the number of female employees in TBI and the number of women in managerial positions.

Group Board

The Group Board comprises the Executive Board, representatives of the Engineering, Construction (non-residential and residential), Development and Infrastructure segments and the head of Legal Affairs. The Group Board discusses cross-company themes, such as strategy, safety, sustainability, integrity and innovation in depth. The members of the Group Board share their knowledge and discuss aspects of the multidisciplinary cooperation between the segments as well as the opportunities and risks of business development.

Supervisory Board

The Supervisory Board oversees the general operating performance of the Group and its affiliated companies, supervises the performance of the Executive Board and its policies and supports the Executive Board with advice. To enable it to perform these tasks in a proper manner the Supervisory Board receives all the necessary information from the Executive Board in good time.

The Supervisory Board has five members. The Board's composition, tasks and working method are laid down in the Supervisory Board Regulations. The Supervisory Board members do not receive any bonuses, pensions or other forms of remuneration linked to the Company's financial performance.

Supervisory Board committees

To prepare its decision-making the Supervisory Board has formed three Committees from among its own members:

- the Strategic Committee, tasked with the Company's structure and strategy;
- the Nomination & Remuneration Committee, tasked with the remuneration and nomination policies;
- the Audit Committee, which focuses on the provision of financial information, the audit process and audit plan and the internal risk management and control systems.

The report of the work of these Committees is incorporated in the report of the Supervisory Board.

Remuneration

The Supervisory Board sets the remuneration of the Executive Board members based on the advice and recommendations of the Nomination & Remuneration Committee.

The remuneration of the members of the Executive Board comprises a fixed payment and a variable payment. The amount of the variable payment depends on the degree to which the financial and non-financial targets have been achieved.

The remuneration of the members of the Executive Board is benchmarked against the remuneration of the Executive Board members of other Dutch (AMX listed) concerns, taking into account the complexity of the concern. The remuneration of the Chairman and the other members of the Executive Board reflects their specific responsibilities. The Nomination & Remuneration Committee regularly assesses the remuneration level. When required a (an external) remuneration expert is consulted for advice regarding the weighting of the relevant criteria.

Financial reporting

Audit of the financial statements by the external Auditor

The shareholder appoints the external Auditor and awards the contract to audit the financial statements prepared by the Executive Board. In 2019 the shareholder approved the advice of the Supervisory Board to appoint Deloitte as the new Auditor for a period of four years.

The Supervisory Board, the Executive Board and the Auditor have taken measures to ensure the objectivity and independence of the external Auditor. In accordance with these measures the Auditor carries out mainly audit-related tasks and provides only limited (tax) consultancy services. This situation is assessed regularly by the Supervisory Board and, in particular, the Audit Committee.

The Auditor reports to the Executive Board and the Supervisory Board regarding the measures that have been taken to satisfy the professional and legal requirements regarding the Auditor's independence from TBI.

Our financial reporting is based on the principles of the applicable provisions contained in Part 9 Book 2 of the Dutch Civil Code. The interpretation of legal provisions is assessed against the applicable guidelines for annual reporting. Before the financial statements are published they are discussed in the Audit Committee in the presence of the external Auditor. They are then discussed by the full Supervisory Board. The TBI companies must prepare their financial and non-financial reports in accordance with the internal reporting guidelines laid-down in the TBI Reporting Manual and elsewhere.

Regulations and the TBI Code of Conduct

TBI has introduced several Regulations that provide the framework for the functioning of the various bodies within the Concern and the relationships between them. Further information regarding the various management bodies can be found at www.tbi.nl.

The TBI Code of Conduct contains rules of behaviour that are applicable for all employees of all the TBI companies (including Board members) as well as for all other workers brought in by the TBI companies

The TBI Code of Conduct is an essential link in the achievement of our mission. All employees must act in accordance with the Code, respect the TBI core values of corporate social responsibility, integrity, acting with care and accepting responsibility, and their conduct must reflect both the letter and the

spirit of the conduct rules contained in the TBI Code of Conduct.

Compliance with the TBI Code of Conduct and ensuring this compliance is essential for doing business with integrity and enables TBI to fulfil its ambition of being an attractive employer and the best partner for its clients. Monitoring compliance is primarily the task of the Supervisors of the TBI companies, but the final responsibility for monitoring proper compliance with the TBI Code of Conduct rests with the Management Boards of the TBI companies.

The combined reports of the Supervisors indicate that in 2021 23 requests for clarification, 221 requests for consent and 35 reports of suspected violations of the TBI Code of Conduct were received. Throughout the entire Company 27 violations of the TBI Code of Conduct were identified. For the sake of completeness it is stated that the 2021 Annual Report is the first in which the figures for suspected and identified violation of the TBI Code of Conduct include serious data leaks (7).

Rotterdam, 17 March 2022

A.J.H. van Breukelen, Chairman
E.A.A. Roozen

Composition of the Executive Board

As at 17 March 2022



Emiel Roozen (left) and Bart van Breukelen.

Executive Board

Bart van Breukelen (1960) , Chairman

Nationality Dutch

First appointed May 2019 (member of the Executive Board since January 2018)

Position Chairman of the Executive Board | Director TBI Bouw B.V. | Director TBI Techniek B.V.

Emiel Roozen (1968)

Nationality Dutch

First appointed May 2016

Position Member of the Executive Board | Director TBI Bouw B.V. | Director TBI Techniek B.V.

Composition of the Group Board

As at 17 March 2022

Group Board

Henri van Dam (1977)
Director of Synchroon B.V.

Robert-Jan Feijen (1977)
Chairman of the Management Board of TBI Infra B.V.

Piet Jan Heijboer (1963)
Chairman of the Management Board of
Croonwolter&dros B.V.

Harald van Keulen (1959)
Director of TBI Bouw B.V.

Marco Peppel (1974)
Chairman of the Management Board of J.P.
van Eesteren B.V.

Michiel Tromm (1963)
Head of Legal Affairs of TBI Holdings B.V.



From left to right: Henri van Dam, Bart van Breukelen, Piet Jan Heijboer, Marco Peppel, Harald van Keulen, Robert-Jan Feijen, Emiel Roozen and Michiel Tromm

Composition of the Supervisory Board

As at 17 March 2022

A.L.M. (Ton) Nelissen (1948), Chairman
Nationality Dutch
First appointed September 2012, term ends in 2024 (not eligible for reappointment)
Member of the Audit Committee
Member of the Nomination & Remuneration Committee
Former position Executive Board member, Dura Vermeer Groep N.V.
Other Supervisory Board memberships Timber and Building Supplies Holland N.V. (Chairman). – Van Nieuwpoort Groep N.V.
Principle other functions Board member Nederlands Blazers Ensemble – Vice-chairman Prins Bernhard Cultuurfonds Noord-Brabant

E.H.M. (Edo) van den Assem (1949), Vice-chairman
Nationality Dutch
First appointed July 2012, term ends in 2022 (not eligible for reappointment)
Chairman of the Strategic Committee
Former positions Executive Board Chairman TBI Holdings B.V. – Executive Board Chairman Cofely Nederland B.V. – Executive Board member Hagemeyer N.V. – Executive Board member DAF Trucks N.V. – Various functions at ITT – Alcatel Nederland B.V. – Fokker Aircraft B.V.
Other Supervisory Board memberships EVCF (Eindhoven Venture Capital Fund) (Chairman) – Esro Seafood B.V. (Chairman)
Principle other function Advisor to young start-up companies

H. (Hilde) Garssen (1973)
Nationality Dutch
First appointed September 2021, term ends in 2025 (eligible for reappointment)
Chairman of the Nomination & Remuneration Committee
Current position Member of the Executive Board of KPN, Chief People Officer
Principle other functions member of the Executive and Management Boards of VNO NCW, Member of the Executive Board of KPN Mooiste Contact Fonds, Member of the Supervisory Board of KWF Kankerbestrijding

H. (Huib) Morelisse MBA (1964)
Nationality Dutch
First appointed April 2018, term ends in 2022 (eligible for reappointment)
Member of the Strategic Committee
Current position Co-founder of Breathe
Former positions
Executive Board Chairman of Lagerwey – Executive Board Chairman of Nuon
Other Supervisory Board memberships BUVA

M. (Marcel) Niggebrugge (1950)
Nationality Dutch
First appointed April 2015, term ends in 2023 (eligible for reappointment)
Chairman of the Audit Committee
Former positions Member of the Executive Board of Urenco Ltd. – Member of the Executive Board of N.V. Nederlandse Spoorwegen



From left to right: Hilde Garssen, Ton Nelissen, Marcel Niggebrugge, Edo van den Assem and Huib Morelisse.



Report of the Supervisory Board

In Den Haag the highest points of the Grotius tower blocks (2 residential towers developed by Provast built by J.P. van Eesteren and BESIX) have been reached.

Report of the Supervisory Board

In 2021 TBI's operating results once again improved substantially despite the continuing Covid-19 crisis. The results of our engineering companies improved significantly and the results of the residential and non-residential construction activities remained at a very high level. Thanks to an increase in the number of homes sold the project development activities achieved an excellent result. The Infra segment closed the year with a slight loss due to the complex situations related to several infrastructure projects. TBI started 2022 with a well-filled order book for all segments.

The Supervisory Board oversees the Executive Board's management and strategy and TBI's overall business performance and supports the Executive Board with advice. The Supervisory Board, in close consultation with the Executive Board, also focuses on the larger or more complex projects and tenders of the TBI companies. The engineering, construction, development and infrastructure sector is undergoing major changes. The Supervisory Board ensures it is kept informed about important themes, such as the impact of Covid-19 and the related measures that have been implemented, as well as the energy transition and circular construction, the balance of risks between public clients and contractors, the scarcity on the labour market and the nitrogen problem. In respect of such issues the Supervisory Board focuses not only on the short-term consequences but also on their possible effects on TBI's long-term value creation.

Activities in 2021

In 2021 the Supervisory Board held five scheduled meetings with the Executive Board. Ahead of all of these meetings the Supervisory Board met in the absence of the Executive Board to discuss several matters, including the performance of the Executive Board as a whole and of its members individually. The performance of the Supervisory Board and its individual members was also discussed. Once again during the year under review the so-called 'shared interest consultation' took place between the Executive Board, the Supervisory Board and the Board of Stichting TBI – TBI's sole shareholder – during which the policies of TBI and Stichting TBI were discussed.

Important themes during the meetings in 2021 were:

- the handling and approval of the 2021-2023 Operating Plan;
- the development of the result, working capital and order book;
- the progress of a number of large projects;
- the acquisition of the activities of Struijk Sloop- en Grondwerken and Struijk Milieu;
- the acquisition of FAME Groep B.V.

Other topics discussed included:

- the recalibrated strategy;
- the safe working environment and raising the safety culture on the construction sites;
- the progress of the management development programme and
- the merger and acquisition strategy.

In June 2021 the Supervisory Board paid a working visit to the Grotius construction project in Den Haag. During this visit the Project Manager organised a comprehensive project presentation and site tour. Unfortunately, due to the consequences of the corona pandemic it was not possible to organise any other project visits. In part in the context of permanent education the Supervisory Board, along with the Executive Board and TBI ICT specialists, attended a Microsoft training session during which the developments in the ICT landscape, digitisation, ICT security, BIM in practice and smart & connected services were discussed.

The Chairman of the Supervisory Board also held regular discussions with the Chairman of the Executive Board about both strategic and operational matters. The Chairman of the Audit Committee held regular talks with the member of the Executive Board responsible for finance and ICT.

Covid-19

The impact of the Covid-19 outbreak continued to present our sector and society with unprecedented challenges. TBI has implemented measures aimed at protecting the health and safety of employees, subcontractors and clients. The financial stress-test scenarios drawn-up at the onset of the Covid-19 outbreak proved to be robust and, as had also been the case in 2020, did not give any reason to utilise TBI's Revolving Credit Facility (RCF). The Supervisory Board received regular reports from the Executive Board regarding the Covid-19 impact. Once again TBI did not make use of the Dutch government's Covid-19 support measures. However, TBI did experience insecurities in some sections of the supply chain and had to cope with employee absenteeism and project inefficiencies. TBI's IT systems facilitated working from home very well.

“Once again in 2021 TBI did not make use of the Dutch government's Covid-19 support measures.”

Safety

Safety is high on the Supervisory Board's agenda and was discussed during every scheduled meeting. During the meeting in June the Board members were informed regarding progress in the field of safety through a presentation from TBI's Safety Manager. TBI endorses the Safety in the Construction Sector Governance Code and at the beginning of 2022 began implementing the Safety in Procurement (VIA) standard.

Strategy

The 2021 – 2023 Operating Plan was approved during the meeting in January 2021. During the course of 2021 the Executive Board, in consultation with the Supervisory Board, sharpened the strategy further by focusing on three pillars:

- Sustainable solutions;
- People & Teams;
- Market leadership.

Important underlying themes are:

- The energy and circularity transition;
- Craftsmanship and talent in combination with leadership and diversity;
- Manufacturing technology and digitisation.

Results

The Company's financial performance and outlook were discussed at length with the Executive Board during the Supervisory Board's meetings in March, June, September and December 2021.

Prior to these meetings the financial reports were considered during the meetings of the Audit Committee. Permanent agenda items were the development of the results of the larger projects, working capital management, the level of the indirect costs and the liquidity position, result and solvency development.

Other topics

The 2020 Compliance Report was discussed during the meeting in March 2021. Various sustainability themes were also discussed during the scheduled meetings. The internal audit function is carried out by BDO. In 2021 internal audits were completed at ERA Contour and J.P. van Eesteren and the process of contract formation with clients was inventoried Group-wide. The internal audit plan for 2022 was approved during the Audit Committee's November meeting. The March 2021 meeting discussed the draft 2020 Annual Report, including the 2020 financial statements and the Executive Board's internal report for the year. The Auditor's report for 2020 was also considered. Before being presented to the Supervisory Board these documents had been discussed in detail by the Auditor and the Audit Committee. On the basis of the Supervisory Board's findings it was decided to adopt the 2020 Annual Report including the financial statements for 2020 and submit them to the Annual General Meeting for approval. The 2020 Annual Report and financial statements were approved by the Annual General Meeting on 15 April 2021. Accordingly, the members of the Executive Board were discharged from liability

for the policy followed during 2020 and the members of the Supervisory Board were discharged from liability for their supervision of the Executive Board during 2020.

Composition and meetings of the Supervisory Board's Committees

In 2021 the Supervisory Board had three committees:

- the Strategic Committee;
- the Nomination & Remuneration Committee and
- the Audit Committee.

Strategic Committee

The Strategic Committee met with the Executive Board four times in 2021 to discuss progress with the Strategic Agenda. The TBI companies operate decentrally, close to the client, in their market sector, but a number of themes require an increasingly cross-company approach. This includes social themes such as climate change, the housing shortage, the labour shortage, urbanisation and mobility. These themes were scrutinised with regard to TBI's positioning and competitive advantage, which led to a recalibrated strategic framework with the three pillars listed above. In 2022 the ambitions and KPIs related to these strategic pillars will be formulated.

The Strategic Committee is also closely involved in the reflections on the market explorations and the possibilities with regard to acquisitions, partnerships and divestments. The acquisition of Struijk Sloop- en Grondwerken and Struijk Milieu by TBI Infra and the acquisition of FAME Groep B.V. by HEVO were

discussed with the Strategic Committee before being put before the Supervisory Board.

In 2021 the members of the Strategic Committee were:

- E.H.M. van den Assem, Chairman
- H. Morelisse MBA

Nomination & Remuneration Committee

The Nomination & Remuneration Committee's tasks include submitting proposals to the Supervisory Board regarding the nomination of members of the Supervisory Board and the Executive Board.

The Committee also advises on the remuneration of the Executive Board members and assesses the performance of the members of the Executive Board at least once a year. In that context, each year the Committee conducts at least one individual functioning discussion with each member of the Executive Board.

In 2021 the Nomination & Remuneration Committee determined the remuneration of the members of the Executive Board for a period of three years. This comprises a fixed component and a variable component. The amount of the variable component depends on the achievement of financial, non-financial and personal targets.

The members of the Nomination & Remuneration Committee in 2021 were:

- H. Garssen, Chairman (from 1 September 2021)
- D.J.B. de Wolff, Chairman (until 1 July 2021)
- A.L.M. Nelissen

Mrs De Wolff served as a member of the Supervisory Board for two terms. At that time she stated she would be unavailable for further reappointment and, therefore, she resigned as a Supervisory Board member on 1 July 2021. During an Extraordinary General Meeting she was discharged from liability for her supervision of the Executive Board's management during 2021. During the Extraordinary General Meeting Mrs H. Garssen was appointed a member of the Supervisory Board for a period of four years commencing on 1 September 2021.

Audit Committee

The Audit Committee has its own regulations and meets at least four times a year. The meetings are attended by the members of the Executive Board and are usually held in the presence of the external Auditor.

The Audit Committee assesses the internal control structure and the rules and guidelines in respect of financial reporting and disclosure. The Audit Committee also advises the Supervisory Board on all matters related to the Auditor's appointment or dismissal and assesses the content and scope of the audit assignment. The Chairman of the Audit Committee reports the Committee's findings to the Supervisory Board during the Board's meetings. The Audit Committee met four times in 2021. Three of the meetings were attended by the external Auditor. The topics discussed were,

- The quarterly reports;
- The 2020 financial statements;
- The Auditor's report;
- The external Auditor's audit plan and

- The external Auditor's management letter in respect of 2021.

The Audit Committee received an explanation of TBI's fiscal position and the, effective as of 1 January 2022, changes in the Guidelines for Annual Reporting in the field of 'Work in progress and 'Determination of net income'. In addition, the Committee discussed the developments of the central ICT organisation. Furthermore, the Audit Committee took note of two post-acquisition evaluations.

During the year under review the Audit Committee met with the external Auditor in the absence of the Executive Board. The internal audit function is performed by BDO. The Audit Committee took note of the three audits completed during 2021 and discussed the internal audit plan for 2022 with BDO. The Audit Committee assessed the audit tasks carried out by Deloitte Accountants B.V. in respect of the 2020 financial statements. The Committee also considered the effect of Covid-19 on the planning and execution of both the internal and external audit tasks.

In 2021 the members of the Audit Committee were:

- M. Niggebrugge, Chairman
- A.L.M. Nelissen

Central Works Council

In 2021 there were four consultative meetings between the Central Works Council and the Executive Board. All of these meetings were attended by a (representative) member of the Supervisory Board. Two of the four meetings were held 'online'.

2021 Annual Report and proposed appropriation of the result

In accordance with Article 21 of TBI Holding's Articles of Association, the financial statements, the report of the Executive Board and the report of the Supervisory Board are submitted to the Annual General Meeting. The Annual Report, including the report of the Executive Board and the 2021 financial statements, was prepared by the Executive Board. The financial statements are accompanied by an unqualified Auditor's report from Deloitte Accountants B.V. The Auditor's report is included on pages 135 to 137 of this Annual Report.

We advise the Annual General Meeting to:

- Adopt the 2021 financial statements, including the proposed appropriation of profit;
- Discharge the members of the Executive Board for their management during the 2021 financial year;
- Discharge the members of the Supervisory Board for their supervision of the Executive Board's management during 2021.

The Audit Committee has discussed the 2021 Annual Report and financial statements in detail with the external Auditor in the presence of the Executive Board. The documents were also discussed during a meeting between the full Supervisory Board and the Executive Board that was attended by the external Auditor. The quality of the internal risk management and control systems was also discussed. In 2021 TBI achieved a net result of € 49.8 million. The Executive Board proposes that a cash dividend of € 12.9 million be paid out to the shareholder. The Supervisory Board has approved the Executive Board's proposal for the appropriation of the result.

Composition and functioning of the Executive Board

In 2021 the members of the Executive Board were:

- A.J.H. van Breukelen, Chairman
- E.A.A. Roozen RA

In the 2021 financial year the Supervisory Board evaluated the functioning of the Executive Board and the individual Board members. In the Supervisory Board's opinion the Executive Board has the required competences and works well as a team. This is apparent from the way the Executive Board carries out the strategy, achieves the operating targets and reinforces the cohesion and culture within TBI with long-term value-creation in mind.

Composition and independence of the Supervisory Board

In 2021 the members of the Supervisory Board were:

- A.L.M. Nelissen, Chairman
- E.H.M. van den Assem, Vice-chairman
- H. Garssen (from 1 September 2021)
- H. Morelisse MBA
- M. Niggebrugge
- D.J.B. de Wolff (until 1 July 2021)

Mrs Wolff served two terms as a member of the Supervisory Board. The Supervisory Board thanks Mrs de Wolff for her cooperation and valuable contribution towards TBI during the past eight years.

The composition of the Supervisory Board is such that the Board's independence is guaranteed as understood to be stipulated in Provision 2.1.7. of the Corporate Governance Code ('the Code'). In 2021 all the Supervisory Board members were also independent within the meaning of Provisions 2.1.8 and 2.1.9 of the Code.

The composition of the Supervisory Board in 2021 was also such that the expertise, variety of backgrounds and managerial competencies required to carry out its tasks in a proper manner were present within the Board. The self-evaluation as specified in Provision 2.2.6 of the Code was carried out in December 2021.

Corporate Governance

The Code is not compulsory for unlisted companies. The Corporate Governance section of this Annual Report sets out the Company's Corporate Governance structure and explains its approach to the principles and best practice provisions contained in the Code. The provisions are particularly relevant to the performance of the Audit Committee, financial reporting and disclosure and independence of the Auditor. TBI's Articles of Association comply with the legislative framework for two-tier companies.

In conclusion

Despite the continuing Covid-19 crisis, in 2021 TBI achieved excellent results. The TBI companies are well positioned in the markets relevant for them. The size and quality of the order book give us every confidence that the Company has a solid basis and is on the right course to overcome future challenges. One of these challenges is the impact of Covid-19, but the continued lack of a structural solution for the nitrogen problem also shows that vigilance remains necessary. In many fields the engineering, construction, development and infrastructure sector is also dependent on the political decision making of the national and local authorities.

Our congratulations to TBI Holdings B.V. - in 2022 it will be 40 years since it was founded - and our thanks to the Executive Board, the managements of the TBI companies and all employees for their dedication and the results they achieved in 2021. TBI has strong foundations for 2022 and the following years.

Rotterdam, 17 March 2022

Supervisory Board

A.L.M. Nelissen, Chairman
E.H.M. van den Assem, Vice-chairman
H. Garssen
H. Morelisse MBA
M. Niggebrugge

Yvette Wilson

Aged 46

Work Planner

Has worked for Croonwolter&dros since 2015

“As I see it, within Croonwolter&dros we have an open culture. As a result we learn to think about different needs. That’s important, because the rapidly changing technical working terrain means we are constantly facing new challenges. This gives me the opportunity to develop myself and broaden my knowledge, which keeps my work interesting and stops me getting stuck in a rut. That’s valuable for the Company and for me. And I keep up with global developments.

We promote innovations through open communication. That is also the result of diversity in the workplace. The diversity within our teams plays a stimulating role. Everyone is open to other peoples’ ideas. That’s how you learn how to interact with other characters and people, and you expand your knowledge and skills. That’s also interesting and important for the

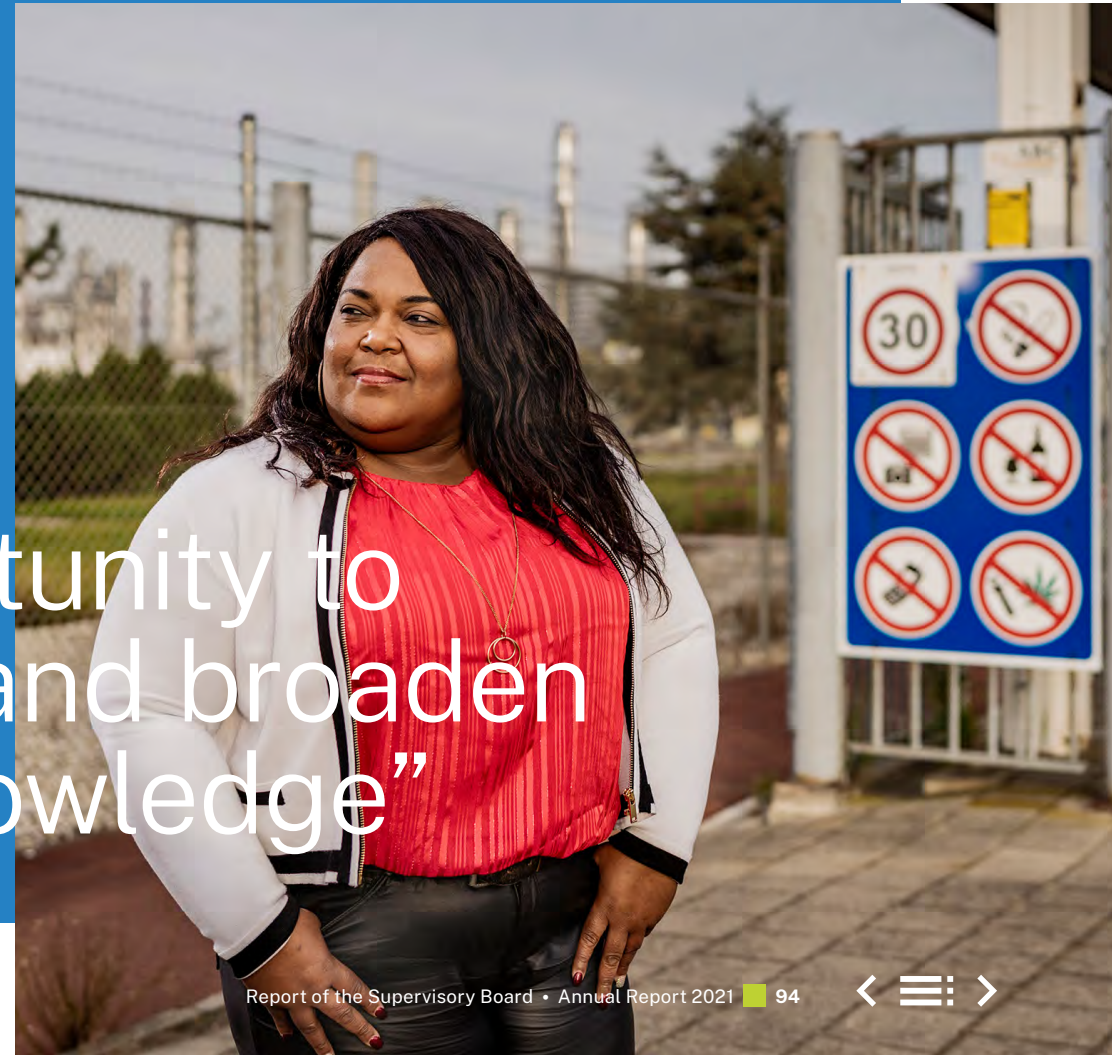
client. We need each other - and diversity. Being flexible is how we arrive at solutions with which we can achieve a common goal.

Engineering is traditionally a man’s world, so for me, as a woman, it’s an interesting environment in which to work. Men and women communicate differently. I’m often the ‘translator’ in the middle. This is due to the position I hold and the way men behave towards women: An area in which there is still plenty of room for improvement. More training in the field of what is acceptable and the prevention of unacceptable behaviour is sometimes needed. Because the line between decent and hurtful jokes is not yet clear to everyone.

There is a substantial shortage of skilled people in the electrical engineering sector. We really need them. So, starters must be prepared to let themselves develop into skilled employees. That doesn’t happen overnight. I’m very happy with the opportunities I have here.

If I want to discuss something, or see development opportunities, my Manager and the HR Manager are very approachable. You have to be prepared to talk about a problem and not bottle it up. I can also always indicate that maybe I would like to move to, or grow towards moving to, another project or department. My ambitions are listened to”.

“I have the opportunity to develop myself and broaden my technical knowledge”



Financial statements 2021

Consolidated balance sheet as at 31 December 2021

(before profit appropriation, in thousands of Euros)

		31 December 2021	31 December 2020
Non-current assets			
Intangible non-current assets	1	32,006	26,334
Tangible non-current assets	2	104,303	90,690
Financial non-current assets	3	10,071	9,890
		146,380	126,914
Current assets			
Inventories	4	235,856	231,042
Work in progress for third parties	5	–	–
Receivables	6	285,868	250,673
Cash and cash equivalents	7	428,103	320,254
		949,827	801,969
Total assets		1,096,207	928,883
Group equity			
Shareholder's equity	8	344,132	303,656
Non-controlling interest		–621	–
		343,511	303,656
Provisions	9	14,061	10,814
Non-current liabilities	10	90,209	75,918
Current liabilities and accrued liabilities	11	648,426	538,495
Total liabilities		1,096,207	928,883

Consolidated profit and loss account for 2021

(in thousands of Euros)

		2021	2020
Net revenue	12	2,086,815	1,460,981
Change in inventories of completed products and work in progress		104,996	551,752
Total operating revenue		2,191,811	2,012,733
Operating costs			
Cost of raw materials and consumables		-657,142	-588,683
Cost of contracted-out work and other external costs		-854,726	-796,907
Wages and salaries	13	-389,161	-361,549
Social security charges		-54,215	-53,830
Pension obligations	14	-42,171	-40,230
Amortisation and depreciation of intangible and tangible non-current assets	15	-20,630	-19,978
Impairment of current assets	4	-	-525
Other operating costs	16	-101,240	-102,999
Total operating costs		-2,119,285	-1,964,699
Operating result		72,526	48,034
Interest and similar income		313	276
Interest and similar costs		-4,483	-4,492
Result before taxation		68,356	43,817
Taxation on result	17	-18,689	-11,789
Result from participations	18	-144	62
Result from normal business operations after taxation		49,523	32,091
Non-controlling interest		284	-
Net result		49,807	32,091

Consolidated statement of total result

(in thousands of Euros)

	2021	2020
Consolidated net result after taxation	49,807	32,091
Translation differences on foreign participations	266	-543
Total Group result	50,073	31,548

Consolidated statement of cash flows in 2021

(in thousands of Euros)

		2021	2020
Operating result		72,526	48,034
Adjustment for:			
• amortisation and depreciation	15	20,630	19,978
• impairment of current assets	4	–	525
• changes to provisions	9	3,453	271
Movements in working capital (excluding cash and cash equivalents and credit institutions):			
• inventories	4	–4,824	–34,368
• work in progress	5	80,836	–2,126
• receivables	6	–33,976	21,446
• other liabilities	11	24,859	7,030
		66,895	–8,018
Cash flow from operating activities		163,504	60,790
Interest received		344	373
Interest paid		–4,331	–4,611
Dividend received	3	32	124
Income tax paid	17	–19,960	–8,862
		–23,915	–12,976
Cash flow from operating activities		139,589	47,814
Investments in intangible non-current assets	1	–4,947	–3,231
Investments in tangible non-current assets	2	–30,304	–18,932
Investments in financial non-current assets	3	–7,847	–1,811
Divestment of intangible non-current assets	1	7	22
Divestment of tangible non-current assets	2	3,234	1,689
Divestment of financial non-current assets	3	213	–
Cash flow from investment activities		–39,644	–22,262

Consolidated statement of cash flows in 2021 (continued)

(in thousands of Euros)

		2021	2020
Proceeds from non-current liabilities	10	35,057	8,658
Repayment to credit institutions		-17,424	-8,544
Dividend paid		-9,600	-7,500
Cash flow from financing activities		8,033	-7,386
Net cash flow for the financial year		107,977	18,166
Foreign exchange rate translation differences on cash and cash equivalents		-129	-327
Increase in cash and cash equivalents		107,849	17,839
Movements in cash and cash equivalents:			
position at start of year		320,254	302,415
Movements		107,849	17,839
Cash and cash equivalents at year end		428,103	320,254

Notes to the consolidated financial statements

General

General

TBI Holdings B.V. is a group of companies active in the Engineering, Construction & Development and Infrastructure sectors. The companies operate both independently and cooperatively, primarily in the Dutch market. TBI Holdings B.V. has its statutory seat in Rotterdam, the Netherlands. Its head office is at Wilhelminaplein 37, Rotterdam.

TBI Holdings B.V. is listed in the commercial register of the Chamber of Commerce under number 24144065. The ultimate shareholder of TBI Holdings B.V. is Stichting TBI, registered in Ammerzoden, the Netherlands.

Impact of Covid-19

Based on the advice and instructions received from the official health authorities, TBI implemented various measures throughout the corona crisis. Taking these measures into account, for the most part our activities continued. This has meant that until now the impact of Covid-19 has been limited. Even so, there has been some effect on our operations which we as TBI must keep a watch on. For example, certain goods have become scarce due to interruptions in production coupled with increased demand. This has resulted in longer delivery times and price increases.

As far as TBI's financial results are concerned, despite the corona crisis the Group can look back on a good year. The outlook based on the order book and market conditions is also good. This is based on the assumption that no new large-scale contact restrictions will be necessary as a consequence of Covid-19.

The impact of the corona virus was considered when drawing up these financial statements. The corona virus has not had a significant impact on the valuation of the estimated items in the financial statements.

Accounting policies

Presentation of the financial statements

The consolidated financial statements of TBI Holdings B.V. have been prepared in accordance with the applicable statutory provisions of Title 9 Book 2 of the Dutch Civil Code and definitive statements of the Guidelines for Financial Statements as published by the Dutch Accounting Standards Board that are applicable for the reporting years commencing on or after 1 January 2021.

The summarised company profit and loss account of TBI Holdings B.V. has been prepared in accordance with Article 402 Title 9 Book 2 of the Dutch Civil Code.

The accounting policies used to prepare the financial statements are the same as for the previous year.

The accounting policies for valuation and determination of result have been applied on the assumption that the company is a going concern.

The consolidated financial statements are presented in Euros, the currency of the economic environment in which TBI Holdings conducts the majority of its business (the functional currency). All the financial information is presented in thousands of Euros, unless stated otherwise. The balance sheet, profit and loss account and statement of cash flows contain references to the explanatory Notes.

Comparable figures

Where necessary the figures for 2020 have been adjusted to enable comparison with 2021.

Management estimates and assumptions

The preparation of the financial statements requires the management to make estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities and of income and expenses. The actual amounts may differ from these estimates. The estimates and underlying assumptions are constantly reviewed. This is particularly relevant in respect of the valuation of work in progress. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods in which the revision has consequences.

The main components of estimation uncertainty are summarised below:

Land positions and suchlike

For a further explanation regarding the main estimation components used in the valuation of Inventories please see Accounting Policies and Note 4: Inventories.

In 2021 TBI analysed its land and property positions in the light of the market conditions and expected developments. These analyses focused on the most risky positions, in particular in respect of land and the associated plan development costs. These analyses were based on a residual land value approach and looked at the effects per position of aspects such as the location, the status of development plans and administrative decision-making, demographic developments and other location-specific aspects, which effects were weighed and where deemed necessary expressed in the valuation of the position.

Work in progress for third parties

Further information about the main principles applied when valuing Work in progress can be found in Accounting policies and Note 5: Work in progress for third parties.

The value of work in progress is assessed regularly on a per project basis by the Project Manager and the Company Management. This assessment is based primarily on the information in the project files, the project accounts and the knowledge and experience of those involved. An inherent feature of this process and the project-based activities is that estimates are made 'up front' and then throughout the project the Company is involved in negotiations and discussions regarding the financial aspects, such as less/more work, claims, arbitration and penalties, the timing of the delivery and the quality of the work. As the project progresses it can happen that the reality differs from the estimates. This is particularly true in the case of multi-year projects involving extensive customised work and if there are on-going claims or additional work discussions that are still being discussed with clients as at the balance sheet date.

TBI's portfolio includes several DB(F)(M) contracts that, by nature of their size, complexity and long duration, have a high-risk profile. When assessing the result of such projects use is made of the most reasonable, currently-available estimates of the realisable project income (including more work) as well as the expected project result from the contractual maintenance phase. In addition, due to their size, complexity and long duration, these projects can have a relatively-high impact on the Company's result. When such projects are completed and finally settled, the project income (including more work), the project costs and therefore the project result may deviate substantially from the estimates as of today.

Consolidation

The consolidated financial statements comprise the financial data of TBI Holdings B.V., plus the Group companies in which TBI Holdings B.V. holds more than 50% of the voting capital, or in which TBI Holdings B.V. by virtue of supplementary regulations has control over the management and financial policy, as well as other legal entities over which TBI Holdings B.V. can exercise majority control or conducts the central management. In general these are participations in which TBI Holdings B.V. holds an interest of more than 50%. The assets, liabilities and results of these companies are included for 100% in the consolidation. Third party interests in the Group equity and the Group result are shown separately.

Participations in consortia – participations in which control is exercised jointly with third parties in accordance with a cooperation agreement – are consolidated on a pro rata basis. The duration and judicial form of the participations are not important. If a construction consortium takes the form of a general partnership, joint and several liability is taken into account if and insofar as this is indicated on the grounds of the financial position of the consortium and/or one or more of the consortium partners.

Reciprocal receivables and liabilities and the results of transactions between Group companies and other legal entities recognised in the consolidation are eliminated to the extent that the results are not due to transactions outside the Group.

In accordance with the stipulations of Articles 379 and 414 of Title 9 Book 2 of the Dutch Civil Code, a list of participations has been filed for inspection at the Commercial Register in Rotterdam.

Acquisitions and divestments of Group companies

The assets, liabilities, results and cash flows of acquired participations are included in the consolidated financial statements from the acquisition date using the purchase accounting method. The acquisition date is the date on which effective control can be exercised over the commercial and financial policies of the participation concerned. Consolidated participations remain in the consolidation until the date on which they are divested. The results of participations divested during the year under review are included up to the date on which control could no longer be exercised over the policies.

On 1 October 2021 TBI Infra B.V. acquired all the Dutch activities of Struijk Sloop- en Grondwerken B.V. located in Apeldoorn. The results are included in the consolidation from this date. The purchase price was paid in cash.

On 3 December 2021 HEVO B.V. acquired all the shares in the capital of FAME Groep B.V., located in Zwolle. The results are included in the consolidation from this date. The purchase price of the shares was paid in cash. Under certain conditions an additional purchase price will be paid, which is included in the balance sheet as of 31 December 2021.

Related parties

Related parties are all the legal entities over which majority control, joint control or significant influence can be exercised. Legal entities that can exercise significant control over the Company are also classified as related parties.

TBI has the following related parties: the shareholder, Group companies, the Executive Board members, key managers, close relatives and Supervisory Board members. Significant transactions with related parties are disclosed to the extent they are not entered into under normal market conditions. The nature, size of the transaction and other information is disclosed if this is necessary to provide insight.

Foreign currencies

Transactions in foreign currencies during the reporting period are recognised in the financial statements at the conversion rate applicable on the transaction date.

Monetary assets and liabilities in foreign currencies are converted into the functional currency at the closing rate on the balance sheet date. Translation differences arising from settlements or conversions are credited or charged to the profit and loss account.

Non-monetary assets valued at historic cost in a foreign currency are converted at the exchange rate valid

Policies for the valuation of assets and liabilities

Valuation

Assets and liabilities are generally valued at the acquisition price, cost price or current value. If no specific valuation policy is stated valuation is at the acquisition price.

Impairment of non-current assets

Whether there are indications that the value of a non-current asset could be impaired is evaluated on every balance sheet date. If there are such indications the recoverable amount of the asset is determined. An asset is impaired if the carrying amount of the asset exceeds its recoverable amount, whereby the recoverable amount is the higher of the asset's net realisable value and its value in use. Whether there are circumstances that could lead to a reversal of a previous impairment is also reviewed on every balance sheet date.

When a financial asset is valued at amortised cost price the size of the impairment is determined as the difference between the asset's carrying value and the best estimate of future cash flows, discounted at the effective interest rate of the financial asset, as calculated on the initial recognition of the instrument.

Intangible non-current assets

Intangible non-current assets include expenditure on internal development projects for the production of new or substantially improved products and processes. This expenditure can be capitalised if the product or process is technically and commercially viable (i.e. if economic benefits will be realised). The capitalised costs are recognised at cost price and are amortised on a straight-line basis over an estimated useful lifetime of 5 years or, if this reflects economic reality better, pro rata to the units produced using the development. A statutory reserve is formed for capitalised development costs.

The costs of intangible non-current assets other than internally generated assets, including software and licences, are valued at the acquisition price and amortised on a straight-line basis over the expected future useful life, with a maximum of 20 years. Impairments foreseen on the balance sheet date are taken into account. For the determination of indications for the impairment of intangible non-current assets see the relevant paragraph.

Goodwill is defined as the positive difference between the acquisition price and the fair value of the acquired (identifiable) assets and liabilities. Goodwill is capitalised and written-off over the asset's expected economic life (usually 10 years). The acquisition

price comprises the purchase price paid for the acquisition plus any costs directly attributable to the acquisition.

Tangible non-current assets

Tangible non-current assets are valued at the acquisition price plus associated costs or production costs or, if lower, the value in use. Tangible non-current assets are depreciated on a straight-line basis over the estimated useful life, if necessary taking into account any residual value.

Impairments foreseen on the balance sheet date are taken into account. See the relevant paragraph for the determination of whether impairment is indicated for a tangible non-current asset.

The costs of major maintenance are capitalised in the year in which the major maintenance is carried out and depreciated pro rata over the remaining life of the asset if it is probable that the future performance units related to the asset will accrue to the legal entity and the costs can be reliably determined.

Financial non-current assets

Participations over which the Company cannot exercise significant influence are valued at the acquisition price.

Participations over which the Company can exercise significant influence over the commercial and financial policies are valued at net asset value in accordance with the accounting policies for the financial statements of TBI Holdings B.V. The initial valuation of an acquired participation is based on the fair value of the identifiable assets and liabilities on the acquisition date. Subsequent valuations are on the basis of the accounting policies applicable for these financial statements based on the initial valuation.

Impairments are taken into account as at the balance sheet date.

If a participation's net asset value is negative the participation is carried at nil. In this situation, if and insofar as the Company totally or partially guarantees the participation's debts, or fully intends enabling the participation to settle its debts, a provision is formed for this purpose.

Deferred tax receivables are recognised for compensatable tax losses and for deductible temporary differences between the value of assets and liabilities for taxation purposes and the value in accordance with the accounting policies applicable in these financial statements, on the understanding that deferred tax receivables are only recognised to the extent that it is probable that there will be a fiscal gain against which the temporary differences can be deducted and losses can be compensated. Deferred

tax receivables are calculated using the tax rates applicable at the end of the reporting year or the tax rates that will be applicable in subsequent years insofar that these rates have already been fixed by law. Deferred tax receivables are carried at nominal value.

Loans granted and other receivables under financial non-current assets are initially recognised at fair value and are subsequently carried at amortised cost price. A discount or premium present when a loan is granted is credited or charged to the result as a component of the effective interest. Transaction costs are also included as a component of the effective interest and charged to the result on initial recognition.

Inventories

Inventories of raw materials and consumables are carried at the lower of historical cost price and recoverable value.

The inventories of semi-finished products and trade goods are carried at the lower of production cost and recoverable value. Production costs include all the costs related to acquisition or production, as well as costs incurred to bring the stocks to their current place and state. Production costs include direct wages and salaries and mark-ups for production-related indirect fixed and variable costs.

The recoverable value is the estimated sales price less directly attributable sales costs. Obsolescence of the stocks is taken into account when determining the recoverable value.

Owned land is carried at acquisition price plus the cost of infrastructural developments and other costs arising from land ownership, less the provisions deemed necessary for development risks as soon as they are foreseeable. No interest is added to owned land or to work in progress for own development except when project financing is involved.

Housing under construction and completed housing is valued at the lower of production cost and recoverable value. Capitalised costs in respect of unsold housing under construction are recognised under the stock of housing under construction. Unsold completed housing is recognised under the stock of completed housing and suchlike. No profit is recognised on unsold housing.

Work in progress for third parties

Work in progress for third parties comprises the balance of realised project costs, attributable profit and, if applicable, recognised losses and already declared instalment payments. Work in progress is presented separately in the balance sheet under current assets. Net negative balances are resented under current liabilities.

Receivables

Receivables are carried at the fair value of the counter performance on initial recognition and subsequently at amortised cost price, taking into account the effective interest rate and less a value correction for doubtful debts, which in general reflects the nominal value.

Cash and cash equivalents

Cash and cash equivalents comprise cash, bank balances and deposits with a term of less than 12 months. Cash and cash equivalents are carried at the nominal value.

Provisions

Provisions are formed for all legally enforceable or actual obligations arising from an event before the balance sheet date for which it is likely that the settlement will entail an outflow of funds that can be reliably estimated.

Provisions are carried at the best estimate of the amounts needed to settle the obligations as at the balance sheet date. Unless stated otherwise provisions are carried at the nominal value of the estimated expenditure required to settle the obligations.

Deferred tax liabilities are recognised for temporary differences between the value of assets and liabilities according to tax rules on the one hand, and the carrying value of these assets in these financial statements on the other hand. Deferred tax liabilities are calculated using the tax rates applicable at the end of the reporting year, or at the tax rates that will be applicable in subsequent years if these have already been fixed by law. Deferred tax liabilities are carried at the nominal value.

The provision for long-service payments comprises the present value of the expected payments made to mark employees' service jubilees. Calculation of this provision takes into account the probability of employees leaving and a discount rate of 3.0% (2020: 3.0%).

The provision for guarantee obligations serves to cover the cost of guaranteeing completed projects. The amount of the provision is based on the specific guarantee problems known as at the balance sheet date.

A reorganisation provision is formed if, as at the balance sheet date, a detailed reorganisation plan has been formulated and before the date the financial statements are prepared the people who will be affected by the reorganisation can justifiably expect that the plan will be implemented. An expectation is justified if implementation of the reorganisation has commenced, or if the main lines of the plan have been announced to the people who will be affected. The reorganisation provision includes the expected

costs related to and necessary for the reorganisation but not related to the Company's on-going activities.

Liabilities

On initial recognition liabilities are carried at fair value. Transaction costs directly attributable to the acquisition of the liabilities are included in the carrying amount on initial recognition. After initial recognition liabilities are carried at amortised cost price, i.e. the amount received after taking premiums and discounts into account and after deduction of transaction costs.

Repayment obligations on non-current liabilities that will fall due within one year are recognised under Current liabilities.

Financial instruments and financial risk management

TBI uses various financial instruments in the course of its normal business activities. These financial instruments are recognised in the balance sheet and include cash and cash equivalents, debtors and other receivables, and interest-bearing loans, creditors and other liabilities.

Derivate financial instruments are carried at fair value on initial recognition in the balance sheet. Subsequent valuation depends on whether or not the underlying securities are listed on the stock exchange. If the underlying security is listed the derivative is carried at fair value. If the underlying security is not listed the derivative is carried at the lower of cost price and market value. TBI does not apply hedge accounting. To the extent that as at the balance sheet date the fair value of the derivative is lower than its cost price, the difference is taken to the profit and loss account.

Financial instruments are assessed as at the balance sheet date to determine whether there are objective indications of impairment of a financial asset or group of financial assets. If there are objective indications of impairment TBI determines the amount of the impairment loss and charges it directly to the profit and loss account.

Financial instruments expose TBI to market and credit risks. In the main these risks are financial risk factors related to foreign currencies, prices, interest rates, cash flow, credit and liquidity. These risks are not unusual and do not differ from what can be deemed normal within the sector. TBI adheres to a strict policy aimed at mitigating and managing these risks as far as possible.

Market risk

Currency risk

Most of the Company's activities are carried out in the Netherlands and/or countries active within the euro zone. The transactions arising from these activities are generally settled in Euros (the functional currency), which limits the currency risk. The translation risk is not hedged.

Price risk

Price risk goes hand-in-hand with the purchase of raw materials and consumables and the sub-contracting of projects and comprises the difference between the market price at the time goods or services were purchased or tendered and the market price at the time the goods or services are actually used. TBI's policy is aimed at agreeing an indexing option with the client when purchasing or tendering for a large project. If this is not possible prices and conditions are fixed with the main suppliers and sub-contractors at an early stage. TBI also strives to manage price risks by making use of framework contracts, quotations from suppliers and reliable sources of information.

Interest rate and cash flow risks

TBI is exposed to interest rate and cash flow risks on interest-bearing receivables (in particular on financial non-current assets, securities and cash and cash equivalents) and interest-bearing non-current and current liabilities (including borrowings from credit institutions). In the case of receivables and liabilities with variable interest rates, the Concern is exposed to risks in respect of future cash flows. When the interest-rates on receivables and liabilities are fixed the risks to which the Company is exposed are changes to the fair value as a result of changes to the market interest rate. Financial derivatives to hedge the interest-rate risk on receivables are deemed unnecessary.

Credit risk

Credit risk is the risk of financial loss if a client fails to make good agreed contractual obligations. Credit risks are related primarily to amounts receivable from clients. TBI implements an active policy to limit the concentration of credit risks whenever possible. To manage this risk use is made of information from recognised institutions specialised in the provision of credit information. Continuous monitoring of the credit risk is a component of the credit management system. Where necessary risks are hedged by means of credit insurance, bank guarantees, advance payments and other forms of security. The trade debtors recognised as at the balance sheet date do not represent a significant concentration of the receivables in particular market sectors. In addition, a portion of the debts is owed by the Dutch government sector.

TBI's cash and cash equivalents are held at several banks. TBI limits the credit risk related to cash and cash equivalents held by banks by selecting banks that, on the basis of their credit ratings, are reliable.

Liquidity risk

Due to the project-based nature of TBI's activities, operating funds are used in a wide variety of ways. TBI meets its working capital needs by attracting external financing centrally. In part to facilitate the management of the liquidity risk, all the TBI companies compile monthly liquidity forecasts for the coming 12 months. This enables TBI to optimise the use of its freely-available cash and cash equivalents and identify any potential shortfalls in good time.

Policy for determination of the result

Determination of the result

The result is determined as the difference between the income from the supplied goods and services and the costs and other expenses incurred during the year. The income from transactions is recognised in the year in which it is realised.

Operating revenue

Operating revenue comprises the net of income (excluding VAT) from work completed and delivered to third parties during the financial year (net revenue), increased or decreased by changes in the balance sheet value of work in progress and delivered goods and services.

When the project income and expenses related to work in progress can be estimated reliably it is recognised in the profit and loss account in proportion to the work completed as at the balance sheet date.

The progress of the completed work is determined on the basis of the project costs incurred as at the balance sheet date relative to the estimated total project costs. If the result cannot (yet) be estimated reliably, the income is recognised in the profit and loss account up to the amount of the project costs that can probably be recovered.

The project costs are then recognised in the profit and loss account in the period in which they are incurred.

The result is defined as the difference between the project income and the project costs. In the case of the large number of smaller projects, most of which have a duration of less than one year, the project result is recognised on delivery of the project. This method has no material influence on the capital or the result.

Project income is the contractually agreed revenue plus revenue from more/less work, claims and reimbursements if and to the extent that it is probable they will be realised and can be estimated reliably. Project costs are the costs that are directly related to a project that can, in general, be attributed to and allocated to project activities, and other costs that can be contractually charged to the client.

Project costs are in the main connected with materials, third-party services and sub-contracting, wages and social security obligations, plus surcharges to cover general expenses.

If it is likely that the total project costs will exceed the total project income, the expected loss is taken directly to the profit and loss account. The provision for the loss is included in the item Work in progress.

Income from the sale of goods is recognised when all the important right and risks attached to ownership of the goods are transferred to the purchaser.

The percentage of the income from the performance of services that is recognised is equal to the percentage of the total services to be performed that have actually been performed as at the balance sheet date.

Operating costs

Operating costs are determined on a historical cost basis. In general, the FIFO method is used to determine the cost of raw materials and consumables. Intra-group transactions are at market-conforming prices.

Development costs are only capitalised if it is probable that the development project will be technically and commercially successful (i.e. that it will be economically advantageous) and the costs can be estimated reliably.

Operational leasing

Lease contracts that transfer a substantial portion of the advantages and disadvantages of ownership to third parties are accounted for as operating leases. Obligations arising from operational leasing are recognised in the profit and loss account on a straight-line basis over the term of the contract.

Personnel remuneration

Personnel costs, such as wages and salaries and social security charges as specified in the employment conditions, are recognised in the profit and loss account to the extent to which they are payable to employees. Other personnel remuneration, with the exception of long-service (jubilee) payments is charged to the result in the year in which it is paid out.

Costs related to pension plans are, in principle, equal to the pension contributions payable to pension funds and insurance companies during the period under review. A liability is recognised for pension contributions not paid as at the balance sheet date. If as at the balance sheet date the amount of contributions paid exceeds the amount of contributions due, the excess amount is recognised as accrued income to the extent it will be reimbursed by the pension funds and or insurance companies concerned or deducted from future contribution payments. A provision is also formed as at the balance sheet date for existing additional obligations to the pension funds, insurance companies and employees if it is probable that the settlement of these obligations will entail an outflow of funds that can be estimated reliably. The existence or not of additional obligations is assessed on the basis of the administration agreement with the pension funds and insurance companies, the pension agreement with the employees and other explicit or implicit undertakings to employees. The provision is valued at the best estimate of the amounts needed to settle the agreements as at the balance sheet date.

Amortisation and depreciation of intangible and tangible non-current assets

Intangible non-current assets are amortised and tangible non-current assets are depreciated over their estimated useful lifetime from the moment they are taken into use, where applicable taking into account residual values.

Interest income and expense

Interest income and expense concerns interest and other financing expenses and are recognised on a time proportion basis taking into account the effective interest rate of the assets and liabilities concerned.

Exchange rate differences

Currency exchange rate differences arising on the settlement or translation of monetary items are recognised in the profit and loss account in the period in which they take place.

Result from participations

The result from non-consolidated participations is the percentage of the participation's result that reflects the percentage of TBI's interest in the participation throughout the year under review, after deduction of the relevant taxes. Dividends are recognised if the entitlement to the dividend has been obtained on the recognition of participations at cost price.

Taxes on the result

Taxes on the profit are determined on the basis of the result before taxes, taking into account tax facilities, such as loss compensation and participation exemption. Gains due to loss compensation are taken into consideration as soon as compensation is probable.

Throughout 2021 TBI Holdings B.V., together with various subsidiary companies located in the Netherlands, formed a fiscal entity for the purpose of corporation tax.

TBI Holdings B.V. acted as the head of the fiscal entity.

In accordance with the statutory requirements, all the members of a fiscal entity are jointly and severally liable for the tax obligations of the fiscal entity. Within the fiscal entity the tax burden of each individual member is determined as if the member was an independent tax payer. Settlement is from the current account

Statement of cash flows

The statement of cash flows is prepared in accordance with the indirect method. In this method the operating result is adjusted for items in the profit and loss account that during the year have not influenced income and expenditure, changes in balance sheet items and the income and expenses from items in the profit and loss account not deemed to be related to operating activities. Transactions not involving a cash inflow or outflow are not included in the statement of cash flows. The liquidity position comprises the cash and cash equivalents.

Currency exchange differences on cash and cash equivalents are presented separately in the statement of cash flows. Interest income and expense, dividends received and corporation taxes are recognised under Cash flow from operating activities. Dividends paid are recognised under Cash flow from financing activities.

The acquisition price of acquired Group companies is recognised under cash flow from investing activities to the extent that the payment was in cash and cash equivalents. The cash and cash equivalents present in the acquired Group company have been deducted from the acquisition price.

The selling price of divested Group companies (divestments) is recognised under Cash flow from investing activities to the extent that payment was in cash and cash equivalents. The cash and cash equivalents present in the divested Group company have been deducted from the selling price.

Notes to the consolidated balance sheet

(in thousands of Euros)

1. Intangible non-current assets

	Development costs	Software and licences	Goodwill	Total
As at 1 January 2021				
Acquisition or production costs	5,462	34,379	21,022	60,863
Accumulated impairments and amortisation	-3,658	-27,124	-3,747	-34,529
Carrying value	1,804	7,255	17,275	26,334
Movements in carrying value				
Investments	544	4,388	6,604	11,536
Divestments		-7		-7
Amortisation	-107	-3,187	-2,615	-5,910
Consolidations and divestments		17		17
Other movements	-138	347	-173	36
Balance	299	1,557	3,816	5,672
As at 31 December 2021				
Acquisition or production costs	2,307	39,173	27,453	68,933
Accumulated impairments and amortisation	-204	-30,361	-6,362	-36,927
Carrying value	2,103	8,812	21,091	32,006
Amortisation percentage	20%	5 tot 20%	10%	

2. Tangible non-current assets

	Land and buildings	Plant and machinery	Other tangible non-current assets	Current non-tangible assets in progress and advance payments	Not in service operating assets	Total
As at 1 January 2021						
Acquisition or production costs	100,486	76,723	59,762	3,418	–	240,389
Accumulated impairments and depreciation	–53,892	–53,644	–42,163	–	–	–149,699
Carrying value	46,594	23,079	17,599	3,418	–	90,690
Movements in carrying value						
Investments	3,405	13,895	5,591	6,627	618	30,137
Divestments	–1,422	–389	–1,423	–	–	–3,234
Depreciation	–3,515	–5,199	–6,006	–	–	–14,720
Consolidations and divestments	–	987	486	–	–	1,473
Other movements	–11	114	–184	38	–	–43
Balance	–1,543	9,407	–1,535	6,665	618	13,612
As at 31 December 2021						
Acquisition or production costs	99,954	90,129	62,683	10,083	618	263,467
Accumulated impairments and depreciation	–54,903	–57,642	–46,620	–	–	–159,165
Carrying value	45,052	32,487	16,063	10,083	618	104,303
Depreciation percentages	2.5 tot 10%	10 tot 20%	10 tot 20%	–	–	–

A portion of the land and buildings with a carrying value of € 24.4 million (2020: € 24.9 million) serves as security for a non-recourse financing, as explained in Note 10

Non-current liabilities. In addition, a portion of the plant and machinery with a carrying value of € 5.7 million (2020: € 4.7 million) serves as security for several non-recourse financings amounting to € 4.6 million.

The item 'Not in service operating assets' consists entirely of realised project costs for an investment property which is being developed in-house. Investment property under development is not depreciated.

3. Financial non-current assets

The movements in financial non-current assets are:

	Non-consolidated participations	Loans granted	Deferred tax receivables	Other financial non-current assets	Total
As at 1 January 2021	2,441	2,817	2,858	1,773	9,890
Movements in 2021					
Received profit distribution and dividends	-32				-32
Share in result for the year	-144				-144
Investments	650				650
Changes in deferred tax receivables			125		125
Consolidations and divestments		-600		-47	-647
Other movements	-75	-213		518	230
Balance	400	-813	125	471	182
As at 31 December 2021	2,841	2,004	2,983	2,243	10,071

For an overview of the principle consolidated participations at the end of 2021 see 'TBI Organisational Structure'. In accordance with the statutory requirements a list of the consolidated and non-consolidated participations, as well as the main construction consortia and other cooperation agreements, has been filed with the Chamber of Commerce in Rotterdam.

Loans granted comprises three loans: two loans granted to a non-consolidated participation and one loan granted to a third party. At the end of 2021 the first loan to the non-consolidated participation amounted to € 0.3 million (2020: € 0.3 million) and had a term ending on 30 June 2038. The interest-rate on the loan is 7%. No security has been provided. At the end of 2021 the second loan to the non-consolidated participation amounted to € 0.8 million (2020: € 0.8 million) and had a term ending on 30 September 2047. The interest-rate on the loan is 5.875%. No security has been provided. At the end of 2021 the loan granted to a third party amounted to € 0.9 million (2020: € 1.1 million) and has a term ending on 31 December 2027. The interest rate on the loan is 5.6%. No security has been provided.

The deferred tax receivables amounting to € 3.0 million relate to tangible non-current asset valuation differences, still to be claimed liquidation losses and tax receivables related to loss compensation (to be offset against future profit). Approximately € 1.6 million is expected to be offset in the coming year.

All the other receivables included under Financial non-current assets have a remaining term of more than one year.

4. Inventories

	31 December 2021	31 December 2020
Raw materials and consumables	5,439	5,822
Finished products and trade goods	8,831	7,643
Land positions	181,441	184,956
Real estate under construction	39,972	30,283
Completed real estate	173	2,338
	235,856	231,042

The projects TBI carries out are either developed by third parties or arise from its own project development activities. The investments in project development activities, as recognised under Inventories, relate to work in preparation (Land positions), capitalised construction and development costs of the unsold part of work in progress

5. Work in progress for third parties

Work in progress for third parties as at 31 December can be specified as follows:

	31 December 2021	31 December 2020
Work in progress for third parties		
Costs including profit based on the percentage completed, less provision for losses	3,343,981	3,240,869
Less: Invoiced instalments	-3,531,659	-3,348,327
	-187,678	-107,458
Recognised under current liabilities	187,678	107,458
Balance	-	-

(Real estate under construction) and already completed projects (Completed real estate). The item Land positions concerns primarily land positions acquired in the Netherlands for development in the near future.

In 2021 TBI carried out the annual analysis of its Land positions, Real estate under construction and Completed real estate in the light of the market conditions and expectations. These analyses focused on the most risky positions, predominantly in land and the associated plan development costs. On the basis of these analyses, based on a residual land value method, TBI concluded in 2021 that the expected (future) realisable value of positions should not be structurally written down. At the end of 2020 these impairments amounted to € 0.5 million.

A provision of € 68.8 million (2020: € 69.9 million) has been deducted from the inventory Land positions.

The valuation of Land positions and Real estate under construction includes capitalised interest amounting to € 0.2 million (2020: € 0.1 million).

The composition is as follows:

	31 December 2021	31 December 2020
Balance of work in progress for third parties greater than the invoiced instalments	169,037	182,935
Balance of work in progress for third parties less than the invoiced instalments	-356,714	-290,393
	-187,678	-107,458

The balance of costs and invoiced instalments for third party projects includes production not yet invoiced to clients or financed by clients, against which there are commitments.

6. Receivables

	31 December 2021	31 December 2020
Debtors	228,769	201,610
Completed projects to be invoiced	10,844	10,488
Other receivables	37,984	31,210
Accrued assets	8,271	7,366
	285,868	250,673

The receivables have a term of less than one year. The fair value of the receivables approximates their carrying value due to the short-term nature of the receivables and the fact that where necessary provisions have been formed for doubtful debt. A provision for doubtful debt amounting to € 4 million (31 December 2020: € 4 million) has been deducted from receivables.

7. Cash and cash equivalents

	31 December 2021	31 December 2020
Banks	427,802	320,000
Deposits	268	219
Cash	33	35
	428,103	320,254

The cash and cash equivalents is freely available to the Group, with the exception of an amount of around € 49.6 million (31 December 2020: € 48.1 million) in general partnerships and other participations consolidated on a pro rata basis in view of TBI not having a controlling interest.

The Dutch bank balances also include the balance of frozen G-accounts, which amounts to around € 6.6 million (31 December 2020: € 5.1 million).

In addition € 31.9 million in project financing has been deposited into a deposit account. On the provision of proof that this money is required for the project it is freely available to the Group. The deposits have a term of less than one year.

8. Group equity

Group equity is explained in the Notes to the Company balance sheet.

9. Provisions

	Deferred taxes	Jubilee obligations	Guarantee obligations	Reorganisations	Other	Total
As at 1 January 2021	619	4,313	3,859	328	1,695	10,814
Movements in 2021						
Additions		409	8,441	2,791	14	11,655
Used during the year		-290	-4,487	-2,676	-172	-7,625
Consolidations and deconsolidations		26				26
Other movements	-206		882	-20	-1,464	-808
Balance	-206	145	4,836	95	-1,623	3,248
As at 31 December 2021	413	4,458	8,696	423	72	14,061

The terms of the provisions are as follows:

(x € 1 million)	31 December 2021			31 December 2020		
	< 1 year	1 – 5 years	> 5 years	< 1 year	1 – 5 years	> 5 years
Provisions	8.3	2.8	2.9	4.3	3.7	2.9

10. Non-current liabilities

	Subordinated loan	Non-recourse financing	Recourse financing	Other non-current liabilities	Total
As at 1 January 2021	20,000	49,062	2,785	4,071	75,918
Movements in 2021					
New financing		32,396	1,600	954	34,949
Repayment obligations in the coming year	-5,000	-13,652	-438	-2,090	-21,180
Other movements		-370		891	521
Balance	-5,000	18,373	1,162	-246	14,290
As at 31 December 2021	15,000	67,436	3,948	3,825	90,209

Repayments falling due within one year are recognised under Current liabilities. The fair value of the non-current liabilities approximates the carrying value.

The terms of the non-current liabilities are:

(x € 1 million)	31 December 2021		31 December 2020	
	1 – 5 years	> 5 years	1 – 5 years	> 5 years
Non-current liabilities per term				
Non-current liabilities	84.6	5.6	51.5	24.4

In January 2016 Stichting TBI granted a subordinated loan of € 25 million to TBI Holdings B.V. This loan is interest-only and has no end date. The interest rate is 5%. TBI Holdings B.V. may repay part or all of the loan at any time. Repaid amounts may be withdrawn again by TBI Holdings B.V. at any time. No security has been provided. This loan forms part of the guarantee capital. At the end of 2021 TBI Holdings B.V. decided to utilise its right to partially repay the loan and € 5 million was repaid. In 2022 once again € 5 million will be repaid. This amount is presented under Current liabilities.

The non-recourse financing comprises the financing on some of the business premises and project financing. The recourse financing comprises project financing.

Non-recourse financing of € 17.2 million was taken out against some of the business premises. Of the outstanding loan at the end of 2021 € 12.0 million was recognised as a non-current liability and € 1 million was recognised as a current liability. The interest rate on this loan comprises a fixed component of 1.85% and a variable component based on 3-months Euribor plus a surcharge. Security was provided in the form of first right of mortgage on the premises concerned, pledges of sale and rental contracts and Group guarantees. The loan matures on 28 February 2023.

The non-recourse and recourse project financing concern non-current project financing taken-out by Group companies. At the end of 2021 the interest rate varied from 1.15% to 8%. These interest rates are dependent on the reference rate, which causes them to

fluctuate periodically. Security has been provided in the form of first right of mortgage, a pledge of receivables, purchase and lease contracts, letters of comfort and Group guarantees.

Of the remaining non-current liabilities, € 0.0 (2020: 2.0 million) concerns a contingent liability and a received deposit of € 2.0 million (2020: € 2.0 million). Both relate to past acquisitions. The deposit has a term until 31 December 2025.

11. Current liabilities and accrued liabilities

	31 December 2021	31 December 2020
Credit institutions	8,905	4,433
Subordinated loan	5,000	5,000
Trade creditors	240,547	240,014
Corporation tax	2,166	3,106
Taxes and social security contributions	65,001	50,571
Work in progress for third parties	187,678	107,458
Personnel costs	47,030	37,465
Pension contributions	871	245
Payable on completed projects	32,510	23,907
Owed to other related parties	3,325	2,666
Other liabilities	46,159	57,652
Accrued liabilities	9,234	5,979
	648,426	538,495

The current liabilities and accrued liabilities have terms of less than one year. Due to their short-term nature the fair value of the current liabilities approximates their carrying value.

Credit institutions relates for € 8.5 million to repayments of non-recourse financing (2020: € 2.5 million) and for € 0.4 million in repayments of recourse financing (2020: € 1.9 million).

Credit facilities

As of 21 December 2015 TBI had access to a new committed Revolving Credit Facility (RCF) of € 75 million with a term of 5 years. There are also uncommitted bilateral current account facilities of € 30 million to cover short-term liquidity shortfalls. The two facilities are documented in a single agreement. The facilities are spread equally over three banks - ABN AMRO, ING and Rabobank. On 1 November 2018 the existing RCF was amended in TBI's favour via a so-called Amend & Extend agreement. The amended RCF assures TBI of better rates and conditions for a period of at least 5 years and at most 7 years, calculated from 1 November 2018. The latter was possible primarily through extension options on the first and second anniversary of the RCF, on the basis of which the RCF as at 1 November 2021 was extended by one year to 1 November 2025.

As at 31 December 2021, as was also the case as at 31 December 2020, no use had been made of these facilities. During 2021 these facilities were not drawn down (the same applies for 2020). The interest rate is linked to Euribor. A discount can be gained by complying with non-financial parameters. In 2021 all five of the pre-defined non-financial parameters were complied with. The applicable Euribor percentage depends on the selected term. The principle security is compliance with the financial covenants (the Interest Cover ratio and the Senior Debt Cover ratio). These ratios were complied with in 2021.

Off balance sheet assets and liabilities

	31 December 2021	31 December 2020
Bank guarantees and securities		
Letters of intent re. tenders	2,039	4,995
Bank guarantees re. project execution	197,160	205,316
Bank guarantees re. advance payments received for work in progress	26,224	16,254
Other	1,255	10,478
	226,678	237,043

(x € 1 million)	31 December 2021			31 December 2020		
	< 1 year	1 – 5 years	> 5 years	< 1 year	1 – 5 years	> 5 years
Other						
Lease agreements	22.9	40.4	1.3	18.8	46.9	4.8
Rental agreements	11.9	34.4	16.6	10.6	30.5	13.0
Land purchase commitments	25.3	20.7	4.5	46.1	20.7	–

During the year the following amounts were recognised in the profit and loss account in respect of leases:

(x € 1 million)	2021
Minimum lease payments	39.7
Conditional lease payments	4.0
	43.7

The lease obligations in respect of leasing agreements relate primarily to the vehicle fleet. Most of the obligations related to rental agreements concern real estate. Operating leases and rental liabilities are stated in nominal amounts and are recognised in the profit and loss account on a straight-line basis over the term of the agreement. Some of the obligations related to land purchases are conditional to changes to the land use zoning plan and/or the issuing of (building) permits.

From time to time TBI Holdings B.V. and its Group companies are involved in legal disputes. A provision is formed when the settlement of a dispute will probably entail an outflow of funds and the size of this outflow can be estimated reliably. In the case of the other on-going disputes, after taking legal advice the Company's management is of the opinion that the outcomes will not have a material effect on the consolidated position of TBI Holdings B.V.

TBI Holdings B.V. and a number of subsidiary companies in the Netherlands, form a fiscal entity for VAT and corporation tax. In accordance with statutory requirements, all the members of a fiscal entity are jointly and severally liable for the fiscal entity's tax liabilities.

Notes to the consolidated profit and loss account

(in thousands of Euros unless stated otherwise)

Information segmented by activity area

(x € 1 million)	Engineering		Construction & Development		Infra		Holding		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Operating revenue										
External	844	761	1,045	979	303	273	–	–	2,192	2,013
Internal	3	7	9	8	5	7	–17	–22	–	–
Total	848	768	1,054	987	308	280	–17	–22	2,192	2,013
Operating result before amortisation and depreciation*	28.6	21.7	69.0	48.5	–0.8	0.3	–0.8	0.3	95.9	70.8
Operating result*	19.8	14.0	64.5	43.4	–3.1	–1.4	–5.8	–5.2	75.3	50.8
Operating margin										
Operating profit/revenue	2.3%	1.8%	6.1%	4.4%	–1.0%	–0.5%	–	–	3.4%	2.5%
Investments in tangible non-current assets	13.3	7.6	6.5	5.0	7.4	6.0	3.0	1.1	30.1	19.8
Investments in intangible non-current assets	1.3	0.7	4.3	0.1	2.1	0.2	3.9	2.2	11.5	3.2
Depreciation of tangible non-current assets	5.6	4.7	4.5	4.4	2.2	1.6	2.4	2.6	14.7	13.3
Amortisation of intangible non-current assets	3.2	3.0	0.0	0.7	0.1	0.1	2.6	2.9	5.9	6.7

* Excluding impairment and reorganisation costs.

12. Net revenue

	2021	2020
Geographic spread of net revenue		
Netherlands	2,055,356	1,447,800
Other EU countries	19,600	8,711
Rest of Europe	333	85
Outside Europe	11,526	4,385
	2,086,815	1,460,981

13. Wages and salaries

	2021	2020
Average number of employees per activity		
Engineering	4,135	4,010
Construction & Development	1,473	1,411
Infra	559	520
Other	104	132
	6,270	6,073

In 2021 226 of the average number of employees on a full-time basis worked outside the Netherlands (2020: 251).

14. Pension liabilities

Depending on the relevant collective labour agreement and/or employment contract, the employees of TBI and its Group companies are covered by the pension plans of the following pension funds or insurance schemes:

- Pension fund for the Construction industry
- Pension fund for the Metal-working and Engineering industry (Pensioenfonds Metaal & Techniek)
- Pension fund for the Concrete Products industry
- Insurance schemes:
 - Construction Industry dispensation scheme (for pensions accrued until 1 January 2012)
 - Company Pension Plans

The first three of the pension plans listed above are plans administered by industry-branch pension funds. In all cases in which there is membership of an industry-branch pension fund, in the case of a shortfall in the industry-branch pension fund the TBI Group companies are not obliged to make supplementary contributions over and above payment of future contributions. Similarly, the TBI Group companies are not entitled to any surplus in the funds. The same applies for the insurance-based schemes which have been placed with an insurance company.

On the basis of the above characteristics, the principle is that the pension obligation recognised for the year is equal to the contributions payable to the pension funds and insurance companies over that period.

The plans administered by industry-branch pension funds are average salary schemes. The contribution and indexing policy for these plans is determined by the industry-branch pension funds. The company pension plans administered by an insurance company are defined contribution schemes. The contributions for these plans are determined in accordance with the implementation agreement with the insurer. There is no indexing in these plans.

The Company's employees in the Engineering sector accrue pension with the Pensioenfonds Metaal & Techniek (Pension Fund for the Metal-working and Engineering sector). As a consequence of the good investment result and higher interest rate, in 2021 the coverage ratio of Pensioenfonds Metaal & Techniek increased compared to 2020. At the end of December 2021 the coverage ratio was 100.8% (end of December 2020: 91.3%). Pensioenfonds Metaal & Techniek will not raise the pensions as of 1 January 2022. On the basis of interim legislation the pension fund is also not required to reduce pensions as of 1 January 2022 despite the still relatively low coverage ratio.

In December 2021 the coverage ration of the Pension Fund for the Construction Industry rose to 119.3% (at the end of 2020 it was 105.7%). The pensions of both the active and inactive members were not increased as of 1 January 2021, but due to the higher coverage rate they will be increased by 1.76% as of 1 January 2022.

On 31 December 2021 the coverage rate of the Pension Funds for the Concrete Products Industry was 110.0% (end of 2020: 98.3%). This pension fund has not announced that it will be increasing pension as of 1 January 2022.

From 1 January 2017 a direct agreement was reached between the employer, TBI, and insurance company, Nationale Nederlanden, in respect of the administration of the pension plan for TBI employees (with the exception of those administered by the compulsory industry branch pension funds). This agreement has been extended for a period of five years as of 1 January 2022.

15. Amortisation of intangible non-current assets and depreciation of tangible non-current assets

	2021	2020
Amortisation of intangible non-current assets	5,910	6,669
Depreciation of tangible non-current assets	14,720	13,309
	20,630	19,978

Amortisation of intangible non-current assets

Development costs	107	1,134
Software and licences	3,187	3,502
Goodwill	2,615	2,033
	5,910	6,669

Depreciation of tangible non-current assets

Land and buildings	3,515	3,296
Plant and machinery	5,199	3,936
Other non-current operating assets	6,006	6,077
	14,720	13,309

16. Other operating costs

	2021	2020
Vehicle costs	28,057	27,642
Automation costs	27,417	26,866
Accommodation costs	22,215	20,442
Other personnel costs	14,607	14,110
Other costs	71,305	67,996
Passed on to third parties / projects	-62,361	-54,057
	101,240	102,999

17. Taxation on the result

This concerns the tax payable on the results achieved in the Netherlands and abroad, taking into account the changes in deferred taxes. The tax payable has been calculated at the applicable rates taking into account tax-exempt profit components, permanent differences and non-deductible costs.

	2021	2020
Result before taxes	68,356	43,817
Deferred corporation tax	331	-518
Current year corporation tax	-18,316	-11,019
Prior year corporation tax	-704	-252
Tax on the result	-18,689	-11,789

The effective tax rate for 2021 was 27.3% (2020: 26.6%). The relationship between the average effective tax rate and the statutory corporation tax rate was as follows:

(in %)	2021	2020
Corporation tax rate	25.0	25.0
Non-deductible costs	1.7	2.6
Differences in foreign tax rate	0.2	0.1
Prior year adjustment	1.0	0.6
Liquidation losses	–	–1.4
Tax facilities etc.	–0.6	–0.2
Effective tax rate	27.3	26.6

18. Result from participations

Result from participations includes the profit from non-consolidated participations of € -0.1 million (2020: € 0.1 million).

Exchange rate differences

The exchange rate differences recognised in the profit and loss account amounted to € -0.1 million (2020: nil).

Research & development costs

Research & development costs charged to the result, including the amortisation of capitalised development costs, amounted to € 1.4 million (2020: 2.4 million).

Reorganisation costs

With a view to maintaining profitability and with it the continuity of TBI, a number of TBI companies adjusted their cost structure and organisations to reflect the expected level of activity in the coming years. The related reorganisation costs amounted to € 2.8 million (2020: € 2.3 million).

Remuneration of Executive and Supervisory Board members

The remuneration of the members of the Executive Board includes both regular components, such as salaries, social security contributions and pension contributions, as well as variable components. The awarding of variable payments is partly dependent of the achievement of personal and sustainability targets. In 2021 an amount of € 2.080 million was charged to the Company in respect of these payments (2020: € 2.081 million). In 2021 the remuneration of the Supervisory Board members charged to the Company amounted to € 0.245 million (2020: € 0.234 million).

Auditor's fee

The Auditor's fee can be broken-down by category as follows:

(in %)	2021	2020
Audit of the consolidated financial statements	1,505	1,426
Other audit tasks	51	16
Taxation advice	–	–
Andere niet-controlediensten	–	–
	1,556	1,442

The fees shown above relate to the tasks carried out at the Company and the Group companies included in the consolidation by external accountant companies and external independent accounts as understood by Article 1, Clause 1 of the Wet toezicht accountantsorganisaties (Audit Firms Supervision Act) and the fees charged by the entire network to which the Auditor's organisation belongs. These fees relate to the examination of the financial statements for the 2021 financial year, whether or not the tasks were carried out during the financial year.

Company balance sheet as at 31 December 2021

(before profit appropriation, in thousands of Euros)

		31 December 2021	31 December 2020
Non-current assets			
Tangible non-current assets	1	929	362
Financial non-current assets	2	389,796	353,861
		390,725	354,223
Current assets			
Receivables	3	86,156	68,825
Cash and cash equivalents	4	323,169	250,423
		409,325	319,428
Total assets		800,050	673,470
Shareholder's equity	5		
Issued capital		100	100
Share premium reserve		354	354
Statutory reserves		10,021	5,329
Other reserves		283,850	265,783
Retained profit		49,807	32,091
		344,132	303,656
Provisions	6	1,404	1,405
Non-current liabilities	7	15,000	20,000
Current liabilities and accrued liabilities	8	439,514	348,409
Total liabilities		800,050	673,470

Company profit and loss account for 2021

(in thousands of Euros)

	2021	2020
Result from participations after taxes	56,707	37,965
Company result after taxes	-6,900	-5,874
	49,807	32,091

Notes to the 2021 company financial statements

(in thousands of Euros)

General

The Company financial statements of TBI Holdings B.V. have been prepared in accordance with the statutory provisions laid down in Part 9 Book 2 of the Dutch Civil Code and definitive statements of the Guidelines for Financial Statements as published by the Dutch Accounting Standards Board. The accounting policies used for the Company financial statements are the same as those used for the consolidated financial statements.

The policies for the valuation of assets and liabilities and for the determination of the result are explained in the Notes to the consolidated balance sheet and profit and loss account. Accordingly, participations in Group companies are carried at net asset value.

Company balance sheet

1. Tangible non-current assets

	Other tangible non-current operating assets	Current non-tangible assets in progress and advance payments	Total
As at 1 January 2021			
Acquisition price or production costs	1,774	–	1,774
Accrued impairments and depreciation	–1,412	–	–1,412
Carrying value	362	–	362
Movements in carrying value			
Investments	16	698	713
Depreciation	–146	–	–146
Balance	–130	698	568
As at 31 December 2021			
Acquisition price or production costs	1,790	698	2,487
Accrued impairments and depreciation	–1,558	–	–1,558
Carrying value	231	698	929

2. Financial non-current assets

	31 December 2021	31 December 2020
Share in Group companies	361,742	324,402
Deferred tax receivables	464	450
Long-term receivables from Group companies	25,064	26,477
Other participations	1,018	1,018
Loans granted	1,102	1,109
Other financial non-current assets	405	405
	389,796	353,861

The movements during the financial year were as follows:

	Share in Group companies	Deferred tax receivables	Long-term receivables from Group companies	Other participations	Loans granted	Other financial non-current assets	Total
As at 1 January 2021	324,402	450	26,477	1,018	1,109	405	353,861
Movements in 2021							
Net profit for 2021	58,000			30			58,030
Dividends received	-20,900			-30			-20,930
Loans granted			400				400
Loans repaid			-491				-491
Movement in provision for participations with negative net asset value			-1,322				-1,322
Exchange rate differences	268						268
Paid-in share premium							
Other movements	-27	14			-7		-20
Balance	37,341	14	-1,413	-	-7	-	35,935
As at 31 December 2021	361,742	464	25,064	1,018	1,102	405	389,796

The principle consolidated participations at the end of 2021 are shown in 'TBI Organisational Structure'. In accordance with the statutory requirement a list of the consolidated and non-consolidated participations and the principle construction consortia and other joint arrangements has been filed for inspection in the Trade Register of the Chamber of Commerce in Rotterdam.

Loans granted concerns two loans to a non-consolidated participation. At the end of 2021 the outstanding amount on the first loan to the non-consolidated participation was € 0.3 million (2020: € 0.3 million). The term runs to 30 June 2038, the interest rate is 7% and no collateral securities have been provided. At the end of 2021 the outstanding amount on the second loan to the non-consolidated participation was € 0.8 million (2020: € 0.8 million). The term runs to 30 September 2047, the interest rate is 5.875% and no collateral securities have been provided.

In addition, loans have been granted to three Group companies. The first loan of € 1.4 million will mature on 15 March 2023 and the interest rate is 7%. This is a subordinated loan with a principal of € 4.0 million. Collateral security has been provided in the form of a mortgage on the company's premises. The second loan matures on 31 December 2027 and the interest rate is 4%. The third loan with a principal of € 30.0 million has a term to 31 December 2023 and the interest rate is 2%. The negative participation value has been deducted from this loan.

All the other receivables recognised under Financial non-current assets have a remaining term longer than one year.

3. Receivables

	31 December 2021	31 December 2020
Receivable from Group companies	67,961	57,335
Corporation tax	17,254	10,228
Other receivables and accrued assets	941	1,262
	86,156	68,825

The receivables have a term of less than one year.

4. Cash and cash equivalents

	31 December 2021	31 December 2020
Banks	323,169	250,423
	323,169	250,423

The cash and cash equivalents are freely available to the Company.

Cash pool

TBI acts as banker for its subsidiary companies. The cash and cash equivalents of these subsidiaries that are not needed for their day-to-day operations can be deposited in the Company's instant-access, interest-bearing financing account. The interest payable on this instant access current account is based on the base rate set by the commercial banks plus a surcharge. In 2021 the average interest rate on receivables from Group companies was 1.1% (2020: 1.2%). In 2021 the reimbursed interest on the credit funds deposited with the Company averaged 0.1% (2020: 0.2%). For completeness refer to the Note: Current liabilities and accrued liabilities in the consolidated financial statements.

5. Shareholder's equity

The authorised capital comprises 5,000 ordinary shares with a nominal value of € 100, of which 1,000 shares have been issued and are fully paid up.

The composition of and movements in shareholder's equity were as follows:

	Issued capital	Share premium reserve	Statutory reserves	Other reserves	Retained profit	Total
Shareholder's equity						
As at 1 January 2020	100	354	2,591	251,451	25,113	279,609
Added to the reserves			3,282	25,113	-25,113	3,282
Dividend				-7,500		-7,500
Net result 2020					32,091	32,091
Exchange rate differences and other movements			-543	-3,282		-3,825
As at 31 December 2020	100	354	5,329	265,783	32,091	303,656
Added to the reserves			4,424	32,091	-32,091	4,424
Dividend				-9,600		-9,600
Net result 2021					49,807	49,807
Exchange rate differences and other movements			268	-4,424		-4,156
As at 31 December 2021	100	354	10,021	283,850	49,807	344,132

Of the statutory reserves an amount of € 0.3 million relates to exchange rate differences participations (2020: € -0.5 million), an amount of € 7.7 million relates to retained profit minority participations (2020: € 4.2 million) and an amount of € 2.1 million relates to development costs intangible non-current assets (2020: € 1.7 million). These amounts are not freely distributable on the grounds of Part 9, Book 2 Article 389 Clause 8 and Article 365 Clause 2 of the Dutch Civil Code (statutory reserves).

In April 2021 the Annual General Meeting, acting on a recommendation of the Supervisory Board, adopted the 2020 financial statements without change. In accordance with the Company's Articles of Association it was also agreed to distribute a dividend of € 9.6 million to the shareholder and to add the remainder of the profit for 2020 to the other reserves.

6. Provisions

	Other
As at 1 January 2021	1,405
Movements in 2021	
Additions	
Used during the year	-1
Balance	-1
As at 31 December 2021	1,404

Other provisions have been formed for possible losses from disputes and lawsuits. The terms of the provisions are as follows:

(x € 1 million)	31 December 2021			31 December 2020		
	< 1 year	1 – 5 years	> 5 years	< 1 year	1 – 5 years	> 5 years
Provisions	–	1.4	–	–	1.4	–

7. Non-current liabilities

	31 December 2021	31 December 2020
Subordinated loan	15,000	20,000

In January 2016 Stichting TBI granted a subordinated loan of € 25 million to TBI Holdings B.V. (the acquiring company). This loan is interest-only and has no end date. The interest rate is 5%. TBI Holdings B.V. may repay part or all of the loan at any time. Repaid amounts may be withdrawn again by TBI Holdings B.V. at any time. No collateral securities have been provided. This loan forms part of the guarantee capital. At the end of 2020 TBI Holdings B.V. decided to utilise its right to partially repay the loan and in 2021 € 5 million was repaid. In 2022 a further € 5 million will be repaid. This amount is presented under Current liabilities.

8. Current liabilities and accrued liabilities

	31 December 2021	31 December 2020
Subordinated loan	5,000	5,000
Trade creditors	894	1,011
Owed to Group companies	421,331	336,249
Taxes and social security contributions	6,056	868
Owed to other related parties	3,325	2,666
Other liabilities and accrued liabilities	2,908	2,615
	439,514	348,409

The current liabilities and accrued liabilities have terms of less than one year. The fair value of the current liabilities approximates the carrying value owing to their short-term nature.

(x € 1 million)	31 December 2021			31 December 2020		
	< 1 year	1 – 5 years	> 5 years	< 1 year	1 – 5 years	> 5 years
Other						
Lease agreements	0.3	0.4	–	0.3	0.6	–
Rental agreements	0.3	1.2	1.7	0.3	1.3	0.5

During the year the following amounts were recognised in the profit and loss account in respect of lease agreements:

	2021
Minimum lease payments	254
	254

Off balance sheet commitments

	31 December 2021	31 December 2020
Bank guarantees and securities	931	931
	931	931

The Company has issued Group guarantees, mainly to project clients, instead of bank guarantees. At the end of 2021 the amount involved was € 42.8 million (end of 2020: € 51.1 million).

Company profit and loss account

The abridged profit and loss account has been prepared in accordance with Article 402, Part 9, Book 2 of the Dutch Civil Code.

In 2021 an average of 46 people were employed by the Company (2020: 48 people).

In 2021, as in 2020, all the employees worked in the Netherlands.

Financial income and expense from transactions with Group companies

TBI Holdings B.V. acts as the Group's internal banker. In principle, the Group companies deposit the funds they do not need for their day-to-day operations with TBI. The interest payable on this instant access current account is based on the base rate set by the European Central Bank plus a surcharge. In 2021 the financial income from this relationship with Group companies was € 1.4 million (2020: € 1.6 million). In 2021 the financial expense arising from this relationship with Group companies was € 0.1 million (2020: € 0.6 million).

Transactions with related parties

In 2021 TBI Holdings B.V. did not reimburse and money to the TBI companies in respect of reorganisation costs (2020: € 0.6 million).

Post balance sheet date events

There were no post balance sheet date events as understood in Article 2:380a of the Dutch Civil Code.

Proposed appropriation of the result for 2021

The net result for 2021 amounts to € 49.8 million. The Executive Board proposes that an amount of € 12.9 million be distributed to the shareholder as a dividend and that the remaining amount of € 36.9 million be added to the other reserves.

Rotterdam, 17 March 2022

TBI Holdings B.V.

Supervisory Board

A.L.M. Nelissen, Chairman

E.H.M. van den Assem

H. Garssen

H. Morelisse MBA

M. Niggebrugge

Executive Board

A.J.H. van Breukelen, Chairman

E.A.A. Roozen RA

Patrick Haanskorf

Aged 53

Main Contractor

Has worked for Hazenberg Bouw since 1984

“At the end of the day only one thing is important: that we all go home healthy and safely. I started work at 16: As an apprentice carpenter at Korteweg Bouw - a TBI company that was later merged with Hazenberg. Back then safety was still seen as a cost item. Luckily it's very different now. An investment in safety quickly pays you back. An accident doesn't only result in a lot of human suffering, it also results in considerable costs for the organisation. Safety is, in fact, for every one of us; social hygiene. I notice that young people are now extremely aware of this.

As a main contractor on projects I deal with safety every day. At Hazenberg we have started a programme called VIP, which stands for Veiligheid Is Prioriteit. In English it would be SIP - Safety is Priority. This programme has made everyone more aware of safety on the construction site. But what does safety mean? Everyone has their own responsibility and can make a contribution. Cyber-security is also important. Data must not end up on the street. In this we are well supported by TBI's Shared Service Center.

I've also noticed you can become 'company-blind'. We have some very good 'cures' for that. Every week on the construction site a different employee is designated the 'safety worker of the

week'. Being designated acts as a 'trigger' that makes the employee reflect on safety and share their experiences. We also learn from the sub-contractors, they see different things and implement specific measures. In the TBI safety app - TBIveilig - we see the reports of (almost) accidents. They give us a good understanding of what's going on and what we can learn from each other.

Luckily the work is becoming safer all the time. Industrialisation and standardisation have meant a lot of optimisation in

manufacturing. This means that out on the construction site we have fewer problems caused by changing circumstances. That's very different from how it used to be. In conclusion, I believe that in this creative field of work we should never stop thinking: What exactly are we doing and how safe is it”.

“Every week on the construction site a different employee is designated the ‘safety worker of the week’”





Other information

Nico de Bont is the main contractor for the restoration of the Dom tower in Utrecht.

Other information

Provisions of the Articles of Association in respect of profit appropriation

Article 22

- 22.1 The Annual General Meeting of Shareholders is authorised to allocate the profit determined by adoption of the financial statements. If the Annual General Meeting of Shareholders does not take a decision to allocate the profit prior to or at the latest immediately after the adoption of the financial statements Annual General Meeting of Shareholders, the profit will be reserved.
- 22.2 The Annual General Meeting of Shareholders is authorised to determine distributions. If the Company is legally obliged to maintain reserves, this authority only applies to the extent that shareholder equity exceeds these reserves. A decision of the Annual General Meeting of Shareholders to pay-out a dividend has no consequences unless it is approved by the Supervisory Board. The Executive Board may only reject this approval if it knows, or has good reason to foresee that after the pay-out the Company would not be able to continue paying its due debts.
- 22.3 The nominal value of the share is decisive for the calculation of the amount to be paid on each share.

Independent Auditor's report

To the shareholder and Supervisory Board of TBI Holdings B.V.

Report of the audit of the 2021 financial statements included in the Annual Report

Our opinion

We have audited the accompanying 2021 financial statements of TBI Holdings B.V., based in Rotterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of TBI Holdings B.V. as at 31 December 2021, and of its result for 2021 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. The consolidated and unconsolidated balance sheet as at 31 December 2021.
2. The consolidated and unconsolidated profit and loss account for 2021.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of TBI Holdings B.V. as required by the Wet toezicht accountantsorganisaties (Wta - Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO - Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Report on the other information included in the Annual Report

In addition to the financial statements and our Auditor's report thereon, the Annual Report contains other information consisting of:

- Report of the Executive Board:
 - 2021 in pictures;
 - Message from the Chairman of the Executive Board;
 - TBI at a glance;
 - Environment, Organisation and Strategy;
 - Progress of strategic pillars in 2021;
 - Financial results;
 - Outlook;
 - Governance.
- Report of the Supervisory Board.
- Other information.
- Additional information.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

In the performance of our tasks we have complied with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. These tasks have not been performed with the same rigour as our audit of the financial statements.

The Executive Board is responsible for the preparation of the Other Information, including the Executive Board's Report and the Additional Information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of the responsibilities regarding the financial statements

Responsibilities of the Executive Board and the Supervisory Board for the financial statements

The Executive Board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. In this context the Executive Board is responsible for implementing the internal control the Executive Board deems necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the financial statements the Executive Board must assess whether the Company is able to continue as a going concern. Based on the financial reporting framework mentioned, unless the Executive Board intends to either liquidate the Company or to cease operations, or has no realistic alternative than so doing, the Executive Board should prepare the financial statements on the basis of going concern accounting.

In the financial statements the Executive Board should disclose any events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The Supervisory Board is responsible for overseeing the Concern's financial reporting process.

Our responsibilities for the audit of the financial statements

It is our responsibility to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means that during our audit we may not detect all material errors and fraud.

Misstatements can arise from fraud or error and are considered material if, individually or together, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect on our opinion of identified misstatements.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included:

- Identifying and assessing the risks of material misstatement in the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board.
- Ascertaining that the Executive Board's use of the going concern basis of accounting is appropriate and whether, based on the audit evidence obtained, any material uncertainty exists in respect of events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that such a material uncertainty exists we are required to draw attention to the related disclosures in the financial statements in our Auditor's Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may result in the Company ceasing to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures contained therein.
- Evaluating whether the financial statements provide a fair picture of the underlying transactions and events.

Being ultimately responsible for the opinion means we are also responsible for directing, supervising and performing the Group audit. In this context we have determined the nature and extent of the audit procedures to be carried out for Group entities taking into account the size and/or the risk profile of the Group entities or activities. On this basis we selected the Group entities for which an audit or review of the complete set of financial information or of specific items had to be carried out.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in related to the internal control that we identified during our audit.

Rotterdam, 17 March 2022

Deloitte Accountants B.V.

Was signed: D.A. Sonneveldt RA

Assurance-report of the independent auditor for the sustainability information in the 2021 Annual Report

To the shareholder and Supervisory Board of TBI Holdings B.V.

Our conclusion

We have reviewed the sustainability information in the 2021 Annual Report of TBI Holdings B.V. based in Rotterdam. The review is aimed at obtaining a limited level of assurance.

Based on our review, nothing has come to our attention that causes us to believe that the sustainability information in the 2021 Annual Report of TBI Holdings B.V. does not present, in all material respects, a reliable and adequate view of:

- the policy and business operations in respect of Corporate Social Responsibility; and
- the events and achievements in that field during 2021 in accordance with the Sustainability reporting criteria used internally; as included under 'Reporting criteria'.

The sustainability information comprises:

- 2021 in pictures
- TBI at a glance
- Environment, Organisation and Strategy
- Progress of strategic pillars in 2021
- Governance
- Other information

Basis for our conclusion

We have performed our assurance engagement on the sustainability information in accordance with Dutch law, including Dutch Standard 3810N 'Assurance engagements for sustainability reports'.

Our responsibilities under this standard are further described in the 'Our responsibilities for the assurance engagement of the sustainability information' section of our report.

We are independent of TBI Holdings B.V. as required by the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO) and other relevant independence requirements in The Netherlands. We have also complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA).

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

Reporting criteria

The sustainability information needs to be read and understood together with the reporting criteria. TBI Holdings B.V. is responsible for selecting and applying these reporting criteria, taking into account applicable law and regulations related to reporting.

The reporting criteria used for the preparation of the sustainability information are the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) as disclosed in the section 'Additional information' in the 'Scope and accountability' section of the Annual Report and described in more detail in the Reporting Manual.

The lack of established practices for the assessment and measurement of non-financial information provides the opportunity to apply various acceptable measurement techniques. This can influence the comparability between entities and over time.

Scope of the Group assessment

TBI Holdings B.V. is the parent company of a group of entities (companies). The sustainability information comprises the consolidated information of this group of entities as explained in the 'Scope and accountability' section of the Annual Report.

Our procedures for reviewing the Group comprised reviewing procedures at the Group (consolidated) level as well as at the entity level. The decision to include entities in our procedures is based on the entity's individual contribution towards the consolidated information. In addition, when selecting the entities relevant reporting risks and geographical spread were also taken into account.

Combing assessment procedures at the entity level with supplementary procedures at the Group level has enabled us to collect sufficient and suitable assurance regarding the information reported by the Group for us to draw a conclusion in respect of the sustainability information.

Limitations to the scope of our examination

The sustainability information includes prospective information such as ambitions, strategy, plans, expectations and risk estimates. Prospective information, by its nature, means actual future results are uncertain. We do not provide any assurance regarding the assumptions or the achievability of the prospective information in the sustainability information.

The references to external sources or websites in the sustainability information are not part of the sustainability information reviewed by us. Therefore, we provide no assurance regarding this information.

These matters do not affect our conclusion.

Responsibilities of the Executive Board and the Supervisory Board for the sustainability information

The Executive Board is responsible for the preparation of the sustainability information in accordance with the reporting criteria as disclosed in the section 'Reporting criteria', including the identification of stakeholders and the determination of material topics. The decisions made by the Executive Board relating to the scope of the sustainability information and the reporting policy are disclosed in the section 'Additional information' under 'Scope and accountability'.

The Executive Board is also responsible for such internal control as it deems necessary to enable the preparation of the sustainability information such that is free from material misstatement, whether due to fraud or errors.

The Supervisory Board is responsible for overseeing the reporting process of TBI Holdings B.V.

Our responsibilities for the assurance of the sustainability information

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

The assurance tasks aimed at obtaining a limited degree of assurance regarding the plausibility of information and are less extensive in nature and extent than those aimed at obtaining reasonable assurance. The degree of assurance is, therefore, also considerably lower than obtained by an audit

We apply the 'Nadere voorschriften kwaliteitssystemen' (NVKS). On that basis we have a coherent system of quality control including established guidelines and procedures regarding compliance with ethical requirements, professional standards and other relevant laws and regulations.

We have exercised professional judgement and have maintained professional scepticism throughout the assurance tasks, in accordance with the Dutch Standard 3810N, ethical requirements and independence.

Our assessment included:

- Performing an analysis of the external environment and obtaining an understanding of relevant social themes and issues, and the characteristics of the Company.
- Evaluating the appropriateness of the reporting criteria used, their consistent application and the related disclosures in the sustainability information. This includes the evaluation of the outcomes of the stakeholders' dialogue and the reasonableness of estimates made by the Executive Board.

- Obtaining an understanding of the reporting processes for the sustainability information, including obtaining a general understanding of the internal control relevant to our examination.
- Identifying areas of the sustainability information with a higher risk of misleading or unbalanced information or material misstatements, whether due to fraud or error. Based on this risk estimate, designing and performing further assurance procedures aimed at determining the plausibility of the sustainability information. These procedures include:
- Interviewing management (and/or relevant staff) at the Group (and company/division/cluster/site) level responsible for the sustainability strategy, policy and results;
- Interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the sustainability information;
- Determining the nature and extent of the assessment procedures to be performed for the Group components and sites. Determining factors in this respect are the nature, size and/or risk profile of Group components, sites or activities;
- Obtaining evidence that the sustainability information is consistent with the entity's underlying records;
- Assessing relevant internal and external documentation on the basis of limited observations;
- The analytical evaluation of data and trends.
- Evaluating the consistency of the sustainability information with the information in the Annual Report outside the scope of our audit.
- Evaluating the overall presentation, structure and content of the sustainability information.
- Considering whether the sustainability information as a whole, including the disclosures contained therein, provides a true picture in relation to the purpose of the reporting criteria.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in related to the internal control that we identified during our audit.

Rotterdam, 17 March 2022

Deloitte Accountants B.V.

Was signed by D.A. Sonneveldt RA

Additional information



Mobilis is constructing a parking garage under the Singelgracht in Amsterdam. Voorbij Funderingstechniek is responsible for the foundations.

Additional information

Scope and accountability

Each year TBI publishes an integrated Annual Report in which we report on our strategy and on economic, social, environmental, and societal developments and results. The Annual Report is prepared in accordance with the International Integrated Reporting Council (IIRC) Integrated Reporting <IR> framework. The sustainability information published in this report complies with the Global Reporting Initiative (GRI) Standards – ‘Core’ option.

Non-financial information structure and responsibilities
The integration of Corporate Social Responsibility (CSR) into the day-to-day operations of the TBI companies is a component of our mission. Together we make our priorities tangible, visible and manageable.

The ultimate responsibility for the strategic CSR goals rests with the Executive Board of TBI Holdings. The Executive Board sets the targets on which the performance is assessed. The Chairman of the Executive Board bears ultimate responsibility and in this regard is advised by the CSR Manager who advises the Executive Board regarding strategic developments, monitors the integration of CSR in the management processes and supervises the CSR goals and the Company’s overall performance. Towards this end the CSR Manager works in close cooperation with the officers with responsibility for CSR within the TBI companies.

Target groups

The aim of the information in this report is to inform our stakeholders regarding our performance in respect of our main strategic goals in relation to our role in society. Our stakeholders are all the people and organisations affected by our activities or with whom we maintain a relationship, such as (potential) employees, clients, cooperating partners, suppliers, banks, insurance companies and (local) authorities. For more information about our specific stakeholder approach please see the ‘Stakeholders and materiality’ paragraph in this section.

Reporting criteria and non-financial information

The ‘Core’ option of the GRI standards means TBI reports on all the standard ‘core disclosures’, on the management approach and on at least one indicator related to the identified material themes. The process used to determine the material themes is described in the ‘Stakeholders and materiality’ paragraph in this section. The result of this analysis determines which GRI indicators are included in this report. The GRI index, which is published on our website, specifies the delineation of the topics. Where relevant and available the results for recent years are included.

Reliability

The Executive Board was not only responsible for, but was also closely involved in, the preparation of this Annual Report and the materiality analysis. This Annual Report, like the 2020 Annual Report (published on 16 April 2021), was verified externally (‘limited assurance’) and complies with the GRI Standards ‘Core’ option. The independent Auditor’s Assurance report is included on pages 138 to 140 of this Report.

Availability

The 2021 Annual Report, the ‘GRI Standards content index’ and ‘Accountability and Methodology’ can be downloaded as pdf files from www.tbi.nl/jaarverslag. The 2021 Annual Report, which is available in both Dutch and English, was published on 15 April 2022.

Scope

The Report covers the 2021 financial year that ran from 1 January 2021 to 31 December 2021. The reported financial data and number of FTEs encompass all TBI’s activities, both national and international. All the non-financial information, with the exception of the safety performances, relates exclusively to TBI’s activities in the Netherlands. In the case of consortia – enterprises in which the control is exercised jointly with third parties on the basis of a cooperation agreement – the reporting reflects the size of the interest the TBI concern holds in the relevant consortium. Data from entities in which TBI holds a minority interest or does not have managerial control is excluded.

Comparability

All specific issues that may affect the comparability of the data are explained in the text and/or by means of footnotes to the text concerned.

Reporting ambitions

TBI is a participant in the Transparency Benchmark. By comparing our reporting with that of comparable companies and expectations from within the sector and other stakeholders we continue to improve our performance and reporting method. Our goal is to improve our score on the benchmark every year. In the coming years we want to continue reporting on the material themes in line with the IIRC framework and in accordance with the GRI standards.

Measurement method and data collection

The (consolidated) figures in this report are based on measurements, calculations or statements made by the TBI companies. All qualitative information about the financial and non-financial performance is based on internal memoranda, reports, correspondence or interviews with key functionaries. Quantitative information regarding financial results and the workforce has been collected by means of our financial data management system. The remaining data in this report has been collected from our information management system to which the TBI companies report. The TBI companies' Controllers are responsible for the validation of all the data reported to TBI Holdings. The financial and non-financial figures are consolidated using SAP BPC - a Business Intelligence System into which TBI Holdings consolidates all the data from the TBI companies. The internal audit uses the consistency and availability of supporting evidence as the basis for assessing the financial data that is reported at the TBI Holdings level.

Stakeholders and materiality

The materiality analysis we conducted in 2019 to determine the delineation of the annual report was recalibrated in 2020. This was used to compile an inventory of the topics that are important from the perspective of both the organisation and the stakeholders. In part due to the consequences of the Covid-measures an extensive, interactive stakeholder dialogue was not possible during 2021. In addition, in 2021 we worked on recalibrating our strategy. For this reason it was decided to use the existing materiality matrix in this Annual Report and to compile a new materiality matrix in 2022 based on an extensive stakeholder dialogue.

Stakeholders

The stakeholder groups that are most important for TBI are employees, project developers, (local) authorities, suppliers and sub-contractors, banks and insurers, and finally public and private clients.

TBI is in constant dialogue with its stakeholders based on their various interests and motivations. These dialogues take place at different levels in the organisation and in most cases are a component of the TBI companies' daily activities. The Executive Board participates in the most important dialogues involving a mix of stakeholders. The document 'Accountability and methodology', which is published on www.tbi.nl/jaarverslag, clarifies how TBI organises interaction with its stakeholders and topics regarding which the stakeholders have expectations of TBI.

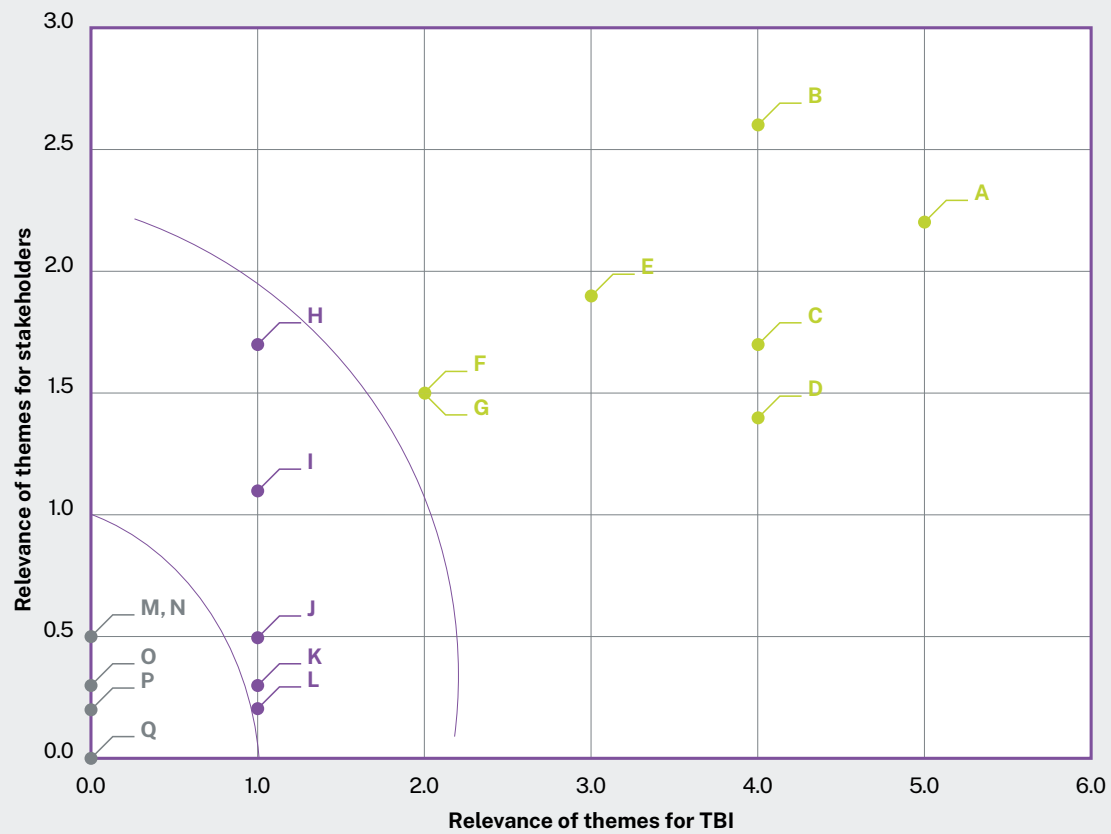
Determining completeness and stakeholder relevance

For the determination of the themes we have not only adhered to the minimum requirements according to the GRI guidelines, but also to the insights of other reporting initiatives (such as the IIRC International Integrated Reporting Council and the EU Non-Financial Reporting Disclosure (NFRD)). These organisations approach the definition of materiality more from an integrated vision than a CSR vision: a material theme is defined as: "a subject that significantly influences the organisation or on which the organisation has a significant influence through its activities". This concerns positive and negative and direct and indirect influence (risk/opportunity).

The materiality matrix shows the priorities from both a stakeholder perspective and a TBI perspective. The combination of the horizontal and vertical axis determine the material themes.

The themes to the right above the right hyperbola have been assessed as relevant by both stakeholders and TBI Holdings and have, therefore, been determined as material by the Executive Board. TBI Holdings develops policies and sets targets for these themes and progress is measured on the basis of KPIs. The Executive Board informs TBI's stakeholders about the policy, goals, results and KPIs in respect of these themes in the Annual Report.

Materiality matrix



Theme	Total
A Safe and healthy working environment	3.6
B Client focus	3.3
C Project management	2.9
D Solid financial position	2.7
E Corporate Governance/good management	2.4
F Energy-neutral solutions	1.8
G Circular construction	1.7
H Integrated design	1.4
I Innovation	1.0
J Training and (talent) development	0.8
K Social involvement	0.7
L Digitisation of construction processes	0.6
M Sustainable operation	0.3
N Diversity	0.3
O Climate-adaptive construction	0.2
P IT applications in construction	0.1
Q Influencing public policy	0.0

Five year summary

(x € 1 million unless stated otherwise)

	2021	2020	2019	2018	2017
Market					
Orders received	2,202	1,927	1,893	2,581	1,711
Order book	3,231	3,147	2,829	2,630	2,374
Housing units sold	2,204	974	960	1,731	1,251
Housing units delivered	2,304	1,736	843	1,785	2,345
Financial¹					
Operating revenue	2,192	2,013	1,850	1,773	1,708
Operating result before amortisation and depreciation (EBITDA) ¹	95.9	70.8	58.3	52.7	44.4
Operating result (EBIT) ¹	75.3	50.8	39.2	34.1	26.3
Operating result (EBIT)	72.5	48.0	37.4	26.0	16.6
Net result	49.8	32.1	25.1	16.2	8.9
Total assets	1,096.2	928.9	892.3	814.2	779.9
Shareholder's equity	344.1	303.7	279.6	254.4	238.2
Interest-bearing non-current liabilities	90.2	75.9	72.8	71.3	66.1
Interest-bearing current liabilities	8.9	4.4	10.9	10.5	14.6
Net working capital	-112.8	-47.3	-50.1	-7.7	22.1
Cash and cash equivalents	428.1	320.3	302.4	229.6	186.7
Ratios					
Operating result before amortisation and depreciation (EBITDA) as a % of operating revenue ¹	4.4	3.5	3.1	3.0	2.6
Operating result (EBIT) as a % of operating revenue ¹	3.4	2.5	2.1	1.9	1.5
Net result as a % of:					
• Operating revenue	2.3	1.6	1.4	0.9	0.5
• Shareholder's equity	14.5	10.6	9.0	6.4	3.8
• Solvency as a % of guarantee capital	33.2	35.4	34.1	34.3	33.8

	2021	2020	2019	2018	2017
Employees²					
Number of FTEs at year end	6,231	6,322	5,986	5,758	5,746
Training costs per FTE in €	750	744	927	744	692
Breaches of the TBI Code of Conduct	27	11	11	17	9
Health and safety					
Lost time incidents	32	41	38	36	39
Incident Frequency ratio (IF)	2.5	3.4	3.2	3.1	3.5
Sick leave in %	4.2	4.2	4.4	4.7	4.5
Environmental-impact					
CO ₂ emissions (kton)	24	27	32	33	32 ³
CO ₂ emissions/per million € operating revenue (ton)	11.0	13.2	17.3	18.7	18.5
Waste volume (kton)	53.0	52.8	24.9	31	33
Waste volume/per million € operating revenue (ton)	24.2	26.2	13.5	17.4	19.3
Waste separation percentage	78.9	74.7	64.3	59.6	51.5
Percentage sustainable timber	99	98	98	94	95

¹ Operating result from normal business operations (before deduction of reorganisation costs, impairments and other devaluations).

² Excluding foreign entities in 2017.

³ The total CO₂ footprint in 2017 has been adjusted in the light of more recent insight into the application of the Scope definition in relation to refrigerant gases.

Glossary

B

BENG

Acronym of the Dutch Bijna Energie Neutraal Gebouw (Nearly Energy-Neutral Building).

Building Information Model (BIM)

A digital representation of all the physical and functional characteristics of a building. A BIM model is a shared knowledge source or file containing information about the building that serves as a reliable basis for making decisions about the building throughout its entire life cycle. This means from initial design via construction and management/use to final demolition.

C

Carbon footprint

CO₂ gas is one of the main causes of the greenhouse effect and burning fossil fuels is one cause of CO₂ emissions. In accordance with the SKAO Emission Factors Handbook (version 3.0, June 2015) (Stichting Klimaatvriendelijk Aanbesteden en Ondernemen (SKAO) Dutch Climate Friendly Procurement and Entrepreneurship Foundation), TBI only reports the Scope 1 and Scope 2 emissions of its activities in the Netherlands.

Scope 1 emissions are direct emissions caused by the organisation itself, such as emissions due the organisation's own gas consumption and from its own vehicle fleet (including employees' private mileage in company lease vehicles).

Scope 2 emissions are indirect emissions released during the generation of the electricity used by the organisation, such as emissions from the plant that supply the electricity. This is after the deduction of renewable energy.

Scope 2 emissions also include air travel and business mileage driven by employees in private vehicles. The CO₂ calculations are based on actual (measured) data.

The CO₂ emissions from small(er) projects are excluded from this reporting if together they contribute a maximum of 5% of TBI's total annual revenue. Project-related energy and/or fuel usage that is paid for by the client is not included in TBI's CO₂ emissions.

D

DBFM

Design Build Finance Maintain (DBFM) is an integrated variant of a Public-Private Cooperation whereby all the aspects of a project are handled integrally. It is often used for large infrastructure projects in the ground road and hydraulic engineering (such as roads, locks and bridges) and real estate.

The DBFM contract form regulates the following aspects:

- Design
- Build
- Finance
- Maintain

E

Employee

A person with a permanent (no fixed period) or temporary (fixed period) contract of employment with a TBI company.

External staff

Independent workers who are not employed by TBI, but who are instructed directly by TBI Managers.

I

(Work related) Incident with lost time

A work-related incident (excluding incidents while commuting), that causes injury, sickness or death such that the person concerned is absent from work for at least the whole of the working day following the incident and does not carry-out any alternative work. A 'serious work-related incident' is an incident that must be reported to the Ministry of Social Affairs and Employment Inspectorate (inspectiedienst SZW). Serious incidents are those that lead to death, hospitalisation, permanent injury and/or permanent damage to health.

(Work-related) Incident without lost time

A work-related incident such that the person concerned can resume work within 8 hours after the incident and/or can carry out alternative work.

(Work-related) Injury Frequency (IF)

The total number of recordable (lost time or fatal) work-related injuries multiplied by 1 million (hours) divided by the total number of hours worked by employees and external staff.

N

NOM

NOM is the Dutch acronym for Nul op Meter (Nil on the Meter). A NOM building generates as much, or more, energy than is needed to run or live in the building. This can be achieved by a building upgrade that includes gable insulation, smart building systems and own energy generation.

O

Operating margin

Operating result (EBIT/EBITDA) as a percentage of operating revenue.

Operating result from normal business activities (EBIT)

The operating result before deduction of reorganisation costs and impairments.

Operating result before depreciation and amortisation (EBITDA)

Operating result from normal business activities before the deduction of the costs of depreciation (tangible non-current assets) and amortisation (intangible non-current assets). This term is a measure of the Group's ability to generate cash and a component of the banking syndicate's financial covenants.

Operating revenue

By operating revenue is understood the production at net realisable value. Operating revenue includes net turnover, movements in work in progress (including profit mark-up and/or provisions formed for losses) and other operating income. Net revenue comprises the income from goods and services delivered during the year (excluding VAT).

Order book

The portion of the contracted value of work and/or projects in progress that as at the balance sheet date has not yet been completed, or has not yet been started plus work and/or projects in the pipeline: the total value of the to be received contracts or projects for which prices have been agreed (construction teams) or with the lowest tender (tender procedure).

P

PAS

The Programma Aanpak Stikstof (PAS) (Nitrogen Approach Programme) is a Dutch government policy framework with which since 2015 development has been possible in the areas around so-called Natura 2000 areas. The PAS is an integral programme for activities with a threshold value for nitrogen emission (nitrogen deposition). This concerns, for example, expansions of livestock farms, the construction of residential areas and roads and industrial activities. Below this value application for a license in respect of the Nature Conservation Act is not necessary.

PFAS

PFAS stands for Poly and perfluoralkyl substances. PFAS are a group of materials made because of their specific properties, such as fire resistance and dirt and water repellence. They have been used for decades in a variety of applications including paint, fire extinguisher foam, pans, clothing and cosmetics. PFAS also have negative environmental properties – they are persistent, mobile and hardly biodegradable. Some PFAS are toxic. PFAS are found as contamination in soil, groundwater and surface water.

R

Recourse versus non-recourse financing

A recourse financing is a financing whereby the borrower must repay the debt in every case by some means. The borrower is liable with all his assets for ensuring the principal (including the interest) is repaid.

With a non-recourse financing the liability is more limited. The liability of the borrower, in the event of notice or default, only encompasses the agreements made in advance (regarding the collateral/guarantees).

S

Separated waste percentage

The portion of the waste that is offered separated at our construction sites and taken away by the waste processor. The construction and demolition, business and other waste streams are counted as non-separated waste streams. The total quantity of waste included in the calculation of the separated waste percentage includes: 1) all waste streams from the collectors with which there is a framework contract and 2) all significant waste streams supplied via other collectors.

Sick leave

The weighted average of absence due to sickness calculated on the basis of calendar days (pregnancy and maternity/paternity leave are not included), adjusted for part-time employees (in conformance with the Dutch National Absenteeism Standard).

Solvency

The solvency ratio is shareholder's equity resp. guarantee capital as a percentage of total assets.

Sustainable timber

Wood and woody products covered by the FSC's Construction & Wood Covenant. Therein the definition of TPAC is applicable for certificated sustainable timber; FSC for timber sourced from temperate and tropical regions and PEFC (Programme for the Endorsement of Forest Certification) for timber from temperate regions.

T**TBI Code of Conduct**

A TBI document containing rules and guidelines to prevent conflicts between the business and private interests of all involved parties, the misuse of confidential information as well as to provide guidance in respect of standards of personal behaviour within TBI.

Trade working capital efficiency

The net of current assets minus current liabilities, excluding investments in project development, cash and cash equivalents and interest-bearing debts (trade working capital) expressed as a percentage of operating revenue on a rolling four-quarters basis.



Cover:
Wisselspoor, a former NS (Dutch Railways) industrial area on the 2e Daalsedijk in Utrecht is being transformed into an attractive, urban environment while preserving its industrial heritage such as the old workshops and sections of the points and tracks. TBI company Synchron is developing the project in cooperation with NS and the municipality of Utrecht.

Colophon

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This is an English translation of the 2021 Annual Report of TBI Holdings B.V. In case of any differences in interpretation, the Dutch text will prevail.

TBI Holdings B.V.

Wilhelminaplein 37, 3072 DE Rotterdam
P.O. Box 23134, 3001 KC Rotterdam
The Netherlands
T +31 (0)10 – 2908500
I www.tbi.nl
E info@tbi.nl

Chamber of Commerce number 24144065

