



Annual Report 2022

40



TBI



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2022 in pictures

In 2022 the TBI companies worked on many attractive projects in which craftsmanship, innovation and constant attention to safety and social trends were key factors.



1 Voorbij Funderingstechniek – Amaliahaven Rotterdam 2 Croonwolter&dros en Mobilis – Sewage water treatment Tilburg 3 Eekels Technology – Tennet Zeijerveen Assen 4 Giesbers InstallatieGroep – Roparun 2022 5 Soltegro – Digital twin for De Groene Boog 6 WTH – New construction Capelle aan den IJssel 7 ERA Contour – Buur Utrecht 8 Hazenberg – Onze Tuinen Roosendaal 9 HEVO – Rodenborch-College Rosmalen 10 J.P. van Eesteren – Grotius Den Haag



11 Koopmans Bouwgroep – Cruquius Amsterdam **12** Equipment service Bergambacht (MDB) **13** Nico de Bont – ARTIS-Groote Museum **14** Synchroon and J.P. van Eesteren – Pombenburg Rotterdam **15** TBI innovation award winners 2022 **16** Voorbij Funderingstechniek and Mobilis – Singelgracht garage **17** Green shells - Voorbij Prefab **18** Struijk **19** Comfort Partners – Install heat pump **20** Voton **21** 200 colleagues at the start of the TBI Business Runs



ERA Contour – SAWA in Rotterdam, the first circular, wooden 50 metre high residential building in the Netherlands.

Report of the Executive Board 2022

Message from the Chairman of the Executive Board

2022 was a year of major changes in a short space of time. This had considerable impact on the economy, on the construction sector and on TBI. First and foremost, raw material prices soared, primarily due to the war in Ukraine, energy prices also rose exponentially and consumer confidence plummeted. As a result, after the summer the housing market was confronted with an explosive increase in (mortgage) interest rates. The nitrogen dossier and related political uncertainty also played a role in 2022, as did Covid-19. Against this background we have to say that most of the TBI Companies achieved good results. Although profitability in the year under review fell sharply due to the result of a number of infrastructure projects, revenue once again rose significantly and at the end of 2022 the order book was at a historic high. This was a fantastic milestone to achieve in the year in which TBI celebrated its 40th 'birthday' and the Group positioning itself more and more emphatically as a sustainable construction and installation concern.

Sustainability and social responsibility

Despite many of our companies developing very well and achieving good annual results, at a Group level several projects hit us hard, particularly in the Infrastructure sector. The uncertain market developments make predicting how the construction sector will develop in the coming years difficult. However, for TBI one thing remains a certainty: We will go on making every effort to not only retain our existing employees, but also to attract and then retain new employees. As a precaution we will take into account the possibility that, due to the economic situation, in the coming years we may experience some reduction of the order book.

Construction activities will, in time, pick up again and TBI will continue to expand. Together with our professional and skilled employees we are in good shape to meet the challenges that are increasingly demanding the delivery of sustainable solutions.

With Stichting TBI as our sole shareholder, sustainability and social responsibility are embedded in TBI's DNA. The celebration of TBI's 40th anniversary was one reason why, at the end of 2022, we established the TBI Klimaatfonds (TBI Climate Fund) (see [page 34](#)) and the TBI Praktijkfonds (TBI Trade Foundation) (see [page 42](#)) alongside the TBI Studiefonds (TBI Scholarship Fund) for our employees' children that was set up in 1992. The Climate Fund offers financial support for projects, innovations and plans aimed at combating CO₂ emissions submitted by TBI companies and social institutions. In addition to reducing CO₂ emissions the sponsored activities could also be aimed at being climate-adaptive and promoting biodiversity. The Trade Foundation provides financial

support to TBI companies' initiatives aimed at stimulating, in the broadest sense of the word, the inflow, promotion and retention of craftsmanship in engineering, construction and infrastructure. In particular, the following of (technical) vocational training should be strongly encouraged because this will enable (young) technical expertise to be brought into and retained within our sectors. The Foundation also focuses on training immigrants and bi-cultural Dutch residents, unemployed young people and people with an occupational disability or at an employment disadvantage so they become valuable professionals in our sector.

Significant progress with the strategic pillars

In 2022 we made significant progress with our three strategic pillars: Sustainable solutions, People & Teams and Technological advancement. The 'Green Book', which can be found on-line, has become the guiding principle for Sustainable solutions. This pillar has two themes: the circular transition and the energy transition. We are accelerating these transitions by focusing on five impact areas: sustainable material selection, circular design, circular business operations, sustainable energy solutions and emission-free construction. For all of these impact areas we have formulated clear targets for 2030 as well as concrete goals for a 'stop-over' in 2025. These goals and targets are listed on [page 30](#) of the Annual Report in the section in which we report on the results of our strategic pillars.

In the area of People & Teams we have made progress, but we still have some way to go especially in the field of diversity and inclusivity. This is important because



Bart van Breukelen and Emiel Roozen

to have a good understanding of the tasks our companies must reflect our society. Organising input from multiple angles is also essential for the quality of our work. Within the companies considerable attention is being paid to leadership programmes. We have discussed this with each other during various meetings, such as the TBI Pavilion 'Leadership and Diversity' and our training programmes in the TBI academy. The TBI company Management Boards also participated in a climate expedition with the aim of intensifying their intrinsic motivation. These climate expeditions will be followed-up in 2023. Investiga-

tions to measure employee engagement and satisfaction are now being carried out in all our companies. Concrete goals for People & Teams will be formulated during 2023. In 2023 concrete and measurable goals and KPIs will also be set for the third strategic pillar, Technological advancement. Within our companies considerable attention is already being paid to the Digitalization and Manufacturing technology themes, which are components of this. The three pillars offer a license to operate in order to maintain and further extend our Leading market position.

“During the year under review increasing the sustainability of the built environment received a huge boost.”

Development of the results

We have mixed feelings about the development of our results. Although the results of many of our companies developed (very) well, at the same time there were disappointments because a number of projects did not turn out well. The causes varied and included developments on the procurement market, technical challenges and delays related to the issuing of licenses. Several large infrastructure projects, such as A16 De Groene Boog and Wintrack ZWW, had a significant influence on the Companies' results. It is very noticeable that carrying out large, complex infrastructure projects is becoming increasingly difficult. We must continue our efforts to further improve our project and risk management.

During the current year we must take the effects of higher interest rates, increasing uncertainties and the plummeting confidence of both consumers and investors into account. Getting large (housing) projects under construction will become more

problematic. The nitrogen problem will play a role in this because it is a delaying factor in the licensing process, as will price increases which are sometimes difficult to absorb within the project budget. Fortunately most of our companies have very well filled order books. Another piece of good news is that during the year under review increasing the sustainability of the built environment received a huge boost. The energy transition has accelerated considerably as has the maintenance and renovation of existing (residential) buildings. Housing Associations are important clients in this market because they are open to a long-term cooperative relationship. We are seeing maintenance and replacement increasing across the board, including in the infrastructure sector

By far the majority of our Engineering companies did well in 2022. Revenue was good and order books were well filled. Our companies in the Construction & Development sector also performed very well in the residential building segment. This was especially true for the companies that carry out the construction work in this segment. The results in the project development area were excellent. In the Infrastructure sector we had serious concerns and some disappointing results. Since then some organisational improvements have been implemented and, partly in view of the well-filled order book, the expectations in this area are positive. Struijk - the circular demolition company acquired in 2021 - is now well integrated into the Group and is developing more and more synergy with our other companies.

In 2022 our CO₂ emissions were higher than in 2021 due to increased home-to-work traffic and more fuel being used for vehicles and machinery at project sites. The fact that after Covid-19 we are once again travelling to the office more often has played a role in this. In 2022 we also produced more waste, also when expressed in tons of waste per million Euros of operating income. This is because in 2022 Struijk, a TBI company with activities that include demolition, was included in our reports. In 2022 we also worked on construction projects that involved (more) demolition work during that year. By paying even closer attention to waste separation and focusing more on circular construction we are working on making our waste suitable for reuse. Our target for 2030 is to be able to reuse all our construction, demolition and office waste in a high-quality manner.

Safety, labour and digitalization

A clear dilemma becomes apparent in view of the major challenges for our sector and the lack of suitably qualified employees. We really have to tackle this structurally within our sector. Main and sub-contractors have become very reliant on foreign employees who are regularly recruited via temporary employment agencies. As the turnover within this group is very high the crew working on a project is constantly changing. This is not a tenable situation because these employees do not have sufficient knowledge of the Dutch language and are not incorporated into our safety standards and values. We must work on achieving structural collaboration with chain partners, as well as on acquiring more permanent employees, so that through training and education we can improve their proficiency.

This would ensure they remained available to the Dutch labour market, also in the long term. Only then will safety and professionalism in the construction sector be raised to a higher level. Incidentally, to get a better grip on strengthening the organisation's learning capacity in respect of safety, TBI recently made the role of Safety Manager more onerous.

In the coming years the digitalization of our operating processes will continue to demand considerable attention. This applies not only to the engineering of our projects, but also to the way in which data helps us improve the performance of our buildings and installations. Increasingly we are operating sustainable energy installations and managing infrastructure, buildings and installations for large clients. Digitalization helps us do this more efficiently and reduces failure costs. Towards this end, in the coming years we will invest heavily in further raising the knowledge level within our companies and, where necessary, adding new applications to our portfolio.

Implementing the strategy further in 2023

In 2023 and the following years there will once again be many opportunities, although we must remain cautious in view of the economic situation and the now visible cyclical turnaround. Nevertheless, the order book is very well filled, which means both revenue and result can increase organically. The strategy formulated in 2021 will be further rolled out and implemented. Sustainable solutions and People & Teams are the strategic pillars that will be at the core of this. TBI's Climate Fund and Trade Foundation will fit in well. Of course, many trend-setting projects will also be realised during the

current year, including the Haringvliet Bridge, De Nieuwe Defensie in Utrecht, the new research building of the VU (University) in Amsterdam, the renovation of the House of Representatives in Den Haag and the construction of a public transport terminal in Amsterdam.

As far as possible investment in new companies is concerned our focus is on areas such as digitalization in installation technology, sustainability and renovation in existing housing, design and engineering. We are also focusing on activities that help our existing companies accelerate or acquire knowledge. The acquisition of Rutges Vernieuwt (after the balance sheet date) dovetails well with this strategy. Together with our existing activities it has given us a leading position in the maintenance and renovation market.

The past year was marked by major changes and challenges in our environment. Even so, together we succeeded in making TBI an even more robust Concern, with more focus on our strategy and the important societal transition. Based on this solid foundation, our ambitions and the commitment of our employees we see plenty of scope to take advantage of the many opportunities.

I would like to thank everyone for their contribution towards this. Here's to the next 40 years!

Rotterdam, 16 March 2023

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



TBI at a glance

- TBI Climate Fund and Trade Foundation introduced alongside the existing TBI Scholarship Fund
- Rutges Vernieuwt, specialist in sustainable maintenance and renovation, acquired after the balance sheet date
- Strategic pillar Sustainable solutions; five impact areas with concrete goals for 2025. Further investments in sustainability in 2023
- Strategic pillars People & Teams and Technological advancement strengthened; goals will be formulated in 2023
- Exceptional projects, such as: the Haringvliet Bridge, Nieuwe Defensie Utrecht, Vroondaal Den Haag, Cruquius and a new research building for the VU in Amsterdam
- Leadership strengthened with TBI academy training courses
- Climate expedition by Board members to intensify intrinsic motivation
- Second factory for wooden construction in Wehl



6,229

Number of employees

2021: 6,231
(FTEs at year end)



26.1
kton

CO₂ emissions
(Scopes 1 and 2)

2021: 24.1 kton



2.9

Injury frequency (IF)

2021: 2.5



83.5%

Separated waste
percentage

2021: 78.9%



99.1%

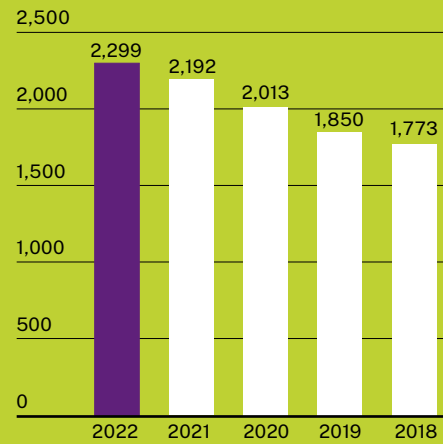
Sustainable timber
purchased

2021: 98.9%

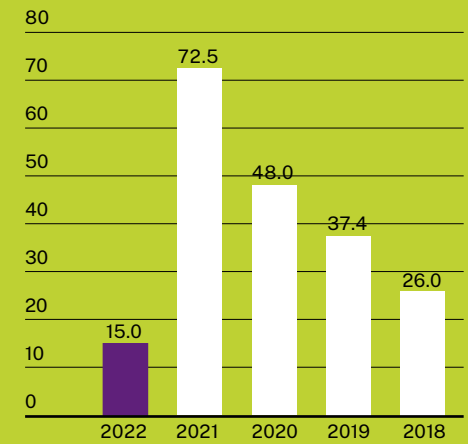


5TRACKS is a joint development of TBI companies Synchroon and J.P. van Eesteren.

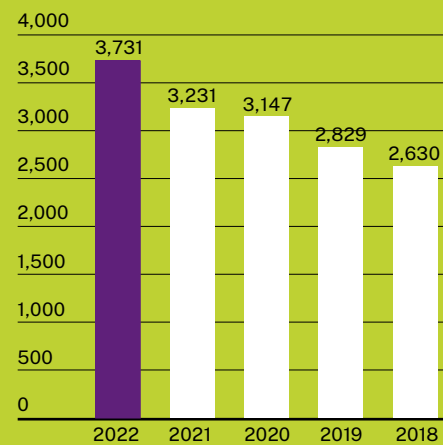
Operating revenue (in millions of Euros)



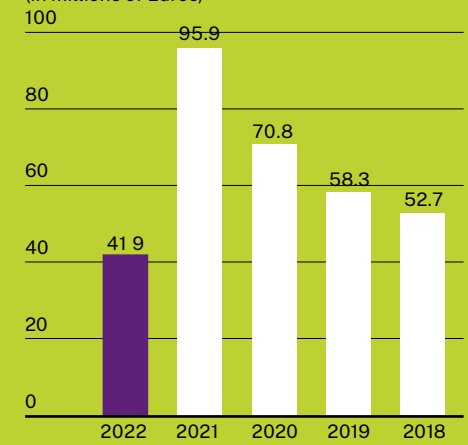
Operating result (EBIT) (in millions of Euros)



Order book (in millions of Euros)



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



Profile

TBI is a concern that renews, constructs and maintains the living environment in a sustainable way. TBI is hallmarked by its agile (network) organisation. TBI's 20 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 2022 TBI's workforce averaged 6,233 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 2022 TBI achieved operating revenue of € 2,299 million.

Working with cultural values and core qualities

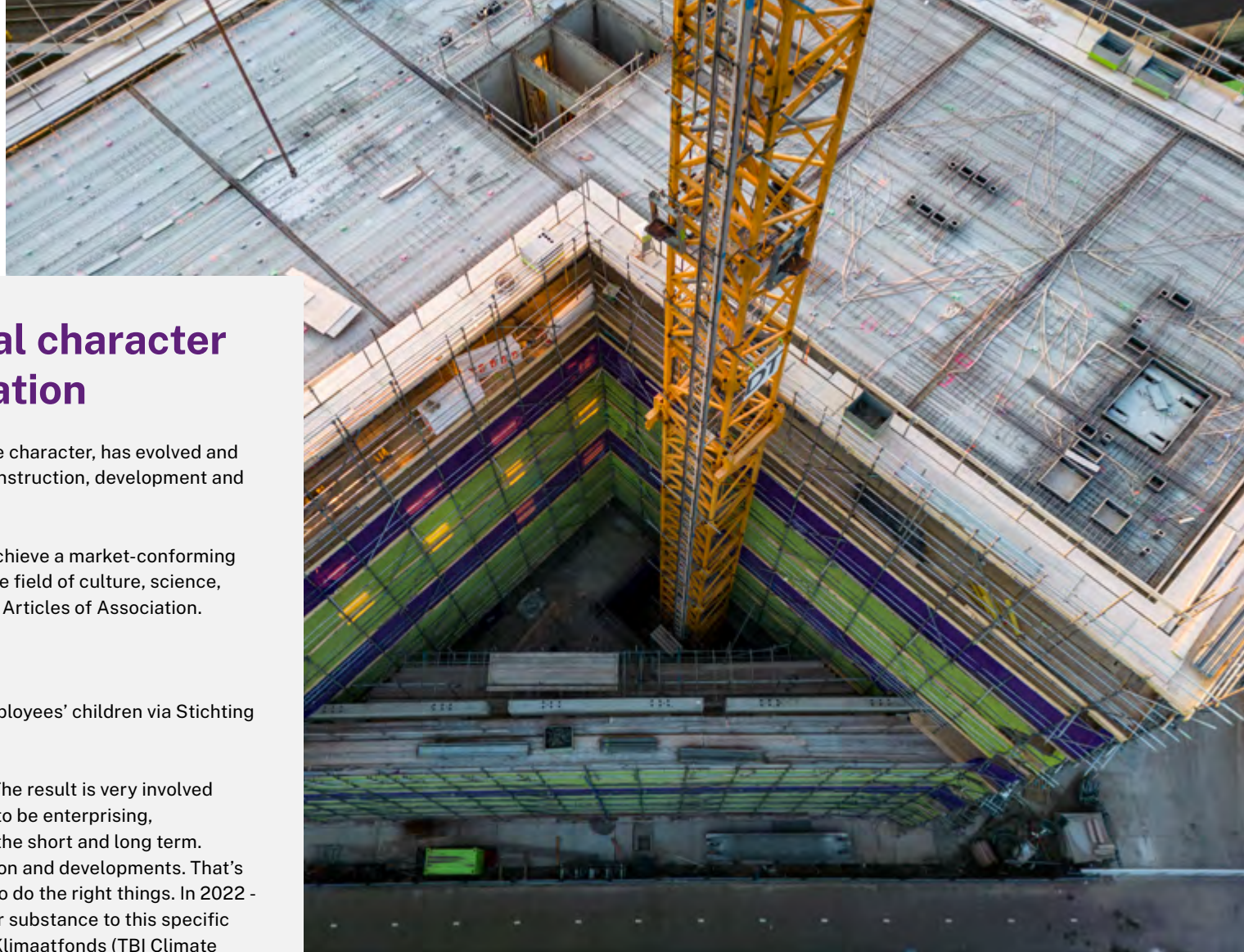
Our cultural values are responsible, passionate and connected. These components sum up how we interact with each other, our clients and other stakeholders and form the basis for our conduct and decisions. Our core qualities are craftsmanship, entrepreneurship, innovative strength and risk management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

TBI's operating philosophy is: Entrepreneurship at the base. With its clear product/market combinations TBI focuses on market-oriented entrepreneurship and space for 'local colour' through a regional presence. TBI is managed in accordance with a culture that strives for employee development and wide-scale knowledge transfer at all levels. We safeguard our cultural values and core qualities through:

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

TBI is part of the construction chain. The increasing integration in this chain means that an increasingly important role in the execution of our projects is being played not only by clients and main-contractors but also by suppliers and sub-contractors. In this situation TBI often takes on the role of chain director.

This involves intensive collaboration, not just in the field of logistic organisation and production but also in the areas of safety, working conditions, sustainability and innovation. We also expect suppliers and sub-contractors to accept and actively implement their social responsibility.



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 sustainable innovation and developments. That's how we create the future with people who want to do the right things. In 2022 - the 40th year since its founding - we gave further substance to this specific TBI character with the establishment of the TBI Klimaatfonds (TBI Climate Fund) and the TBI Praktijkfonds (TBI Trade Foundation).

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

Organisation chart

As at 16 March 2023



Engineering

Comfort Partners

Croonwolter&dros

Eekels Technology

Giesbers
InstallatieGroep

Soltegro

WTH

Construction & Development

ERA Contour

Hazenberg

HEVO

J.P. van Eesteren

Koopmans Bouwgroep

MDB

Nico de Bont

Rutges Vernieuwt

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): 205

Management Board: Roderick Soesman

Projects in 2022 included:

- In 2022 Comfort Partners took an enormous step towards heat pump maintenance and, as well as maintaining more than 100,000 AC boilers, now maintains 15,000 heat pumps. This makes us the leader in sustainability maintenance.
- In the Bluebanddorp in Amsterdam we made 187 homes more sustainable. This included ventilation that ensures a better indoor climate.
- Broeckgouw is a new construction project in Volendam where Comfort Partners is responsible for the total installation: sewage system, water, ventilation (WTW), floor heating, air/water and water/water heat pump and sanitary facilities. We also dig the boreholes for the water/water heat pumps.



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

Number of employees (FTEs): 2,701

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

Projects in 2022 included:

- In Wijk aan Zee Croonwolter&dros and Mobilis (SC&M) realised one of the largest “meter cupboards” in the Netherlands - the transformers station that will gather together the 2,100 megawatts of power from the future Hollandse Kust Noord and West Alpha wind farms.
- As a member of the Water Treatment Alliance Croonwolter&dros and Mobilis were involved in the extensive renovation of the Tilburg sewage treatment plant.
- Croonwolter&dros and Ballast Nedam won the order for the replacement and renovation of the Roer Tunnel and the Tunnel Swalmen in the A73, including the multi-year maintenance and monitoring.



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): 713

Management Board: Hendrik de Haan, Bart Brom

Projects in 2022 included:

- Enexis Netwerkbbeher and Eekels Technology B.V. worked together on the reinforcement of the Zeijerveen station. This is necessary because the capacity of the electricity grid is under pressure due to the increasing number of sustainable initiatives and the increasing electricity consumption by businesses and residents.
- Eekels has developed a future-proof, flexible and sustainable energy platform suitable for a zero-emissions propulsion system for the Vertom Patty - the first multi-purpose dry cargo ship with advanced and state-of-the-art diesel-electric propulsion.



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): 263 (252.4)

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

Projects in 2022 included:

- Sonat: this project comprises three tower blocks (90, 86 and 60 meters high) that determine the skyline of the Wijnhaven in Den Haag. We are responsible for the air conditioning delivery and control.
- House of Delft: an ‘Ode to the imagination’. Future-oriented homes. The 53 apartments meet the most stringent energy-performance standards. In addition to a Heat Recovery system we are responsible for a delivery system for the floor heating and all the plumbing tasks.
- Diepenveen (Dudok): this historic site in Rotterdam-West is being developed into a lively city neighbourhood. We are responsible for fitting the homes with a modern air conditioning system and floor heating.

Engineering (cont.)



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): 38
Management Board: Harry Halman

Projects in 2022 included:

- Soltegro developed the technical management application for the Corbulo tunnel installations - a development based on our digital asset monitoring platform. Our software gives constant overall real-time insight. This is how we are digitalising the infra market.
- For Erasmus MC we applied our system engineering methodology in the complex non-residential construction segment. This project generates insight, energy and enthusiasm among all the stakeholders. That's how we reduce failure costs.
- We are renovating and expanding the stations of Dutch network managers by designing primary, secondary and tertiary electricity network systems.



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 and sustainable indoor climate. www.wth.nl

Number of employees (FTEs): 68
Management Board: Fred Verdel

Projects in 2022 included:

- At the beginning of 2023 WTH moved into new premises. We had upgraded the entire technical installation, which has reduced usage and created a pleasant, comfortable working environment.
- Bergse Buren: WTH was responsible for the floor heating, floor cooling and ventilation in all the homes. This is a good example of an integral design with the involved parties working together to take all the worries off the shoulder of the client, ERA Contour.
- Tuinen van Genta, Breda: Giesbers gave WTH responsibility for the floor heating and floor cooling using modular plastic distributors with LT modules and adjustment with UMR Plus and UMR Pro in 139 homes.

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): 340
Management Board: Bianca Seekles, Jeroen Heijdra, Job van Zomeren

Projects in 2022 included:

- Aquarius in Amstelveen: the sustainable renovation of all the residential buildings and 182 apartments for Eigen Haard.
- De Bouwpraktijk: an eight to ten weeks training course during which people with an employment disadvantage are introduced to all the aspects of construction.
- Nieuwe Defensie in Utrecht: the realisation of 950 new-build apartments in various phases for BPD.
- Fruit packing District in Barendrecht: the development and realisation of 550 new-build apartments and facilities in cooperation with Emborion.
- SAWA in Rotterdam: the development and realisation of a totally wooden, 50 metre high, residential building in cooperation with Nice Developers.



Hazenberg develops and constructs valuable living and working spaces for today and tomorrow by increasing the sustainability of, renovating, maintaining and transforming existing building and constructing inspiring and future-proof new buildings. www.hazenberg.nl

Number of employees (FTEs): 136
Management Board: Boudewijn de Bont, Roel Maas

Projects in 2022 included:

- Achttien81 in Dongen: the monumental JAL factory has been repurposed into 18 sustainable loft apartments. With new construction we are creating a future-oriented residential area surrounded by greenery.
- Kroon in Etten-Leur: the design and construction of a sustainable, nature-inclusive neighbourhood with 70 characteristic social rental homes. The living room, picking garden and central garden form the central meeting places.
- Carolushof in Uden: sustainability was increased with the conversion of 45 care apartments into a completely gas-free residential complex. Generated, but unused, energy is stored for later use in a smart facility in the basement of the complex.

Construction & Development (cont.)



HEVO creates inspiring housing that contributes towards a healthy, future-proof world, strong communities and happy and healthy people. HEVO offers advice, plan development and building management. What is unique is that HEVO provides result guarantees through risk-bearing project management.

www.hevo.nl

Number of employees (FTEs): 93

Management Board: Ewoud van der Sluis, Michiel Otto

Projects in 2022 included:

- Education and sports campuses under one roof: Rodenborch College Rosmalen is a health and future oriented school for around 2,300 pupils plus two fully-fledged sports halls.
- Construction of the VNO-NCW Den Haag office and congress centre where The New Way of Working has been implemented.
- New construction vmbo Veurs in Voorburg: a combination of theory and practical classrooms, central areas and a gymnasium. HEVO is providing cost and construction management.



jp van eesteren | TBI

A 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.jpvaneeesteren.nl

Number of employees (FTEs): 371

Management Board: Marco Peppel

Projects in 2022 included:

- J.P. van Eesteren worked with Croonwolter&dros and Nico de Bont on the renovation of the House of Representatives buildings within the Binnenhof complex in Den Haag.
- The construction of the 100 metre high Justus tower block in the Sluisbuurt is in full swing. This J.P. van Eesteren project will give Amsterdam another 289 energy-efficient mid-rental homes.
- In 2022 we completed the following projects: the Grotius tower blocks in Den Haag, the Q Residences residential complex in Amsterdam and the campus extension at Leiden College.
- In the summer a start was made on the renovation of the iconic Holbein house on the Coolsingel in Rotterdam.



koopmans | TBI

A 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): 297

Management Board: Hans Smit, Melcher Groenendijk

Projects in 2022 included:

- In Amsterdam we realised both Cruquius 2.2 Sigma, with 68 apartments and nine single family homes, and Cruquius 2.1 for Amvest.
- Princenhof new construction site in Harmelen: a nursing home with Milieuther- mometer Zorg Zilver sustainability certification and energy label A++++.
- After the flying start of geWOONhout, the industrialised production line for the assembly of modular and circular wooden homes, the contract has been signed for expansion of geWOONhout with a new assembly hall on the A18 in Wehl.



mdb | TBI

Hires out safe and sustainable construction equipment to TBI companies and third parties. Hire includes delivery, assembly/disassembly and advice.

www.mdb.nl

Number of employees (FTEs): 88

Management Board: Jos Huijzer

Projects in 2022 included:

- MDB supplied materials to various TBI companies for use in a number of projects, including Happy Days in Zoetermeer, Tennen in Zevenhuizen and 5 Tracks in Breda,.
- In 2022 MDB began a multi-year investment in 240 accommodation units for use on project sites. The standard fixtures and fitting with which the units are/will be equipped include infrared heating in the ceiling, very well insulated walls and floor, LED lighting with motion sensors and a standard CO₂-alarm. In addition, all the exterior walls can be assembled and dismantled simply and flexibly, which means every desired configuration can be created. The use of high-quality materials will ensure maintenance costs remain low and the units are extra sustainable.

Construction & Development (cont.)



A renowned leader in classic restoration, sustainable repurposing and the multi-year maintenance of large and small (national) monuments.

www.nicodebont.nl

Number of employees (FTEs): 95
Management Board: Boudewijn de Bont, Roel Maas

Projects in 2022 included:

- St. Urbanuskerk in Amstelveen: the reconstruction and restoration of an exceptional national monument built in 1888. Specialist craftsmanship for authentic brick vaults, renewed stained-glass windows and a specially-designed mosaic floor.
- Groot Tuighuis in 's-Hertogenbosch: the sustainable, circular conversion of a monumental medieval church built in 1430 into a modern heritage centre. By using smart architectural solutions and bio-based materials we have achieved Energy Label A+.
- Oudezijds Voorburgwal 136 in Amsterdam: the restoration and making sustainable of a monumental 18th century canal house. Solar panels, a sedum roof and a heat pump with green piles make this building an exemplary project.



vernieuwt onderhoud & renovatie

Rutges Vernieuwt designs future-oriented plans for the maintenance, making sustainable and renovation of existing real estate. Rutges Vernieuwt guides owners through the before, during and after phases of the work. During the subsequent exploitation phase Rutges Vernieuwt regularly monitors the technical condition and ensures maintenance is always carried out at exactly the right time. Rutges Vernieuwt does this in long-term chain collaborations with housing associations. www.rutges.nl

Number of employees (FTEs): 120
Management Board: Dennis Rutges

Projects in 2022 included:

- Eigen Haard: wanted to make 549 homes more sustainable, gas-free and connected to the district heating network.
- De Alliantie: making monumental homes more sustainable within the E-Sequent chain collaboration included reinstating historical architecture.
- Woonin: both the interiors and exteriors of 117 duplex homes at Patrimoniumstraat 117 in Utrecht were renovated and made more sustainable.



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): 52
Management Board: Henri van Dam, Tobias Verhoeven

Projects in 2022 included:

- Te Werve, Rijswijk: Synchroon, together with Rijswijk Wonen, the municipality and residents, is making the post-war Te Werve neighbourhood more urban and inclusive. Alongside increasing sustainability, renovation and new construction the project involves making the public spaces greener and more attractive by introducing more nature.
- Huis op Zuid, Rotterdam: In the summer of 2022 Synchroon began the construction of Huis op Zuid, a 50 metre high residential building in Rotterdam, the first building to be included in the Synchroon Woonfonds (Housing Fund).
- Pompenburg, Rotterdam: the transformation of the area around Hofplein station into an attractive neighbourhood with a real Rotterdam identity.



Voorbij Prefab is the leading and innovative manufacturer of sustainable prefabricated concrete products and a pioneer in the field of innovation and making concrete sustainable. Our focus is on housing and industry. Our goal is emission-free concrete and we are working hard on the objectives of the Concrete Agreement.

www.voorbijprefab.nl

Number of employees (FTEs): 42
Management Board: Dorien Staal

Projects in 2022 included:

- The material used as standard for all the shells is the low CO₂ concrete developed by Voorbij Prefab.
- Various projects for TBI companies including Tuin van Genta in Breda for ERA Contour.
- To enable the sharp growth in demand to be met a start was made on the construction of a new transformer station production hall.

Infra



With over 100 years of experience, decisiveness is our chief driver. Connect smarter, build better is our motto. We work on both large and small infra projects, with the emphasis on civil projects. Without exception these are unique projects designed and built with focus and expertise. The result of our work can be seen in roads, tunnels, bridges, locks and water treatment plants, industry and energy throughout the Netherlands. www.mobilis.nl

Number of employees (FTEs): 377
Management Board: Remco Hoeboer, Ivo Baert and Sjoerd Opdam

Projects in 2022 included:

- Oranje loper: the renovation of the Nieuwezijds Voorburgwal and the streets and nine fixed bridges from Raadhuisstraat to Mercatorplein.
- Roggebot Kampen: improving throughput and traffic safety on the N307.
- RWZI Tilburg: the large-scale adjustments necessary for continued compliance with legislation and regulations.



Struijk focuses on circular demolition, asbestos and soil decontamination, preparation of sites for construction and occupancy, and road plate rental for non-residential, infrastructural and industrial projects. In the field of circularity a specialist in the drawing up of material passports and the harvesting and sale of used building materials. www.struijk.nl

Number of employees (FTEs): 26
Management Board: Remco Hoeboer, Ivo Baert and Sjoerd Opdam
Director: Corstian van Hartingsveldt

Projects in 2022 included:

- The civil engineering, demolition and earthworks related to the unlocking and replacement of the Piet Heinplein bridges in Den Haag.
- The transporting over water from Den Helder to Kampen and decommissioning of ZR. MS. Thetis, which is used as a training ship by the Dutch Royal Navy.
- The circular demolition of the Church and Nicolaas school on the Korfmakersstraat in 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 and smart engineering with which we can also make foundations more sustainable. www.voorbijfunderingstechniek.nl

Number of employees (FTEs): 144
Management Board: Remco Hoeboer, Ivo Baert and Sjoerd Opdam

Projects in 2022 included:

- The foundations for seven apartments, studio flats and large houses in the centre of Breda.
- Work on the foundations for the extension of the Prinses Amalia harbour on the Tweede Maasvlakte. In 2022 we began with the installation of, among other material, 2,000 vibro-piles.
- VFT was responsible for the foundations-related work for the construction of the Singelgracht garage-Marnix. The foundations were completed during the year.



Specialised in the manufacture and supply of pre-stressed concrete piles. www.voton.nl

Number of employees (FTEs): 18
Management Board: Remco Hoeboer, Ivo Baert and Sjoerd Opdam

In 2022 Voton's projects in the non-residential construction and infrastructure sectors included:

- Warehouse B & C in Hellevoetsluis.
- Elzenhagen Singelblok Amsterdam.
- Koer Katadreuffestraat Rotterdam.
- Happy Days Zoetermeer.
- Pand Hoekse Waard Heinenoord.
- A28 interchange Wezep.

'Mentor'

Hans van Eert

Aged 64

Mason / Foreman

With Nico de Bont since 1985

'Apprentice'

Martijn van Caem

Aged 28

Mason / Bricklaying Teacher

With Nico de Bont since 2014

The strength of
generations

Hans: “Martin and I have been working together for eight years now. He came to Nico de Bont as a trainee bricklayer in 2014. And a short while ago he changed from pupil to teacher. Nico de Bont restores and repurposes a wide variety of ‘culturally-historical’ heritage, including large national monuments such as the Domtoren in Utrecht, the ARTIS-Groote Museum in Amsterdam and Breda Botanique. There is also smaller, challenging work to be done, for example the Begijnhof Museum in Breda and the pillars of the John Frost Bridge in Arnhem. In Naarden-Vesting we are involved in the maintenance of the fortifications. A maintenance plan for the coming 20 years has been drawn-up. We carry out these projects with our own professionals, who very often we have trained ourselves.”

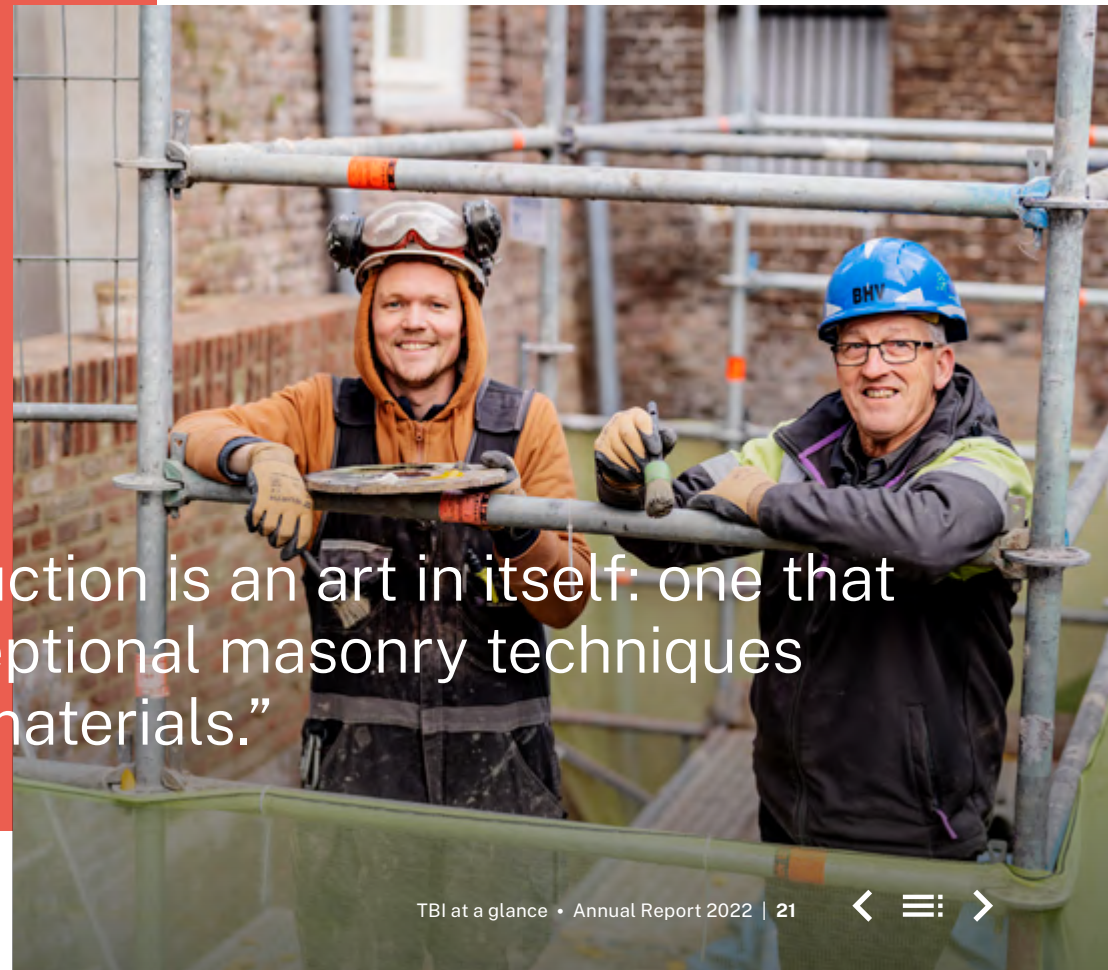
In 2018 the, at the time only recently restored, Urbanuskerk (church) in Amstelveen was unfortunately largely destroyed by a raging fire. Even the vaults of this very special church either collapsed or became unstable. Restoration was necessary, but nowadays there are very few craftsmen still able to do the job. “This is where Martijn learned the art of ‘vault bricklaying’. This really is an art in itself. It involves using exceptional masonry techniques and adapted materials, for example a very special grout. And the stone must be bone dry so it sticks securely by sucking in the grout. A special masonry technique is used to rotate and tilt stones to create an inclined plane. This is a job for real specialists and, because of the crafts-

manship involved, is actually priceless. Make no mistake, a lot of carpentry skill is also needed,” says Hans who has 48 years of experience in restoration.

Nico de Bont’s work on the Urbanuskerk was completed at the end of 2022. Hans: “During the restoration we trained our own people so they had the skills to do this work. Martijn was in the first group of vaulting masons. Another eight colleagues were also trained via our own masterclass and we also gave professionals from other companies the opportunity to follow this training course. We can make very good use of these professionals, for example in Naarden-Vesting, where there is also vaulting work to be done.”

According to Martijn, Hans taught him the finer points of the mason’s craft. “Nico de Bont is actually the only company in the Netherlands that really has the specialists in-house. There’s a lot of restoration work, including for the long-term preservation of masonry and pointing in (hydraulic engineering) monuments: forts, bridges, fortifications, cambers, quay walls, city walls, etcetera. This means there are plenty of job opportunities,” says Martijn, who is delighted with the profession he now masters.

“Vault construction is an art in itself: one that involves exceptional masonry techniques and special materials.”



External environment

In the year under review the situation in, and the short and medium-term outlook for, the construction sector changed dramatically and very abruptly. There is talk of a (cyclical) turnaround due to very diverse factors. A sharp rise in (mortgage) interest rates, the war in Ukraine and the resulting steep rise in energy and material prices, plummeting consumer and investor confidence, continuing tensions on the labour market and the lingering nitrogen dossier add up to a goodly number of threatening factors. Conversely, the energy transition has accelerated rapidly and circularity is becoming the norm. This means that making the (living) environment more sustainable is, and will remain, a promising prospect, in part due to legislation and regulations and increasing stakeholder activism. Sustainable solutions with a focus on the energy transition and circularity are spearheads of TBI's strategy.

Fundamental trends and developments

Covid-19 accelerated the emergence of fundamental changes in the construction sector. These changes do not alter the long-term picture, so the outlook for the sector in general and TBI in particular remains favourable. The fundamental trends and developments are related to underlying factors, such as scarcity on the labour market, due partly to the aging of the population, continued pressure on the housing market and infrastructure projects, more stringent legislation and regulations in the area of safety, sustainability and circularity, nitrogen and nature conservation and increasingly stringent client wishes and demands. On top of that there are more and more disruptive forces, such as new players (other 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. TBI's strategy to ensure its continued success is to respond systematically to these developments (see: [pages 30 to 32](#)). Every year we refine our strategy and invest more and more in:

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

The sustainability challenge

By 2050 the Netherlands' entire housing stock must be energy-neutral. Industrial and non-residential buildings must also be made sustainable.

This challenge is embedded in international agreements and legislation. The goal is to reduce CO₂ emissions by at least 55% by 2030 (and 95% by 2050) compared to emissions in 1990. At the Climate Summit held in Glasgow at the end of 2021 agreements were made in respect of cleaner mobility. Unfortunately, at the Climate Summit in Egypt in 2022 the only agreement reached related to a worldwide fund for countries that are vulnerable to the effects of global warming.

TBI, as one of the largest engineering, construction, development and infrastructure concerns in the Netherlands, has a major role to play in this enormous 'sustainability in 2050' challenge. This is why we want to demonstrate leadership by being a 'thought leader'. In this way 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.

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. TBI is clearly focused on this transition to a circular construction economy and has increasingly integrated it into its strategy and business operations. The goal of circular construction is the (re) development of sustainable buildings and the reduction of waste and CO₂ emissions. Developments to which we are responding are wooden construction, low-CO₂ concrete and making buildings that can be dismantled and reassembled. In this respect we are already seeing buildings that are constructed in such a way that they can be dismantled and reassembled. 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.

Trends and developments in 2022

Price increases

The (negative) effects of Covid-19, plus from 24 February 2022 the Russian invasion of Ukraine, had a significant influence on the construction sector and with that on TBI's business operations. The scarcity of building materials led to supply problems in the chain as well as steep increases in the

price of materials such as wood and steel.

This influenced our financial results. We also noticed a worsening of market conditions due to rising inflation and, partly as a consequence of that, higher (mortgage) interest rates. This resulted in a decline of both consumer and investor confidence. The higher raw material and energy prices had a knock-on effect throughout the entire economy: Construction costs rose as did the cost of financing real estate. The effects of the war in Ukraine and the nitrogen problem will remain apparent in 2023 and probably after that as well. In the second half of 2022 far fewer new build homes were sold than in the same period in 2021. By contrast the renovation and maintenance of existing buildings soared, also in the context of the energy transition and based on possibilities in the government agreement. The rapid rise of energy costs also led house buyers to place more and more value on a higher energy label. The selling price of existing homes with a lower energy label has not only gone down but the properties remain on the market for a longer period of time.

Market developments per sector

In the third quarter of 2022 it looked like the long period of growing optimism had come to an end. Architects and engineering companies, which are at the beginning of the cycle, were also more concerned about their revenue. As the second quarter became the third quarter there was a noticeable change in the overall mood from mainly positive to generally negative. And whereas up until the third quarter of 2022 more and more builders experienced problems with obtaining production means, materials and

space, this number decreased in the second half of 2022.

This ran in parallel with the number of homes for which a permit was issued, which in the three quarters up to September 2022 was 11.2% lower than in the first three quarters of 2021. The third quarter of 2022 confirmed another trend that had been apparent for some time: Investment in offices and shops was declining; including in respect of existing objects. This was striking in view of the constant increase in investment in office and retail premises transformation during the preceding years.

In the coming years the Rijkswaterstaat (executive agency of the Ministry of Infrastructure and Water) will invest heavily in the maintenance of outdated infrastructure. It will be a major task. In the second half of 2022 renovation and maintenance projects worth a considerable amount of money were planned. A large proportion of these works, which include work on the North Sea Canal and the Van Brienenoord

“The TBI Trade Foundation was established at the end of 2022 to provide additional support to TBI companies organising practical training.”

Bridge, are classified as ‘reasonably certain’. A new stream of renovation and maintenance projects is expected to follow in the first quarter of 2024. It will include major tunnel renovations in the province of Zuid-Holland. There is more uncertainty regarding the planning of orders for new infrastructure. This is related to the limited space for extra nitrogen emissions.

The nitrogen problem

The nitrogen problem continues to be the cause of substantial negative and multi-year effects in the construction sector, despite the Remkes recommendations in October 2022 and the surrounding political uncertainty. According to Remkes, major construction projects can be granted a license if the Cabinet buys out 500 to 600 ‘peak loaders’ within a year. Without a rapid nitrogen reduction the granting of permits for residential buildings construction will remain very difficult in the near future. This will have major social consequences. The Building Exemption, whereby nitrogen emissions during construction are not included, no longer applies. This means even less can be licensed or constructed than is already the case.

The plan to also link internal offsetting to a license requirement also leads to additional delays with the granting of licenses. The construction sector is still of the opinion that, compared to for example the agriculture sector, its nitrogen emissions are very limited. In 2022 the effects of the nitrogen problem were once again very clear. Some projects were cancelled and the tendering of new projects slowed considerably. The nitrogen problem will have a

long-term negative effect, especially on the infrastructure sector.

The labour market

Shortage on the labour market remains a source of concern and attention, in part due to aging and a shortfall of trained craftsmen. Nevertheless, it would appear that, for the time being at least, tension on the labour market reached its peak in 2022. This, combined with the more moderate growth expectation for construction output in the coming years, means the required inflow into the construction sector can be almost entirely met through training courses the volume of which has been increasing steadily for a number of years. However, the engineering courses are lagging quite a way behind while the need for these professionals is growing steeply. The installation ratio in buildings continues to rise steadily and the natural outflow from the construction industry due to incapacity for work and retirement must also be absorbed. So efforts to attract and retain sufficient well-trained people remain crucial. Added to that, the labour market is not one single whole for the entire sector. Many different professions are involved all with different supply and demand factors. The TBI companies are responding to this with (their own) training courses, TBI academy training programmes, foreign colleagues, lateral entrants and the setting-up of the TBI Trade Foundation at the end of 2022. With the help of all these tools and possibilities TBI expects to be able to attract and retain (new) employees. Greater efficiency, digitalisation, manufacturing technology and robotics will in time mean more and better work can be completed with fewer employees.

TBI's market position

According to the EIB, in 2022 the volume in the Dutch construction sector rose by 2%. In this situation TBI's 5% increase in operating revenue was a relatively good performance. As a result TBI's competitive position improved in terms of both quality and quantity, in part due to its strategy. TBI 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 need for (sustainable) housing;
- the high demand for sustainable solutions, partly on the basis of the government agreement;
- the replacement and maintenance of infrastructure such as bridges, locks, roads and energy networks.

TBI is contributing towards reducing the shortage of available homes on the Dutch housing market through its residential construction and project development activities. We are also contributing towards affordable housing for households by manufacturing standard modules and shells that, as far as possible, are ready for assembly at the construction site. Partly as a result of the density of the urban areas in which construction and installation takes place, project complexity continues to increase. This also applies for infrastructure projects. Reducing the risk profile, especially of large infrastructure objects, remains a necessity. Meanwhile, steps have been taken with new tendering procedures: the two-phase contracts. Given the major social issues the Rijkswaterstaat has recognised the importance of having healthy and energetic infrastructure companies that must be able to go on investing and 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 and such companies are added to the portfolio on a fairly regular basis. 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.

Value creation model

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

In the section 'Progress of strategic pillars in 2022' our output is described and our added-value is discussed. Under 'Impact' the contribution towards the achievement of a number of Sustainable Development Goals (SDGs) is described.

To determine the delineation of the Annual Report and the implementation of our strategy, at the end of 2022 and the beginning of 2023 we recalibrated our materiality analysis. This was used to compile an inventory of the topics that are important from the perspective of both the organisation and the stake-

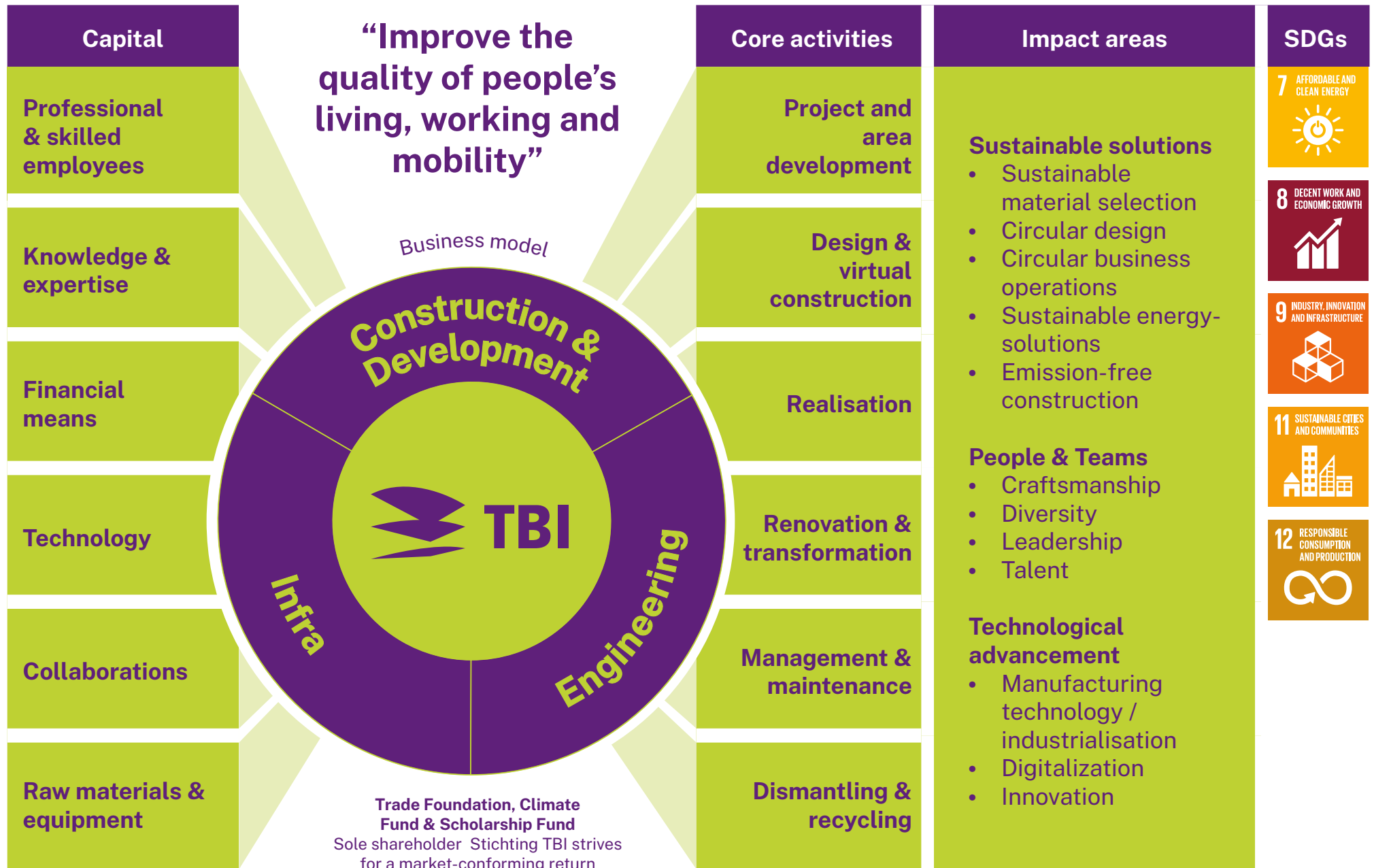
holders. The stakeholder groups that are most important for TBI are employees, project developers, (local) authorities, suppliers and sub-contractors, banks and insurers, and public and private clients.

The materiality recalibration was based on targeted and personal interviews with relevant stakeholders through which we redefined our material themes. The focus of the interviews was based on the principal of double materiality. This means that we asked about both the (financial) material impact on TBI ('outside

in), and the (potential) positive and negative impact TBI has on people and the environment ('inside out').

The provisional conclusions have been integrated into this Annual Report. The materiality matrix is included in the section 'Additional information' (see [page 152](#)). In the appendix 'Verantwoording en methodologie' ('Accountability and methodology') published on www.tbi.nl/jaarverslag we describe the process used to create the current materiality matrix and present the most material topics.

Value creation model



Business model

The spatial planning of the Netherlands involves dealing with an increasing number of social challenges. The trend is for major changes in demographics, the labour market, mobility and energy requirements. 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 nature and biodiversity. There are also economic considerations. And an increasingly urgent need to adapt the built environment to cope with climate change. These challenges create bottlenecks, 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 in a sustainable way. 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 people and 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 and sustainable energy;
- SDG 8: decent work and economic growth;
- SDG 9: industry, innovation and infrastructure;
- SDG 11: sustainable cities and communities;
- SDG 12: responsible consumption and production.

In addition to the SDGs related to our core activities we also have 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 sustainable ambitions. Within TBI we follow an active policy with which we create value in line with the SDGs and contribute towards sustainable development. TBI has not yet formalized the human rights policy, but its development is on the agenda in 2023. It goes without saying that we formulate ambitions for ourselves in line with the principles of these SDGs. This was an integral component of our stakeholder dialogue. Via the trade associations of which we are a member we have contact with the Government regarding topics such as the workability of legislation and regulations and how better and more innovative tenders can be achieved.

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. This strategy is the basis on which our leading market position is built. The progress of our strategic pillars in 2022 is reported on [pages 35 to 58](#).

The pillars are:

- Sustainable solutions
- People & Teams
- Technological advancement



Sustainable solutions

With Sustainable solutions TBI has a positive impact on the circular transition and energy transition. In collaboration with chain partners we want to optimise the reusability of buildings, installations and infrastructure and minimise CO₂ and nitrogen emissions. Our activities related to the preservation of monumental heritage fit in well with this. Within the circular transition TBI is focussing on minimising raw material usage and maximising the reusability of products, materials and raw materials. On the energy transition front TBI is focusing on minimising emissions of harmful substances and maximising smart and affordable energy solutions.

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 Infra sectors we

occupy a key position in the circular construction chain. To increase our contribution towards a circular (construction) economy we measure our CO₂ emissions and the quantity of waste we produce. This enables us to sharpen our focus and thus increase the 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, energy neutral and low-emission, solutions they can offer clients. For us they are opportunities to create extra value. The TBI Climate Fund that was introduced at the end of 2022 will also respond explicablely to this.



People & Teams

Craftsmanship and talent, along with leadership, diversity and Inclusivity, 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, diversity and inclusivity. 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. The TBI Trade Foundation that was introduced at the end of 2022 will also respond explicablely to this.

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.



Technological advancement

Optimising our manufacturing technology and ongoing digitalization are the focus for TBI in order to accelerate Technological advancement. 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.

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, planning and area development. 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 multi-disciplinary 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.

Social impact demands collaboration and often 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.

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 on the basis of technological progress. 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 strategy we are adding 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;
- sustainable innovation and growth in market segments with better margins;
- reinforcing our project management and operational excellence.

Good contract and project management, which result in more risk management, is essential. The TBI programme 'How we Work' is aimed at achieving continuous improvement through regular internal consultation between project managers in order to identify (financial) risks and dilemmas and continue learning from each other. 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. Once again, in 2022 the Management Boards of the TBI companies regularly discussed contract and project management with their Supervisory Boards. And once again these topics also received considerable attention in Management Development programmes, in which intervention and leadership development occupy an important position.

This also implies that several aspects of project management are more standardised. Knowledge safeguarding and sharing between and among the TBI companies has also been facilitated through the Group-wide 'How we Work' programme. 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. In this respect the 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 digitalisation. 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) goals and results are included in the following section 'Progress with strategic pillars in 2022'. On the basis of our strategy we are giving our role and impact more focus in 2023 and setting ourselves longer-term ambitions and goals.

“TBI has an enormous potential for a major social impact.”

Admir Hamza

Aged 42

Upcoming Mechanic

With Croonwolver&dros since October 2021

“Croonwolver&dros means a lot to me. The Company has given me a great opportunity, one I have grasped with both hands. I am very happy here. I enjoy my work and can progress further. I have very nice colleagues who support me well. And on top of that there is the TBI Scholarship Fund for our children.

Every day I visit many different clients, generally to maintain their central heating boilers. What people need most of all is to be listened to. I like to take time for that, although you don't always have it. I understand that there are many concerns about a high gas bill, especially among the elderly. Even if they still have a nice fixed contract. One client hadn't used any hot water for six months. More and more young people are also concerned now. How long will this go on and what does that mean? We then offer advice about how to be smart with their heating.

In the beginning I received a lot of support from my colleagues. That was great. I had a very nice experience during my first breakdown service shift. That weekend a colleague phoned me every two hours to ask if everything was going well, or whether there were things we could solve together and what things I wanted to share? In the



“The TBI Scholarship Fund pays a lot towards the study costs of our children.””

end I had the feeling I could handle all the breakdowns in the whole country.

During my first performance review I also noticed immediately that I was being offered a 'step ladder'. I could take advantage of all the training opportunities I could access. I have now completed nearly all the central heating boiler maintenance

courses and in the near future I want to learn more about heat pumps.

This Company's TBI Scholarship Fund for the children is ideal. They receive a contribution towards their study costs. That is a very nice allowance that is paid directly into their own account”.



“With the TBI Climate Train we are addressing an entire community”

Bianca Seekles and Tobias Verhoeven
Directors of TBI Klimaattrein

TBI Climate Train: heading for Paris with driven construction pioneers

At the end of 2022 TBI established the TBI Klimaatfonds (TBI Climate Fund) that will be launched as the TBI Klimaattrein (TBI Climate Train). Not just in honour of our 40th anniversary, but precisely because of our social involvement and responsibility. We want to contribute towards a climate-positive landscape in which the focus is on CO₂ reduction and regeneration in our built environment.

“It’s actually a journey with the destination being Paris”, explains Tobias Verhoeven. In this case Paris represents the climate agreement, whereby global warming will be limited to a maximum of 1.5 degrees Celsius. Including through reducing CO₂ emissions by 55% by 2030 and achieving a climate-neutral European Union by 2050. Bianca Seekles: “We want to strengthen the movement of people who are intrinsically motivated, put our shoulders to the wheel together and participate in changing our climate for the better”.

Tobias Verhoeven adds: “The climate challenge that we, as a society, are facing is both enormous and extremely urgent and the manner in which

we develop and organise the built environment is huge. The TBI Climate Train offers financial support to innovators who want to realise pilot projects. As well as new energy solutions you could also think about building materials, mobility solutions and area planning.”

The Climate Train is intended for innovative projects of civil and social organisations, such as education and research institutions, impact-driven start-ups and local initiatives. These organisations can apply directly to the Climate Train without any connection to TBI. On the other hand, the Climate Train is, of course, also intended for employees within the TBI companies and our commercial (chain) partners.

According to Bianca Seekles there has been a conscious choice to not only offer financial support but also to create a movement: “The status quo in the sector will have to be challenged and supported by new initiatives. With our community we want to create extra cross-pollination and thus possibly achieve major breakthroughs.”

Progress of strategic pillars in 2022

Sustainable solutions



KPIs	Target	Result 2022 (2021)
CO₂ emission Scopes 1 and 2	12% reduction compared to 2017	26.1 kton (24.1 kton) 4.2 ton (3.8 ton) CO ₂ emission per FTE 11.4 ton (11.0 ton) CO ₂ emission ¹
% of electric vehicles²	30% relative increase compared to 2017	21.6% (16.8%)
Waste separation percentage	≥ 70%	83.5% (78.9%)
Waste volume (ton)¹		26.1 (24.2)
% of purchased timber that is sustainable	≥ 95.75%	99.1% (98.9%)

¹ per million € operating revenue.

² of total leased vehicle fleet.

Ambition and targets in five impact areas

Making the built environment more sustainable is one of the greatest challenges. And a fully circular construction economy in 2050 is the goal. When it comes to Sustainable solutions TBI makes a distinction between five impact areas each with clear ambitions for 2030. The targets set for 2025 serve as 'stop overs'.

1 Opting for sustainable material

The use of primary raw materials in our projects has been halved.

Targets for 2025:

- Three categories from the yet to be determined top 10 procurement categories are 50% sustainable or purchased circularly.
- The environmental-impact of our projects has been reduced through:
 - The formulation of an MKI (environmental cost indicator) for Infra;
 - An MPG (environmental performance buildings) of 0.65 for construction projects.

2 Circular design

We construct our assignments in accordance with circular design principles.

Targets for 2025:

- All the companies compile a number of project material passports each year.
- All the companies carry out pilot projects with circular revenue models each year.
- We have developed a circularity methodology that can be applied for engineering, construction and infrastructure.

3 Circular business operations

We reuse our construction, demolition and office waste in a meaningful way.

Targets for 2025:

- Waste at construction sites and in offices reduced by 50% compared with 2021.
- 95% of the waste separated of which the maximum possible comes from the construction sites/ construction hub and offices (includes construction and demolition waste).
- Each year the released material flows for all the renovation, demolition and new-build projects are made transparent for high-quality reuse.
- The total tonnage of the waste amounts to 59,986 ton (2021: 53,012 ton). The most prevalent waste streams in tons are rubble (42,609), construction and demolition waste (7,937), commercial waste (1,047), gypsum/plaster (279), wood (2,596), insulation material (298), plastics/foils (88), paper and cardboard (443). The reported data regarding waste streams comes from SAP BPC. The data is based on invoices and reports from the waste processors' portals.

4 Sustainable energy solutions

We build energy-neutral projects.

Targets for 2025:

- Existing buildings: 25% energy reduction over the total contracted work in the non-residential and residential construction segments (maintenance and renovation projects) from 2022.
- New-build: 75% of the contracted (new-build) work in 2025 will lead to energy-neutral operation. For ground-level homes this means nil on meter (NOM), for infrastructure projects, non-residential

buildings, residential buildings, etc. that means building-related energy neutral.

- Each year all the companies conduct innovative pilot projects in the area of smart grids, sustainable energy generation or storage.

5 Zero-emissions construction

We will reduce our emissions in-line with the Paris Climate Agreement.

Targets for 2025:

- 25% of the material used for every project is zero-emissions.
- Scopes 1 and 2 are climate-neutral, Scope 3 reduced. In 2023 we will draw-up a climate plan for the reduction of Scopes 1, 2 and 3 in line with SBTi.
- Internal CO₂-pricing has been implemented.
- The CO₂ emissions amount to 26.1 kton (2021: 24.1 kton) of which 23.8 kton (2021: 21.4 kton) is Scope 1 and 2.2 kton (2021: 2.6 kton) is Scope 2. Of the Scope 1 emissions 0.4 kton is attributable to biogenic fuels. The CO₂ emissions have increased compared to 2021 due to increased home to work commuting and fuel usage for project-related vehicles and machinery.

From 2023 the TBI companies will report on the above targets.

In 2022 all the TBI companies made impactful circular contributions. The results included:

Sustainable material use

- J.P. van Eesteren drew-up a 'Green list' which has made selecting sustainable construction material much easier. The list includes five product groups

Dilemma

Longer-term impact versus short-term gain

How does TBI select a direction that makes everyone feel involved and connected? Especially if companies have to choose between sustainable solutions, the impact of which will only be visible in the longer term, and solutions offering greater short-term profitability.

The strategic choice for sustainability forms the basis for our company. TBI's Executive Board is also responsible for safeguarding the Group's (financial) continuity. This means also having to make decisions about investments that won't have a visible impact on the environment and society for quite some times. At the same time the Concern must achieve a good financial performance in the current year so the financial resources remain available for investment.

each of which is assessed on four themes: healthy processing, impact on the climate, toxicity, lifespan and reusability. It shows, at a glance, how concrete mortar with 30% granulate scores in the different impact areas compared to 100% granulate. The list also includes glue, plasterboard, insulation material and paint.

- In 2022 the TBI Construction Purchasers focused on going through two concrete sustainable procurement processes: waste reduction and sustainable/circular materials. In addition the purchasing process of the entire chain was reviewed in order to identify and achieve sustainable improvement steps.

Circular design

- Since the beginning of 2022 ready-to-use wooden housing modules have been assembled in Koopmans Bouwgroep's new, energy-neutral geWOONhout factory. These modules are then combined to form standardised circular wooden homes and (care) apartments. The goal is a totally CO₂-neutral process.
- The demand for modular and circular wooden housing is increasing rapidly. Which is why the

“Strategic choices for sustainability must be made”

geWOONhout assembly hall mentioned above, which was opened at the end of 2021, is already being extended with a second assembly hall of a similar size. With the signing of the contract in September 2022 geWOONhout is signing for a circular future.

- At the beginning of 2022 ERA Contour began work on the construction of Sawa in Rotterdam. This is the first, over 50 meters high, wooden residential building in the Netherlands. It's also a healthy building, because building in wood is better for the environment. SAWA offers 39 owner-occupier homes, 50 mid-market rental homes and 20 private sector rental homes. SAWA is a nature-inclusive building designed in consultation with urban ecologists and biologists.
- Nature-inclusive social starter homes were assembled for Plavei and Koopmans Bouwgroep. They were installed in the Schoolstraat in Didam in July 2022.
- With the completion of the circular extension of 43 homes in Amsterdam ERA Contour has shown circular design is also achievable in renovation projects. Most of the extension was constructed using materials reclaimed and recycled from the homes themselves.
- In mid 2022 the final wooden module was installed in the fully circular, nature-inclusive and energy-positive Juf Nienke building. In this project realised by Hazenberg, modular wooden construction is the key factor in the sustainability performance of the 61 homes. Juf Nienke's future tenants will be teachers and other people with key professions in Amsterdam. Most of the materials used to construct the building are bio-based and recycled materials with a low environmental impact.



Nico de Bont – the Eusebius church in Arnhem

Nature & biodiversity and Climate adaption

Investment in nature and biodiversity is a key component of sustainable construction for TBI. Densification offers opportunities to make the inner city greener and more sustainable, to upgrade green spaces and connect with each other. This creates a nature-inclusive and climate-proof living environment in which everyone feels at home: An attractive, green environment with space to stay, to play, to exercise, to meet and to enable initiatives to develop. Every urban development must contribute towards this. Nature-inclusive design contributes towards reducing damage to health and has financial and social benefits. Examples of this are the mitigation of the effects of climate change, such as heat and flooding due to downpours. In 2023 TBI must develop a vision and targets for these themes. The starting point is the drawing-up of a climate plan in line with SBTi goals.

- Nature is playing a leading role in Happy Days, which is being developed on the edge of the Oosterheem neighbourhood in Zoetermeer in cooperation with ERA Contour. The area looks nothing like a traditional residential area and has been designed to give the feeling of living on a camping site. Happy Days comprises 165 owner-occupier houses and 40 social housing rental apartments. There are dyke houses, mound houses and water houses ranging from detached to terraces of four houses. They are arranged in small groups in the green, park-like area.
- On 31 May 2022 the Amstelstroombrug (bridge) over the Duivendrechtsevaart (canal) in Amsterdam was officially opened. This is a nature-inclusive bridge on behalf of the Mobilis - Van Gelder construction consortium. The bridge forms the entrance of the A2/A10 to the Amstelkwartier (neighbourhood) and is an important link in Amsterdam's ecological network. The elegant bridge is also an important connection for the new neighbourhoods in Overamstel, a safe place for pedestrians and cyclists and a green shelter for bats, birds, fish and insects. This nature-inclusive Amstelstroombrug brings nature, city and people together.
- In September 2022 Koopmans Bouwgroep and geWOONhout signed the Duurzame Woningbouw covenant (Sustainable & Future-proof Housing Agreement). The covenant was drawn-up by the province of Utrecht and the Amsterdam metropolitan region (MRA) to enable new homes to be built in a



sustainable and future-proof way. It contains ambitious agreements that are more stringent than the current legal standards so cheaper, sustainable homes can be built more quickly.

- To offset a portion of the CO₂ emissions in 2022, Synchroon planted 500,000 trees - which adds up to over 10 km² of woodland. This is Synchroon's own project and the planting (also in less developed countries) takes place in a responsible, sustainable and certificated manner, also in cooperation with Trees for All. The planting has a threefold positive effect: it reduces CO₂ emissions because trees absorb and bind CO₂, it supplies circular building material and it creates a healthy living environment for people and animals.
- In June 2022 Synchroon and Vogelbescherming Nederland (protection of birds in the Netherlands) signed a three-year contract. The goal is to together develop a working method that inspires and helps future residents to design and plant their garden in a nature-inclusive and bird-friendly way. The collaboration also aims to create accessible tools for municipalities and developing parties to make construction projects more bird-friendly.
- Partly in honour of its 40th anniversary, TBI has entered into a partnership with Trees for All. In early 2022 TBI began with the planting of over 7,700 trees in Kranekamp (Overijssel): the TBI forest. The trees represent our (future) employees. In November 2022 a further 2,100 trees were planted in cooperation with Trees for All. These trees in support of Green Friday were compensation for Black Friday.

Dilemma

New-build or transformation

More and more often a choice has to be made regarding whether or not to apply circular principles, for example in a transformation or renovation project. 'Traditional new-build' is generally quicker and cheaper. What choice do you, as TBI, make in consultation with the client?

In most cases there isn't immediately a clear choice between one or the other. New-build can also be partially circular. It's TBI's task to convince clients to opt for sustainable and circular solutions for such projects.

The merits of, for example, higher energy efficiency with new construction and new installations versus reuse of raw materials and older installation should be carefully weighed on the basis of consultation with stakeholders and 'cold' calculations.

Long-term maintenance and operation costs should also be considered. In addition, TBI also supports the retention of cultural heritage.

Circular business operations

We are aware of the quantity of waste our construction activities produce. Together with our waste processors we monitor the released waste streams. Our target for 2030 is to make valuable use of all our construction, demolition and office waste. We are achieving this by first of all preventing and minimising waste on the construction sites and in our offices. We close the raw materials circle by giving the residual waste streams a high-quality new purpose. Through our active involvement in the drawing-up of Techniek Nederland's Packaging Branch Plan we are striving to use as many packaging-free products and materials as possible on construction sites. The waste that cannot be avoided will be separated - for 95% in 2025 and for 100% by 2030. These figures apply for both the construction sites and offices. This will ensure materials are given a valuable new purpose. We will set-up new concepts for materials released by demolition, such as 'urban mining' and material markets. The harvested materials are offered via digital hubs.

- Struijk, which has been part of TBI since October 2021, makes an active contribution towards our achievement of circular business operations. For demolition work Struijk compiles an inventory of valuable reusable material. These are recorded in a materials passport. After harvesting a new purpose is sought for the released materials via an online platform (Insert) and regular partners. In this way Struijk reduces waste and makes valuable repurposing possible. Over 50% of the offered materials is sold from an office building in Almelo. The materials vary from system ceilings, cabinets

and laminate to back boxes and switches. All these materials find a valuable new purpose.

- WTH is also working on reducing waste. By now packaging its distributors in a cardboard box that is 62% smaller than the previous version WTH is saving 1,240 kilo of cardboard a year. Smaller boxes also mean half the number of transport movements. Another new development is a smarter way of stacking pipes (total 3,000 pieces a year). Stacking more pipes on a pallet has reduced the transport volume by around 20%. A pilot trial with one of the largest suppliers was a success. WTH is now focusing on the next sustainable innovation in pipe packaging.

Sustainable energy solutions:

- For the development of the Amstel III area Jord and Synchroon worked in close collaboration with two other developers. The outcome was a design in which one WKO (heat/cold storage) system generates sustainable heating and cooling and supplies it to the entire area. The result is not only significant cost savings but also a greater reduction of CO₂. Several factors, including combining the supply and demand of several buildings (supermarkets, offices and homes), enabled a very efficient design to be developed. Jord will provide the supply for the next 30 years.
- Mobilis is responsible for the realisation of 14 turbines with a tip height of 150 to 210 meters for the new A16 wind farm. All the turbines require sturdy foundations for which a special steel form was made to measure. Once the A16 has been delivered this form will remain available for future projects. With careful use it will be good for over 100 masts.

Emission-free construction

- Rijkswaterstaat has awarded the contract for the renovation of the Haringvliet Bridge to a construction consortium of Mobilis and Croonwouter&dros. The order covers the design and execution of the moving sections. At the beginning of November 2022 work began on preparing a construction site next to the bridge where renovation of the moving sections will begin in the course of this year. Struijk Sloop- en Grondwerken Nederland will prepare the construction site. With sustainability in mind the work will be carried out using electrical machinery. A power box (battery pack) will be used to charge up the equipment.
- J.P. van Eesteren investigated its Scope 3 emissions. In 2023 the insights gained from the investigation, such as the size of the so-called material-related, will be used to calculate the Scope 3 emissions of all the TBI construction companies. The Scope emissions of all the TBI companies will then be determined so we understand our emissions and can implement targeted reduction measures.
- The energy transition is taking effect on construction sites. More and more machinery is electric powered and green energy is the norm. In 5TRACKS Breda, a development of J.P. van Eesteren and Synchroon, considerable efforts are being made to accelerate increasing sustainability even more through the use of new, smart energy solutions. Where possible the construction of 5TRACKS will be realised using electric-powered machinery.
- MDB invested in 240 full-facility project site cabin units for employees who often work for longer periods at project sites all over the country. Having good, modern and sustainable accommodation at their disposal is important. The new cabin units are equipped with infra-red heating, high-quality insulation and LED lighting with motion sensors and are very maintenance-friendly.
- TBI has accelerated the electrification of its vehicle fleet because new terms of employment lease cars must be electric, plus the on-going contracts for cars running on fossil fuels are being terminated early. The target is no more fossil fueled terms of employment lease cars by the end of 2025.

ProRail and Dura Vermeer-Mobilis Consortium Alliance

Rail environment Geldermalsen

The Geldermalsen rail environment was developed by means of an alliance between ProRail and the Dura Vermeer-Mobilis Consortium. An Alliance is a special form of cooperation: The client and the contractor are jointly responsible for both the design and the execution. The objective is the creation of an optimum project with a shared risk. And it worked.

The project began in June 2018 and was delivered in March 2022. The aim was to expand the Geldermalsen railway station and yard and optimise traffic circulation. The additional platforms and track have not only enabled more trains to pass through the station they have also improved safety, not only of passengers on the trains and in the station, but also of residents and motorists.

The level crossings have been replaced with two new underpasses. The station has been (partially) renovated and the walkway has been replaced by a cycle and pedestrian tunnel. Finally, measures have been implemented to reduce nuisance (track vibration and noise).

The logistics challenge while executing the work was to keep the track operational as much as possible. Nevertheless there were two major shutdowns: one in the summer of 2020 (6 weeks) and one in the summer of 2021 (7 days). Thanks to the interfaces between Rail, Civil, Station and the surrounding area the integral cooperation and planning were also a pleasant and successful challenge.



Rail environment Geldermalsen

TBI Praktijkfonds (TBI Trade Foundation): Getting down to work with and for people

The TBI Praktijkfonds (TBI Trade Foundation) – a joint venture of Stichting TBI (TBI Foundation) and TBI Holdings was set-up at the end of 2022 to mark TBI's 40th anniversary. "This Foundation dovetails seamlessly with the social responsibility that is embedded deep in the DNA of TBI", according to Simone Koot, who is responsible for the successful roll-out of the Foundation. Simone was also responsible for steering ERA Contour's 'De Bouwpraktijk'.

The TBI Trade Foundation endorses the need for 'work to be done' to make people enthusiastic about working in the engineering, construction or infrastructure sectors and to support them in the process. And to ensure they feel welcome within their new TBI team and remain within the Concern.

Simone: "The Foundation's mission is to offer the TBI companies support in order to stimulate the inflow, advancement and retention of craftsmanship in engineering, construction and infrastructure. From our social heart we offer financial support, knowledge and guidance.

"In our vision 'working with your hands' will be given the appreciation it deserves. People with an employment disadvantage will receive more space and support to learn our trade. And young people will be given the opportunity to get to know engineering, construction and infrastructure at a young age".

The objective of the TBI Praktijkfonds is to give TBI companies more help with organising vocational training. Simone: "This will increase our workforce, foster craftsmanship within TBI and our sector and strengthen our image as a social Concern. It will mean our own employees can be even more proud of the organisation for which they work."



Simone Koot

Only with the talent and expertise of the right people will we make our world day-by-day a little more beautiful and liveable. In a nutshell, the TBI Praktijkfonds will contribute towards this by:

- Offering TBI companies financial means, knowledge and guidance
- Stimulating the inflow, advancement and retention of technical skills
- Making people with an employment disadvantage and young people enthusiastic about, and supporting them in, their search for, an interests in working in engineering, construction or infrastructure.

Progress of strategic pillars in 2022



People & Teams

In 2022 the members of the TBI companies' Management Boards participated in a climate expedition to further intensify their intrinsic motivation for sustainable solutions. In this context, during this expedition they were actively coached in how TBI itself will handle this in order to make the urgency even clearer. These climate expeditions will be repeated in 2023 to ensure our leadership develops further in this field.

Within TBI leadership is one of the core topics as it must ensure:

- Employee inspiration and development in an inclusive environment;
- A position as a most attractive employer in our branch;
- Operational Excellence (“How we work”);
- The creation of varied teams and the facilitation of team performances;
- The achievement of challenging, yet to be determined, targets.

Ambition

In 2023 ambitious targets will be set based on the inventory of current developments (in the companies) and what needs to be done at the company level and what requires a central approach. The inventory was compiled by a working group on the basis of (desk) research, interviews and an analysis that led to conclusions and recommendations prioritised by means of an impact effort matrix. The topic of young people will be explicitly integrated in this because every company endorses its importance and wants to



KPIs	Target	Result 2022 (2021)
Number of FTEs leaving at own request as a % of the total number of FTEs	≤ 6%	7.9 % (6.5%)
Injury Frequency ratio (IF)	≤ 3.6	2.9 (2.5)
Sick leave percentage	≤ 4.5%	5.1 % (4.2%)
Number of TBI Code of Conduct breaches	0	33 (27)

give it momentum. To promote collaboration and realise future plans a plan of approach per company will be shared proactively.

In view of the developments on the labour market, including the aging of the population that means the shortages are increasing, it is vital that we at a minimum achieve measurable results in respect of:

- A continuous improvement in employee satisfaction (via an eNPS - Employee Net Promoter Score - measurement, most of which was carried out in 2022);
- A balanced age structure;
- The achievement of ambitious targets in the area of diversity and inclusivity;
- The development of leadership at various levels.

The above is not exhaustive and does not stand in the way of other initiatives, but has been given priority alongside the fact that TBI wants to offer its employees a safe and healthy working environment. This will enable talent and craftsmanship to be retained and developed. We want to be one of the most attractive employers in our sector, a Concern 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. We must make every effort to encourage inflow from construction and engineering training courses, migrant workers (including with permanent contracts) and lateral-entrants from other sectors and, at the same time, prevent outflow. Safeguarding technical expertise,

from foreman to carpenter and from electrician to estimator is at least equally important. The new TBI Trade Foundation will clearly play a role in this. The Foundation's goal is to help TBI companies organise practical education in the broadest sense of the word and to make our sector interesting to people once again. This will increase our workforce, encourage craftsmanship within TBI and our sector and reinforce our image as a social Concern. The pride of our own employees should also be given a boost.

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. Team Days are also organised as well as a 'the strength of generations' programme. A number of 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.

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 possibility of working from home, assessment based on commitment and not just result, and security of employment.

At the end of 2022 our total workforce numbered 6,461 employees, which equated to 6,229 FTEs. In 2022 7.9% of the outflow was at the employee's own request. The scarcity on the labour market, especially of technical staff, has increased the percentage of employees leaving at their own request.

Of our total workforce:

- 11% (771) was female compared with 11.3% (731) in 2021;
- 82% (5,310) worked full-time (of which 94% were male and 6% female);
- 18% (1,151) worked part-time (of which 61% were male and 39% female);
- 94% (6,075) had a permanent contract (of which 89% were male and 11% female);
- 6% (386) were temporary staff (of which 76% were male and 24% female);
- 665 of the FTEs were aged under 30, 2,893 were aged 30 - 49 and 2,671 were aged 50 or older;
- 95% were covered by a CAO (Collective Labour Agreement). The employees not covered by a CAO had market-conforming employment conditions;
- At the end of 2022 our own office and project workforce was supplemented with over 1,180 (2021: 1,016) temporary agency staff.

Safe and healthy working conditions

Safe working conditions and healthy employees are top priorities for TBI because our employees are our most important 'asset'. All the TBI companies work in accordance with the TBI Safety Guidelines, apply the TBI Safety Values and since 1 January 2022 have included the ViA (Security in Procurement) as an obligation in tenders and contracts. The 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 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 right 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 active contribution towards the GCVB by participating in the CEO Kopgroep, the core group and various working groups. The GCVB's initiatives are implemented within TBI whenever possible. All the TBI companies have also implemented the Collision Hazard Reduction Policy.

Article 5 of our Purchasing Conditions (Corporate Social Responsibility) states: "The contractor and the client adhere to the United Nations' Guiding Principles on Business and Human Rights ("Guiding Principles"). TBI does not yet have an active human rights policy, but formulation of such a policy is on the agenda for 2023 and is currently being worked on.

Sustainable employability is a key concern bearing in mind the fact that our working conditions are physically demanding, our workforce is getting older and technically-trained people are in short supply. It is important that our employees remain fit and healthy throughout their working lives. This is of crucial importance for our organisation and in 2022 this had the following results:

- Quarterly TBI Safety Consultation with all the Quality, Occupational Health and Environment (Kwaliteit Arbeid Milieu (KAM)) Coordinators & Safety Experts. In this consultation we discuss developments related to the TBI safety app, the companies' safety programmes and current certifications as well as the details of any accidents and incidents that have taken place so we can all learn from them;
- 17 TBI companies are now Safety Ladder certificated (2021: 15) or are in possession of an Approved Self Assessment. At least 16 companies are certificated on Tread 3, a minimum requirement. The Safety Ladder has five Treads with which the safety awareness and degree of consciously acting safely of these companies are assessed against the various criteria;



Dilemma

Wider portfolio versus clearer positioning

Does TBI opt for a wider portfolio of companies or for a sharper focus on, and positioning in, specific segments?

TBI wants to offer clients integrated solutions. To be able to do this we must have the knowledge and expertise to handle a wide range of activities. It also reduces our Concern's vulnerability to fluctuating market conditions.

	2022	2021	Δ	%
Lost time incidents	39	32	7	22%
Of which serious accidents	2	2	0	0%
Incidents with alternative work	17	11	6	55%
Incidents without lost time	177	145	32	22%
Near accidents	145	119	26	22%
Dangerous situations	2,980	1,814	1,166	64%
Dangerous actions	87	77	10	13%
Total notifications	3,445	2,198	1,247	57%

- In 2022 a - partly on-line and partly physical - Safety Day was organised at the companies. It included an online session with Ben Tiggelaar for three target groups. In the afternoon there was a Round-table discussion about safety in large projects with the Chairman of the Executive Board and three Project Managers;
- In 2022 the TBI Safety Council met four times. This Council comprises the Management Board member responsible for Quality, Occupational Health and Environment or Safety from each TBI company. This Council discusses developments related to safe working, high risks, leadership training and accidents in the branch. Through this Council a joint TBI language and working method is developed and monitored;
- The TBI Safety Guidelines have now been implemented in the safety programme of every TBI company;
- The TBIveilig (TBIsafety) app was further developed. This app makes it easier for employees of TBI and its subcontractors to discuss (a 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. In 2022 this resulted in a nearly 57% increase in the number of reports compared to 2021. A good and careful registration of this type of report makes an active contribution towards increasing safety awareness among the TBI companies' employees;

- At the end of 2022 a full-time Safety Manager for TBI was appointed to develop the vision and policy further and coordinate and expand all the activities listed above;
- TBI Vitaal: TBI wants to be one of the most attractive and safest employers in our sector: with employees who are and wil continue to be energetic and employable. One way we are achieving this is by creating conditions in which employees can use their own initiative and develop optimally. This means a safe and healthy working environment, good working relations and enough development and training opportunities in every Concern company. As well as reporting sick in HR2day, you can also contact TBI Vitaal with questions about health, to make an appointment with the Company Doctor, or for advice for long-term employability. Via TBI Vitaal and Tbinet employees are informed about and inspired by, for example, how you can keep the balance between your working and private life, tips for a healthy lifestyle and information about the Vitaalcheck.
- In 2022 38 Confidential Advisers and Supervisors (25 men and 13 women) followed an official training course via the National Institute of Confidential Advisers (Landelijk Instituut Vertrouwenspersonen - LIVP).

Dilemma

Safety versus foreign workers

Safety is a priority for TBI. Since there are not enough Dutch skilled workers, a lot of foreign workers are employed on construction sites. Foreign workers of speak very little or no Dutch and come from a different safety culture. Wouldn't it be better if we put these workers on the payroll or didn't take on the projects?

Foreign workers make an important contribution towards the task we face in our sector. We would like to offer them permanent employment in our companies more often. To be able to realise projects professionally and safely we are committed to giving them safety training and to working together with chain partners more structurally.



- A number of TBI companies gave a one-time allowance to employees they thought had been hit relatively hard by the soaring inflation and energy prices.
- The learning management system has now been implemented in seven companies. This enables all the learning activities and training courses within an organisation to be managed with the help of an IT application.
- In 2022 nearly all the companies had a performance management system in place. This system enables us to - via software - monitor and compare the organisation's goals and strategies with/against the performance of the employees required to achieve these goals and strategies.

- In 2022 4,873 performance/assessment interviews took place. That equates to interviews with 75% of the employees.
- In 2022 the employer portal we set up with our health insurance company, Zilveren Kruis Achmea, went live. Through this portal managers and HR can proactively find the intervention card with partners in the field of (preventative and curative) absenteeism guidance.
- Training courses on healthy living were once again offered by a number of companies.
- In 2022 the incident rate (IF) was 2.9 (2021: 2.5). This is well under the target of an IF < 3.6. The total number of hours worked in 2022 was 13,490,673.
- In 2021 the number of Lost Time Incidents involving TBI's own and hired-in employees rose to 39 (2021:

32). In addition there were 177 accidents that did not require sick leave (2021: 145).

- Many of the accidents involved trips and falls and resulted in cuts and injuries to hands.
- In 2022 the number of near accidents involving TBI's own and hired-in employees was 145 and there were 2,980 dangerous situation notifications and 87 dangerous action notifications (2021: 119 near accidents, 1,814 dangerous situations and 77 dangerous actions)
- 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. The implementation of the ViA is making a good contribution towards safety.
- Nearly 200 colleagues participated in the TBI Business Runs as part of the Rotterdam Marathon for which TBI is main sponsor of the Business Runs.



TBI Scholarship Fund

The goal of this foundation is to make a contribution towards the education, training and study of the children of (former) TBI employees. The Stichting 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 2022 the TBI Scholarship Fund:

- Received 2,709 applications for study grants and allowances for the 2021/2022 academic year (2020/2021: 2,480) of which 2,441 were approved (2020/2021: 2,253);
- Had an available budget of € 1.81 million for the 2021/2022 academic year (2020/2021: € 1.54 million) and in 2021/2022 spent € 1.62 million (2020/2021: € 1.87 million) on educational grants and allowances.

By 1 May 2022 - the closing date for applications for the 2022/2023 academic year - 2,679 applications for grants/allowances had been received. TBI Holdings B.V. has made a budget of € 2.47 million, charged to 2022, available to Stichting Studiefonds TBI for the 2022/2023 academic year.

Developing employees through education and training

Management Development is strategic for the growth of TBI. We expect our employees to maintain their craftsmanship at a high level, adapt to changes in society and our industry and work continuously on their personal development through training and education. 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 2022 the following results were achieved:

- With the TBI Innovation Prize we offer employees a stage and springboard for new initiatives. This doesn't only generate innovative projects (see [page 59](#)), it also stimulates our employees' innovation.
- In 2022 Jong TBI (Young TBI) welcomed 95 new members, bringing the total membership to 304. Various events were organised including Delegeren Denken Doen (delegate, think, do) (200 participants), a visit to Diergaarde Blijdorp (zoo) (76 participants), the online New Year's Pub Quiz (33 participants), a company visit to MDB (27 participants) and an online negotiation game after the GMM (30 participants).
- TBI-wide a total of 127,877 hours (an average of 20.5 hours per FTE) and over € 5.6 million was invested in employee training and development (2021: 103,057 hours, € 4.7 million and an average of 16.5 training hours per FTE).
- Education and/or training costs for men € 5,206,565, education and/or training costs for women € 432,171. Education and/or training costs for permanent employees € 3,774,056, education and/or training costs for hired-in employees € 1,864,680.
- In total 315 (2021: 237) employees participated in TBI academy training programmes (around 7,504 hours).
- Four of the five management trainees who graduated found a job within one of the TBI companies. In 2022 seven new trainees started with a first project period in a TBI company and at the end of 2022 five other trainees completed their second project period and will graduate in 2023.
- 86 people followed the TEAM training course which takes place twice a year. The first morning focuses on getting acquainted, networking and being inspired by an interesting speaker. In 2022 the speakers talked about sustainability and the strength of different generations on the shop floor. The afternoon and the second day the employees follow the training module they have selected. In this way we combine learning and development with connecting colleagues from the different TBI companies.

- More attention was paid to vitality and flexibility. In the talent programme this was supported by a workshop by members of the women's rugby team as thanks for their sponsorship contract.
- The Talent Group organised their own workshops for participants in the area of TBI's three strategic pillars.
- Two basic Project Management training courses took place. During the courses experienced colleagues and guest colleagues share their knowledge with the students. The advanced Project Management course was revised so it is now even more in-line with the 'real' situation.
- To encourage a positive learning culture within TBI a database with around 160 online training courses was made available to the TBI companies. This will be rolled-out further in 2023.

Diversity and inclusivity

TBI strives for diversity and inclusivity 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.

In April 2022 the TBI Pavilion 'Leadership and diversity' was organised. This was a day dedicated to both subjects. The target group was the Management Boards of the TBI companies plus one or two of their employees. A so-called interactive panel discussion got people talking to each other after a very well

attended presentation by Joris Luyendijk. In the afternoon there was an active programme in which diversity and different leadership styles were discussed.

In 2023 TBI will get to work with the implementation of the Ingrowth Quota and Target Figures Law. This means that we will set target figures and formulate an action plan to increase diversity (awareness).

Female colleagues were interviewed to give them a stage and make them more visible and a mentor network was set-up. Currently there are 12 (female) mentors and 14 (female) mentees spread over the various TBI companies.

The 'Strength of Generations' was recalibrated, which underlines the importance and value of having diverse generations within TBI.

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. The Code of Conduct forms an indispensable link in the realisation of our mission. All our employees are bound to respect TBI's core values and to act in accordance with both the letter and the spirit of the Code: corporate social responsibility, act with integrity and due care and take responsibility.



The rules laid down in the Code of Conduct are applicable for all the Management Boards and employees of all the TBI companies as well as for all other external staff (agency staff, freelancers and personnel subcontractors) hired in by the TBI companies. The Code of Conduct is distributed to all (new) employees and forms a component of every employee's individual employment contract.

Compliance with the Code of Conduct and its supervision is essential for doing business with integrity. It enables TBI to achieve its ambitions and to be an attractive employer and the best partner for its

clients. Supervising compliance is primarily the task of the Supervisors of the TBI companies, but the final responsibility for (the supervision of) proper compliance with the Code of Conduct rests with the Management Boards of the TBI companies. All the TBI companies now have both a Supervisor and a Confidential Adviser. The Confidential Adviser plays a prominent role in compliance with our standards and values with regard to our behaviour towards each other. Employees who encounter undesirable behaviour can now (also) contact their Confidential Adviser. In 2022 we invested in our Confidential Advisers and Supervisors via an officially-recognised

training course: National Institute of Confidential Advisers (Landelijk Instituut Vertrouwenspersonen - LIVP).

The TBI Code of Conduct includes regulations for dealing with suspected infringements of the Code. This also includes suspected fraud. Employees can report to the Supervisor, the Confidential Adviser or the external Supervisor. The Code of Conduct includes a Whistle-blower provision. Suspicions of fraud are investigated in accordance with the procedure laid-down in the Code of Conduct and included in the reports.

TBI has various regulations that lay-down a framework for the functioning of the various bodies, and substantiate the relationships between these bodies within our Concern. The Executive Board determines the level at which the policy is formulated and approved. Further information is available at www.tbi.nl.

Risk management and internal control measures are in place in our organisations. During the year under review the main fraud risks and related management measures were assessed. Within TBI we have an Integrity Steering Committee. The members are a number of Supervisors. The Committee consults in respect of compliance with the TBI Code of Conduct and stimulates awareness within the TBI companies.

In 2022 the following results were achieved:

- We received 548 reports related to the TBI Code of Conduct (2021: 279).
- The reports of the Supervisors resulted in 44 requests for an explanation, 458 requests for consent and 46 notifications of suspected infringements of the TBI Code of Conduct being received.
- 33 actual infringements were detected (2021: 25).
- In addition, seven infringements of legislation and regulations were detected (2021: 6) and confirmed by environmental controls and the labour inspectorate.
- For the sake of completeness it should be mentioned that in 2022 for the first time the suspected and discovered infringements of the TBI Code of Conduct included serious data leaks. Two infringements were detected.
- 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.
- The stakeholder dialogues that were organised enabled us to communicate directly with our stakeholders. This gave us valuable feedback, including with regard to the effectiveness of our policies.

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 2022 included:

- In 2022 we enriched several TBI academy training programmes with a module about team building. This was done in cooperation with ASCRUM, a students' rugby club in Amsterdam and RUS, a woman's rugby club in Utrecht, both of which are sponsored by TBI and both of which are among the top Dutch teams. This has increased awareness of TBI within this target group. There are also parallels in competencies, discipline, cooperation, respect and perseverance.
- 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.
- YES!Delft was sponsored via a strategic partnership. 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). In 2022 this team won the European Hyperloop week.

- 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. In 2022 we also donated 40 laptops to the IMC Weekendschool.
- Theatre Walhalla in Rotterdam is sponsored by TBI. This is a helping hand for a Rotterdam icon.
- TBI has a five-year (until 2024) 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. In 2022 nearly 200 TBI colleagues stood on the starting line. 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 sponsor of Diergaarde Blijdorp - a zoo. With this sponsorship we are not only contributing to the welfare of the animals, but also to nature conservation projects aimed at protecting our natural environment. And as the cherry on top of the cake we have adopted a beautiful female gorilla called Tonka.
- In 2022 we became a corporate partner of the Koninklijk Concertgebouw (Royal Concert Hall). The Concertgebouw's orchestra is one of the Netherlands' most valuable cultural treasures and also a hallmark of top quality and craftsmanship. For TBI these are important and recognisable concepts as the basis of the Concern.



TBI Pavilion 'Leadership and diversity'

Synchroon

Vroonndaal: from glasshouses to Den Haag residential neighbourhood

As long ago as 2000 plans were drawn-up to turn the Vroonndaal area of Den Haag into a new very affluent neighbourhood - like Wassenaar, in Den Haag or London's Mayfair. This involved the sale of a number of large plots that private buyers could, as long as they complied with a few preconditions, build on as they pleased. Due to the credit crisis and its economic consequences reorientation was unavoidable. It was decided to opt for a project-based development and since 2014 over 1,300 homes have been developed, sold and constructed.

Vroonndaal is the development of an area of over 100 hectares that used to be covered in glasshouses by GEM Vroonndaal the shareholders of which are the municipality of Den Haag (50%), BPD (25%) and Synchroon (25%). The total plan area comprises around 2,150 homes. The last developments are planned for 2024. Synchroon, together with BPD, is developing the lion's share of the homes.

The quality of Vroonndaal rests in the architecture and the arrangement of little neighbourhoods surrounded by green borders and surrounding the Madestein park that sits like a green heart in the centre of the area. The architecture style is Haags-chique and based on the popular Den Haag neighbourhoods of Duttendel and Statenkwartier. This has created a beautiful new residential area for various target groups on the outskirts of Den Haag. Vroonndaal answers the growing need of people to live in and near the city in a ground level home with a garden.

Soon It won't just be (young) families living in Vroonndaal. In the final phases there will also be more space for seniors in apartments, partly in combination with residential-care concepts. The plan is 100% private sector. There is a primary school and soon there will be an AHOED (pharmacists and general practitioners under one roof) and a supermarket. The plans were for Vroonndaal to be a gas-free neighbourhood before legislation made this compulsory. Most of the homes are energy-neutral.



Vroonndaal: from glasshouses to Den Haag residential neighbourhood

Melanie Stemerding

Aged 37

**Head of Renovation & Transformation
With Koopmans Bouwgroep since
January 2020**

Melanie: “Developing future-proof homes on the basis of the existing built environment – that’s what Renovation and Transformation is for me. Renovation and sustainability reinforce each other. What basis is already there and how do we add value so we can offer residents a comfortable, sustainable and affordable home? You have to handle the existing building carefully, because very often there are social bonds and emotions linked to it. Sometimes people have lived there for 40 or 50 years.

“With transformation a change of purpose gives a second life to an existing building such as a hospital, office or school. But in a different way to the regular demolish-and-new-build approach. Existing real estate really offers a wealth of raw materials. So in this way we not only prevent waste we also preserve historic value.”

Melanie illustrates this: “We approach every transformation project in its own way. In Deventer, for example, we turned the former Sint Geertruiden Hospital into 82 apartments and single-family homes. At 16,000m² this is an imposing building with remarkable details. The building

offers a huge resource of raw materials. We are ‘harvesting’ them so later we can put them back.”

Another example is a project for Woningstichting SWZ in Zwolle where Koopmans is making 26 existing apartments more sustainable. Melanie: “Here we are showing how every raw material contributes towards the circularity. For example, for the walls and floors in the bathrooms and toilets we have opted not to use ceramic tiles but instead to use panels that in the future can be dismantled again. That’s not only circular it’s also good on the maintenance front.” Clear communication with the residents also played a role here. Melanie: “Obviously major renovations were taking place in the homes. But with good consultation the residents could remain living at home throughout the process.”

Sustainability is something Melanie considers important not only in her professional life. “I am intrinsically motivated to make sustainable choices and I am aware of the impact of these choices on the environment and surrounding area. I am constantly trying to challenge myself in this respect. That’s why I’m glad Koopmans is part of TBI.

We are stimulated by sustainable themes and sparring with our sister companies, which means we reinforce each other, learn from each other and adopt ‘best practices’. With a large group of developers and professionals both within Koopmans and in other TBI companies we are also able to offer total solutions. The result is exceptionally attractive projects and developments”, concludes Melanie, “and we’re proud of it”.



“Existing real estate really offers a wealth of raw materials.”

Progress of strategic pillars in 2022

Technological advancement



KPIs	Result 2022 (2021)
# Homes:	
- sold	1,449 (2,204)
- completed / delivered	1,769 (2,304)
# Produced (green) shells	1,285 (1,346)
# Produced wooden modules	190 (-)
# Produced concept homes (BBH/LEH/Houtbaar)	338 (337)

Ambition and market position

TBI strives for a top-5 position in its core markets through its client-focused approach, high quality – including of its manufacturing technology - 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 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. The long-term prospects in these segments are good.

A structural shortage means the demand for (new-build) housing remains high, especially if the housing is gas-free and has a high energy label. The renovation and maintenance 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 2023.

“A structural shortage means the demand for (new-build) housing remains high”

Results of manufacturing technology and housing concepts

As a knowledge company our focus is margin above volume. To safeguard this solid position we focus carefully on a number of KPIs.

In 2022 this led to the following results:

- We sold 1,449 homes (2021: 2,204) and built/delivered 1,769 (2021: 2,304);
- We delivered 1,285 prefabricated concrete shells (2021: 1,346) and completed a total of 338 concept homes (2021: 337).
- 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

Large projects versus the available employees

Projects are getting bigger, more complex and longer-running. At the same time the number of qualified employees in the Netherlands is decreasing. Do we have enough people able to take on and carry out this type of projects++?

It would be worth the sector considering whether, with the help of regulations, there should be an agreement that projects can only be accepted if a construction or installation company and its chain partners have sufficient suitably qualified employees. And these employees can work in accordance with agreed safety standard and values, possibly through education and training. In any case we will have to give a boost to strengthening the core of permanent employees at the companies' command. Only then can the overall professionalism and safety in the construction sector and the chain be substantially improved.

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 2022 this led to the following results:

- TBI invested € 0.3 million from its Innovation Fund (2021: € 1.3 million) in innovative (development) projects of TBI companies.
- Six investment proposals were honoured and supported financially by the TBI Innovation Fund; 3 winners were chosen from the 26 participants in the 8th edition of the TBI Innovation Prize:
 - **Impact Award**
Eekels aan ZET for green shipping by Eekels Technology
 - **Innovation Award**
Circular renovation construction - an approach whereby demolition-new-build projects are realised in the most circular way possible (ERA Contour)
 - **Idea Award**
'The Green List'. With this idea new, bio-based, healthy and circular materials can be applied more often, more quickly and on a larger scale (J.P. van Eesteren)
- in total 108 building sites (2021: 103) were active with the Bewuste Bouwers (Considerate Constructors) Code of Conduct.
- 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.



Eekels Technology – Eekels developed a future-proof, flexible and sustainable energy platform suitable for the 'zero emission' propulsion of the first multi-purpose dry cargo ship with advanced diesel-electric propulsion.

Koopmans Bouwgroep

Transformation of Cruquius Amsterdam

Cruquius 2.2 Sigma is a joint initiative of Koopmans and Amvest. Nine single family houses and 68 apartments have been designed and new-built - in an appropriate industrial style - around the existing buildings. The old paint factory now contains around 1,800 m² of space for creative activity.

This time the municipality did not draw up an urban plan for the disused Cruquius industrial area itself. Instead it let the initiators use their own knowledge, skills and creativity for the transformation from industrial area to attractive working and living area. This took place on the basis of municipal preconditions in the so-called game rule map, which means we have a greater responsibility than usual and we provided the support for our plans ourselves.

In addition to the new construction on the site of the former Sigma factory we renovated three characteristic buildings, including a municipal monument. We also added two extra floors to the monumental building. What makes this project unique is the mix of rental and owner-occupier apartments, penthouses, ground-level homes and commercial spaces.

When redeveloping Cruquius considerable attention was paid to creating a sustainable and pleasant living environment. Underground and indoor parking has created spacious, attractive public spaces. The island's energy supply is via heat and cold storage. Bat boxes and an insect hotel have been incorporated in the project along with green sedum roofs. To guarantee a healthy living climate all traces of contamination have been removed.

In addition to the development of Cruquius 2.2 Sigma, Koopmans was also responsible for the construction of the Cruquius 2.1 project for Amvest. This involved a further 156 apartments in three exceptional residential buildings on the Cruquius island.



Transformation of Cruquius Amsterdam

Innovative developments in 2022

Practical optimisations

Electrification of construction sites: more and more construction sites are being equipped with electrical charging facilities, PV panels and smart energy-saving measures.

Digital wheelbarrow: a physical (wheel) barrow carrying a large touch-screen and computer so digital drawings can be used on a construction site - J.P. van Eesteren, SSC-ICT in cooperation with partners.

Experimental pilot projects

Geothermal Energy Pile: a new way to fit a pile with a heat exchanger - Giesbers InstallatieGroep in an ERA Contour project.

Facade of circular stone strips: the application of ceramic stone strips made from recycled waste in a large project in Breda - J.P. van Eesteren, Synchron and partners.

Common data environment (CDE): a prize winning “Car wash for data” process that ensures the consistency and integrity of all data - Croonwolter&dros.

Energy UPgrade: a stackable energy module for nil-on-meter renovations of porch houses and flats - ERA Contour in cooperation with partners.

Circular renovation: a method for reusing existing building components in a new-build - ERA Contour in cooperation with partners.

New sustainable solutions

Low-CO₂ concrete: the optimisation and expansion of the application of the sustainable concrete formula in the production of prefab components and piles - Voorbij Prefab, Voton and partners.

Drone Inspection service: the deployment and full electrification of drones for inspection and measuring tasks - Croonwolter&dros in cooperation with partners.

Electrical energy conversion: continuous development and sale of new sub-systems for energy conversion and energy management systems - Eekels/MarPower.

geWOONhout: extension of the industrial production of terraced housing to also include stacked apartments - Koopmans Bouwgroep in cooperation with partners.

HT Skid 2.0: extension of the proposition with a high temperature skid system for housing renovations - SmartPack (part of Hazenberg Bouw) in cooperation with partners.

Buurtleven: an integral approach whereby the social and physical quality of neighbourhoods is improved through the establishment of neighbourhood coalitions - Synchron in cooperation with partners.

AIS Bay Concept: compact modular prefab installation skids for the renovation of high tension stations - Croonwolter&dros in cooperation with partners.

'Mentor'

Roy den Heijer

Aged 28

Chief Mechanic junior
With Giesbers since 2017

'Apprentice'

Tim Lodder

Aged 20

Mechanic junior
With Giesbers since 2020



**The strength
of generations**

At Giesbers InstallatieGroep as soon as students join the company they are assigned a 'mentor' on the basis of their desired specialisation or discipline. Sometimes they don't yet know the direction they wish to go, so it's discussed with them.

Roy: "I took Tim 'under my wing' around three years ago. He was really keen on specialising in Heat-Cold Storage systems - in Dutch we call them WKO systems. We worked together on three apartment projects - De Hoge Regentesse and Binck Kade in Den Haag and Cruquius in Amsterdam. Tim came in the car with me every day because he lived not far from me. That builds up a closer bond, which makes the learning process faster and more enjoyable."

Tim: "At Giesbers apprentice mechanics are sometimes also used as a 'flying squad' when the situation demands it - for example, when extra hands are needed temporarily. You learn a lot from that. Or we work with freelance mechanics who sometimes have specific expertise. You benefit from that as well. I like that".

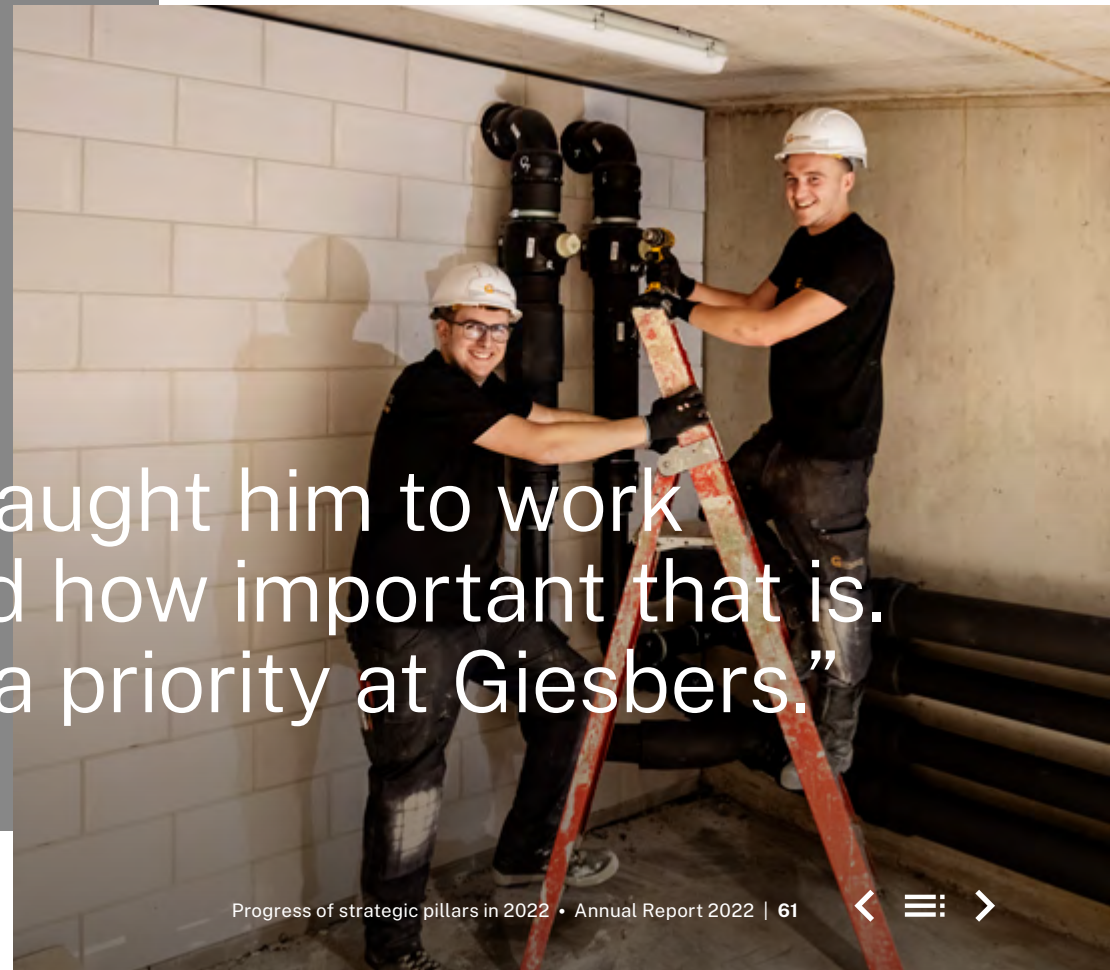
Roy adds: "I've been Tim's WKO technology tutor for three years. I've also taught him to work safely and how important that is. Safety is a priority at Giesbers. It's the same at is at every TBI company. Handling tools and ordering materials are also part of the training.

"Tim is now a good, independent mechanic. He has gained vision and insight into his work. So much that I can also learn from him. Sometimes while we are working we have different ideas about how a problem should be approached. If it turns out that Tim's proposal is more applicable, we do it his way.

"We compliment each other on this 'teamwork'. And we share it with our project coordinator, who I regularly refer back to about Tim. Then we also discuss how certain jobs can be done more efficiently. That information is then passed on to other mechanics who can benefit".

Roy sees his working future at Giesbers as a project coordinator. "With this wealth of knowledge I would like to stay in WKO". When he's finished his training Tim wants to run his own 'little projects'.

"I've also taught him to work safely and how important that is. Safety is a priority at Giesbers."



Marjolein Kamp

Aged 47

**Case Manager absenteeism
TBI Vitaal since June 2019**

I'm one of four Case Managers working for the TBI companies on the sustainable employability of the employees. We also deal with social themes such as the aging population and shortages on the labour market. In our branch the work can be physically demanding. We want employees to stay healthy at work so they can then enjoy their retirement. That is the commitment of TBI Vitaal.

We focus not only on preventing absence due to sickness leave but also on curative absenteeism due to sickness; targeted support for recovery and a return to work. This can be in your own work or some other work. It's an in-house TBI service. We guide the entire process from A to Z; from the first report of sickness up to and including the (re)examination by the UWV (Employee Insurance Agency). We have access to six external company doctors and partners who support recovery and returning to work. This could involve direct personal coaching, or maybe online physiotherapy.

Of course it's far more important to prevent losing people through sickness. Towards this end we work with specific themes, such as mental fitness, for example with the help of a psychologist or coach, physical fitness through

playing more sport or generally being more active and financial fitness. More and more employees are struggling with debt due to inflation and higher energy prices. We have external supervisors to expose this problem and offer debt counselling. Sometimes the behaviour of an employee makes you think they may be a problem with debt - they have more problems at work and are absent more often.

Other themes are also discussed, such as bereavement guidance and being a carer, which can influence whether someone is or is not paying attention to their work. We also deal with current themes like stopping smoking 'Stoptober', stopping drinking 'Dry January' and becoming more active. That's why we, as TBI Vitaal, are also involved with the Rotterdam Marathon.

It's important that employees also ask themselves how they see their working future. And how to stay healthy during it. In the first instance the responsibility rests with the employee, but the employer can offer help. It's often an interplay between the employee, the manager and TBI Vitaal. Whatever the 'issue' the employee isn't alone. TBI Vitaal can offer a helping hand.



“With innovations the strength of generations must be utilised.”

Financial results

For TBI the 2022 financial year had two faces. Many of the TBI companies achieved good results, but several (infrastructure) projects required substantial provisions. As a consequence, profitability at a Group level was significantly lower than in 2021. On the positive side, operating revenue rose, the order book was at a record high and the operating cash flow was strong.

Introduction

Thanks to the excellent order book at the beginning of the year and the continuing demand for new homes, 2022 was a good year for the Construction & Development sector. By contrast, in 2022 the Infra sector made a loss due to the negative results on some infrastructural works, such as A16 De Groene Boog and Wintrack ZWW. Participation in the construction consortia executing these infrastructural works meant that, despite the underlying good performance of most of the TBI companies in this sector, the operating result of the Engineering sector fell.

Several other factors also had a negative effect on the results achieved in 2022, such as the aftermath of the Corona crisis, the nitrogen problem and an increasing shortage of labour. But it was the war in Ukraine that had the greatest consequences for our business operations. Inflation soared as a result of high energy prices and construction costs rose even higher, in part due to the scarcity of building materials. In 2022 interest rates also rose sharply while consumer confidence plummeted. As a result the housing market toppled.

In the early part of 2022 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. Although, partly as a consequence of the nitrogen problem, our companies were confronted with delays in the granting of licenses, the effect of this was limited due to the

available order book. The cancellation of the nitrogen exemption for construction has so far had limited consequences. Longer delivery times and pressure on margins due to price increases at subcontractors and suppliers continued in 2022. 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 2022 was a reasonable year. The same applied for our activities in real estate consultancy and building management for which the outlook worsened as the year progressed.

In the non-residential sector the initial expectation was a recovery of price levels and an increase in volume. However, the picture changed in the course of the year. The growth of the non-residential market stagnated because clients postponed plans as a consequence of higher construction costs, rising interest rates and over-capacity due to hybrid working (mix of home and office). The redevelopment, renovation and maintenance markets did still develop positively, but here too investors were marking time. Non-residential is an important segment for both the Construction & Development sector and the Engineering sectors. The higher prices of materials and sub-contracted work meant several project results had to be revised negatively, which led to a lower operating margin in 2022.

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. These developments put price pressure on the infrastructure market. The Infra sector was hard-hit by losses on a number of large infrastructure projects. Several organisational improvements have now been implemented and, in part due to the well-filled order book, the outlook is positive.

The industrial sector developed positively in 2022. On balance there was a sufficient supply of new projects, which led to an improvement in both the volume of the order book and the price level. Our companies are well-positioned in the energy and water treatment market. The investment level in the Marine market, a sector in which our Eekels Technology company is active, improved in most sub-segments. The Yachting segment continued to perform well.

Operating revenue and results

Operating result (EBITDA)*		
(x € 1 million)	2022	2021
Engineering	12.9	28.6
Construction & Development	62.0	69.0
Infra	-29.0	-0.8
Holding c.s.	-4.0	-0.8
TBI	41.9	95.9

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

In 2022 TBI's profitability fell substantially. Apart from the non-residential segment which achieved a lower operating result than in 2021 the Construction & Development sector achieved an operating margin that was in-line with 2021. The Infra sector had a disappointing year due to major losses on several infrastructure projects. The Engineering sector, and in particular Croonwolter&dros, also made losses on infrastructure projects due to participation in the A16 De Groene Boog construction consortium.

TBI's total operating revenue rose by 5% to € 2,299 million (2021: € 2,192 million). The operating result before depreciation and amortisation (EBITDA) fell by 56% to € 41.9 million in 2022 (2021: € 95.9 million). The operating result (EBIT) fell by 79% to € 15.0 million in 2022 (2021: € 72.5 million).

Results		
(x € 1 million)	2022	2021
Operating revenue	2,299	2,192
Operating result before depreciation and amortisation (EBITDA)*	41.9	95.9
Operating result (EBIT)	15.0	72.5
Net result	9.0	49.8
Operating margin (in %) based on EBITDA	1.8	4.4
Operating margin (in %) based on EBIT	0.7	3.3

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

In 2022 TBI's social expenditure was primarily contributions to the TBI Studiefonds (TBI Scholarship Fund) and the (start-up) costs (Tf the TBI Praktijkfonds (TBI Trade Foundation) and TBI Klimaatfonds (TBI Climate Fund), which amounted to a total of € 2.9 million (2021: € 3.1 million). In 2022 operating processes were streamlined further and organisational changes were implemented at a cost of € 1.6 million (2021: € 2.8 million). This concerned minor organisational adjustments at five TBI companies.

Impairments on (in) tangible non-current assets of € 3.1 million (2021: nil) were recognised at two TBI companies. This mainly concerned write-offs of paid goodwill, capitalised development costs and plant and machinery.

The net of financial income and expenses amounted to € 2.5 million negative (2021: € 4.2 million negative). In part this was due to the until recently applicable negative interest on the cash and cash equivalents her cash and cash equivalents and the related negative applicable interest rate on the cash and cash equivalents.

In 2022 the effective tax burden was 31.7% (2021: 27.3%).

Net result fell by 82% to € 9.0 million (2021: € 49.8 million).

Orders received and order book

The value of orders received (in writing) in 2022 was € 2.8 billion – an increase of 28% compared to 2021

(€ 2.2 billion). The order book (contracted work still to be carried out and new contracts still to be received) rose by 15% to € 3.7 billion (end of 2021: € 3.2 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 € 1.9 billion of the total order book is expected to be carried out in 2023. This amounts to 84% of the budgeted operating revenue for 2023. At the end of 2021 that was 79% (for 2022). The remainder of the order book will be carried out in 2024 or subsequent years.

Results of Engineering, Construction & Development and Infra

Engineering		
(x € 1 million)	2022	2021
Operating revenue	918	848
Operating result before depreciation and amortisation (EBITDA)*	12.9	28.6
Operating result (EBIT)	2.4	19.1
Operating margin in % based on EBITDA	1.4	3.4
Orders received	979	839
Order book at year end	1,114	1,064

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

In the Engineering sector operating revenue rose by 8% and a lower operating result was achieved. The operating margin fell to 1.4% (2021: 3.4%). The companies in the Engineering sector are active in different market segments. In 2022 market conditions were mostly positive. The results achieved in the non-residential market were much better. In the industrial markets they were also 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 the Marine sector were reasonable. Good operating results were achieved in the Yachting sub-segment.

The Engineering order book rose by 5% to € 1,114 million.

Construction & Development		
(x € 1 million)	2022	2021
Operating revenue	1,141	1,054
Operating result before depreciation and amortisation (EBITDA)*	62.0	69.0
Operating result (EBIT)	56.3	62.4
Operating margin in % based on EBITDA	5.4	6.5
Orders received	1,447	1,152
Order book at year end	2,020	1,667

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

In 2022 most of our companies in the Construction & Development sector achieved good results. Operating revenue rose by 8% compared to 2021. The operating result (EBITDA) fell by 10% to € 62.0 million (2021: € 69.0 million). The operating margin fell to 5.4% (2021: 6.5%). The reduced result in this sector was due primarily to the non-residential activities.

The number of homes sold fell by 34% to 1,449 (2021: 2,204). The number of delivered (built) homes fell by 23% to 1,769 (2021: 2,304).

In 2022 the orders received rose by 26% compared to 2021 and the order book also increased. The demand for new-build homes was still high in 2022, but in the course of the year the market turned.

Infra

(x € 1 million)	2022	2021
Operating revenue	282	308
Operating result before depreciation and amortisation (EBITDA)*	-29.0	-0.8
Operating result (EBIT)	-34.2	-3.1
Operating margin in % based on EBITDA	-10.3	-0.3
Orders received	390	211
Order book at year end	597	500

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

Once again in 2022 there was only a limited number of large tenders in the infrastructure market. Nevertheless the order book rose by 19% compared to 2021. The awarding of the Station Amsterdam-Zuid played a role in this.

In 2022 operating revenue fell by 8% compared to 2021. The project provisions reduced the operating revenue. The operating result (EBITDA) of the Infra segment fell to € -29.0 million (2021: € -0.8 million) primarily due to the negative project results mentioned earlier.

Balance sheet

TBI's financial position remained strong with an end of 2022 solvency based on shareholder's equity of 24.3% (2021: 27.2%). The causes of the drop in solvency compared to the end of 2021 included the higher revenue from non-current assets and the higher cash and cash equivalents. The balance sheet total rose from € 1,265 million to € 1,400 million.

In 2021 € 5 million of the € 25 million unsubordinated loan provided by Stichting TBI was repaid for the first time. A further € 5 million was repaid in 2022. Taking the subordinated loan into account, the solvency based on the guarantee capital is 25.4% (2021: 28.8%).

Key balance sheet figures

(x € 1 million)	2022	2021
Non-current assets	158	146
Investments in real estate portfolio	209	222
Net working capital	-160	-113
Cash and cash equivalents	454	428
Shareholder's equity	340	344
Subordinated loan	15	20
Balance sheet total	1,400	1,265
Solvency based on shareholder's equity	24.3%	27.2%
Solvency based on guarantee capital	25.4%	28.8%

Amendments to the Guidelines for Annual Reporting, namely in the sections RJ 221 and 270, constitute a system change as explained in the 2022 financial statements. The figures for 2021 have been adjusted for comparison purposes.

Non-current assets rose to € 158 million (2021: € 146 million). In 2022 net investments (investments minus divestments) in tangible and intangible non-current assets were higher than depreciation and amortisation. Net investments amounted to € 37 million (2021: € 38 million) and depreciation and amortisation amounted to € 22 million (2021: € 21 million). In 2022 investment areas included premises, replacements of and additions to equipment and ICT.

At the end of 2022 investments in the real estate portfolio (land positions, building rights, unsold housing under construction and unsold completed housing) amounted to € 209 million (2021: € 222 million). The decrease of € 13 million was due to project development decreasing by € 26 million to € 155 million (2021: € 181 million). Taking non-recourse project financing into account, net investments in project development amounted to € 131 million (2021: € 153 million). In addition, the stock of unsold housing under construction and completed housing rose by € 14 million to € 54 million (2021: € 40 million).

Net working capital decreased to € -160 million (2021: € -113 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.

Cash and cash equivalents rose by € 26 million to € 454 million (2021: € 428 million). Net cash and cash equivalents less current debts owed to banks (net cash and cash equivalents), amounted to € 436 million at the end of 2022 (end of 2021: € 414 million).

At the end of 2022 shareholder's equity was € 340 million (2021: € 344 million), a decrease of € 4 million. This included the positive net result of € 9.0 million, less the € 12.9 million dividend distribution in respect of 2021, and positive currency translation differences amounting to € 0.1 million.

Net working capital

(x € 1 million)	2022	2021	Change
Debtors and other receivables	334	286	48
Work in progress	-234	-188	-46
Investments in the real estate portfolio	209	222	-13
Creditors and other liabilities	-487	-447	-40
Other	18	14	4
Total	-160	-113	-47

(x € 1 million)	2022	2021	Change
Engineering	-138	-90	-48
Construction & Development	28	9	19
Infra	-42	-31	-11
Other	-9	-1	-8
Total	-160	-113	-47

Financing

TBI can draw on a € 75 million revolving credit facility provided by three banks. The facility was amended and extended by means of a so-called 'Amend & Extend' 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. Up to and including the end of 2022 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 2022 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 2022 no amounts had been drawn down from these facilities.

TBI can also draw on several non-recourse real estate and project financing facilities. These include 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 2022 TBI had access to seven guarantee facilities with a total commitment of € 500 million (2021: € 490 million). 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.



Nico de Bont - Groote Museum in Artis

J.P. van Eesteren and Croonwolter&dros

Research building for VU Amsterdam

J.P. van Eesteren and Croonwolter&dros are responsible for the construction and installation work in the new Onderzoeksgebouw (Research Building) of the Vrije Universiteit (University) Amsterdam.

To the user of the facility in which research will be carried out it will appear to be one building with a high section (12 storeys) and a low section (six storeys). However, to avoid any danger from vibrations structurally the sections are two separate buildings.

The concrete skeleton is extremely heavy for added stiffness. This must prevent any vibration, especially from the surrounding roads. The floor in the basement is one meter thick and the floor on the ground floor is 60 centimetres thick. The structure incorporates an extreme amount of rebar. In the basement of the low building there are four massive blocks of concrete. They were poured in situ on cellular glass strips and weigh around 200 tons.

In the Onderzoeksgebouw high-quality research will be carried out and classes given in the field of Human Health & Life Sciences and for the Physics, Neuroscience and Geosciences faculties.

More than half the space will be fitted out as laboratories. The installation density is, therefore, up to three times higher than that of a hospital. That means paying considerable attention to the engineering and coordination during construction and fitting. Croonwolter&dros and J.P. van Eesteren have all the necessary disciplines in-house.

In total around 27,500 m² will be constructed. The stringent structural demands, the complexity of the installations versus the architectural finish and the limited space on the construction site make this a technically challenging project. The schedule is also ambitious with many changes. The building will be delivered in early 2024.



Research building for VU Amsterdam

Outlook

In 2023 the Dutch economy will grow by 0.6 percent according to the IMF and by 1.5 percent according to the CPB (Central Planning Bureau). And while the IMF predicts no less than 4.2 percent inflation in 2023 the CPB estimate is 2.6 percent. This could more than double if the gas price rises, which according to the CPB ‘indeed remains highly uncertain’. The Rabobank thinks the economy will hardly grow at all during the next two years: 0.6 percent in 2023 and 1.0 percent in 2024. It could turn out even worse if the war in Ukraine persists. The bandwidth of uncertainty is large and predictions are difficult to make. With all the uncertainties derived from these factors the same applies for the construction sector.

At € 3.7 billion the Concern’s order book is once again 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 significant 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. Precisely how this will translate into results for TBI in the coming years is difficult to predict.

In 2023 the TBI companies in the Construction & Development sector will have to deal with a number of factors including the steep rise of (mortgage) interest rates, high inflation and the resulting higher purchase prices for raw materials, lower consumer confidence and the nitrogen problem. The development and execution of new projects is becoming ever more problematic due to the limited availability of developable land positions, investor reticence and the scarcity of labour. Financial feasibility is also increasingly challenging, especially when it comes to constructing affordable rented housing. Nevertheless, renovation and maintenance are really taking off, including in the context of the energy transition. There will be an increase in large and complex inner city projects and the transformation of offices into homes.

Non-residential construction is still developing well at TBI due to the longer lead time of these projects. Nevertheless, 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 coping with a lower supply of new orders as a result of the causes mentioned earlier.

In addition, municipalities and provinces 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 replacement 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. It's possible this will happen from 2024. This will prevent the sector grinding to a halt.

The Engineering companies have well-filled order books. As project lead-times are relatively short here our installation companies must remain alert. In 2023 they could be confronted with a decline in new contracts in all sectors, in part due to projects being postponed. Conversely there are opportunities and possibilities related to the energy transition.

In 2023 we expect operating revenue to stabilise and profitability to improve. The number of employees will increase slightly, in part due to acquisitions and research & development costs will move around the 2022 level. Higher energy costs must be taken into account. In 2023 net-investments in (in)tangible non-current assets will be higher than the depreci-



Eekels Technology – Enexis Zeijerveen (Assen)

ation/amortisation costs due to several factors including investments in premises, ICT and goodwill payments. 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

Consumer confidence and investor's willingness to invest remain the most important factors for TBI's (financial) prospects. It is important that TBI's housing construction projects are disposed of without too

much delay. The late cyclic nature of the construction sector means the financial outlook for 2023 remains good. Forecasts for the medium term are less certain. In view of the housing problem and the need to improve sustainability in the Netherlands the longer term perspective remains (very) favourable, including in inner city areas. Moreover, to guarantee accessibility the government wants to invest more in the replacement and renovation of the existing infrastructure.

'Mentor'

Geoffrey Westerhof

Aged 50

Carpentry teacher

With Era Contour since 1994

'Apprentice'

Rick Buis

Aged 16

Trainee Carpenter

With ERA Contour since
October 2022



The strength of generations

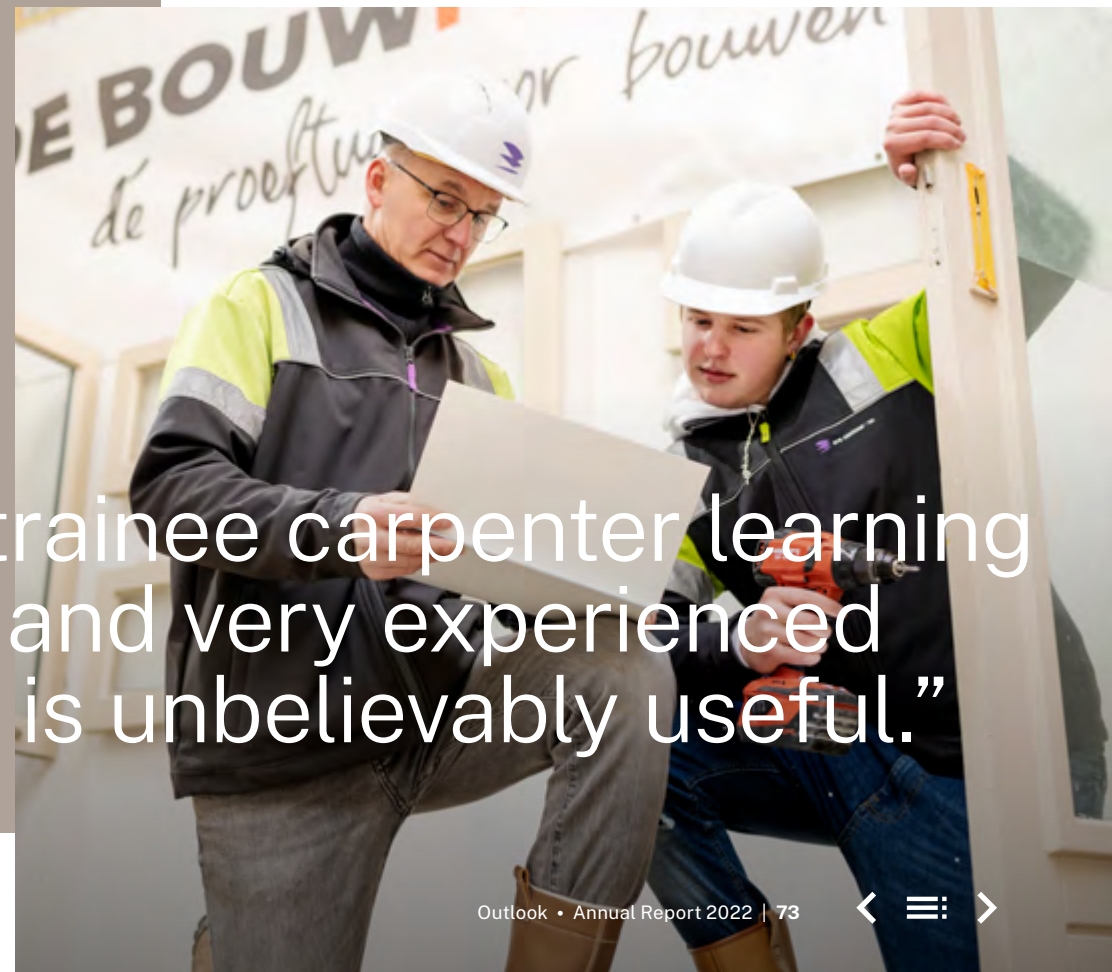
Rick: "I'm learning everything I need: specific job expertise, about the standards and values in the construction industry and how we treat each other, about all the aspects of building a house, safety and basic clothing and the environment. Learning from older and very experienced colleagues is unbelievably useful. They really know a lot and adapt quickly. And it's enjoyable as well."

ERA Contour takes on students in consultation with Stichting Haagbouw. Training young people to be skilled carpenters is vital in view of the aging in the profession. De Bouwpraktijk plays a role in this.

Geoffrey: "On the job, where we have teachers available, students come to assist. Every few weeks they take tests, for example on building the formwork for foundations, setting up pre-fab components and window frames, and finishing. That's how they are tested in practice. The work is assessed by the teacher with random checks by a consultant."

"Rick's passion for the craft gives me pleasure. I've already taught around 25 students, but Rick's one of the best despite his being so young. I wasn't nearly that far when I was his age. Rick knows what he's talking about. I tell him something once and he understands it immediately. With these capabilities he can advance quickly and realise his ambitions".

Geoffrey is also a teacher at De Bouwpraktijk - an initiative of ERA Contour and Smits Vastgoed. Team ERA flats is playing an important role in the renovation of flats in the region. De Bouwpraktijk trains potential employees, such as immigrants, people with an employment disadvantage and people who have been unemployed for a long time. Participants first practice in the workshop and then work in an empty house or apartment on the construction site. The goal is a job in the construction or engineering sector.



“If you're a trainee carpenter learning from older and very experienced colleagues is unbelievably useful.”

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.

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 encourages employees to accept responsibility and makes risks open to discussion.

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 are outside the Netherlands, that will be undertaken as a joint venture, have a DBFM(O) character, require (pre-)financing or involve a contract amount that is greater than 20% of the relevant TBI company's budgeted operating revenue, 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, planning, financial, legal and fiscal aspects, technical risks, management measures and insurance aspects.

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:

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

i. Strategic Agenda

TBI's long-term strategy is the responsibility of the Executive Board and is laid down in the Strategic Agenda. The three pillars of the Strategic Agenda are Sustainable solutions, People & Teams and Technological advancement. The Operating Plans and budgets of the 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 developments 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. 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 2022

In 2022 our hard and soft management systems worked properly and there are no indications that they will not continue to work properly in 2023. 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.



Mobilis – Pouring the concrete for the fourth roof section of the Britten passage at Amsterdam Zuid station

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.

J.P. van Eesteren

Q Residences

J.P. van Eesteren constructed the Q Residences residential complex for the Kroonenberg Group. This complex in Amsterdam Buitenveldert comprises two buildings: Quartz and Qube, with luxury rental homes in the private sector.

One of the reasons the Kroonenberg Group awarded J.P. van Eesteren the Q Residences project was the quality of J.P. van Eesteren's work on its Gelderlandplein project. Other new projects completed for the Kroonenberg Group since then are Rooswijk 5 and Apollolaan 171.







Quality is very important for the Kroonenberg Group which is managing Quartz en Qube itself. A number of choices made during the design and construction phases were essential for the long-term maintenance and appearance of the buildings. The buildings were designed by one of the most renowned architecture companies in the world - Studio Gang in Chicago. This has given the project international allure.

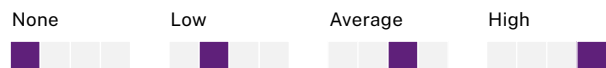
Aesthetics are also important in the project. Quartz has an exceptional facade that was technically complex to construct. This is the tallest residential building in the area and has given it a very visible 'boost'. Tenants really must be offered the best and that is apparent from the quality of the materials and the finishing. The choice of materials also creates a 'family' connection between the two buildings.

At the same time each of the two buildings must also 'speak its own language'. In terms of shape Qube must be more connected to the existing surroundings than Quartz. This is why considerable attention was paid to communication with and looking after the interests of the neighbourhood (residents). The Mayor of Amsterdam, Femke Halsema, officially opened Q Residences at the end of 2022.


















Q Residences

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 risks in order to innovate, invest and work in consortia
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.
Covid-19		The Covid-19 crisis has also made us aware of the risks related to pandemics. This still ongoing pandemic affected the risk sphere of our companies until the beginning of 2022.
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. • The setting-up of cooperations with other construction companies. • The development of more diversity in the management so decisions are based on a wider view. 		
Scarcity of specialists on the labour market		<ul style="list-style-type: none"> • Investment in a position of preferred employer by offering an attractive working environment with sufficient training and development opportunities and good employment conditions 		
Competition		<ul style="list-style-type: none"> • Creation of differentiating power through our social responsibility, our focus on client satisfaction and the potential for cooperation between the TBI companies. 		
Price pressure and raw material scarcity		<ul style="list-style-type: none"> • Clear agreements made with parties in advance regarding the effects of price increases. • Creation of awareness and development of knowledge in respect of circular construction. 		
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. • Contribution towards necessary reduction of emissions of harmful substances (including nitrogen). • Creation of awareness of and development of the knowledge for CO₂ neutral construction, taking nature into account. • Development of leadership competencies (for example vision development and communication) that are necessary to make the organisation climate-aware. 		



Risk area	Risk appetite	Important management measures	Likelihood	Impact
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 agreement regarding the risk management measures. 		

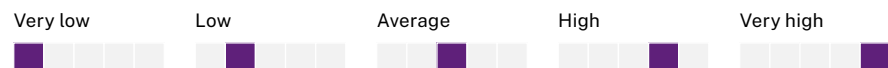
Accepting work and supplying products and services		<ul style="list-style-type: none"> Involvement of risk experts, contract managers, lawyers and insurance experts with projects at an early stage in order to solve risk-management issues. Use of the comprehensive TBI insurance programme to cover the 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. 		
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Risk area	Risk appetite	Important management measures	Likelihood	Impact
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 and TBI Safety Values. Campaigns to increase safety awareness and the use of the TBI Safety app.; the promotion of a culture in which we address each other regarding unsafe behaviour. E-learning modules to share knowledge and increase safe working awareness. 		
Sustainable projects		<ul style="list-style-type: none"> Development of working methods that reduce and prevent waste and stimulate reuse. When procuring new machinery include the CO₂ footprint in the decision criteria. Building CO₂ awareness (focused on reducing Scope 3 emissions). 		
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. Frequent conducting of stakeholder interviews. 		

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. 		

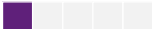

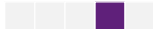


Risk area	Risk appetite	Important management measures	Likelihood	Impact
Credit		<ul style="list-style-type: none"> Where necessary risks are hedged through credit insurance, bank guarantees and advance payments. Trade debtors as at the balance sheet date do not include any significant concentration of receivables in particular market sectors. Some of the receivables are concentrated in the Dutch public sector. 		
Interest rate		<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

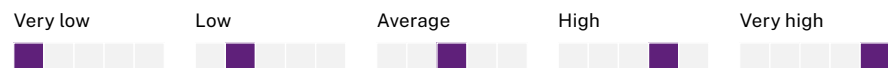
Risk area	Risk appetite	Important management measures	Likelihood	Impact
Legislation and regulations		<ul style="list-style-type: none"> TBI companies observe legal provisions and industry codes of conduct such as the SBIB code, the NEPROM code and the Bouwend Nederland code. Supervision by internal and 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. In addition to an internal Code of Conduct there is also a compliance framework whereby a fraud risk analysis per TBI company is carried out annually. 		
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 the fast determination of positions and monitors and advises regarding follow-up and amendments. 		












Risk area	Risk appetite	Important management measures	Likelihood	Impact
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. 		

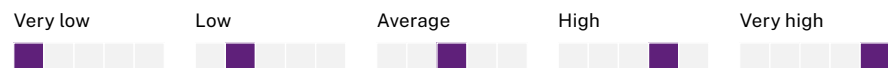
Risk category: pandemics/Covid-19

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 Practices and Lessons Learned. 		



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 of employees to increase awareness of cyber-security. 		
Continuity		<ul style="list-style-type: none"> • Procedures that are followed in the event of security breaches. • A Business Continuity Plan and Disaster Recovery procedures have been drawn-up. 		



Jeroen Rook

Aged 29

Executor Mobilis
Since August 2022

“Before I joined Mobilis I spent seven years with MDB, which is also a TBI subsidiary. MDB rents out construction machinery to TBI companies and third parties, including Mobilis. As the coordinator of temporary accommodation on various construction sites I regularly came in contact with Executors from Mobilis. That work looked like a good next step, so I applied, was appointed and began working as an Executor.

Under the responsibility/supervision of a Manager I am directly involved with the execution of a project with a lot of impact: the renovation of the moving parts of the Haringvliet Bridge. Shipping must be able to pass effortlessly. One of the components Mobilis is replacing is the bridge valve. This is at the end of its lifespan. The road surface is also being renewed. It's important that this goes smoothly because in June and July 2023 the A29 will be closed for nearly two months.

Mobilis invests in personal and professional development by offering a variety of training courses. Following them was a condition for acceptance. The goal is my further development. That was discussed with my Manager right at the start. A plan of approach was then drawn-up. I like this clarity and the opportunity to follow training courses. I've noticed that the

entire TBI organisation is very involved with training and educating people. They put a lot of energy into it.

As soon as you see an interesting course you put in a request to the organisation and they check the possibilities. We always work with recognised trainers, so you also receive a diploma. That adds value. In the short term I want to increase my substantive knowledge. In the long term I will have opportunities for promotion to Technical Manager, Project Manager or more.

The MBO course Manager Construction and Infrastructure level 4, I'm currently following takes two years and means one classroom day every three weeks. I also have to study at home in the evenings and weekends. And a practical assignment has to be completed as well. It all costs a lot of time and effort, but it's an investment in myself that gives me a rosy outlook on my career and future”.

“The goal is to develop yourself.
I like that.”



ERA Contour

De Nieuwe Defensie

De Nieuwe Defensie (DND) in Utrecht is one of the first of the sub-area plans within the overall plan for the restructuring of the Merwedekanaalzone in Utrecht. By 2030 10,000 new homes will have been built. BPD Bouwfonds is the developer of this sub-plan and ERA Contour is the construction team partner.

Once the zoning plan was drawn-up in 2018 the development accelerated. In early 2021 ERA Contour began constructing phase 1. The first 100 homes have already been delivered. In total 950 will be built: 223 social rental homes (for the Mitros housing association), 627 owner-occupier homes and 100 mid-market rental homes (for BPD housing fund). The sub-area plan also includes the construction of 800m² of non-residential (commercial) space.

Priority for the allocation of one of the social rental homes will be given to people in a vital profession, such as care, teaching, police or defence. The aim is to keep these people in the region Mid-market rental homes will also be available to this target group.

DND is a new green city district for a wide mix of people in which living, working and recreation will be intertwined. The inner gardens will form a cohesive whole with the public spaces, but can be closed off. Thanks to the good cooperation between the urban planning agency and four architectural firms the homes in the DND incorporate a wide diversity of architecture while still forming a single whole.

Sustainability is an important theme. The homes are energy-efficient due to through the use of features including heat/cold sources, triple glass, PV installations and high-quality insulation. Other features are water buffering on roofs and in indoor gardens, lots of green on the roofs and in the public spaces, the stimulation of electric shared mobility and recharging facilities for own car ownership. The neighbourhood is low-traffic with direct access to the parking garage on the edge.



De Nieuwe Defensie

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 voluntarily apply various 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 Concern

Executive Board and company Management Boards

The Executive Board is responsible for managing the Concern. 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 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 Concern. 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. TBI sees the current social developments and the new "Diversity Act" as a stimulus to set target figures in this area that are equally ambitious and appropriate for TBI. Once again in 2022 TBI worked hard to make TBI a more attractive employer for a more diverse target group. Two realisations that emerged from this were the need for a mentor network and the need to pay more attention to the career development of employees in the 'rush hour of their lives'.

The strength of diversely composed teams is pointed out through training and education.

Special attention is also being paid 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 six 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 Concern'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 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.

Reporting

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 Concern's policy aimed at the achievement of the strategy and objectives. The Executive Board is, therefore, also responsible for the continuity of the Concern and the resultant financial and non-financial result development. It also takes into account the various 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 related to the Concern's activities and for the Concern's financing. The Executive Board Regulations also state explicitly that the Executive Board is responsible for TBI's fulfilment of its corporate social responsibilities.

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 Deloitte was appointed as the TBI Concern's Auditor.

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, The Non-financial Reporting Manual and elsewhere.

Non-financial information – integrated Annual Report

TBI publishes an integrated Annual Report in which is reported the Concern's strategy and development and results in the economic, social and environmental areas. The Annual Report is prepared in accordance with the International Integrated Reporting Council (IIRC) Integrated Reporting (IR) framework.

The sustainability information and social information published in this report complies with the Global Reporting Initiative (GRI) Standards guidelines. For the non-financial reporting the TBI companies must follow the internal reporting guidelines laid down in the Non-Financial Reporting Manual.

Rotterdam, 16 March 2023

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

Composition of the Executive Board

As at 16 March 2023



Bart van Breukelen (left) and Emiel Rozen

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 Rozen (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 16 March 2023

Group Board

Bart van Breukelen (1960)
Chairman of the Executive Board

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

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

Remco Hoeboer (1972)
Chairman of the Management Board of
TBI Infra B.V.

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

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

Emiel Roozen (1968)
Member of the Executive Board

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



From left to right Emiel Roozen, Bart van Breukelen, Marco Peppel, Henri van Dam, Harald van Keulen, Michiel Tromm, Remco Hoeboer and Piet Jan Heijboer.

Composition of the Supervisory Board

As at 16 March 2023

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 Chairman Stichting Vrienden van BOEi – Vice-chairman Prins Bernhard Cultuurfonds Noord-Brabant

Marcel Niggebrugge (1950), Vice-chairman

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

Huib Morelisse (1964)

Nationality Dutch

First appointed April 2018, term ends in 2022 (eligible for reappointment)

Chairman of the Strategic Committee

Current position CEO Windpark

Former positions Executive Board Chairman of Lagerwey – Executive Board Chairman of Nuon

Other Supervisory Board memberships BUVA

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 Board of KPN Mooiste Contact Fonds, Member of the Supervisory Board of KWF Kankerbestrijding

Karin Laglas (1959)

Nationality Dutch

First appointed April 2022, term ends in 2026 (eligible for reappointment)

Member of the Strategic Committee

Former positions Chairman of the Board of Ymere

Other Supervisory Board memberships Utrecht University (Chairman), Brink Group (Chairman), Eurocommercial Properties N.V., Koninklijke De Vries Scheepbouw

Oswald Coene (1961)

Nationality Dutch

First appointed April 2022, term ends in 2026 (eligible for reappointment)

Member of the Audit Committee

Former positions Director-Major Shareholder Koning & Hartman B.V. - Member of the Executive Board of Getronics N.V. - Member of the Executive Board of Nationale Stichting De Nieuwe Kerk Amsterdam

Other Supervisory Board memberships Visma Nederland, Amsterdam & Partners (Chairman)

Principle other functions Member of the Executive Board of Bestuur Foundation Concertgebouworkest, Industry Advisor HG Capital



From left to right: Huib Morelisse, Karin Laglas, Oswald Coene, Ton Nelissen, Hilde Garssen and Marcel Niggebrugge

Corstian van Hartingsveldt

Aged 39
Director of Struijk
since February 2022

“I would now like to call my profession ‘circular demolition’. The demolition process has changed dramatically in recent years. In the past it was a case of using a crane, grab and wrecking ball to fill the container as quickly as possible. Now, the first thing we do is compile a detailed inventory of all the materials that will be

obtained from the object to be demolished. What are we going to dismantle? And what will be reused directly or as a secondary raw material? Our goal is the highest possible score for these criteria. The fact that Struijk is now part of the TBI Group is again an enormous advantage. It offers opportunities to close the material chains. As an independent company that’s difficult. Now we are more likely to be involved in the brain storming at the start of a project. That works well. What materials will we release and can they be used by one of the other TBI companies? Not that it’s in any way a ‘closed shop’ system - that wouldn’t be good. We must work in a market conforming way.

That’s why we must keep showing how good and progressive we are and our added-value. Our aim isn’t to do all the TBI work. But it is good to be involved as part of the team and, rather like a real estate agent and director in this kind of issues, play a role in tenders or a construction team. If that ultimately results in work we will reap the benefits of that as well. This is how, together, we create opportunities for minimising the use of new raw materials and equipment, which is an objective of our ‘Sustainable solutions’ strategic pillar.

In the past talking about this issue was ‘a cry in the wilderness’. Luckily there is now recognition. And the realisation that we bring craftsmanship and sustainability to demolition. The playing field for a demolition company has changed dramatically. These days architects also take the degree to which materials can be reused into consideration; even bricks. This makes you look at a demolition assignment in a different way. For example, recently we acquired a number of lock gates from a replacement project. That is 80 tons of hardwood of which at least 70 tons can be reused. How great could that be for a possible project of a TBI company.

I consider it my job to involve all the Struijk employees, and my other TBI colleagues, in this changing process. Project groups are being set-up for new working methods. The great big, beautiful network of TBI companies offers a lot of potential. Investigating and utilising circular demolition opportunities and possibilities together is wonderful”.



“It’s good that the craftsmanship we put into circular demolition and recycling is now recognised.”



J.P. van Eesteren – Grotius in Den Haag

Report of the Supervisory Board

Report of the Supervisory Board

In 2022 TBI's operating result was € 15.0 million. The results of the residential construction and project development activities remained at a high level. The Infra segment closed the year with a loss of € 34.2 million. The results of several combination projects in the Infra market were disappointing and also put pressure on the results of the Engineering segment. TBI started 2023 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 energy transition, circular construction, scarcity on the labour market, impact of the war in Ukraine and effect of the nitrogen problem on our activities. 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 in the broadest sense.

Activities in 2022

In 2022 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 2022 were:

- the handling and approval of the 2022-2024 Operational Plan;
- the development of the result, working capital and order book;
- the progress of a number of large projects;
- 'lessons learned' in the area of large infra projects;
- the acquisition of Rutges Beheermij B.V.

Other topic discussed included:

- the setting-up of the TBI Climate Fund and the TBI Trade Foundation (in consultation with the shareholder);
- the safe working environment and improving the safety culture on construction sites;
- the progress of the management development programme and diversity policy;
- the acquisition strategy and
- the progress regarding the development of the three strategic pillars.

In February 2022 the Supervisory Board paid a working visit to the Comol5 construction consortium in Leidschendam. During this visit the Comol5 project management gave a comprehensive presentation and site tour. Topics addressed included the safety aspects of such a complex infrastructure project where, due to the employment of foreign workers, considerable attention is paid to language barriers and cultural differences. In June 2022 a working visit was paid to the Croonwolter&dros factory in Kampen. During the site tour attention was paid to the prefabri-

cation work for Tennet. In the context of permanent education the Supervisory Board, along with the Executive Board, attended a training session at Synchroon. The session focused on the role of the project developer. Various aspects of the role were presented on the basis of a thematic deepening and the Wisselspoor area development project in Utrecht was visited.

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

Safety

Safety is high on the Supervisory Board's agenda and was discussed during every scheduled meeting. During the meeting in February the Board members were informed of the safety measures at the Comol5 construction consortium's Rijnlandroute project. TBI endorses the Governance Code Veiligheid in de Bouw (GCVB) (Safety in the Construction Sector Governance Code) and is a member of the GCVB Lead Group. Although the effects of Covid-19 were significantly less in 2022 it still put pressure on some parts of the supply chain and absence due to sickness was 0.9% higher than in 2021.

Strategy

The 2022 – 2024 Operating Plan was approved during the meeting in February 2022. During the course of 2022 the Executive Board, in consultation with the Supervisory Board, sharpened the strategy further by focusing on three pillars:

- Sustainable solutions;
- People & Teams;
- Technological advancement.

Important underlying themes are:

- The energy and circular transitions;
- Craftsmanship and talent in combination with leadership and diversity;
- Manufacturing technology and digitalisation.

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 2022. 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 March 2022 meeting discussed the draft 2021 Annual Report, including the 2021 financial statements and the Executive Board's internal report for the year. The Auditor's report for 2021 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 2021 Annual Report including the financial statements for 2021 and submit them to the Annual General Meeting for approval. The 2021 Compliance Report was also discussed during the March 2022 meeting. The 2021 Annual Report and financial statements were approved by the Annual General Meeting on 14 April 2022. Accordingly, the members of the Executive Board were discharged from liability for the policy followed during 2021 and the members of the Supervisory Board were discharged from liability for their supervision of the Executive Board during 2021.

During the year the Regulations of the Executive Board, Supervisory Board and Audit Committee were reviewed, where necessary brought in line with best practices and tested against current regulations. Various sustainability themes were also discussed during the scheduled meetings.

The internal audit function is carried out by BDO. In 2022 internal audits were completed at Koopmans, Hazenberg/Nico de Bont and WTH. A Group-wide audit of external personnel and chain liability was also completed. The internal audit plan for 2023 was approved during the Audit Committee's November meeting.

Composition and meetings of the Supervisory Board's Committees

In 2022 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 twice in 2022 to discuss progress with the Strategic Agenda. The TBI companies operate decentrally and 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, nitrogen, the housing shortage, the labour shortage, urbanisation and mobility. These themes were scrutinised with regard to TBI's positioning and competitive advantage. This led to a concretisation of the impact areas and a more detailed description of the three strategic pillars with ambitions and goals. The Strategic Committee was also closely involved in the reflections on the market explorations and the possibilities with regard to acquisitions, partnerships, investments and divestments. After close liaison with the Strategic Committee the acquisition of Rutges Beheermij B.V. by TBI was discussed with the Supervisory Board.

In 2022 the members of the Strategic Committee were:

- H. Morelisse, Chairman (from 14 April 2022)
- E.H.M. van den Assem, Chairman (until 14 April 2022)
- K. Laglas (appointed 14 April 2022)

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 2022 the Nomination & Remuneration Committee determined the remuneration of the members of the Executive Board. 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.

After serving as a member of the Supervisory Board for 10 years Mr. E.H.M. van den Assem announced he was unavailable for further reappointment for a full term and resigned as a member of the Supervisory Board after the Annual General Meeting on 14 April 2022. During this Annual General Meeting Mr. H. Morelisse was reappointed as a member of the Supervisory Board and Mrs. K. Laglas and Mr. O.J.F. Coene were appointed as members for a period of four years.

The members of the Nomination & Remuneration Committee in 2022 were:

- H. Garssen, Chairman
- A.L.M. Nelissen

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 2022. Three of the meetings were attended by the external Auditor. The topics discussed were:

- the 2021 financial statements;
- the external Auditor's report;
- the quarterly reports;
- the audit plan and
- the external Auditor's management letter in respect of 2022.

The Audit Committee assessed the audit-related activities of Deloitte Accountants B.V. in respect of the audit of the 2021 financial statements and the price agreements made at the time of the tender for the first audit for the 2019 financial year.

During the year under review the Audit Committee received an explanation of the developments in the area of the Treasury and Insurance Management activities. The Audit Committee also discussed the current ERP landscape and its replacement in the coming years. In addition, the Audit Committee took note of the developments in the field of sustainability reporting, 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 also 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 2022 and discussed the internal audit plan for 2023 with BDO.

In 2022 the members of the Audit Committee were:

- M. Niggebrugge, Chairman
- O.J.F. Coene (appointed 14 April 2022)
- A.L.M. Nelissen

Central Works Council

In 2022 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'.

2022 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 2022 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 145 to 148](#) of the Annual Report.

We advise the Annual General Meeting to:

- Adopt the 2022 financial statements, including the proposed appropriation of profit;
- Discharge the members of the Executive Board for their management during the 2022 financial year;
- Discharge the members of the Supervisory Board for their supervision of the Executive Board's management during 2022.

The Audit Committee has discussed the 2022 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 2022 TBI achieved a net result of € 9.0 million. The Executive Board proposes that a cash dividend of € 4.6 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 2022 the members of the Executive Board were:

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

In the 2022 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 Committee

In 2022 the members of the Supervisory Board were:

- A.L.M. Nelissen, Chairman
- E.H.M. van den Assem, Vice-chairman (until 14 April 2022)
- M. Niggebrugge, Vice-chairman (from 14 April 2022)
- O.J.F. Coene (appointed 14 April 2022)
- H. Garssen
- K. Laglas (appointed 14 April 2022)
- H. Morelisse MBA

Mr. E.H.M. van den Assem was a member of the Supervisory Board for 10 years. The Supervisory Board thanks Mr. Van den Assem for his cooperation and valuable contribution towards TBI during the past decade.

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 2022 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 2022 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 2022.

Corporate Governance

The Code is not compulsory for unlisted companies. The Corporate Governance section of this Annual Report sets out the TBI Concern'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

TBI expects market conditions will remain challenging and volatile in the coming year. The TBI companies are well positioned in the markets relevant for them. The size and quality of the order book are good. On the basis of the housing shortage, the sustainability challenge, the energy transition, and the expected infrastructure replacement challenge the underlying foundation remains strong. This gives us every confidence that the Concern has a solid basis and is on the right course to overcome future challenges. One of these challenges - the continued lack of a structural solution for the nitrogen problem - shows that in many fields the engineering, construction, development and infrastructure sector is also dependent on the political decision making of the national and local authorities.

We congratulate TBI Holdings B.V. on its 40th anniversary and thank the Executive Board, the Management Boards of the TBI companies and all the employees for their commitment and contribution towards the results they achieved in 2022. TBI has healthy foundations for 2023 and the following years.

Rotterdam, 16 March 2023

Supervisory Board
A.L.M. Nelissen, *Chairman*
M. Niggebrugge, *Vice-chairman*
O.J.F. Coene
H. Garssen
K. Laglas
H. Morelisse



Mobilis - John Frost bridge



Nico de Bont – Botanical glasshouse in Breda Botanique for Synchroon.

Financial statements 2022

Consolidated balance sheet as at 31 December 2022

(before profit appropriation, in thousands of Euros)

		31 December 2022	31 December 2021
Non-current assets			
Intangible non-current assets	1	29,140	32,006
Tangible non-current assets	2	118,537	104,303
Financial non-current assets	3	10,381	10,071
		158,058	146,380
Current assets			
Inventories	4	227,018	235,856
Work in progress for third parties	5	226,832	169,037
Receivables	6	333,657	285,868
Cash and cash equivalents	7	454,338	428,103
		1,241,845	1,118,864
Total assets		1,399,903	1,265,244
Group equity			
Shareholder's equity	8	340,381	344,132
Third party minority participations		-651	-621
		339,730	343,511
Provisions	9	23,609	14,061
Non-current liabilities	10	70,771	90,209
Current liabilities and accrued liabilities	11	965,792	817,462
Total liabilities		1,399,903	1,265,244

Consolidated profit and loss account for 2022

(in thousands of Euros)

		2022	2021
Net revenue	12	2,284,919	2,181,566
Change in inventories of completed products and work in progress		13,865	10,245
Total operating revenue		2,298,784	2,191,811
Operating costs			
Cost of raw materials and consumables		-673,308	-657,142
Cost of contracted-out work and other external costs		-961,503	-854,726
Wages and salaries	13	-395,639	-389,161
Social security charges		-58,201	-54,215
Pension obligations	14	-43,335	-42,171
Depreciation and amortisation of intangible and tangible non-current assets	15	-22,260	-20,630
Impairment of current assets	1, 2, 4	-3,056	-
Other operating costs	16	-126,441	-101,240
Total operating costs		-2,283,743	-2,119,285
Operating result		15,041	72,526
Interest and similar income		369	313
Interest and similar costs		-2,885	-4,483
Result before taxation		12,526	68,356
Taxation over result	17	-3,971	-18,689
Result from participations	18	165	-144
Result from normal business operations after taxation		8,720	49,523
Share of third parties in the result of Group companies		295	284
Net result		9,015	49,807

Consolidated statement of total result

(in thousands of Euros)

	2022	2021
Consolidated net result after taxation	9,015	49,807
Translation differences on foreign participations	132	266
Group total result	9,147	50,073

Consolidated statement of cash flows in 2022

(in thousands of Euros)

			2022	2021
Operating result			15,041	72,526
Adjustment for:				
• Depreciation and amortisation	15		22,260	20,630
• Impairment of current assets	1.2.4		3,056	–
• Changes to provisions	9		9,574	3,453
Changes in working capital (excluding cash and cash equivalents and credit institutions):				
• inventories	4	8,745		–4,824
• work in progress	5	46,145		80,836
• receivables	6	–40,621		–33,976
• other liabilities	11	41,641		24,859
			55,910	66,895
Cash flow from operating activities			105,841	163,504
Interest received		465		344
Interest paid		–2,878		–4,331
Dividend received	3	180		32
Income tax paid	17	–13,382		–19,960
			–15,614	–23,915
Cash flow from operating activities			90,227	139,589
Investments in intangible non-current assets	1	–4,973		–4,947
Investments in tangible non-current assets	2	–34,436		–30,304
Investments in financial non-current assets	3	–684		–7,847
Divestment of intangible non-current assets	1	–		7
Divestment of tangible non-current assets	2	3,623		3,234
Divestment of financial non-current assets	3	233		213
Cash flow from investment activities			–36,237	–39,644

Consolidated statement of cash flows in 2022 (continued)

(in thousands of Euros)

			2022	2021
Proceeds from non-current liabilities	10	–	35,057	
Repayment to credit institutions		–14,982	–17,424	
Dividend paid		–12,900	–9,600	
Cash flow from financing activities			–27,882	8,033
Net cash flow for the financial year			26,108	107,977
Foreign exchange rate translation differences on cash and cash equivalents			127	–129
Increase in cash and cash equivalents			26,235	107,849
Movements in cash and cash equivalents:				
position at start of year			428,103	320,254
movements			26,235	107,849
Cash and cash equivalents at year end			454,338	428,103

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, the Russian invasion of Ukraine and the rising inflation

The effects of COVID-19 and Russia's invasion of Ukraine had a significant impact on our business operations. The scarcity of building materials led to supply problems in the chain plus steep price increases (wood, steel, etc.). This influenced our financial performance in 2022 and is continuing to influence our performance. The rising inflation and interest rates also caused a deterioration of the market conditions. The result was plummeting (consumer) confidence in our economy. The higher raw material and energy prices had a knock-on effect throughout the entire economy, which meant construction costs also rose. As TBI does not have any direct (trade) relationships with Russia, Belarus or Ukraine the invasion has not had any direct impact on TBI's activities.

The issues mentioned above have had an (indirect) impact on TBI's financial results.

The impact of these market conditions was considered at the time these annual financial statements were prepared and did not lead to 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 2022.

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 except for the amendments under the heading 'System change'.

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.

System change

The Council for Annual Reporting (RJ) has published new guidelines in respect of revenue recognition. The reason for these changes is the need in practice for further regulations regarding how revenue should be recognised when complying with the stipulations of Title 9 Book 2 of the Dutch Civil Code and the Guidelines for Annual Reporting. Changes have been introduced in RJ 270 'The profit and loss account' (recognition of revenue from goods and services) and RJ 221 'Work in progress' (revenue from construction project assignments from third parties).

The guidelines already require, in a general sense, that the criteria for recognising revenue must be applied to the separately-identifiable components of a transaction in order to reflect the economic reality. The RJ noted that this provision was dealt with differently in practice and has now included more specific guidelines for identifying individual components. These are referred to as 'performance obligations'. With these more specific provisions the RJ aims to bring the reporting of agreements with separately identifiable performance obligations more in line with the economic reality. In addition, according to the RJ, this promotes the unambiguous application in practice and thereby contributes towards the mutual comparability of the financial statements of different companies.

These changes to the guidelines are applicable for financial years that start on or after 1 January 2022, which is why they have been incorporated in these financial statements. TBI Holdings B.V. has chosen to only apply the changes related to revenue recognition to agreements entered into or amended on or after the beginning of the financial year in which these changes are first applied (the prospective method). Reliably estimating the influence of these system changes on subsequent years is not possible.

The changes related to the presentation and explanation may not be processed prospectively and have, therefore, been adjusted in the comparative figures.

The concerns the following changes

- Presentation of work in progress in the profit and loss account:
Previously it was specified that until a project was completed revenue from that project was presented in the profit and loss account as net revenue or as a change in work in progress. This option has expired. The RJ has now decided that revenue from work in progress must be recognised as net revenue in the profit and loss account.
- Presentation of work in progress in the balance sheet:
Previously the guidelines offered the possibility of presenting the balance of all work in progress as one total in the balance sheet. This is no longer acceptable. If the balance of an uncompleted project:
 - Shows a debit position, the net amount is treated as an asset; and if it
 - Shows a credit position, the net amount is treated as a liability.

The impact of the presentation of the work in progress in the profit and loss account is as follows:

	2021 – amended accounting policies	2021 – old accounting policies
Net revenue	2,181,566	2,086,815
Changes to work in progress	–	104,490
Change in inventories of completed products and work in progress	10,245	506
Total operating revenue	2,191,811	2,191,811

The impact of the presentation of the work in progress in the balance sheet is as follows:

	2021 – amended accounting policies	2021 – old accounting policies
Debit side 'Work in progress'	169,037	–
Credit side 'Work in progress'	356,714	187,678
Balance sheet total	1,265,244	1,096,207
Solvency based on the guarantee capital	28.8%	33.2%

Comparable figures

Where necessary the figures for 2021 have been adjusted to enable comparison with 2022.

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

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

In 2022 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. It can happen that as a project progresses 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.

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 on the transaction date. Translation differences on net investments in a foreign participation are recognised directly as shareholder's equity in the statutory reserve for translation differences.

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. Such costs are recognised as 'development costs'. 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 recoverable amount. Tangible non-current assets are depreciated on a straight-line basis over their estimated useful life, if necessary taking any residual value into account.

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 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 the balance of which shows a debit position is presented under current assets. Work in progress the balance of which shows a credit position is presented 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.

Unless stated otherwise, provisions are carried at the nominal value of the estimated expenditure required to settle the obligations as at the balance sheet date.

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% (2021: 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 – applied to agreements entered into before 1 January 2022

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 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.

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.

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

Operating revenue – applied to agreements entered into on or after 1 January 2022

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.

Net revenue is understood to mean the income from performance obligations relating to the supply of goods and services less discounts and taxes levied on the income. Income is recognised per separate performance obligation.

If two or more commitments included in an agreement to provide goods or services cannot be separated into individually-distinguishable performance obligations the commitments are combined to form a group of goods and services that together can be distinguished from other commitments in the agreement.

If an agreement contains several performance obligations the overall agreement price is split into portions that reflect the proportionate value of each performance obligation and allocated to the various performance obligations on that basis. This allocation is based on the independent selling price of each performance obligation.

When determining the total agreement price the amount of each variable allocation is determined on the basis of an estimate. When making estimates a cautious approach is taken.

The nature of the significant performance obligations is as follows:

- (New) build, development and installation work;
- Maintenance, service and renovation work;
- Sale of goods and provision of services.

Depending on the agreement the income is recognised in accordance with the provisions in respect of work in progress, the supply of services and the delivery of goods.

Work in progress for third parties is valued at the realised project costs plus the allocated profit / realised project income and minus losses recognised and declared instalments. Project income is the contractually-agreed income plus income from contract variations (more/less work), as well as claims and reimbursements if and to the extent that it is probable that they will be realised and can be estimated reliably. If the result of a project in progress cannot be reliably estimated no profit is attributed. Project costs are the costs 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 comprise primarily materials, third-party services and sub-contracting, wages and social security obligations, plus surcharges to cover general expenses.

Work in progress also includes work resulting from project development if and to the extent that before or during construction an unconditional sales agreement has been concluded for units of the project.

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.

Project income realised in the financial year is recognised as a component of net revenue in the profit and loss account. Project costs are recognised according to the nature of the costs.

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.

If it is likely that the total project costs related to all the performance obligations in an agreement 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.

The percentage of the income from performance obligations comprising the supply 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. The cost of these services is allocated to the same period.

Income from performance obligations comprising the delivery of goods is recognised at the moment that all the important rights and risks attached to ownership of the goods are transferred to the purchaser. The cost of these goods is allocated to the same period.

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.

Costs that are directly related to a contract for the supply of goods or services and that are incurred on receipt of the contract are capitalised if it is probable that the contract will be obtained and the costs can be individually identified and reliably determined. When costs related to obtaining a contract have been recognised in the profit and loss account in the period in which they occurred, should the contract be obtained in a subsequent period they are recognised as not yet capitalised.

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 2022 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 2022				
Acquisition or production costs	2,307	39,173	27,453	68,933
Accrued impairments and amortisation	-204	-30,361	-6,362	-36,927
Carrying value	2,103	8,812	21,091	32,006
Changes in carrying value				
Investments	1,179	4,201	44	5,425
Amortisation	-93	-3,376	-2,542	-6,011
Other changes	-890	-198	-1,192	-2,280
Balance	197	628	-3,690	-2,866
As at 31 December 2022				
Acquisition or production costs	2,310	42,706	26,274	71,291
Accrued impairments and amortisation	-10	-33,267	-8,874	-42,151
Carrying value	2,300	9,440	17,400	29,140
Amortisation percentages	20%	5 tot 20%	10%	

Other changes includes an impairment of goodwill of € 1.2 million as well as impairments of development costs of € 0.9 million and software and licensing costs of € 0.2 million.

2. Tangible non-current assets

	Land and buildings	Plant and machinery	Other tangible non-current assets	Tangible non-current assets in progress and advance payments	Not in service operating assets	Total
As at 1 January 2022						
Acquisition or production costs	99,954	90,129	62,683	10,083	618	263,467
Accrued impairments and depreciation	-54,903	-57,642	-46,620	-	-	-159,165
Carrying value	45,052	32,487	16,063	10,083	618	104,303
Changes in carrying value						
Investments	4,491	14,563	6,410	5,364	4,617	35,445
Divestments	-1,433	-648	-252	-1,290	-	-3,623
Depreciation	-3,702	-6,541	-6,000	-	-5	-16,249
Consolidations and divestments	-	-31	87	-	13	68
Other changes	1,608	-616	-908	-1,491	-	-1,407
Balance	963	6,726	-664	2,584	4,625	14,234
As at 31 December 2022						
Acquisition or production costs	100,032	101,501	60,559	12,666	5,273	280,030
Accrued impairments and depreciation	-54,017	-62,288	-45,160	-	-30	-161,493
Book value	46,015	39,213	15,400	12,666	5,243	118,537
Depreciation percentages	2.5 tot 10%	10 tot 20%	10 tot 20%			

A portion of the land and buildings with a carrying value of € 21.5 million (2021: € 24.4 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 € 7.4 million (2021: € 5.7 million) serves as security for several non-recourse financings amounting to € 4.1 million (2021: € 4.6 million).

The item 'Not in service operating assets' comprises € 5.2 million realised project costs for an investment property which is being developed in-house. Investment property under development is not depreciated.

Other changes includes an impairment of plant and machinery € 0.6 million as well as an impairment of other tangible non-current assets of € 0.1 million.

3. Financial non-current assets

The changes in financial non-current assets are:

	Non-consolidated participations	Loans granted	Deferred tax receivables	Other financial non-current assets	Total
As at 1 January 2022	2,841	2,004	2,983	2,243	10,071
Changes in 2022					
Received profit distribution and dividends	-180				-180
Share in result for the year	165				165
Investments				5	5
Divestments				-123	-123
Changes in deferred tax receivables			-22		-22
Other changes	4	570		-110	464
Balance	-11	570	-22	-228	309
As at 31 December 2022	2,829	2,575	2,961	2,016	10,381

For an overview of the principle consolidated participations at the end of 2022 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 to non-consolidated participations and one loan granted to a third party. At the end of 2022 the first loan to a non-consolidated participation amounted to € 0.3 million (2021: € 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 2022 the second loan to a non-consolidated participation amounted to € 0.8 million (2021: € 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 2022 the third loan to a non-consolidated participation amounted to € 0.6 million (2021: € nil). This loan is for a project and the term is linked to the end date of the project.

The loan is expected to have a term ending n 31 March 2046. The interest rate on the loan is 5.025%. No security has been provided. At the end of 2022 the loan granted to a third party amounted to € 0.8 million (2021: € 0.9 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 € 0.5 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 2022	31 December 2021
Land positions	155,391	181,441
Real estate under construction	29,315	39,972
Completed real estate	24,653	173
Raw materials and consumables	9,037	5,439
Finished products and trade goods	8,621	8,831
	227,018	235,856

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 progress (Land positions), capitalised construction and development costs of the unsold part of work in progress (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 2022 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 2022 (as in 2021) that the expected (future) realisable value of positions should not be structurally written down.

A provision of € 44.9 million (2021: € 68.8 million) has been deducted from the inventory Land positions.

The valuation of Land positions and Real estate under construction includes interest amounting to € 0.2 million (2021: € 0.2 million).

During 2022 the stock of finished products and trade goods was impairment by the amount of € 0.1 million (2021: € nil).

5. Work in progress for third parties

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

	31 December 2022	31 December 2021
Work in progress for third parties		
Costs including profit based on the percentage completed, less provision for losses	3,931,469	3,343,981
Less: Invoiced instalments	-4,165,592	-3,531,659
	-234,124	-187,678

The composition is as follows:

	31 December 2022	31 December 2021
Balance of work in progress for third parties greater than the invoiced instalments	226,832	169,037
Balance of work in progress for third parties less than the invoiced instalments	-460,955	-356,714
	-234,124	-187,678

The balance of work in progress that is greater than declared instalments is recognised under 'Work in progress' on the debit side of the balance sheet. The balance of work in progress that is smaller than declared instalments is recognised under 'Other liabilities'.

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. At the end of 2022 the total of capitalised costs of obtaining contracts amounted to € 0.1 million.

In the year under review an amount of € 431.1 million (2021: € 104.5 million) is recognised in net revenue in respect of income from work in progress.

6. Receivables

	31 December 2022	31 December 2021
Debtors	268,200	228,769
Corporation tax	7,246	-
Completed projects to be invoiced	12,235	10,844
Other receivables	34,140	37,984
Accrued assets	11,836	8,271
	333,657	285,868

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 € 4.9 million (31 December 2021: € 4.0 million) has been deducted from receivables.

7. Cash and cash equivalents

	31 December 2022	31 December 2021
Banks	404,028	427,802
Deposits	50,282	268
Cash	27	33
	454,338	428,103

The cash and cash equivalents is freely available to the Group, with the exception of an amount of around € 63.5 million (31 December 2021: € 49.6 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 € 8.4 million (31 December 2021: € 6.6 million).

In addition € 28.9 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.

At the end of 2022 there was a deposit of € 25.0 million that is not immediately available. If an amount is withdrawn the withdrawn amount will not be available to the Group until 31 days later. In addition there was a deposit of € 25.0 million which is immediately available with the sacrifice of interest income and payment of penalty interest. 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 2022	413	4,458	8,696	423	72	14,061
Changes in 2022						
Additions		2,082	11,002	1,659	75	14,818
Withdrawals		-455	-6,212	-1,273	-43	-7,984
Other changes	-21		2,615	140	-21	2,714
Balance	-21	1,626	7,405	527	11	9,548
As at 31 December 2022	392	6,084	16,100	950	83	23,609

De looptijd van de voorzieningen is als volgt:

(x € 1 million)	31 December 2022			31 December 2021		
	< 1 year	1 – 5 years	> 5 years	< 1 year	1 – 5 years	> 5 years
Provisions	10.1	9.7	3.8	8.3	2.8	2.9

10. Non-current liabilities

	Subordinated loan	Non-recourse financing	Recourse financing	Other non-current liabilities	Total
As at 1 January 2022	15,000	67,436	3,948	3,825	90,209
Changes in 2022					
Repayment obligations in the coming year	-5,000	-9,324	-438	-4	-14,765
Other changes		-2,366		-2,307	-4,673
Balance	-5,000	-11,690	-438	-2,311	-19,438
As at 31 December 2022	10,000	55,746	3,510	1,515	70,771

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 2022		31 December 2021	
	1 – 5 years	> 5 years	1 – 5 years	> 5 years
Non-current liabilities per term				
Non-current liabilities	65.6	5.2	84.6	5.6

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 since 2021 € 5 million has been repaid each year. In 2023 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. At the end of 2022 the outstanding loan amounted to € 9.9 million. This loan was repaid in full on 28 February 2023 and the balance as at 31 December 2022 was recognised under current liabilities. 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 non-recourse and recourse project financing concern non-current project financing taken-out by Group companies. At the end of 2022 the interest rate varied from 1.15% to 5%. 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,

11. Current liabilities and accrued liabilities

	31 December 2022	31 December 2021
Credit institutions	13,065	8,905
Subordinated loan	5,000	5,000
Trade creditors	261,121	240,547
Corporation tax	–	2,166
Taxes and social security contributions	69,101	65,001
Work in progress for third parties	460,955	356,714
Personnel costs	43,911	47,030
Pension contributions	397	871
Payable on completed projects	33,150	32,510
Owed to other related parties	3,386	3,325
Other liabilities	59,973	46,159
Accrued liabilities	15,733	9,234
	965,792	817,462

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 € 12.6 million to repayments of non-recourse financing (2021: € 8.5 million) and for € 0.4 million in repayments of recourse financing (2021: € 0.4 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 2022, as was also the case as at 31 December 2021, no use had been made of these facilities. During 2022 these facilities were not drawn down (the same applies for 2021).

The interest rate is linked to Euribor. A discount can be gained by complying with non-financial parameters. In 2022 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 2022.

Off balance sheet assets and liabilities

	31 December 2022	31 December 2021
Bank guarantees and securities		
Letters of intent re. tenders	585	2,039
Bank guarantees re. project execution	229,967	197,160
	17,147	26,224
Bank guarantees re. advance payments received for work in progress	1,664	1,255
Other		
	249,362	226,678

(x € 1 million)	31 December 2022			31 December 2021		
	< 1 year	1 – 5 years	> 5 years	< 1 year	1 – 5 years	> 5 years
Other						
Lease agreements	24.6	42.1	0.6	22.9	40.4	1.3
Rental agreements	11.4	38.8	20.3	11.9	34.4	16.6
Land purchase commitments	29.6	19.1	6.3	25.3	20.7	4.5

During the year the following amounts were recognised in the profit and loss account in respect of leases (x € 1 million):

	2022
Minimum lease payments	46.2
Conditional lease payments	4.5
Sub-lease receipts	–
	50.7

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.

Post balance sheet date events

On 27 February 2023 TBI Bouw B.V. acquired all the shares in the capital of Rutges Beheermij B.V., in Montfoort.

The final purchase price, which will be paid in cash, and the goodwill included therein cannot yet be reliably determined. The expectation is that this acquisition will have a positive effect on TBI's profitability.

No other post balance sheet date events as understood in Article 2:380a of the Dutch Civil Code took place.

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	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Operating revenue										
External	911	844	1,127	1,045	279	303	-18	-	2,299	2,192
Internal	7	3	14	9	3	5	-24	-17	-	-
Total	918	848	1,141	1,054	282	308	-42	-17	2,299	2,192
Operating result before depreciation and amortisation*	12.9	28.6	62.0	69.0	-29.0	-0.8	-4.0	-0.8	41.9	95.9
Operating result*	4.2	19.8	56.9	64.5	-32.4	-3.1	-9.0	-5.8	19.7	75.3
Operating margin										
Operating profit*/revenue	0.5%	2.3%	5.0%	6.1%	-11.5%	-1.0%	-	-	0.9%	3.4%
Investments in tangible non-current assets	10.7	13.3	14.1	6.5	6.0	7.4	4.6	3.0	35.4	30.1
Investments in intangible non-current assets	2.4	1.3	-	4.3	0.0	2.1	2.9	3.9	5.4	11.5
Depreciation of tangible non-current assets	6.2	5.6	4.7	4.5	3.2	2.2	2.1	2.4	16.2	14.7
Amortisation of intangible non-current assets	2.6	3.2	0.4	0.0	0.2	0.1	2.8	2.6	6.0	5.9

* Excluding impairment and reorganisation costs.

12. Net revenue

	2022	2021
Geographic spread of net revenue		
Netherlands	2,228,221	2,150,107
Other EU countries	43,884	19,600
Rest of Europe	275	333
Outside Europe	12,540	11,526
	2,284,919	2,181,566

	2022	2021
Net revenue per revenue category		
Revenue from sale of goods	103,818	–
Revenue from provision of services	16,566	–
Revenue from work in hand	2,163,416	2,181,566
Overige opbrengsten	1,118	–
	2,284,919	2,181,566

13. Wages and salaries

	2022	2021
Average number of employees per activity		
Engineering	4,031	4,135
Construction & Development	1,522	1,473
Infra	575	559
Other	105	104
	6,233	6,270

In 2022 210 of the average number of employees on a full-time basis worked outside the Netherlands (2021: 226).

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 Pensioenfond Metaal & Techniek (Pension Fund for the Metal-working and Engineering sector). During 2022 coverage ratios rose as a consequence of the higher interest rate. This also applied for Pensioenfond Metaal & Techniek: At the end of December 2022 the coverage ratio was 108.1% (end of December 2021: 100.9%). As a result of the higher coverage ratio, Pensioenfond Metaal & Techniek implemented an interim increase of 1.29% on 1 October 2022 and a further increase of 4.2% on 1 January 2023.

In December 2022 the coverage ration of the Pension Fund for the Construction Industry rose to 131.5% (at the end of 2021 it was 119.3%). The Pension Fund for the Construction Industry raised pensions by 1.76% as of 1 January 2022 and by a further 0.79% as of 1 July 2022. Finally the Pension Fund announced a further 14.52% increase of pensions as of 1 January 2023.

On 31 December 2021 the coverage rate of the Pension Funds for the Concrete Products Industry was 112.4% (end of 2021: 110.0%). This pension fund raised pensions by 2.01% as of 1 October 2022 and raised them by a further 2.5% as of 1 January 2023.

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 was 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

	2022	2021
Amortisation of intangible non-current assets	6,011	5,910
Depreciation of tangible non-current assets	16,249	14,720
	22,260	20,630
Amortisation of intangible non-current assets		
Development costs	93	107
Software and licences	3,376	3,187
Goodwill	2,542	2,615
	6,011	5,910
Depreciation of tangible non-current assets		
Land and buildings	3,702	3,515
Plant and machinery	6,541	5,199
Other non-current operating assets	6,000	6,006
Niet dienstbare bedrijfsmiddelen	5	–
	16,249	14,720

16. Other operating costs

	2022	2021
Vehicle costs	32,443	28,057
Automation costs	30,593	27,417
Accommodation costs	26,950	22,215
Other personnel costs	17,738	14,607
Other costs	93,422	71,305
Passed on to third parties / projects	-74,705	-62,361
	126,441	101,240

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.

	2022	2021
Result before taxes	12,526	68,356
Deferred corporation tax	11	331
Acute current year corporation tax	-4,674	-18,316
Prior year corporation tax	693	-704
Tax on the result	-3,971	-18,689

The effective tax rate for 2022 was 31.7% (2021: 27.3%). The relationship between the average effective tax rate and the statutory corporation tax rate was as follows:

(in %)	2022	2021
Corporation tax rate	25.8	25.0
Non-deductible costs	12.7	1.7
Differences in foreign tax rate	0.9	0.2
Prior year adjustment	-5.5	1.0
Liquidation losses	-1.9	-
Tax facilities etc.	-0.3	-0.6
Effective tax rate	31.7	27.3

18. Result from participations

Result from participations includes the profit from non-consolidated participations of € 0.2 million (2021: € -0.1 million).

Exchange rate differences

The exchange rate differences recognised in the profit and loss account amounted to € -0.1 million (2021: € -0.1 million).

Research & development costs

Research & development costs charged to the result, including the amortisation of capitalised development costs, amounted to € 1.1 million (2021: 1.4 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 € 1.6 million (2021: € 2.8 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, and variable components. The awarding of variable payments is partly dependent of the achievement of personal and sustainability targets. In 2022 an amount of € 2,212 million was charged to the Company in respect of these payments (2021: € 2.080 million).

In 2022 the remuneration of the Supervisory Board members charged to the Company amounted to € 0.287 million (2021: € 0.245 million).

Auditor's fee

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

	2022	2021
Audit of the consolidated financial statements	1,676	1,505
Other audit tasks	61	51
Taxation advice	37	–
Other non-audit services	56	–
	1,829	1,556

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 2022 financial year, whether or not the tasks were carried out during the financial year.

Company balance sheet as at 31 December 2022

(before profit appropriation, in thousands of Euros)

		31 December 2022	31 December 2021
Non-current assets			
Tangible non-current assets	1	1,973	929
Financial non-current assets	2	370,424	389,796
		372,398	390,725
Current assets			
Receivables	3	130,963	86,156
Cash and cash equivalents	4	336,032	323,169
		466,995	409,325
Total assets		839,393	800,050
Shareholder's equity	5		
Issued capital		100	100
Share premium reserve		354	354
Statutory reserves		13,484	10,021
Other reserves		317,428	283,850
Retained profit		9,015	49,807
		340,381	344,132
Provisions	6	14	1,404
Non-current liabilities	7	10,000	15,000
Current liabilities and accrued liabilities	8	488,998	439,514
Totaal passiva		839,393	800,050

Company profit and loss account for 2022

(in thousands of Euros)

	2022	2021
Result from participations after taxes	16,964	56,707
Company result after taxes	-7,949	-6,900
	9,015	49,807

Notes to the 2022 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

	Business premises and land	Other non-current operating assets	Tangible non-current assets in progress and prepayments	Total
As at 1 January 2022				
Acquisition price or production costs	–	1,790	698	2,487
Accrued impairments and depreciation	–	–1,558	–	–1,558
Carrying value	–	231	698	929
Changes in carrying value				
Investments	1,208	45	–	1,253
Depreciation	–92	–117	–	–208
Other changes	698	–	–698	–
Balance	1,814	–72	–698	1,044
As at 31 December 2022				
Acquisition price or production costs	1,905	1,766	–	3,672
Accrued impairments and depreciation	–92	–1,607	–	–1,698
Carrying value	1,814	160	–	1,973

2. Financial non-current assets

	31 December 2022	31 December 2021
Share in Group companies	343,683	361,742
Deferred tax receivables	464	464
Receivables from Group companies	23,036	25,064
Other participations	1,093	1,018
Loans granted	1,743	1,102
Other financial non-current assets	405	405
	370,424	389,796

The changes 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 2022	361,742	464	25,064	1,018	1,102	405	389,796
Changes in 2022							
Net profit for 2022	17,298			180			17,478
Dividends received	-35,491			-180			-35,671
Loans granted					649		649
Loans repaid			-164				-164
Addition to provision for negative participations			-514				-514
Exchange rate differences	134						134
Paid-in share premium				74			74
Other changes			-1,350		-9		-1,359
Balance	-18,059	-	-2,028	74	640	-	-19,373
As at 31 December 2022	343,683	464	23,036	1,093	1,743	405	370,424

The principle consolidated participations at the end of 2022 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 loans to three non-consolidated participations and a loan to a third party. At the end of 2022 the outstanding amount on the first loan to a non-consolidated participation was € 0.3 million (2021: € 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 2022 the outstanding amount on the second loan to a non-consolidated participation was € 0.8 million (2021: € 0.8 million). The term runs to 30 September 2047, the interest rate is 5.875% and no collateral securities have been provided. At the end of 2022 the outstanding amount on the third loan to a non-consolidated participation was € 0.6 million (2021: nil). This loan is for a project and the term is linked to the end date of the project. The term is expected to run to 31 March 2046, the interest rate is 5.025% 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. This amount is presented under current receivables. 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 30 June 2026 and the interest rate is 3-months Euribor plus a surcharge. 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 2022	31 December 2021
Receivable from Group companies	116,100	67,961
Corporation tax	13,619	17,254
Other receivables and accrued assets	1,244	941
	130,963	86,156

The receivables have a term of less than one year.

4. Cash and cash equivalents

	31 December 2022	31 December 2021
Banks	286,032	323,169
Deposits	50,000	–
	336,032	323,169

The cash and cash equivalents are freely available to the Company. At the end of 2022 there was a deposit of € 25.0 million. This money is not immediately available. If money is withdrawn the withdrawn amount will be available to the Company 31 days later. In addition there was a deposit of a further € 25.0 million, which is available immediately but withdrawal means sacrificing interest income and paying penalty interest.

The deposits have a term of less than one year.

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 2022 the average interest rate on receivables from Group companies was 1.2% (2021: 1.1%). In 2022 the reimbursed interest on the credit funds

deposited with the Company averaged 0.2% (2021: 0.1%). 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 2021	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 changes			268	-4,424		-4,156
As at 31 December 2021	100	354	10,021	283,850	49,807	344,132
Added to the reserves			3,329	49,807	-49,807	3,329
Dividend				-12,900		-12,900
Net result 2022					9,015	9,015
Exchange rate differences and other changes			134	-3,329		-3,195
As at 31 December 2022	100	354	13,484	317,428	9,015	340,381

Of the statutory reserves an amount of € 0.1 million relates to exchange rate differences participations (2021: € 0.3 million), an amount of € 10.0 million relates to retained profit minority participations (2021: € 7.7 million) and an amount of € 3.3 million relates to development costs intangible non-current assets (2021: € 2.1 million). These amounts are not freely distributable on the grounds of Part 9, Book 2 Article 389 Clause 8, Article 389 Clause 6 and Article 365 Clause 2 of the Dutch Civil Code (statutory reserves).

In April 2022 the Annual General Meeting, acting on a recommendation of the Supervisory Board, adopted the 2021 financial statements without change. In accordance with the Company's Articles of Association it was also agreed to distribute a dividend of € 12.9 million to the shareholder and to add the remainder of the profit for 2021 to the other reserves.

6. Provisions

	Other
As at 1 January 2022	1,404
Changes in 2022	
Withdrawals	-1,391
Balance	-1,391
As at 31 December 2022	14

The other provisions that have been formed are mainly related to employee obligations. The terms of the provisions are as follows:

(x € 1 million)	31 December 2022			31 December 2021		
	< 1 year	1 – 5 years	> 5 years	< 1 year	1 – 5 years	> 5 years
Provisions	–	0.0	–	–	1.4	–

7. Non-current liabilities

	31 December 2022	31 December 2021
Subordinated loan	10,000	15,000

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 collateral securities have 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 since 2021 € 5 million per year has been repaid. In 2023 a further € 5 million will be repaid. This amount is presented under Current liabilities.

8. Current liabilities and accrued liabilities

	31 December 2022	31 December 2021
Subordinated loan	5,000	5,000
Trade creditors	1,002	894
Owed to Group companies	467,535	421,331
Taxes and social security contributions	9,260	6,056
Owed to other related parties	3,386	3,325
Other liabilities and accrued liabilities	2,816	2,908
	488,998	439,514

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 2022			31 December 2021		
	< 1 year	1 – 5 years	> 5 years	< 1 year	1 – 5 years	> 5 years
Other						
Lease agreement	0.3	0.6	0.0	0.3	0.4	–
Rental agreement	0.3	1.5	1.1	0.3	1.2	1.7

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

	2022
Minimum lease payment	0.3
	0.3

Off balance sheet commitments

	31 December 2022	31 December 2021
Bank guarantees and securities	120	931
	120	931

The Company has issued Group guarantees, mainly to project clients, instead of bank guarantees. At the end of 2022 the amount involved was € 40.2 million (end of 2021: € 42.8 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 2022 an average of 46 people were employed by the Company (2021: 46 people). In 2022, as in 2021, 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 2022 the financial income from this relationship with Group companies was € 1.7 million (2021: € 1.4 million). In 2022 the financial expense arising from this relationship with Group companies was € 0.8 million (2021: € 0.1 million).

Transactions with related parties

In 2022 TBI Holdings B.V. reimbursed € 0.4 million to the TBI companies in respect of reorganisation costs (2021: € 0.0 million).

Post balance sheet date events

For a description of the post balance sheet date events relevant for the Concern, please see 'Post balance sheet date events' in the notes to the consolidated financial statements.

Proposed appropriation of the result for 2022

The net result for 2022 amounts to € 9.0 million. The Executive Board proposes that an amount of € 4.6 million be distributed to the shareholder as a dividend and that the remaining amount of € 4.4 million be added to the other reserves.

Rotterdam, 16 March 2023
TBI Holdings B.V.

Supervisory Board

A.L.M. Nelissen, Chairman
O.J.F. Coene
H. Garssen
K. Laglas
H. Morelisse
M. Niggebrugge

Executive Board

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

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 2022 financial statements included in the Annual Report

Our opinion

We have audited the accompanying 2022 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 2022, and of its result for 2022 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 2022.
2. The consolidated and unconsolidated profit and loss account for 2022.
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.

Information to support our opinion

We determined our tasks in the context of the audit of the financial statements as a whole and the formation of our opinion these financial statements. The following information in support our opinion and findings should be viewed in that context and not as separate judgements or conclusions.

Audit approach – fraud risk

We identified and estimated the risks of material misstatement in the financial statements due to fraud. During our audit we gained an understanding of the entity and its environment, the components of the internal control system, including the risk assessment process, the manner in which the management responds to fraud risks and monitors the internal control system, and the way in which the Supervisory Board carries out its supervision, as well as the results of these measures. We refer to the text in the Annual Report related to doing business responsibly and with integrity, in which the Executive Board has included its fraud risk analysis, and the section 'Governance' in which the Executive Board reflects on risk management as well as the Report of the Supervisory Board as included in the Annual Report.

We have evaluated the design and relevant aspects of the internal control system, paying particular attention to the fraud risk analysis plus, for example, the TBI Code of Conduct and the register in which notifications in the context of the integrity code are recorded. We assessed the structure and data and, to the extent we deemed necessary, tested the operation of the internal control measures aimed at mitigating fraud risks.

As a component of our process to identify material misstatements in the financial statements due to fraud, we have considered fraud risk factors in respect of fraudulent financial reporting, misappropriation of assets, and bribery and corruption. We have evaluated whether these factors formed an indication of the presence of the risk of material misstatement as a result of fraud.

Having identified the fraud risk areas (breaching of the segregation of duties by management and the estimates of the costs still to be incurred for work in progress) we carried out the following specific activities:

- Testing whether specific journal entries and other adjustments applied during the drawing-up of the financial summaries were acceptable;
- Testing whether specific journal entries (on the basis of fraud characteristics) applied during the financial year were acceptable;
- Evaluating the Management's judgements and assumptions in respect of the accounting estimates included in the financial statements, such as the valuation of land positions and projects in progress;
- Evaluating any significant transactions outside the scope of the normal business operations of TBI Holdings B.V.

We built an element of unpredictability into our audit. We also reviewed and considered the outcome of other audit procedures to ascertain whether there were any findings that indicated fraud or non-compliance with laws and/or regulations.

We took note of the available information and requested information from the Supervisory Board, the Executive Board, the head of reporting & control, the head of legal affairs and the Group Controllers.

There were no indications of fraud that could lead to a material misstatement.

Audit approach - compliance with legislation and regulations

We acquired a general understanding of the laws and regulations that are applicable to the entity through information from the Supervisory Board, the Executive Board, the head of reporting & control, the head of legal affairs, the Group controllers and through reading minutes. As far as material for the related financial statements is concerned, on the basis of our risk analysis, and taking into account the fact that the effect of non-compliance with legislation and regulations is very varied, the following laws and regulations were considered: compliance with the (corporate) tax law, regulations for financial reporting and the requirements of Title 9, Book 2 of the Dutch Civil Code classified as laws and regulations with a direct influence on the financial statements.

We obtained sufficient appropriate audit evidence regarding compliance with the provisions of those laws and regulations that are generally considered to have a direct influence on the financial statements.

TBI Holdings B.V. is also subject to other laws and regulations the non-compliance with which could have a material impact on the financial statements, for example as a result of fines or lawsuits.

In view of the nature of the activities of van TBI Holdings B.V. and the complexity of construction, environmental and other government regulations there is a risk that the requirements of these laws and regulations will not be met.

As these laws and regulations do not have a direct effect on the determination of the amounts and disclosures in the financial statements, our tasks were more limited. Compliance with laws and regulations can be of fundamental importance for the operational aspects of an entity, for an entity's ability to continue its operations, or for the avoidance of material sanctions (for example, compliance with the conditions of a permit to carry out an activity, or compliance with environmental regulations); non-compliance with such laws and regulations could, therefore, have a material influence on the financial statements. Our responsibility is limited to carrying out specific audit procedures to facilitate the identification of non-compliance with laws and regulations that could have a material effect on the financial statements. Our tasks to enable the identification of incidents of non-compliance with other laws and regulations that could have a material effect on the financial statements were restricted to (i) questioning the management, and if applicable the persons charged with governance, regarding whether the entity complies with such laws and regulations; (ii) inspecting any correspondence with the relevant licensing authority or regulatory or supervisory body.

Naturally, during the audit we were alert to indications (or suspicions) of non-compliance with laws and regulations.

Finally, we received written confirmation that all known or suspected cases of non-compliance with laws and regulations had been brought to our attention.

Audit approach - continuity

The Executive Board drew up the financial statements assuming the continuity of the whole of the activities for a period longer than 12 months after the date on which financial statements were drawn up. The Executive Board included the results of this evaluation in the 2023-2025 operating plan. Our tasks in respect of evaluating the Executive Board's assumption of continuity included:

- Assessing whether the Executive Board's use of the going concern basis of accounting was appropriate, taking into account all the relevant information of which we became aware as a result of our audit and questions to the Board regarding the most important assumptions and starting points. The information taken into account included net working capital, free cash flow and liquidity
- Ascertaining whether the Executive Board had identified any events or situations that could cast significant doubt on the Company's ability to continue as a going concern (hereafter continuity risks);
- Evaluating the estimated operating results and related cash flows for the period of at least 12 months from the date on which the financial statements were drawn up, taking into account developments in the sector and our audit information;
- Analysing the current liquidity and the liquidity necessary to guarantee the continuity of all the operating activities;
- Seeking information from the Executive Board regarding its knowledge of significant continuity risks after the period of the continuity assessment carried out by the Executive Board.

Our work led us to conclude that the Executive Board's assumption of continuity is acceptable and no continuity risks were identified.

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:
 - 2022 in pictures;
 - Message from the Chairman of the Executive Board;
 - TBI at a glance;
 - Environment, Organisation and Strategy;
 - Progress of strategic pillars in 2022;
 - 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 shortcomings related to the internal control that we identified during our audit.

We confirm to the Supervisory Board that we have complied with the relevant ethical requirements regarding independence. We have also communicated with the Supervisory Board regarding all relationships and other matters that could reasonably influence our independence as well as the measures taken in this respect to safeguard our independence.

Rotterdam, 16 March 2023

Deloitte Accountants B.V.

Was signed by:

D.A. Sonneveldt

The independent Auditor's Assurance-report providing a limited degree certainty regarding the sustainability information contained in the 2022 Annual Report of TBI Holdings B.V.

To the shareholder and Supervisory Board of TBI Holdings B.V.

Our conclusion

We have reviewed the sustainability information in the 2022 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 2022 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 2022 in accordance with the Sustainability reporting criteria used internally as included under 'Reporting criteria'.

The sustainability information comprises:

- 2022 in pictures
- TBI at a glance
- Environment, Organisation and Strategy
- Progress of strategic pillars in 2022
- 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 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 sustainability information has been prepared in accordance with GRI Reporting Standards as included in the GRI Content index published on the organisation's website.

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.

Therefore the sustainability information needs to be read and understood together with the reporting criteria.

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.

Combining 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 Executive Board is also responsible for the selection and application of these reporting criteria and for determining that these reporting criteria are adequate for the legitimate information needs of stakeholders, taking into account the applicable laws and regulations regarding reporting. 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 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) (Regulations for Quality Management Systems). 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.

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 measures, relevant to our examination without acquiring assurance information regarding the existence or operational effectiveness of the internal control measures.
- 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. Based on this we selected the Group entities and sites for a (virtual) site visit;
- 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.
- Reconciling the relevant information with the financial statements.
- 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 relation to the internal control that we identified during our audit.

Rotterdam, 16 March 2023

Deloitte Accountants B.V.

Was signed by
D.A. Sonneveldt

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 – ‘In accordance’ option.

Reporting criteria

The ‘In accordance’ option of the GRI standards means TBI reports on GRI 2 General Disclosures and GRI 3 Material Topics. The process used to determine the material themes is described in the ‘Stakeholders and

materiality and materiality matrix’ 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 2021 Annual Report (published on 16 April 2022), was verified externally (‘limited assurance’) and complies with the GRI Standards ‘In accordance’ option.

Availability

The 2022 Annual Report, the ‘GRI Standards content index’ and ‘Accountability and Methodology’ can be downloaded as pdf files from www.tbi.nl/jaarverslag. The Annual Report, which is available in both Dutch and English, was published on 14 April 2023.

Scope

The Report covers the 2022 financial year that ran from 1 January 2022 to 31 December 2022. 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. In 2022 there were no restatements of the 2021 figures.

Reporting ambitions

TBI is a participant in the Transparency Benchmark. By comparing our reporting with that of comparable companies, 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 and will prepare for the EU Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy.

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 data that is reported at the TBI Holdings level.

Stakeholders, materiality and materiality matrix

Strategy

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 Strategic Development Manager who advises the Executive Board regarding strategic developments, monitors the integration of sustainability in the management processes and supervises the sustainability goals and the Company's overall performance.

Towards this end the Strategic Development Manager works in close cooperation with the officers with responsibility for sustainability within the TBI companies. To monitor sustainability-related development the Communication Department maintains contact with the Controllers. The Executive Board is responsible for managing the Concern.

The Management Boards of the TBI companies are responsible for formulating and implementing the strategy of their company or companies. These Boards are also responsible for the management and day-to-day decisions of the TBI companies, including the implementation of the strategy. To carry out these tasks the Boards make use of information from internal and

external sources, such as one-on-one discussions, employee meetings, news items and meetings for the sector.

Double materiality

To determine the delineation in the Annual Report in 2022/2023 we conducted a materiality analysis. This was used to compile an inventory of the topics that significantly influence the organisation or over which the organisation through its activities has significant influence. A materiality matrix is drawn up on the basis of this double materiality principle.

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. The objective is to keep stakeholders involved with TBI's activities. These dialogues take place at different levels in the organisation and in most cases are components 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

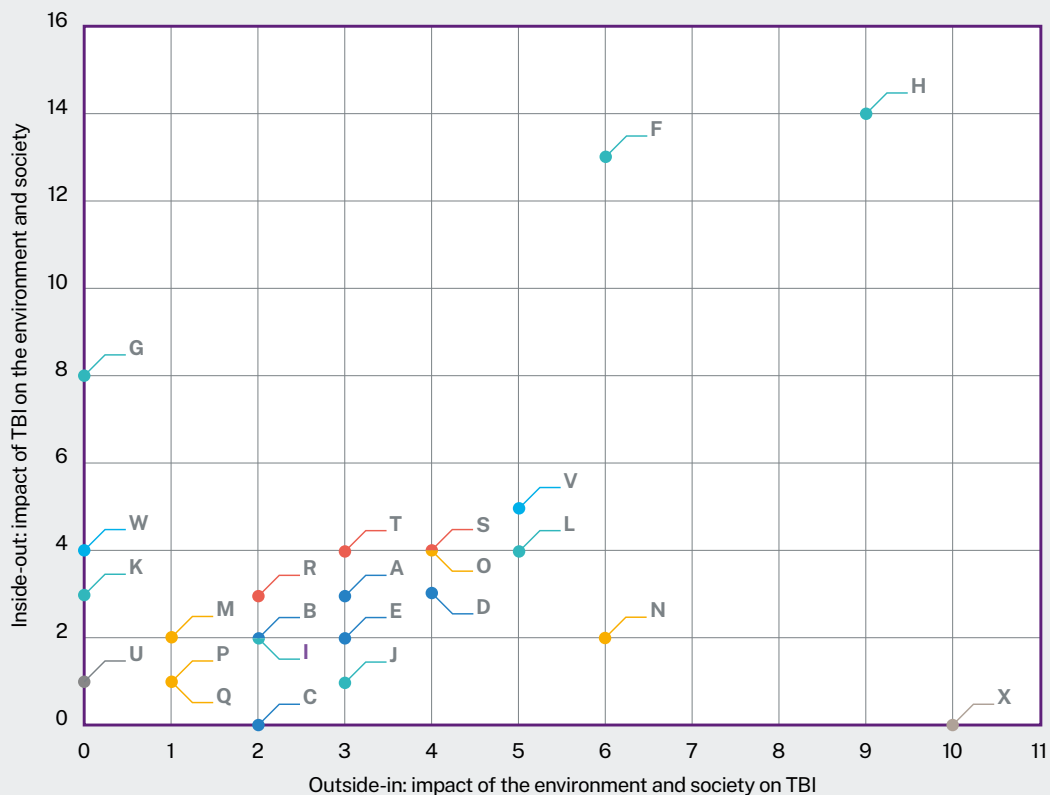
For the determination of the themes we have not only adhered to the minimum requirements according to the GRI guidelines, but also to the insights of other reporting

initiatives (such as the IIRC International Integrated Reporting Council and the recently published Corporate Sustainability Reporting Directive (CSRD), which approach the definition of materiality more from an integrated vision than from sustainability. This means 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).

In the materiality matrix the priorities that influence the organisation (‘outside-in’) and over which the organisation through its activities has influence (‘inside-out’) are compared. The distance from the origin forms a measure for a theme’s degree of impact - the greater the distance from the origin the greater the impact of the theme. The precise nature of the impact is not important, what is important is the relative size of a particular theme’s impact compared to the other themes.

All the themes in the matrix have been assessed as relevant and, therefore, been determined as material by the Executive Board. TBI Holdings develops policies and sets targets for these themes and now, or from the beginning of 2023/2024, progress is/will be 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



Material theme	
Governance	A Good management B Management's role (in social impact) C Risk management D Ethics & compliance E Public policy (contact with the authorities)
Strategic pillars: Sustainable solutions	F Circular transition, raw materials & waste G Climate adaption H Energy transition & emission reduction I Energy usage and costs J Transport, mobility & accessibility K Nature & bio-diversity L Chain responsibility (incl. sustainable procurement)
People & Teams	M Safe and healthy working conditions N Craftsmanship O Training P Diversity & inclusivity Q Employer-employee relations
Technological progress	R Manufacturing technology S Digitalisation (incl. data privacy & IT-security) T Innovations
Financial results	U Operating revenue and results
Market & sector	V Housing shortage & affordable housing W Renovation & transformation
Labour market	X Scarcity of qualified labour

Five year summary

(x € 1 million, unless stated otherwise)

	2022	2021	2020	2019	2018
Market					
Orders received	2,816	2,202	1,927	1,893	2,581
Order book	3,731	3,231	3,147	2,829	2,630
Housing units sold	1,449	2,204	974	960	1,731
Housing units delivered	1,769	2,304	1,736	843	1,785
Financial¹					
Operating revenue	2,299	2,192	2,013	1,850	1,773
Operating result before depreciation and amortisation (EBITDA) ¹	41.9	95.9	70.8	58.3	52.7
Operating result (EBIT) ¹	19.8	75.3	50.8	39.2	34.1
Operating result (EBIT)	15.0	72.5	48.0	37.4	26.0
Net result	9.0	49.8	32.1	25.1	16.2
Total assets ²	1,399.9	1,265.2	1,111.8	1,029.4	973.2
Shareholder's equity	340.4	344.1	303.7	279.6	254.4
Interest-bearing non-current liabilities	70.8	90.2	75.9	72.8	71.3
Interest-bearing current liabilities	13.1	8.9	4.4	10.9	10.5
Net working capital	-160.2	-112.8	-47.3	-50.1	-7.7
Cash and cash equivalents	454.3	428.1	320.3	302.4	229.6
Ratios					
Operating result before depreciation and amortisation (EBITDA) as a % of operating revenue ¹	1.8	4.4	3.5	3.1	3.0
Operating result (EBIT) as a % of operating revenue ¹	0.9	3.4	2.5	2.1	1.9
Net result as a % of:					
• Operating revenue	0.4	2.3	1.6	1.4	0.9
• Shareholder's equity	2.6	14.5	10.6	9.0	6.4
Solvency as a % of guarantee capital ²	25.4	28.8	29.6	29.6	28.7

	2022	2021	2020	2019	2018
Employees					
Number of FTEs at year end	6,229	6,231	6,322	5,986	5,758
Training costs per FTE in €	905	750	744	927	744
Breaches of the TBI Code of Conduct	33	27	11	11	17
Health and safety					
Lost time incidents	39	32	41	38	36
Incident Frequency ratio (IF)	2.9	2.5	3.4	3.2	3.1
Sick leave in %	5.1	4.2	4.2	4.4	4.7
Environmental impact					
CO ₂ emissions (kton)	26	24	29	32	33
CO ₂ emissions/per million € operating revenue (ton)	11.4	11.0	14.6	17.3	18.7
Waste volume (kton)	59.9	53.0	52.8	24.9	31
Waste volume/per million € operating revenue (ton)	26.1	24.2	26.2	13.5	17.4
Waste separation percentage	83.5	78.9	74.7	64.3	59.6
Percentage sustainable timber	99	99	98	98	94

¹ Operating result from normal business operations (before deduction of reorganisation costs, impairments and other devaluations).

² The comparable figures for the 2018, 2019, 2020 and 2021 financial years have been adjusted as a result of the changes to RJ 270 and RJ 221.

Glossary

B

BENG

Acronym of the Dutch Bijna Energie Neutraal Gebouw (Nearly Energy-Neutral Building).

Bulding 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. Burning fossil fuels is one cause of CO₂ emissions. TBI reports the Scope 1 and 2 emissions of its activities in the Netherlands, in accordance with the SKAO Emission Factors Handbook (version 3.1 June 2020 (Stichting Klimaatvriendelijk Aanbesteden en Ondernemen (SKAO) Dutch Climate Friendly Procurement and Entrepreneurship Foundation). 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.

Air travel and business mileage driven by employees in private vehicles are also included in the CO₂ calculations. These 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 the TBI companies' 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.

E

Employee

A person with a permanent or temporary 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

Incident (work related) 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.

Incident (work related) 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.

IF - Incident Frequency (work related)

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 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 income, including movements in work in progress and completed work plus other operating income.

Net revenue comprises the income from goods and services delivered during the year (excluding income tax) as well as the movements in the work in progress (including profit mark-up and/or provisions formed for losses) and other operating income.

Operating margin

Operating result (EBIT/EBITDA) as a percentage of operating revenue.

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 and 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.

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Concept, text development and realisation TDCascade B.V., Amsterdam

Photography Jeroen Dietz, Paolo Bouman, Lucas van der Wee, Mo Barends, Arjan Almekinders, Martijn Beekman, Maarten van de Wal, Topview, Jim Janssens, Marcel Steinbach

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April 2023

A Dutch language version of the 2022 Annual Report of TBI Holdings B.V. is also available on the Company's website. In case of any differences, the Dutch text prevails.

