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**We create places
where people
want to be**

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About this report

Annual Report

Together we are Heembouw, together we make Heembouw

In our new strategic plan 2024 | 2026, we draw the conclusion: change is the only constant. A truism when we look back at 2023 and the years before. The COVID pandemic seems like an eternity ago; various wars have been keeping us busy daily since then. There is political instability, which doesn't really help in a rapidly changing world where big issues about our climate, for example, are becoming more pressing. In our market, we feel the effects of this every day. Certainly also in the past year.

However, we know that change also creates opportunities. We have experienced this emphatically in recent years. It is precisely with our integrated approach as a design and build construction company, that we can respond to the challenges facing construction. Despite all the turbulence, we look back on 2023 with a good feeling. Our customers are more than satisfied, our employees inspired as ever, and business success, despite the adverse effects of high inflation, has not failed to materialize either. In 2023 we were, for the third time in a row, best employer in construction and infrastructure. And as icing on the cake, we were named the best performing builder of 2022 by Cobouw. The outlook for 2024, the year Heembouw turns 85, is also healthy.

Being able to handle change well has everything to do with things that actually give us a lot of stability. Our strong culture, client-focused approach, entrepreneurship, innovativeness and our distinctive philosophy of the design and build construction company. On the basis that Ruud van Berkel, as founder of Heembouw, laid in the past, we develop ourselves further every year.

We are proud of the results of 2023. A wonderful achievement by a club of more than 300 committed Heembouwers. Who, in exciting times, stick to our course, working to make a positive impact on people, habitat and nature. Some just starting out, others have been doing it for over 50 years! Together we have been successful in 2023. Together we look forward with confidence. Together we are Heembouw, together we make Heembouw.

On behalf of group management,

Léon Heddes



2023 Management report

Annual Report

Positive impact from the power of our culture

These are turbulent times. The world situation is unsettled to say the least, with various geopolitical tensions and conflicts. We also face challenges at home, in part because of the highly fragmented political and social playing field. These include major environmental and nature issues and complex laws and regulations, while the market, due in part to high inflation and rising interest rates, is constantly changing. All of this obviously affected Heembouw as well. Still, we can be satisfied with our performance in 2023.

With great energy, creativity and conviction to put our shoulders to the wheel together, we met these challenges. Sales remained at a good level at €221 million, with a nice return of 5.4%. Our average rating for customer and user satisfaction is also at a high level of above 8.5 this year. Employee engagement and engagement scores also remain as high as ever. In 2023, for the third year in a row, we were named **best employer** in the construction and infrastructure industry.

In 2023, we also received the **Cobouw award** for best performing construction company. Heembouw has had a firm place in the Cobouw 50 of leading construction companies for years, peaking in 2022. For us a year, where everything came together, in terms of projects, sales and results. We see the Cobouw award as nice appreciation for our long-term vision as a design and build construction company and family business. Always going for quality, highest customer value and highest employee satisfaction. Business success then follows almost as a matter of course.



Heembouw in 2023

General

We clearly noticed the impact of the dynamic and complex environment. Our three customer groups -Business, Office and Residential - have experienced the practical consequences of this to a greater or lesser extent, and have had to deal with delayed decision making and deferred projects.

As a result, we have had to put more effort into preparing and implementing our projects properly. This will not really change in the next few years. Our past successes give us a solid foundation. Combined with a strong and highly engaged team and a powerful culture, this ensures that we can respond quickly and flexibly to such changing market conditions. This deserves a big compliment for all colleagues, but also for the (strategic) partners, with whom we cooperate.

Year of strategy

We completed our strategic plan through 2024, achieving almost all of our goals. Our new strategic plan to 2026 was made against the backdrop of the constantly changing world. Sticking to our course, we continue to invest in people, knowledge, sustainability, innovation and technology.

In which we want to make a positive impact on people, their environment and nature. This has resulted in a strategic plan, in which our ambitions take us another step further along the path we have already taken. With firm targets in the areas mentioned.

In doing so, we anticipate the CSRD (Corporate Sustainability Reporting Directive) laws and regulations for the first time in 2023, with which Heembouw has made a start in relation to the eventual full implementation of the CSRD in our reporting. And with fiscal year 2025, in our case, being the first mandatory year in which we have to be fully compliant with these regulations. [Further on we explain the CSRD in more detail.](#)

We again involved our colleagues emphatically in finalizing the new strategic plan, and arrived at a supported strategy to which all colleagues are committed and committed. Our (strategic) partners and suppliers play a crucial role in achieving our strategic goals in sustainability, innovation and technology. This is why we have regular consultations and hold joint knowledge sessions in order to concretise a joint approach and make the shared ambitions a reality.

Last year, the **Ruud van Berkel Award** was launched. With this annual award, Heembouw offers space for young talent to design and realize groundbreaking ideas in the field of innovation and or architecture. The first edition had as many as 33 entries. The winner was announced at AIR Rotterdam's Stadmakercongres.

Customer Group Commercial Property

Commercial Property in 2023

The Customer Group Commercial Property managed to keep sales at a high level, and had a good project and development result. The projects we create and realise together with Stellar Development also have a substantial share in this. This successful collaboration leads to the development of distinctive projects, especially in the areas of nature-inclusive design and construction and the application of new technology.

For example, the 1-kilometre-long, 15-meter-high nature screen at **Ara Almelo** was designed parametrically and this logistics destination is equipped with a 'ready-for-use' light and data network, so that each user can directly connect their company network.

With our track record of nature-inclusive design and construction, we are regularly asked to help think about the sustainability of the existing stock of commercial buildings and the revitalization of ageing business parks.

Congestion on the electricity grid means that new construction in many places will not be possible for the foreseeable future. This challenges the search for innovative alternatives, and so with a number of strategic partners and clients, we have taken the first steps toward "off grid" solutions. It also encourages an even more critical examination of whether building energy use can be further reduced.

Commercial Property Projects 2023

The Customer Group Commercial Property focuses on the Logistics & Wholesale and Manufacturing segments. However, there is now some imbalance between these segments, with a higher proportion of logistics projects. As a design and build construction company, we are putting more emphasis on the knowledge-intensive manufacturing industry in the coming years, in order to achieve a better balance in the order book of the customer group Commercial Property.



Nabuurs Osdorp

Urban distribution centre for user ABInbev Nabuurs
Logistics | Heembouw Architecten



Heembouw is a highly professional builder and architect capable of putting a different spin on the doom of the Netherlands through beautiful designs that are integrated into their surroundings. The construction department has strong teams with professional processes that lead to trouble-free construction projects."

Ad Nabuurs, New Development Director - Nabuurs

[View project](#)

The successful cooperation with **Nabuurs Logistiek** continued. In 2023, we delivered for this client the new urban distribution centre for **ABInbev** in Osdorp and a new DC in Haps, which was purchased by Aberdeen. In Haps, we started the realization of another distribution centre for Nabuurs, for the tenant **Foot Locker**. We also got to work for **ID Logistics** again. In den Bosch, we realised an expansion of the existing DC. In Hellevoetsluis, after the necessary delay, we were able to start the realization of **Rotterdam Logistics Park** commissioned by **Delta Development**, which has now been delivered. In Dinteloord, the new machine factory for Steketee, commissioned by **Lemken Steketee**, is nearing completion. This also applies to **DC de Loeten** in Amstelveen, which we are building on behalf of Ringmeer/NES Vastgoed and P3.

At the end of 2023, we started in Alkmaar to expand and make the existing premises of **Pluripharm** ore sustainable. In the first quarter of 2024, the first pile will go into the ground for a new location for tenant **Loods 5**, commissioned by Sunrise Real Estate, and we will start expanding the existing premises of **Vomar**. With projects for **Holland Food Service**, our regular client **DokVast** and some developments in the pipeline for Stellar Development, the portfolio for 2024 and beyond has a nice base.

Customer Group Residential

Residential in 2023

The impact of the complex and dynamic environment has also been felt in the Residential customer group, both on the renovation and new construction side. This clearly affected the level of sales for this customer group in 2023. It has not prevented us from investing firmly in the continued professionalisation of the organization in order to further shape the desired growth responsibly. The order book for the coming years has become more robust, in part due to the multi-year cooperation agreements with a large number of housing associations.

Demand for housing remains unabated. However, due in part to the political climate, the complex relationship between the province and municipalities and the regulation of the rental market, production is still lagging behind. Nevertheless, we were awarded the contract for the next phase of the project 'De Brinck' in the historic centre of Haarlem. Here, on behalf of Ludwig Vastgoed and Kensington 1 BV, we are transforming the former Brinkmann Passage, located on the Grote Markt in Haarlem, from commercial property to a residential building with 100 new high-end apartments. This lays another great initial foundation for the next three years.

Residential Projects 2023

The new water-rich residential area Nieuw Rein, in Hazerswoude Rijndijk, which we are developing and realizing together with Wilma Wonen, will be completed by the end of 2023. This also applies to the 53 sustainable single-family homes we developed in the Singelbuurt in Zoetermeer. Some of these homes, all designed by Heembouw Architecten, are constructed entirely in wood. On the adjacent lot, we are building 67 social housing units for corporation Vidomes and, further down the block, another 84 apartments for the same corporation. We pride ourselves on the high quality of our homes, with an average of less than two completion points per home.

"What Caroline did as architect for the project was really good. This design nicely bridges the two styles of the old and new city, between which this project lies."

Preserving 75 homes Molenstraat and surroundings Lead preliminary process | Customer rating 9 | Sjoerd Harleman - Woningcorporatie de Sleutels

Despite falling energy prices, the demand for sustainability projects for the housing sector is undiminished; the performance agreements between the national government and the housing sector also contribute to this. We also expect further growth in this customer segment in the coming years and thus foresee a growing portfolio for 2024 and beyond. Last year we started, among other things, the preservation of 269 porch houses for **housing company Velsen** in IJmuiden. Because this is near a Natura 2000 area, we keep emission low. A great testing ground, from which we can learn a lot and take away for subsequent projects. In Delft, we completed the preservation of the 196 flats of the Mozartflat for the corporation **Woonbron**. And also the project Molenstraat in Leiden for the corporation **de Sleutels**, the energetic improvement and major maintenance of 75 homes, has now been completed. We also see, that on more and more of our projects, both in new construction and transformation and renovation markets, there is a focus on nature inclusiveness. A great development, which we are picking up together with Heembouw Architecten.



Mozartflat Delft

Energy improvement 196 apartments | Housing corporation Woonbron | Heembouw Architecten

[View project](#)



In December 2023, after a lengthy plan development phase, several renovation and sustainability projects were commissioned for corporation **Cazas** in IJsselstein **and housing foundation Willibrordus** in Wassenaar. We also achieved support for project **Rottekwartier**, the preservation of 406 homes for corporation **Havensteder**, one of the corporations with which we have a long-term cooperation agreement. A nice prelude to the other projects in chain cooperation with Havensteder. In the context of the chain cooperation with corporation Woonbron, also from Rotterdam, the projects for the next three years have been determined and we are also preparing projects that will start after 2025. Furthermore, Woonbron approached us to start making the F and G label homes more sustainable in small series. We expect more corporations to follow suit. Within the healthcare sector, we signed an agreement for the renovation of five Herbergiers locations in South Holland. In an increasing number of rebuilding and renovation projects, we are working with our own architects, which is a great development.

Customer Group Offices

Offices in 2023

For Offices, as the smallest customer group, the impact of project rollover was felt the most in both revenue and earnings. Due in part to the aforementioned unruliness in the market, several projects were delayed or did not go forward at all. We have used this unwanted "pass on" to further sharpen our customer approach.

In line with the Heembouw Group's new strategic plan, this has resulted in a firm vision for developing and creating sustainable, healthy and meaningful work environments. Aimed at clients who, like us, want to make a positive impact, and express that in their own housing. In addition, the commercial team has been strengthened. This sets in motion the movement, as evidenced by the development of this customer group's portfolio, to bring sales back to the desired level and volume next year.

"Third time Vink has done a construction project with Heembouw and that says it all. And again to complete satisfaction."

Vink Installatiegroep BV | Customer rating 9.0

Offices Projects 2023

We have managed to secure some great clients in 2023. We are back at work for **TNO** and **Centre Court**. In Scheveningen, we are renovating the well-known **Badhotel**. And in Amsterdam, we are now fully engaged in a large-scale renovation and conversion of the hotel for the **Royal Tropical Institute** in Amsterdam. In Badhoevedorp for the **VNV** we realized the renovation of their headquarters. We also completed in the Kawgomballenkwartier the new building for the **NBA** commissioned by Metallized & Amsterdamse Hogeschool voor de kunsten, as well as the renovation of Lidl's headquarters in Huizen. Together with Heembouw Architecten, we went to work for our strategic partner **Vink Installaties** on both the exterior and interior assignment, resulting in the modernization and expansion of their head office in Roelofarendsveen. In Hazerswoude Dorp, we delivered the new building for **Vermeulen Groep** in early 2023. In addition, the office of **TBV Wonen** in Tilburg was remodelled and we again carried out several works for **WTC Schiphol**, for which we are a regular cooperation partner.

With several design and built projects in the pipeline, for strategic partners Lomans and Hilti, Willems Vastgoedbedrijf and our own development **Lake View Offices** in Utrecht, a good foundation has been created for sales for 2024 and 2025.



TBV Wonen

Renovation and sustainability of headquarters TBV Wonen | Quadrant4

[View project](#)

Heembouw Architecten

Heembouw Architecten in 2023

Distributing projects evenly throughout the year was a major concern for Heembouw Architecten in 2023. The changing market, and various projects pushing on and slowing down, have created increasing pressure on the organization, which has led to much use of a flexible shell. This adversely affected Heembouw Architecten's bottom line.

This challenge aside, several themes have made strong strides in strategic goals. In our projects, nature-inclusive has become a supporting theme. We see this across all customer groups. Great examples are the **Singelbuurt in Zoetermeer**, a nature-inclusive residential neighbourhood, where we have done a lot of work on climate adaptation and biodiversity, as well as our projects for Stellar Development, where nature is one of the supporting pillars. We further developed the knowledge of the parametrically designed natural façade for **Ara Almelo**, into the app 'parametric green façade', which is used to design the optimal green façade, based on the climbing plant database, which we developed for Ara Almelo. This tool can be used for any facade in Revit and provides associated insights, such as cost, planting plan, cover ratio and a biodiversity score. The model calculates the optimum of the various parameters, providing keen insight into possible scenarios early in a design process.

Working landscapes of the future

A start has been made with the Commercial Property customer group to develop a vision of working landscapes of the future, linking pressure on space and sustainability to new concepts for production and logistics. In Residential, a number of tenders and preliminary projects have been picked up that require more knowledge of area development. This move, from building, to area and the look required to do so, has been made by the team on several projects.



Sustainable urban development | design for multifunctional distribution centre 'Harbour Hub Utrecht'.

Strategy

Retrospect strategy

In the past year, we completed our strategic plan through 2024. With pride and satisfaction, we can note that nearly all of the goals in this plan have been met or exceeded. An important exception is the reduction of plastic waste. Our goal of a 30% reduction proved too ambitious. Our goal of a 30% reduction proved too ambitious.

Indeed, we actually had more plastic waste on the construction site in 2023, mainly caused by the large use of plastic as a packaging material on two of our projects at Commercial Property. We learned a lot from this. We are discussing with our (strategic) partners and their manufacturers how we can achieve our goal. That starts with awareness, among colleagues, partners and manufacturers. Furthermore, the use of plastic for packaging and protecting materials is a regular part of our purchasing discussions and reducing waste is a regular part of design choices.

Status of mission goals until 2024

Customers

Average customer rating 8,5 target: ≥8,5	NPS score +62 target: ≥+50	Average customer satisfaction rating 8,5 target: ≥8,0
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People

Employee involvement 8,7 target: ≥8,5	Employee engagement 8,4 target: ≥8,5	Cooperation 7,7 target: ≥8,0	Efficiency 7,5 target: ≥7,5
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Environment

MPG-score 53% target: ≥30%	Nature-inclusive design and building 71% target: ≥50%	Emission reduction on-site 48% vs 2021 target: ≥25%	Plastic waste reduction on construction sites -43% vs 2021 target: ≥30%
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Strategic plan 2024 | 2026

During the year we again worked on a new strategic plan for 2024 | 2026. This has resulted in a strategic plan, in which our ambitions take us another step further along the path we have already taken. With the entire director team, in a series of intensive strategy sessions, we formulated an ambitious plan. With solid goals in the areas of people, knowledge, sustainability or environment, innovation and technology. From the conviction of wanting to make a positive impact, by not only reducing the bad, but enhancing the good more. In the creation of our strategic plan, we sought dialogue with our employees at various times in so-called "pizza sessions," as is our custom. Because we feel it is important that everyone within Heembouw knows what we stand for and where we are going, as well as what they can contribute to, the plan was explained in a session per customer group and a session for all staff departments together in the fall of 2023. At the end of the year, each employee received a personal copy of the handy strategy booklet we always make of our strategic plans. More about our goals for 2024 | 2026 [can be found here](#).

Corporate sustainability and CSRD

We are aware of the impact of our actions on the planet and are genuinely driven to do better. This is our sustainability vision, and our compass in what we do. As a design and build construction company, we are involved from initial design to realization and maintenance. In doing so, we can make a difference, for now and for the future.

Our intrinsic motivation not only to reduce the bad, but rather to enhance the good, has led us to decide to already in this annual report partially implement the CSRD guidelines, and to report on them, where already possible. The CSRD (Corporate Sustainability Reporting Directive) is a European sustainability reporting guideline. This directive requires companies within the European Union to report on their sustainability through various sustainability criteria. Although not required until fiscal year 2025, we are now applying some of the CSRD guidelines, if possible, in our reporting for fiscal year 2023.

It is too easy to dismiss European directives like this one, only as "unnecessary regulatory burden. Above all, we want to see reporting under CSRD laws and regulations as an opportunity. An opportunity to demonstrate, and make comparable, the value of sustainable business. To show openly and transparently, how we actually fulfil our ambition to make a positive impact on people, their environment and nature, fits our culture. We are aware that, precisely because we are somewhat ahead of the curve with this method of reporting, we may not yet be complete on all aspects of the CSRD. But this pioneering and discovery fits our drive for continuous improvement.

How do we add value?

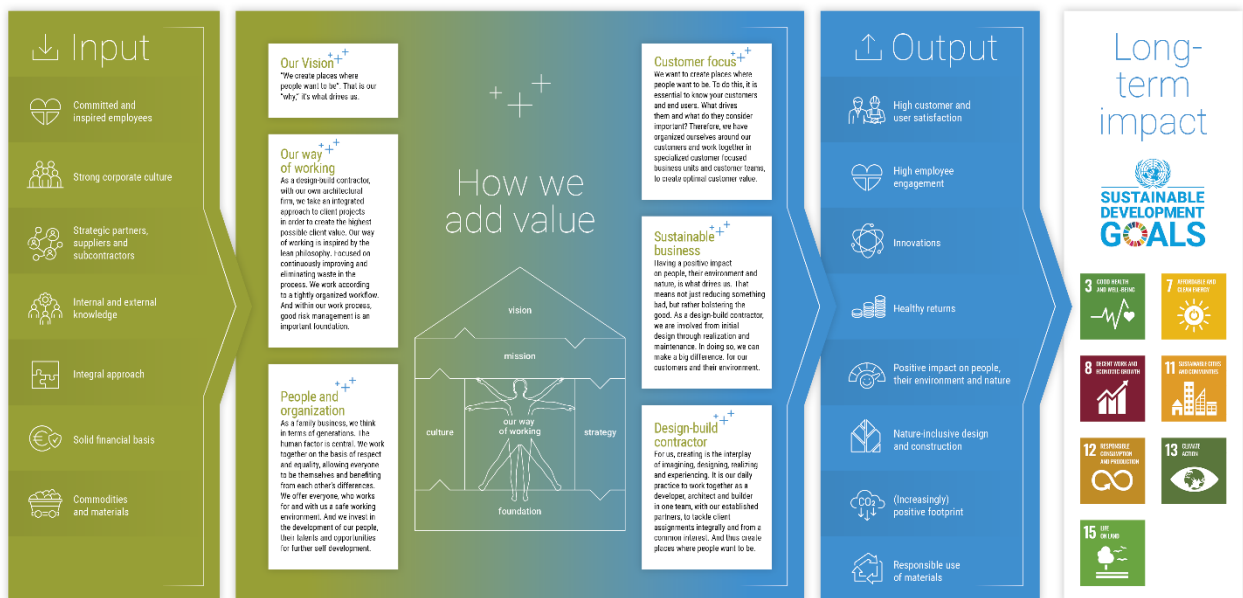
Heembouw creates spaces where people want to be. That's our "why," that's what we get out of bed in the morning for. Together with our colleagues and suppliers, we use all our knowledge and experience to create and realize a living or working environment for our customers, where they feel at home. Making a positive impact on people, their environment and nature is what drives us. That means not just reducing the bad, but rather strengthening the good more. We do this from our philosophy of design and build construction company. The conception, design, realization and maintenance of buildings and surroundings are inseparable.

In reporting the CSRD data points, we have applied the same scope (consolidation scope) as for our consolidated financial statements unless otherwise indicated.

Value creation model

With a value creation model, companies can bring more sharpness to a (sustainability) strategy and the right focus. The outcome of this model is the stepping stone for determining the right indicators (KPIs) and thus being able to give the right direction to the added value, which the company wants to realise. Our value creation model also provides the insight into how we work and what we direct, to achieve our ultimate goal of 'creating places where people want to be.'

The focus is on the way we work and our own Heembouw house (model) shows the coherence, in who we are, where we are going, and how and under what conditions we organize our work. The various elements that make up the house reinforce each other; the system works as one cohesive whole. One cannot exist without the other.



Input and output

The input to the value creation model consists of everything we need, to give nourishment to our value creation process. Think of resources and materials, and the thinking and manpower, we need to create and realize our buildings and projects. Supported by a good and solid financial foundation and a strong culture. Our highly committed and inspired people are the key success factor in this.

The output consists of our performance in our strategic focus areas: people, customers, continuity and environment. These are our financial results, but also, for example, the equally important customer and employee satisfaction scores. In terms of the environment, we have ambitious goals, with which we are committed to having a positive impact on people and the planet. And with the ultimate end goal, to design and build with a positive footprint.

Ultimately, our output also affects a number of social (long-term) issues. The Sustainable Development Goals (SDGs) are 17 goals to make the world a better place by 2030. Drafted by the United Nations, they are a global compass for challenges such as poverty, education and the climate crisis.

Sustainable Development Goals

The following SDGs are the most relevant to Heembouw, where we have also indicated what interpretation we as Heembouw can give to these SDGs:



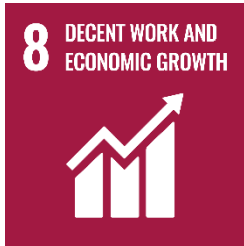
SDG 3: Good health and well-being:

By including our nature-inclusive designs, integrating natural elements in, on or near our buildings, which contribute to biodiversity and also to the experience and well-being of the users. For our own organization, we are also committed to making a positive contribution to our employees' job happiness and vitality.



SDG 7: Affordable and sustainable energy:

By, among other things, focusing increasingly more on reducing energy consumption in our building designs and delivering the buildings as energy-neutral as possible.



SDG 8: Decent work and economic growth:

By, among other things, being a good employer, with great attention to development and well-being of our employees, at a fair and market-based remuneration. This principle also applies to our (strategic) partners and suppliers, with whom we cooperate. We provide a safe working environment for everyone who works for and with us.



SDG 11: Sustainable cities and communities:

Among other things, through our commitment to nature-inclusive design and construction, contributing to the liveability of the environment. In our residential projects, we are committed to creating a neighbourhood that pays attention to the well-being and social safety of its residents. Through Stichting Heembouw/familie van Berkel, we support organizations and initiatives that focus on education, care, culture, nature&sustainability and development cooperation at home and abroad.



SDG 12: Responsible consumption and production:

By, among other things, focusing on a low MPG score and choosing the strategy of reduce, reuse and recycle in our designs; and reducing waste on construction. In doing so, we reduce pressure on the environment and dependence on scarce resources.



SDG 13: Paris Climate Accord:

By including our active commitment to reducing emissions, on, and to and from the construction site. And also the continued reduction on emissions from our own premises. Thus, we reduce CO2 emissions and contribute to addressing the environmental crisis.



SDG 15: Protection of terrestrial life, ecosystems:

By engaging in (structural) timber construction, among other things, and designing and building nature-inclusively in all our design and built projects, thereby strengthening local flora and fauna and even in places making local ecosystems better than they were.

This value creation model, with its long-term focus on the relevant SDGs, reflects well how the "loop" in value creation at Heembouw is established and on which "output" Heembouw steers, in order to initiate the desired movement, also in relation to the relevant intended long-term sustainability goals. These goals also connect with the company's long-term goals. This results in the necessary KPIs, which must be shaped within the space of the various reporting requirements (in time), so that the right steering effect emanates from this.

Man and society

Our beating heart

People are the beating heart of our organization, as evidenced in part by our value creation model. With high commitment and enthusiasm, our people dedicate themselves every day to creating places for our clients where they want to be. With continuously high customer ratings as appreciation. That makes us proud, as do the high scores in our annual employee survey, which led research firm Effactory to name us best employer in the construction and civil engineering industry for the third time in a row.

Ever since 2004, our way of working has been based on the lean philosophy. Last year, we updated our lean process and philosophy and further integrated our lean according to Heembouw approach with our core values and our culture. With a structure of lean coaches and sponsors, and a new training program for all colleagues, we keep our lean way of working deeply embedded in the organization.

Diversity and inclusion

Out of an interest in each other, an awareness that the world is changing rapidly and the mix of people, already working together, diversity and inclusion must maintain continued attention. We want to raise awareness of visible and less visible diversity. In doing so, we improve mutual cooperation, understanding and dialogue. This is how we remain the place where our people love to work. But different perspectives, experiences and backgrounds also contribute to our innovative strength and ability to be distinctive to our clients. The difference counts.

In addition, the changing times we are in require (even) more attention to the well-being of our people, to their happiness and vitality. We also pay explicit attention to this.

Social safety and integrity

Social safety and integrity are regular topics in our annual employee survey. It is good to regularly reflect explicitly on this theme. That is why, among other things, we periodically organize the so-called integrity sessions, which we hold with the entire organisation. In cooperation with an external party, we are developing a special program for this purpose, to discuss important issues of integrity and social safety, also partly in relation to diversity and inclusion. In 2023, these integrity sessions took place again. It was nice to experience again, how we can discuss with colleagues among ourselves many different topics and listen to each other with respect.



Our standards of conduct are laid down in a company code, which is aligned with the code of conduct of Bouwend Nederland. Our code of conduct guides all employees. Interviews with new employees reflect on this and explain the intent of the code, coupled with explanations of the company's "mores". The subject of integrity and standards of conduct and how Heembouw deals with them is covered as standard in our induction program in the form of a number of questions from our culture game. Each year, the directors of the customer groups offer their accountability letters, which are discussed with group management. Last year there were no violations in relation to the code of conduct, or reports of violations.

Corporate social responsibility

We want to make a positive impact on people's lives, their environment and nature. That means not just reducing the bad, but rather strengthening the good more. This belief is embedded in our values as a family business and our people-oriented culture.

We do this in several ways With **Stichting Heembouw | familie van Berkel** we support organizations and initiatives, which focus on education, care, culture, nature & sustainability and development cooperation at home and abroad. In 2023, for example, there were donations for emergency relief after natural disasters in Turkey, Syria, Morocco and Libya and after the dam breach in the Ukraine. Domestically, several Children's Funds, among others, have been supported.



Grote clubactie Stichting Heembouw | familie van Berkel supports clubs and associations in which colleagues are involved.

A substantial part of the capital of Stichting Heembouw | familie van Berkel is available for organisations and initiatives, for which our own colleagues are actively involved. Several charities received donations during the year, through a request from our concerned colleagues. These range from well-known national charities, such as the Alzheimer's Foundation and KWF, to supporting local healthcare initiatives such as the Mees Foundation and the Inversa Foundation. In addition, also in 2023 there was a special action for youth sections of clubs or associations, involving our colleagues. Fifteen clubs and associations were supported in this way.

With the **Ruud van Berkel Award**, we give young talent the chance to design and realize a groundbreaking idea. This annual incentive award offers students, newcomers to the job market and budding entrepreneurs the opportunity to bring their ideas in the field of innovation or architecture, to fruition with a living lab. Together with us as designer and builder.

We are also making an impact by providing physical shelter for Ukrainian refugees. From personal growth, we offer our people the space and opportunity to actively engage in charitable activities. Every Heembouwer in permanent employment has so-called "charity days" available for this purpose, for which no leave needs to be requested. To get to work for "something" good, such as activities that make a positive contribution to the well-being of people in the broadest sense of the word and/or to nature and the environment. Because doing something good for another makes us happy.

Nature and environment

Our impact

"We are aware of the impact of our actions on the planet and are genuinely driven to do better." As a design and build construction company, we are involved from initial design to realization and maintenance. We can make a big difference with that. Buildings make a substantial use of space and resources.

Our influence on this begins as early as the analysis of customer demand and continues through to the construction site and final use. With our integrated approach, we impact sustainable performance across the entire "building cycle".

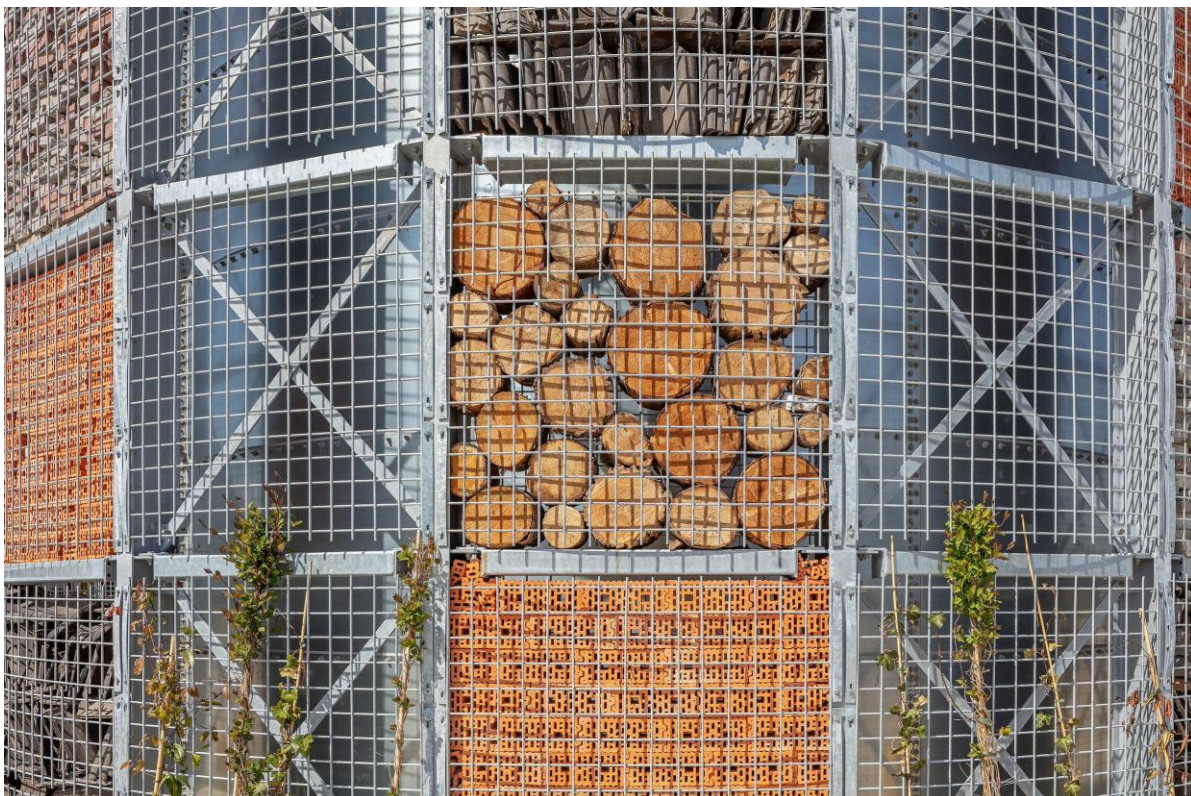


Responsible material use

We consciously choose to use (circular) materials and further reduce waste. This can be done by working with reused materials, or natural (bio-based) materials, as well as by applying new products, which can be reassembled in the future. In doing so, we target an **MPG-score** (environmental performance buildings) that is lower than the standard. In 2023, our projects scored on average 53% better than the legal standard of 1.0 for non-residential construction and 0.8 for residential construction.

Nature-inclusive design and construction

Nature-inclusive design and construction is integral to the way we approach our projects. Incorporating nature into our projects, which include green façades, abundant plantings, animal-friendly outdoor lighting and nesting boxes, promotes local biodiversity. Working with landscape architects and ecologists, we ensure that these interventions are seamlessly integrated with local flora and fauna. Meanwhile, already 71% of our design and built projects **are designed in a nature-inclusive manner**. We want to increase that proportion and design and realize all our design and built projects in this way. This starts as early as the plot study. We use data, which is already available about the site, such as the soil conditions of the site and the flora and fauna present.



This allows us to include measures for climate adaptation, strengthening local biodiversity and amenity value for users and local residents at an early stage in our design. The Residential customer group deploys tools, using data from existing neighbourhoods, to provide insight into nature-inclusive interventions for the well-being of residents for its clients.

Positive footprint

We want to move toward an emission-free construction site and are committed to reducing our emissions on, from and to the construction site. This means that on the construction site, for example, we are committed to **zero-emission equipment**. Although this is becoming increasingly available, it is not yet always possible to work completely emission-free on a construction site. Then we steer toward using renewable fuels. For our own operations, we have continued to electrify our fleet of vehicles. Part of the commercial vehicle fleet has already been further electrified, and it is expected that around the construction period of 2024, the last fossil commercial vehicles will have been replaced, making our commercial vehicle fleet fully electric. For leased cars, 75% are now fully electric. The policy focuses on electric or plug in hybrid, and eventually all-electric.

With this, we ourselves are also making another very nice step in our sustainability goal of reducing CO2 emissions to and from our construction sites.



Governance

Risk management

Governance is about good governance of a company and the accountability of its policies to all stakeholders. Heembouw has a dual board model, with separation between management and supervisors. The management has the day-to-day management of the company. The Supervisory Board oversees the actions of the Management Board.

Heembouw has a group-wide governance policy, whereby Heembouw aims to be compliant with laws and regulations and with the code of conduct of Bouwend Nederland and Heembouw's company code based on it. Heembouw does not trade in equipment, products and services that are prohibited in certain markets.

But our strong corporate culture is also a solid foundation underpinning risk management. Integrity and trust are prerequisites for achieving our goals and relates to all our activities. This applies not only between Heembouw and its employees, but certainly also between Heembouw and all its stakeholders.

Risk management is an important part of Heembouw's governance framework. Our risk-control framework includes guidelines and procedures as well as a comprehensive procurement scheme. Our internal risk management and (ISO) quality systems are continuously reviewed and further optimized as part of our company-wide project audits. Managing project risks throughout the process remains a very important principle in this. In addition to internal audits, external audits are also conducted.

Heembouw prepared a tax monitoring plan and continued the HT covenant with the Tax Authority.

In 2023, Heembouw conducted an internal fraud risk analysis. This showed that with good control measures and a corporate culture of integrity, the risk of fraud is very low. No incidents occurred during the past fiscal year.



Financial policy and risk management

The ruling by the Council of State in late 2022 that the construction exemption may not be used in construction projects means that for every construction project it must be shown that the realization does not contribute to an increase in nitrogen emissions. This remains a risk of delays in permitting new projects. In any case, we have the knowledge to make the right calculations to limit the potentially negative effects and anticipate them early.

Grid congestion can also have a negative impact on the planning and progress of construction projects and can lead to inefficient use of energy or use of less renewable energy as well as additional costs. Despite these uncertainties, Heembouw has so far been able to produce the projects largely on schedule. We investigate this early, we apply in time and we can provide temporary solutions.

Heembouw is in very good financial shape. Our liquidity, profitability and solvency look very healthy. Constant attention to adequately managing our processes and working capital and optimizing our credit structure is therefore of great importance. In addition, Heembouw's financial policy remains (unchanged) aimed at achieving, with responsible risk, a good return on our projects. Therefore, responsible risk management remains very important when it comes to achieving our operational and financial goals.

We maintain the premise in our financial policy, to avoid financial risks with respect to interest and do not hedge debtors with financial instruments.

We see market and credit risks as the most important business risks. The non-decreasing risk of cybercrime also remains a major concern. The following section provides further insight into the potential business risks that are most important to Heembouw and how these risks are managed.

Risk paragraph

This is where the main potential business risks of Heembouw with its control measures and risk profile by business risk explained.

Complex integrated total solutions

Heembouw offers complex integrated total solutions to clients on a (large) regular basis. For Heembouw, this involves not only construction risks, but also other types of (financial) risks. Good and responsible contract and project management therefore remains important, whereby the right considerations must be made within the project teams, which (new) works are accepted and under what conditions. When accepting large and/or complex projects and entering into collaborations with partners, screening for compliance and financial soundness is very important. Larger projects are only acceptable with the right partners and an appropriate form of contract with associated proper risk allocation. The potential financial impact is thus quite manageable. Our risk appetite in this risk is rated as medium. The current risk profile matches the desired risk profile.

Information risks

Heembouw processes increasing amounts of information and data, mostly digital, but sometimes still analogue. The importance of properly securing the availability, integrity and confidentiality of personal and business data, and its continuity, goes without saying. Heembouw has a functioning information security policy to ensure this. Also, Heembouw is constantly taking the necessary measures to protect the company and its data as best as possible and to be as resistant as possible to the possible effects of cybercrime. In addition, Heembouw records agreements around the (commercial) use of data during, but also especially after the termination of the contract period, well in the contracts with its data suppliers and its customers. Our risk appetite in this risk is low. The current risk profile matches the desired risk profile.



Price risks

Price fluctuations on procurement remains a plausible business risk for Heembouw. The (permanent) partners and suppliers of Heembouw (continue to) play an important role in the sales and realization phase of our projects. Heembouw has several framework agreements with various strategic partners, in which all project-transcending agreements are defined, including the accommodation of any major price increases. By working optimally and long-term with our strategic partners, Heembouw is better able to cope with price fluctuations. Our risk appetite in this risk is rated as medium. The current risk profile matches the desired risk profile.

Creditworthiness risks

Heembouw has stringent procedures to determine the creditworthiness of its (potential) clients and suppliers, with these procedures being reviewed annually and recalibrated where necessary. To manage this credit risk, use is made (in part) of recognized (financial) institutions, which are dedicated to providing credit information. In addition, Heembouw also conducts extensive creditworthiness checks itself to mitigate potential (financial) risks. Our risk appetite in this risk is rated as low. In any event, the current risk profile matches the desired risk profile.

Terrain positions and finished goods inventory

Heembouw acquired a small terrain position at the end of 2020 and therefore has it on the balance sheet. Heembouw has no inventories of finished goods, as is also evident from the consolidated balance sheet for 2023. When valuing land positions and inventories of finished goods, there is nevertheless always a possibility, that this valuation will be lower. The financial impact of this risk has been and remains well manageable. Our risk appetite in this risk is assessed as low and the current risk profile is consistent with this.

Availability of sustainably employable labour

We are facing labour shortages in the construction industry. Filling vacancies and finding the right capabilities remains a challenge. This also applies to our strategic partners and subcontractors. Moreover, a lack of a sufficiently capable workforce can have a negative impact on people's social and physical safety. By taking joint responsibility in the chain and paying attention to all aspects of safety and focusing on acting with integrity and conscious safety, we try to mitigate these risks. We hold our partners accountable for unsafe actions, but also, if necessary, for the working conditions and safety of their people on our construction sites. We apply our Code of Business Conduct to hirers and subcontractors as well. Our risk appetite in this is low and consistent with the current risk profile.

None of the above risks have occurred in 2023 in a way to significantly impact has had on the company.

Innovation and technology

Innovate

Heembouw is an innovative organisation. We want to create places for our clients, where they and their employees and residents, want to be. We are always looking for the best solution to their housing needs and look beyond the established and beaten path. To that end, we have a structure with innovation coaches, who are part of the regular business and help their own, direct colleagues take their ideas forward. To scale up major innovations, the Heembouw Next program has been set up, in which a dedicated team from the business works on the further development of an innovation.

Ruud van Berkel Award

With the Ruud van Berkel Award we also further develop external knowledge and ideas. This is an annual incentive award for students, newcomers to the job market and budding entrepreneurs to put their groundbreaking idea in innovation and or architecture into practice. In November 2023, our "founding father," Ruud van Berkel, presented the award named after him for the first time to Renee Scheepers, for her idea for "Experience Architecture," adding something to traditional architecture. Of the 33 submissions, three were rewarded with an experimental garden. In addition to Renee Scheepers' idea, these include an idea for rainwater retention for renovations and new construction and an idea for a compostable bat box. The living lab will give the winners the opportunity to apply their idea in practice on a Heembouw project. In addition, the award produced several interesting concepts that are applicable to Heembouw practice.



First Ruud van Berkel Award for experience architect Renee Scheepers.

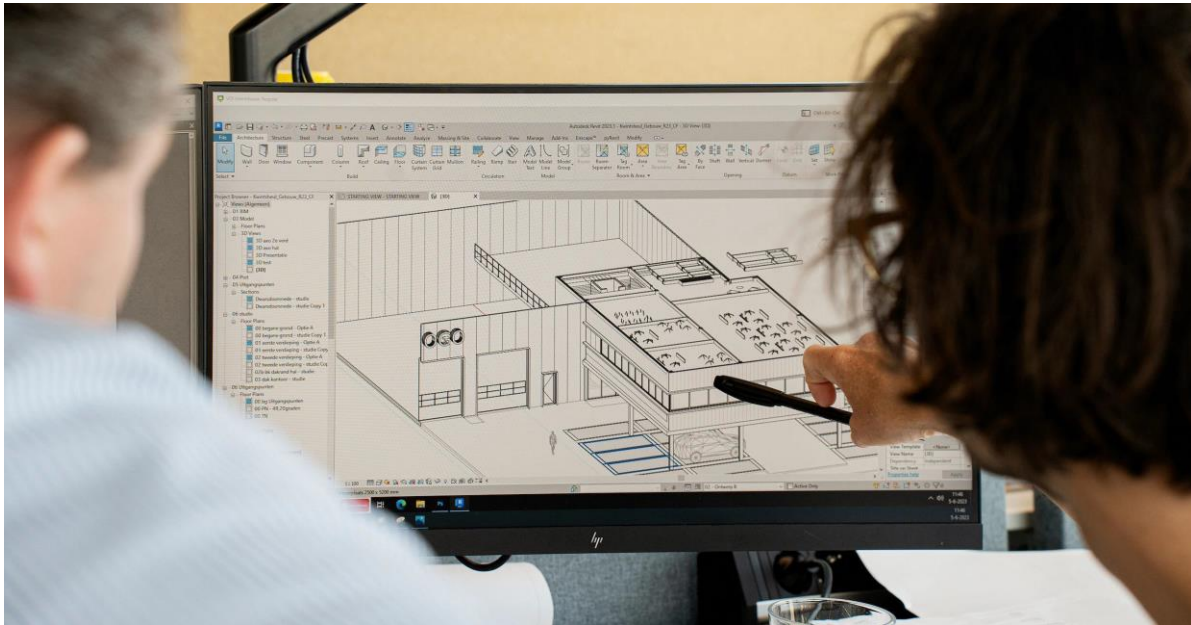
Parametric Design

Parametric design is an innovation, which we continue to invest in from the Heembouw Next program. This important technology helps us continue to find the right solution to housing issues in the future with scarcer resources. The first pilot phase is now complete, in which we automated various steps a project goes through. As a result, we can now make a plot study, which, based on the client's program of requirements, provides insight into how a plot can be optimally built on, in one minute. Previously, this took a few weeks. We also employ parametric design for calculating the required capacity of plants, for example. This allows us, especially in the preliminary stage, to quickly and adequately add customer value to our projects.

We will further develop the various tools developed using parametric design and make them suitable for use with all customer groups, with an emphasis on added value for the customer. We do this in close cooperation with our (strategic) partners.

Data Management

The huge increase in the use of data and the wide variety of forms of data exchange and digitization in construction require a more far-reaching future-oriented data management strategy. This is how we get data complete, reliable and timely to actively and securely apply in our processes and operations. Our integral approach as a design and build construction company, enables us like no other to put new technologies, such as parametric design and new materials into practice, thereby also generating data and strengthening our position as an innovative organisation. Last year, we took important steps in the area of Business Intelligence and Data Management, with the development of a modern data management platform, to quickly and securely process the many data available to Heembouw from internal and external sources into valuable (control) information.



Future Outlook

It is a dynamic market in which we are currently operating. The economy is forecast to improve slightly, inflation stabilizes and interest rates are expected to fall slightly. But all the developments in the political field, and the ever-changing market, will also require us to be sharp in the coming year, to respond alertly and flexibly to all the dynamics.

Projects have been delayed in a number of submarkets, and we know that latent customer demand is high. We expect this pent-up demand to manifest itself in the coming years. Our organisation is prepared quantitatively and qualitatively to respond appropriately. We expect slight growth in sales for 2024, and given the development of the order book in all customer groups, we can lay a good foundation for the years to come.

In 2024, Heembouw will be 85 years old. A great milestone, which we will celebrate during the year, together with our colleagues and their partners. Although much has changed since our founding in 1939, our foundation has remained the same. In our strong corporate culture, people are at the centre. As an employee, client or (strategic) partner, as a human being living and working in our buildings. That 2024 is also the year of our culture reinforces the significance and importance of our 85th anniversary.

With our strong team of inspired and committed colleagues, we face the future with confidence. There are plenty of opportunities for us as design and build construction company, especially in these dynamic conditions, where change seems to be the only constant, to create appropriate solutions to the challenges facing the market. Together with our customers and partners. Our future is rooted in our history. Continuing to do the right thing together is what we stand for.

We thank our customers, partners and suppliers for their trust and cooperation. And above all, our colleagues for their relentless efforts to create places where people want to be.

Roelofarendsveen, 07 March 2024

Heembouw Group Management

Léon Heddes

Roland van Oostrom



Key figures

Annual Report

Key figures

	2023	2022	2021	2020
Turnover (x € 1 million)				
Net turnover	220.5	279.2	228.2	206.4
Profit (x € 1,000)				
Profit before taxes	11,930	30,918	24,549	20,015
Profit after taxes	8,881	23,093	18,516	15,010
Profit as a percentage of sales				
Profit before taxes	5.4%	11.1%	10.8%	9.7%
Balance sheet ratios				
Current ratio	1.8	1.7	1.6	1.6
Solvency	46,6%	46.1%	45.2%	42.5%
Return on equity (after taxes)	23.2%	59.0%	53.3%	47.3%
Staff				
Number of employees as at 31/12	304	304	286	266
Number of employees in FTEs as at 31/12	283	283	270	251
Absenteeism 2.9%		3.4%	3.0%	3.6%
Staff turnover 9.7%		10.3%	5.9%	11.4%
Productivity (x € 1,000)				
Turnover per average number of FTEs 780		1,012	878	801
Average customer rating				
NPS Score	8.5	8.8	8.7	8.6
Employee engagement	62	80	72	62
Employee drive 8.4	8.7	8.9	9.0	8.9
		8.1	8.2	8.1



Report of the Supervisory Board

Annual Report

General

We hereby present to you the 2023 Annual Report of Heembouw Holding BV. The financial statements were prepared by management, audited by BDO auditors and provided by them with an unqualified opinion.

The Supervisory Board (SB) recommends that the shareholders adopt the financial statements as presented and also recommends the adoption of the dividend proposal. In addition, we recommend that shareholders discharge the Management Board from liability for its policies and the SB for its oversight during fiscal year 2023.

2023 Report

In the end, 2023 fortunately did not enter the deep recession that was increasingly anticipated in the last quarter of 2022. Energy prices gradually became lower, helped in part by government support. Inflation also came in significantly lower, than the previous year. Moreover, a good, but also rather firm, collective bargaining agreement in construction was agreed upon. That is not to say that there are no challenges. The market faced (and continues to face) nitrogen problems, slow permitting and significantly higher interest rates. On top of that came the cabinet collapse, and instead of our guests from Ukraine being able to return to their motherland, this war is still going on, and even a major conflict occurred in Gaza.

And yet Heembouw again became the best employer in construction in 2023, for the third time in a row! On top of that, Heembouw received the Cobouw award for the best performing builder of 2022. Thanks to all employees, who with their high level of enthusiasm and commitment, once again scored and earned the highest customer satisfaction this year.

The SB met physically with management six times in 2023, including once in Haarlem, coupled with a visit to the 'de Brinck' project. A complex work, reflecting all qualities within the Residential customer group. In addition, there was another separate teams meeting on investment in a development site.

In February, the SB conducted a self-assessment, drawing up a profile of the Board and its members and a schedule of resignations. The terms of Ms Huysmans and Mr Witzel, which expired in 2023, were renewed again at the shareholders' meeting.

Sales in 2023 were slightly below expectations. With a profit that was, however, slightly over budget. The Offices customer group had a disappointing year due to shifting and stalled projects, with results coming in significantly below budget. This was also the case for Heembouw Architecten, where the large dynamics in schedules led to inefficiencies in operations.

The Commercial Property customer group turned in significantly above budget in terms of revenue with a result that was even very well above budget. Which can be called a tremendous achievement. Residential achieved comparatively higher returns on significantly lower sales.

In doing so, Heembouw's financial basis remains very solid, with a strong solvency of over 46%. The order book for 2024 is at a decent level. Therefore, we assume slightly higher sales. Therefore, Heembouw continues to invest in innovation, for example in the Heembouw Next program, in the development of its people and in sustainability.

Heembouw is proving well able to offer continuity even in challenging market conditions. The SB has great respect and appreciation for the commitment with which the 2023 (financial) performance has been achieved. The Board thanks all staff for their efforts and wishes everyone well in achieving (or exceeding) the 2024 | 2026 business plan.

Roelofarendsveen, 07 March 2024

Jaap Blokhuis

Marlon Huysmans

Peter Lammertink

Gerrit Witzel (chairman)



Governance of the organisation

Annual Report

Léon Heddes (left) and Roland van Oostrom (right).

Holding board

L.J. (Léon) Heddes (1964), chairman

Managing Director Heembouw Holding

Dutch nationality

Appointed to the Holding Board in 2020. Employed at Heembouw Group since 2018. Has general policy, marketing and communications, strategy, business development, project development and Heembouw Architecten as specific areas of focus.

Principal ancillary positions:

Chairman of the Supervisory Board of Care Group De Laren.

R.P.M. (Roland) van Oostrom RC (1972)

Financial Director Heembouw Holding

Dutch nationality

Appointed to the Holding Board in 2013. Employed at Heembouw Group since 2009. Has finance & control, human resources, IT, legal, supplier management and facilities as specific areas of focus.

Principal ancillary positions:

Director of Stichting Administratiekantoor Mahegro | Member of the Supervisory Board of Zuidberg.



Supervisory Board

Annual Report

From left to right: Gerrit Witzel (chairman) Marlon Huysmans, Peter Lammertink and Jaap Blokhuis

Ir. G.A. (Gerrit) Witzel (1951), chairman

Dutch nationality

Former Chairman of the Executive Board of Heijmans N.V. | Appointed to the Supervisory Board of Heembouw Holding in 2015.

Principal ancillary positions:

Chairman Advisory Board G. Wijma & Zn N.V. Kampen | Board Member Robert F.W. Bruinsma stichting | Board Member El Seif engineering & contracting Riyadh, Saudi Arabia

Dr. J.G. (Jaap) Blokhuis (1958)

Dutch nationality

Real Estate Consultant (former CEO Multi Corporation) | Appointed to the Supervisory Board of Heembouw Holding in 2013.

Principal ancillary positions:

Chairman Supervisory Board Vesteda | Chairman Supervisory Board Vastned | Member investment committee Egeria Real Estate.

Ir. M.A.P. (Marlon) Huysmans (1976)

Dutch nationality

Management consultant at Fabuleux Destin | Appointed to the Supervisory Board of Heembouw Holding in 2015.

Principal ancillary positions:

Director Foundation Made Up North | Director Foundation City of Be Longing | Member Supervisory Board Foundation Meander-Prokino | Member Supervisory Board A-Lab Amsterdam.

Ing. P.J. (Peter) Lammertink (1954)

Dutch nationality

Former Managing Director Heembouw Holding B.V. | Appointed to the Supervisory Board of Heembouw Holding in 2020.

Principal ancillary positions:

Director Heembouw Beheer | Director Stichting Administratiekantoor Mahegro | Member Board of Directors Gijbels Construct | Member Advisory Board Ploeg Kozijnen.



2023 Report of the Joint Works Council

Annual Report

2023 Report of the Joint Works Council

Last year, we again made great strides for the future with Heembouw. The GOR had five meetings with management in 2023; these were -as always- constructive. During these meetings we deal with themes, which play a role within Heembouw. Every year there are important files, think leasing policy, safety, integrity and annual figures. As a GOR, our concerns included the following:

Elections

In early 2024, the works council's term expired. During the past legislature, we went through many changes together, such as the corona period. In these times you can see how important it is, working well together. As a GOR, we have also been busy working on this, working with management to find the best solutions for our colleagues to organize the work as safe and healthy as possible. It is good to see that Heembouw takes the input of colleagues very seriously and is committed to working with the GOR to achieve the best result. Colleagues' opinions are also collected widely through surveys, among other things, which provide good input to find an appropriate solution.

As GOR, we are proud of how we were able to manage this together. The world keeps changing, which is why the role of the GOR within Heembouw always remains important. To achieve broad-based solutions, it is important that both office and construction site are well represented in the GOR; after all, together we are Heembouw.

We look back on a great year, bid farewell to a number of GOR members and return to work enthusiastically in a new formation in 2024. Since the number of applications is equal to the number of members stepping down, there will be no elections.

Leasing policy

Leasing policy is a recurring topic on the GOR's agenda, and especially with the fluctuating prices on the market, we are paying close attention to it. Heembouw takes this aspect seriously and, in consultation with the GOR, an update of the leasing policy, including the further electrification of the vehicle fleet, is now nearing completion.

State of affairs of the enterprise:

During the year, every GOR meeting considered the state of affairs at Heembouw. With a special focus on how colleagues perceive the changing marketplace. When necessary, detailed explanations of the current financial status were provided. Our focus on the longer term and sticking to our course as a family business makes us as GOR look to the future with confidence.

Other items on the agenda

In addition to the topics mentioned above, the topics we discussed in the GOR included the following:

- The approach around the renewed focus on lean according to Heembouw
- Whistle-blower policy
- Employee survey results
- Financial Statements 2022 in the presence of Peter Lammertink

The GOR

*Deborah Groenewoud (secretary), Dennis Manting, Eric Schulte, Harmen de Lange, Ivan Kennis, Marco Zwaanswijk, René Lem (chairman), Roy Vliegenthart, Sandra van Ruiten en Thomas van Bergeijk
Works Council 2021-2024*



From left to right: Ivan Kennis, René Lem, Dennis Manting, Sandra van Ruiten, Eric Schulte, Deborah Groenewoud, Marco Zwaanswijk, Roy Vliegenthart, Harmen de Lange en Thomas Bergeijk.

Participation Heembouw

Customer Group Residential

- René Lem (GOR, chairman)
- Deborah Groenewoud (GOR, secretary)
- Roy Vliegenthart (GOR)
- Rick van der Post (OC)
- Mariëlle Refos (OC)
- Wilfred van Zanten (OC)

Heembouw Architecten

- Thomas van Bergeijk (GOR)
- Iris Kersaan (OC)
- Thom Geurts (OC)
- Arne Harboe Sørensen (OC)

Customer Group Commercial Property

- Eric Schulte (GOR)
- Dennis Manting (GOR)
- Ivan Kennis (GOR)
- Koos Spitters (OC)
- Luke Weijers (OC)
- Rolf Verdel (OC)

Customer Group Offices

- Harmen de Lange (GOR)
- Marco Zwaanswijk (GOR)
- Purdey Giesbers (OC)
- Jeffry Jacobs (OC)

Staff

- Sandra van Ruiten (GOR)
- Petra van Helden (OC)

GOR = Joint Works Council OC = Part
Commission
GOR-members are automatically part of the OC



Innovation and Technology

Annual Report

Parametric design

The world around us is constantly changing, and especially in the field of technology, developments are happening at lightning speed. In order to create places for our customers, where people want to be, we are always curious about what is going on around us and are open to innovation and further technological renewal. And are committed to creating more sustainably, faster and more innovatively. We also have a great drive to work smarter and more efficiently. Technological innovation helps us do this.

One of the major innovations that we continue to invest in from the Heembouw Next program is parametric design. An automated process where (partial) designs can be generated based on data and relationships between components. This uses the computing power of the computer. By writing a script, entering parameters, the computer generates what is possible in the design with those parameters. With this method of automated design, we can give our clients quick and complete insight into the possibilities of their housing task.

Plot study in one minute

A dedicated development team has been working for over two years to develop parametric design within Heembouw. The first phase focused on developing apps for different parts of a distribution centre. One example of this is an app that allows you to create a plot study in one minute. With input of the client's requirements, coupled with the data of the plot, models instantly show how the plot can be optimally utilised.

Another one is the construction app. This app shows in real time the effects on the support structure when the length-to-width ratio changes, for example. This makes it very easy to factor the number of pounds of steel -and the associated CO2 emissions- into the decision-making process. Using concrete use cases centred on customer value, these and other apps were developed by the development team, along with our partners, into usable applications that customers and colleagues can test and experience working. We then take their feedback and desires into further development.



Paris Proof app

A great example of a useful "use case" is the "Paris Proof" app under development, presented during the "experience days," a special customer and supplier event at the just-completed Ara Almelo. The energy supply of an existing office building is Paris Proof at a maximum energy consumption of 70 kWh per square meter of GO per year. The Paris Proof app, developed with our partner Vink, shows how many kW per square meter a building needs (for cooling, heating, lighting, data network etc.).

It also clarifies how that amount can be reduced to Paris Proof level, by installing or not installing solar panels, adjusting the position of the building on the lot in relation to the sun etc. With this app, a building concept can be optimized early in the design phase and great strides can be made especially in the area of energy efficiency.

Green façade app

The "green façade" app ('groengevel' in Dutch) follows directly from the parametrically designed ecological screen that, with a length of one kilometre and a height of 15 meters, now completely surrounds Ara Almelo logistics centre. A climbing plant database was developed for this ecological screen, with all the data needed for the different plants to reach maturity in the right place. This data is incorporated into the green façade app, which is used to design the optimal green façade for each site, with associated insights such as cost, planting plan, cover ratio and a biodiversity score.

Together with our partners

Combining our creativity, and expertise in engineering, cost and process in these smart digital tools, we are taking the next step as a design and build construction company with Parametric Design. As with all our activities, this is done in close cooperation with our strategic partners, who add their knowledge and expertise to the app. This makes the apps increasingly complete, and thus more valuable to the customer. And has the nice by-product of further mutual understanding and insight into each other's process. Better for efficiency, for our cooperation and therefore for our customers.



Heembouw and CSRD

Annual Report

New reporting requirements under the CSRD

In November 2022, the European Union adopted the Corporate Sustainability Reporting Directive (CSRD). This new directive requires companies to report on the impact of their activities on people, the environment and business behaviour. The CSRD directive should provide more transparency about and better quality of sustainability information and thus lead to more and better investments in sustainable solutions. The CSRD not only describes the sustainability topics, but also indicates how they should be reported and in what format. These requirements are set forth in the European Sustainability Reporting Standards (ESRS).

In the past year, Heembouw has made an important first step in preparing for the implementation of CSRD in the organization, as well as for external reporting purposes. Although we are not required to report under this guideline until fiscal year 2025, Heembouw has nevertheless chosen to take the first steps toward this new format already in this annual report and provide an initial impetus for implementing the new reporting requirements under the CSRD.

We see the importance of the global goals, which the CSRD laws and regulations seek to implement. In order for companies to make the right moves on the important sustainability themes, we must be clear as an industry, as a chain, as the Netherlands and therefore also as Europe, that these objectives cannot be achieved on our own. This is a task, for which companies and governments must join hands to bring about the desired movements in this area. The CSRD guidelines expressly enforce, that this coherence is made clear and the necessary cooperation on the various themes are activated. In doing so, the CSRD makes the entire value chain responsible for achieving these sustainability goals. Therefore, despite the fact that the intrinsic motivation for the aforementioned sustainability ambitions prevails at Heembouw, Heembouw also sees the added value of the "compulsion," which CSRD calls off, to jointly achieve the national and international sustainability goals in the value chain.

Heembouw has therefore expressly chosen to anticipate these new laws and regulations at an early stage, and as a result, among other things, the layout of the annual report differs in certain places from previous years.

Our stakeholders

With three diverse customer groups Commercial Property, Residential and Offices and with Heembouw Architecten as an integral part of the client teams, we deal with a broad group of stakeholders, including developers, investors, investors, housing corporations and other clients, employees, and (strategic) partners. Industry associations, educational institutions, governments and private buyers and end users are also important stakeholders for Heembouw. We work with all of these stakeholders in a variety of ways. The challenges and developments, which we are going through, are challenges throughout the chain and it is important that we will work even more intensively with all parties involved in Heembouw. And to achieve our sustainability goals in the various areas, we also need the entire chain.

We have multiple points of contact with all of our stakeholders throughout the year, with the intensity of these points of contact varying by stakeholder. We share and exchange knowledge and information with each other, in order to jointly arrive at the right solutions and innovations. Contacts with our stakeholders are mostly structured, but also take place (sometimes) ad hoc depending on the subject. Our key stakeholders are listed in the table below:




Stakeholder analysis

Stakeholder	Who	Contact and information moments
Clients and end users	Developers, investors, investors, housing associations, private buyers and other clients and end users	Regular contact in the progress of projects Evaluations and customer satisfaction surveys User satisfaction surveys after one year Occupant satisfaction surveys Project (reference) visits Customer events Digital newsletter
(Strategic) Partners	(Strategic) partners, suppliers, subcontractors and partnerships	Regular contact during progress of projects Partner events Knowledge and innovation sessions Regular evaluations and relationship management Digital newsletter
Staff	Employees, temporary workers, self-employed interns and detachers	Young Heembouw annual employee survey Formal staff meetings (such as Heembouw Talks, Get Together, customer group days) Informal staff meetings Development programs and Heembouw Academy (G)OR meetings Internal media such as intranet PLEK, Heembouw magazine
(Semi) Governments	Municipalities, Provinces and (semi) governments	Permit applications Input for area developments and zoning plans Review of feasibility studies Tenders and selections
Supervisors	Personal Data Authority, Tax Authority, AFM, Inspectorate SZW, Environmental Services, RVO, ISO and FSC Netherlands	Audits Inform Knowledge Exchange
Educational institutions	Universities and colleges, secondary vocational education programs, primary education	Ruud van Berkel Award Internships Educating Presentations Sharing knowledge Digital newsletter young talent Guest lectures
Insurers and credit institutions	Depository institutions, Banks and Insurance companies	Regular consultations Regular commentary on (financial) results
Branch organisations	Bouwend Nederland, DGBC, BNA, Bewuste Bouwers	Memberships Letter of intent 'material-related emissions' Knowledge Exchange

Material topics

As already indicated, Heembouw started preparing for the full implementation of the CSRD laws and regulations last year. An important part of the CSRD involves conducting a dual materiality analysis. This identifies the issues with which the organization is making a significant impact on its surroundings, environment and people. The so-called double materiality means, that as an organization you not only look at the financial result of the company's activities and the effects that the environment has on its financial results, but precisely also at the impact, that the organization has on its environment and everything in it. An issue is material from a financial perspective if it has, or may have, a material financial impact on the organization. From an impact perspective, something is material when our activities, or the activities in our chain, have material actual or potential positive and negative effects on people or the environment, in the short, medium and long term. The topics selected are topics, which affect Heembouw's financial performance and fit into Heembouw's strategy for 2024 | 2026. Of these topics, we have compiled a longlist, which has its origins in the main topics of the 2024 | 2026 strategic plan.

We then asked a number of our strategic partners, employees and clients to provide input on these material topics of Heembouw, to determine how these topics affect their own objectives of the respective stakeholders. A short list emerged with the most important topics (prioritization) from this. These topics are shown in the table below with reference to the corresponding ESRS. The analysis we made should be further elaborated (validation) in 2024, with all our stakeholders, so that we can reliably identify opportunities, risks and impact and we can determine, in conjunction with our stakeholders, where our main (financial) opportunities and challenges lie in the chain.

<p>People and Society</p> 	<p>Human capital ESRS S1</p> <ul style="list-style-type: none"> Working safely Employee involvement and engagement Employee development and well-being <p>Partners and Suppliers ESRS S2</p> <ul style="list-style-type: none"> Safety and health personnel in the value chain <p>Customers and end users ESRS S4</p> <ul style="list-style-type: none"> Safety and health Optimize customer value Perception and well-being of the users of our buildings 	<p>Environment and Surroundings</p> 	<p>Climate Change ESRS E1</p> <ul style="list-style-type: none"> Reduction of CO₂ emissions Energy neutral and low-emission design and construction <p>Biodiversity and ecosystems ESRS E4</p> <ul style="list-style-type: none"> Nature-inclusive design and construction Healthy living environment Perception and well-being of the users of our buildings <p>Circular economy and material consumption ESRS E5</p> <ul style="list-style-type: none"> Reduction of plastic waste on site and in the value chain Circular design and construction 	<p>Governance</p> 	<p>Business behavior ESRS G1</p> <ul style="list-style-type: none"> Risk management and process control Collaboration with strategic partners
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Connectivity matrix and our mission goals

We want to make a positive impact on people's lives, their environment and nature. This is our compass in everything we do. Therefore, our strategic choices and mission goals in terms of customers, people, continuity and environment do not change with the advent of the CSRD. However, they are presented somewhat differently, in order to ultimately comply with CSRD laws and regulations based on the structure of the ESRS in 2025.

The policies, actions and objectives, which Heembouw already has on the various material topics, are explained in more detail in this 2023 report from [this page](#).

The connectivity matrix reveals how components such as strategy, material themes, objectives, opportunities and risks, and the SDGs are related. Heembouw's connectivity matrix combines Heembouw's existing goals with the ESRS goals, and provides the relationship and insight, how the different relevant topics relate to the Sustainable Development Goals (SDGs).

Connectivity matrix

	SDG's	Material theme	Material topics	Current KPIs	Strategic objective 2024-2026
Man and Society 	 	Own personnel ESRS S1	Health & safety Employee involvement and engagement Employee development and well-being	Number of incidents, absenteeism Employee engagement and employee involvement, staff turnover	Employee engagement ≥ 8.5 Collaboration ≥ 8.0 Efficiency ≥ 7.5
		Personnel in the value chain ESRS S2	Health and safety	Number of incidents	
		Consumer & end users ESRS S4	Safety and health Optimize customer value Perception and well-being of the users of our buildings	NPS score, customer satisfaction, user satisfaction Average customer rating	NPS score = +60 Customer satisfaction survey ≥ 8.5 User satisfaction survey ≥ 8.0
Nature and Surroundings 	 	Climate Change ESRS E1	Reduction of CO ₂ emissions Low-energy and low-emission design and construction	Reduction of CO ₂ on, to and from construction sites as % of turnover MPG score	Reduction CO ₂ /ton of turnover ≥ 25% MPG < 40% than standard
		Biodiversity & ecosystems ESRS E4	Nature-inclusive design and construction Healthy living environment Perception and well-being of the users of our buildings	% nature-inclusive design and construction	Nature-inclusive design and construction 100% of the designer-builder turnover
		Circular economy & material consumption ESRS E5	Reduction of plastic waste on site and in the supply chain design and construction	Reduction of plastic waste as % of turnover Circular plastic as % of residual plastic waste MPG Score	Reduction of plastic waste on site ≥ 30% Circular Residual plastic on site ≥ 50% circular MPG < 40% than standard
Governance 		Governance ESRS G1	Risk and process management Mutual cooperation with strategic partners		

Man and Society (S)

General

The material topics for Man and Society oversee our own employees, our customers and end users, and our partners and suppliers and their employees.

People and Society



Human capital ESRS S1

Working safely

Employee involvement and engagement

Employee development and well-being

Partners and Suppliers ESRS S2

Safety and health personnel in the value chain

Customers and end users ESRS S4

Safety and health

Optimize customer value

Perception and well-being of the users of our buildings

Heembouw Strategy 2024 | 2026

In terms of our own employees, Heembouw remains committed to maintaining the already high level of mission goals of employee engagement, cooperation and efficiency. Engagement says something about how well our people are in their place at Heembouw. And with connecting as our central core value, good cooperation between the different parts, is crucial to serve our customers well. So is efficiency: to be able to work without wasting time, money or frustration (lean). We measure how we perceive these mission goals annually in the employee survey, which also includes many other aspects that say something about how our people are doing at Heembouw. We are pleased with the high scores, and it requires constant attention and commitment, to maintain this level. We continue to follow that, which is why these mission goals are included in the strategic plan through 2026.



Goals 2024 | 2026

We, ourselves, are also a place where people want to be

In order to create places where people want to be, we also want to be a place ourselves where you want to work. Where you can be completely yourself, where you come into your own, have a great time working together and achieve great goals together. This is something we take extremely seriously. This is why we use our annual employee survey to measure how our people are doing, what is going well within Heembouw and what could be improved. We are proud that, after an extensive survey of good employment practices by research firm Effectory, we once again came out on top in 2023. For the third time in a year, we received the title of Best Employer in the Construction and Infra sector. This appreciation motivates us to continue with full energy and positivity.

We are aware, however, that it continues to require effort and attention to create an environment, where everyone is in their place and comes into their own. The world changes, we change, and we need to be constantly aware of that.

Diversity and inclusion

From an interest in each other, we want to raise awareness of visible and less visible diversity. This will allow us to further improve the collaboration between us, and the value we deliver for our customers.

Different perspectives, experiences and backgrounds contribute to our innovative strength and ability to be distinctive to our clients. Our culture is decisive in this; we want an inclusive culture, with the belief that differences -in whatever area- can actually contribute extra to the greater good. A diverse club of people, and a reflection of society and our clients.



We have the following diversity and inclusion goals:

- An inclusive culture where everyone can be themselves, speak up and no undesirable behaviour occurs (we make this measurable through our annual employee survey, among other things)
- Promote diversity with focus on target groups, where we can currently be an even better representation of society. Target groups at the moment are; women, people with distance to labour market (due to disability, background, refugee, etc.) and people with bi-cultural background.
- Measurable goal in terms of male/female ratio in (sub)top of organisation.

By the end of 2024, we want to have achieved:

- at least 33% of our Executive Team is female and at least 33% is male
- at least 33% our SB is female and at least 33% is male
- at least 33% of our MTs are women and at least 33% are men

This will be shared with the SER, in accordance with the "ingrowth quota and targets" law.

High scores annual employee survey

As mentioned earlier, every year we do a comprehensive employee survey, in which we want to gather input from all Heembouwers on various topics. We do this annually, so that we can get a good picture of what is going on in the organization. Each year we add some questions on a current topic. A topic that is going on in the organization and/or in society.

In 2023, we asked additional questions about the social safety of our employees. Partly because of the coverage of various forms of undesirable behaviour in society, such as at the NPO, the Voice and various sports bodies, we were also keen to know how this issue plays out within Heembouw. The results were very positive. Our employees rated the Inclusion theme an 8.5. This figure is made up of the scores from various questions dealing with inclusion. One such question, which falls under this theme is: *"In my immediate work environment, everyone is treated equally and with respect, regardless of background (e.g., age, gender, cultural, etc.) or personal characteristics."* This particular question was answered with an 8.6.

On the theme "Social Safety," which relates to the sense of safety our people have within Heembouw, we scored a nice 8.3. This shows, among other things, the extent to which our employees feel comfortable, to share their opinions with colleagues and that feedback is welcome in our organisation.



To know whether people are in their right place at Heembouw, we measure Engagement. Here we achieved a nice score of 8.4. In addition, we scored an 8.6 for being an employer, a measure of whether we have been able to create a work environment for our employees in which they feel at home and accepted. This makes employees feel more connected to their colleagues and the organisation.

All in all, once again great scores, of which we are immensely proud, and which also earned us the title of "Best Employer" in construction & infra (called World-Class Workplace by Effector), among others. It is awarded to the organization that scores best on Employership and Employee Net Promoter Score (eNPS). Heembouw scores well above the benchmark with an eNPS score of 58.1.

Heembouw Academy

The development of our people is and will continue to be a top priority. On both individual and team levels, and on both personal and professional content. By continuing to invest in the development of talents, knowledge and skills, we can harness everyone's potential and, in addition to the personal learning curve, we can continue to develop as an organisation.

To find everything around learning and development in one central place, we launched the updated Heembouw Academy in February. A self-developed, internal digital platform to make the offerings regarding learning and development even more visible to everyone. The goal of the Heembouw Academy is to inspire our people and provide insight into development opportunities at individual, team and group level. It is a means to share knowledge and find content/explanations on typical Heembouw topics that we give extra attention to. Examples include the induction program, leadership programs, personal coaching and (social) safety.

Leadership program

In 2023, we launched the first edition of the Leadership Program (LSP). It is a nine-month training and is designed for process leaders, who can further develop in their role. The focus of this program is on connecting leadership, the ability to involve people, as individuals and in teams, in realizing common goals as well as providing a pleasant and safe work environment, where everyone can be themselves and we know how to get the best out of each other. Participants develop in part by becoming more connected to themselves, their team and their environment.

Labour market: In the right place

To show as many people as possible in our specific target groups who we are, we continued our "In the right place" campaign through 2023. With real and authentic stories from a number of colleagues. This shows how colleagues are in their place at Heembouw and gives the (potential) applicant a glimpse of the working atmosphere, people and opportunities.



Today's labour market is complex. Unemployment is low and we know that the average age of the available labour force will increase. In the already difficult job market, construction site workers are extra difficult to recruit. Therefore, in May 2023, we deliberately chose to make an "In the right place video" starring a senior performer.

Integrity sessions

About every three years we organize integrity sessions for all our employees. Its purpose is to engage in conversation together, exchange views and get clear on how we view various integrity issues. Partly by having the conversation with each other, we want to secure our strong culture. With the ultimate goal of ensuring that we can continue to do our work with each other with integrity.

Working with an outside agency, we completed the sessions in a theatrical format. Actors played on stage several scenes that could occur within our organization. During these sessions, we also reflected on how we treat each other. Emphasizing that we value everyone, that (also in the context of diversity and inclusion) we do not exclude anyone, and that when a difference of opinion arises, we engage in conversation with each other in all cases.

Finally

The values of our family business are the basis for our unique culture. We care for each other, feel connected and look across generations. We embrace diversity and inclusion because we believe that different perspectives, experiences and backgrounds make us stronger and contribute to our success as an organisation. Where inclusion ensures that we remain open to differences.

At the same time, we live in a society that is constantly changing. This dynamic affect people's mental and physical well-being. We want to contribute positively to the work happiness and vitality of our people. The right energy in the right place, with the right development. One way we do this is by providing clear role descriptions and continuing to provide room for personal and professional growth for all our people. To be an even more attractive employer for our colleagues and a magnet for new professionals. This is essential to our long-term growth and joint success.



Staffing, inflow and turnover

By the end of 2023, Heembouw employed 304 people on a permanent basis. This left the number of permanent employees at the same level as the previous year. We were able to welcome 32 new permanent colleagues, almost half of whom were already familiar with working at Heembouw. We were able to offer employment to eight new employees after completing an internship and/or graduation period at Heembouw. And seven new colleagues we were able to retain after completing a so-called deta/fixed contract through an external agency.

The turnover rate of 9.7% at the end of 2023 is down slightly from last year (2022: 10.3%). A total of 32 people left Heembouw, for a variety of reasons. A number of colleagues went back to school to complete their studies, while others found a more appropriate career move elsewhere that better matched their ambitions. A number of people also retired.

	Heembouw Amounts	Heembouw Group	Customer Groups	Heembouw Architecten Heembouw Holding
Construction site workers				
Staffing as at 01-01-2023		33	33	0
Staffing as at 31-12-2023		32	32	0
UTA-executive				
Staffing as at 01-01-2023		36	36	0
Staffing as at 31-12-2023		35	35	0
UTA office employees				
Staffing as at 01-01-2023		235	167	68
Staffing as at 31-12-2023		237	172	65
Total: UTA and construction site workers				
Staffing as at 01-01-2023		304	236	68
Staffing as at 31-12-2023		304	239	65
Staff turnover in FTE %		9.7%	9.1%	12.1%

Employed 2023 Heembouw Group



Heembouw Architecten (Architects)



Heembouw Bedrijfsruimten (Commercial Property)



Heembouw Kantoren (Offices)



Heembouw Wonen (Residential)



Holding/Staff

32 new Heembouwers

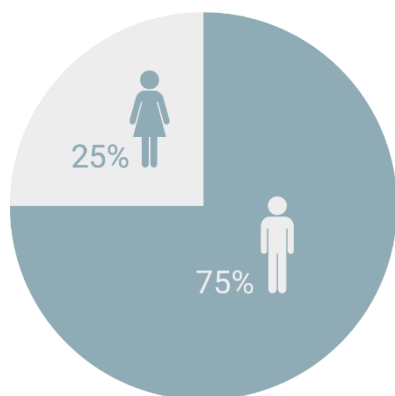


Male/female ratio

Male-female diversity

Just like last year, the male/female ratio of employees employed by Heembouw is one in four women. Of those newly hired, more than one in three are women.

The executive team consists of nine people, namely six men and three women. The Holding Board consists of two men and the Supervisory Board consists of four members, three men and one woman.



Workforce
Number of employees
2022: 304
2023: 304

Customer Group	Male	Female	Total
Architecten	24	10	34
Commercial Property	70	17	87
Offices	38	8	46
Residential	84	22	106
Holding/ Staff	11	20	31
Total	227	77	304

Reference date 31-12-2023

Full and part-timers ratio

	Male	Female	Total
Full-time	196	17	213
Part-time	31	60	91
Total	227	77	304

Reference date 31-12-2023



Absenteeism and HSE

Absenteeism

Absenteeism at Heembouw has been low for years and this year it is even below the set target of 3.0%. In 2023, the average absenteeism rate is 2.9% In 2022, it was still 3.4%. Sector-wide figures for comparison are not yet available.

Absenteeism among construction site workers was cut in half last year. By 2023, it will reach 3.2%. Nice developments, which we intend to maintain through the use of many different preventive interventions, including encouraging participation in PAGO and DIA examinations. In doing so, employees can fall back on personal intensive guidance from managers, HR and the experts of our external health and safety service provider at all times in the event of (impending) absenteeism.

Absenteeism percentage

		Heembouw Group
2020	Construction	8.90%
	UTA and Heembouw Architecten	2.60%
	Total 2020	3.60%
2021	Construction	6.80%
	UTA and Heembouw Architecten	2.30%
	Total 2021	3.00%
2022	Construction	6.50%
	UTA and Heembouw Architecten	3.00%
	Total 2022	3.40%
2023	Construction	3.20%
	UTA and Heembouw Architecten	2.90%
	Total 2023	2.90%



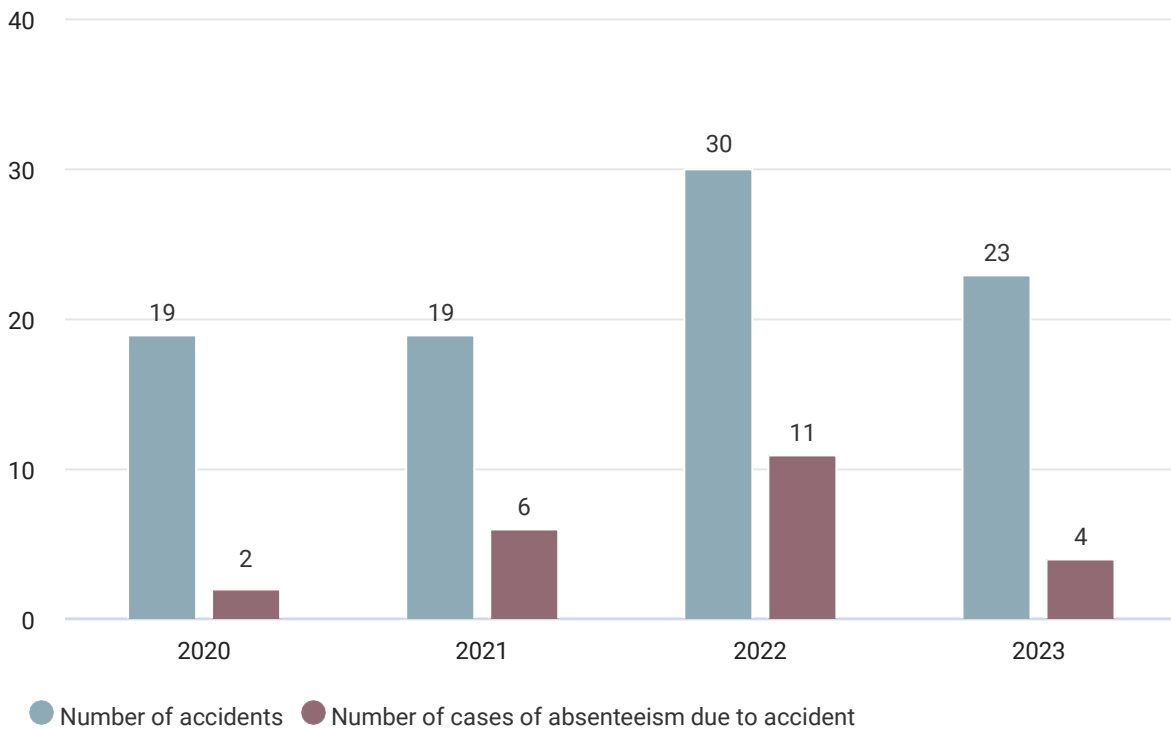
HSE-incidents

Safety remains our top priority in everything we do. Despite all our efforts to prevent HSE incidents, a total of 23 HSE incidents were reported in 2023. This number is down from last year (2022:30), though.

Twelve HSE incidents involved physical injuries: two cases involving first aid treatment on site and 10 cases involving external medical treatment, one of which involved hospitalisation. A total of four HSE incidents resulted in absenteeism, all at partners, with a known total of 36 working days of absenteeism (54 calendar days).

There was also one environmental incident, seven accidents with property damage and three near-misses.

We continue to strive for zero HSE incidents. To achieve this, the focus will continue to be on increasing safety awareness and behaviour among our employees, partners and suppliers. We will also continue to encourage the willingness to report unsafe situations and acts in order to learn more from each other and thus reduce the likelihood of an HSE incident occurring.



Interns, graduates and apprentices

Plenty of opportunities for internships and graduate studies

Couple the knowledge and experience of people who have been in the business longer with the energy and innovativeness of young people. We firmly believe in that. We are strongly committed to knowledge transfer, sharing expertise and encouraging development by supervising trainees, graduates, apprentices and participants in first-taste internships. During 2023, we welcomed 21 interns and allowed them to gain experience to learn about their field.

More than half took on higher vocational studies and one-third took on secondary vocational studies. We also had a scientific education student and an Associate Degree student. In addition to formal internship programs, we also introduced seven young people still in high school to various activities and dynamics within our company through a first-taste internship. Through this approachable introduction, we hope not only to generate interest in our industry, but also to contribute to the orientation process of young people in their career development. Also in 2023, two apprentice carpenters were given the opportunity to learn the trade within Heembouw.



Anniversaries and pension

Anniversaries

Full of pride, we were able to celebrate no fewer than nine anniversaries in 2023 and add their names to our anniversary board. Of these, one anniversary was very special and special: an impressive 50 years of service. The celebration of such a rare anniversary confirms once again, that Heembouw is built not only on strategies and objectives, but especially on the great dedication and commitment of people who give their best day in and day out. A valuable collaboration, which is the basis for our growth and success!

Staff	Title	Anniversary
Vincent Star	Plan Developer Residential	12.5 years
Roy Vliegenthart	Executive Residential	12.5 years
Ramon Vollebregt	Executive Commercial Property Zuid	12.5 years
Sylvia van den Bosch - Menken	Occupants Guide Residential	12.5 years
Monique van den Bulk	Administrator Offices	25 years
Henk Jan Brunt	Carpenter I Commercial Property West	25 years
Sjaak van Leyden	Carpenter I Residential	40 years
Stefan van der Zwet	Sr. Project Supervisor Commercial Property West	40 years
Ton Bakker	Executive Residential	50 years

Pension

A special moment in the past year was the retirement of three valued employees who retired after 22, 27 and 32 years of faithful service, respectively. A beautiful farewell party was held to thank them for their years of hard work and dedication.

Staff	Title	Pension date
Johan ter Horst	Service Coordinator Offices	14
Kees Duivenvoorden	Carpenter I Residential	23
Taeke Veenstra	Service Employee/Work Planner Commercial Property West	31

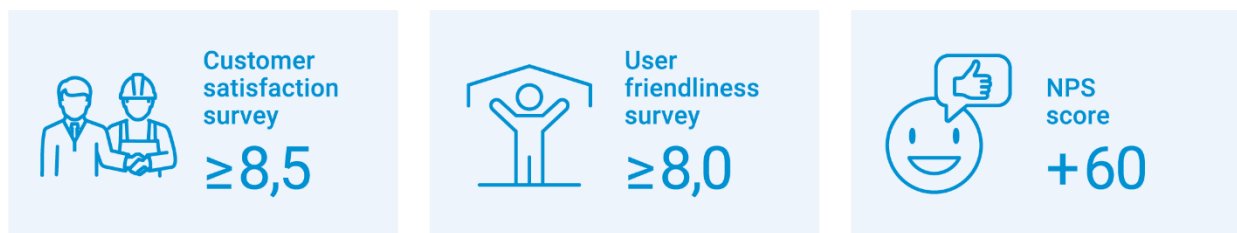
Customers and end users

Customer satisfaction

Our customer satisfaction has been at an all-time high. In customer satisfaction surveys, our customers praise our way of cooperation, customer orientation, flexibility and high quality. And many of our customers give a 9 or a 10 on the NPS question whether they would recommend us to others.

For a few years now, we have also been measuring user satisfaction at least one year after commissioning, when users have experienced all seasons once. These surveys and the conversations we have with our clients about them are very valuable. We learn from it, and we stay connected with our customers. That's why these goals reappear in our plan through 2026. As a design and build construction company, our integrated approach allows us to provide maximum customer value. Therefore, we remain committed to maximizing the share of design and built projects in our portfolio, based on the belief that this is how we can realize the most added value for our clients.

Heembouw Strategy 2024 | 2026



Goals 2024| 2026



Two types of customer satisfaction surveys

“We create spaces where people want to be.” To measure whether we are actually doing this and to what extent, we ask for our customers' opinions. Heembouw works with tevreden.nl for this purpose. This satisfaction survey agency combines continuous research with transparent feedback of the results. We use satisfied.co.uk to map customer experiences and improve our quality. With insight into the results and with comprehensive reporting, we can meet our customers' needs and expectations even better.



We measure our customers' satisfaction at two points in time: within two months of project delivery and then again, at least one year after commissioning with a so-called user satisfaction survey. Both surveys are sent to the customer, client and/or user, with an appointment also made immediately for the commercial manager to discuss the results of the survey with the customer. In 2023, we achieved an average of 8.5 for the satisfaction surveys, with an NPS of + 62. For the user surveys, we achieved an average rating of 8.5.

Occupant survey

In addition to the opinions of our clients, we naturally want to know the opinions of the ultimate users of the homes we have built or renovated. We measure customer satisfaction among buyers of our homes at four points in a purchase/construction process. Those moments are set after purchase, after going through the buyer's choice process, upon completion and after the maintenance period. The strength is in the short questionnaire and we ask the same questions each stage. 'Would you recommend us, what is going well and what could be better in our trajectory'. The answers to these open-ended questions provide an important insight into which issues are really important to our end users.

Tenants of corporation housing, which we renovate, are surveyed in consultation with the corporations. These surveys are always customized, focused on the specific project.



NPS and overall rating

In our surveys, the focus is on NPS. This Net Promoter Score (NPS) is a widely accepted indicator of customer relationship and how customers experience their suppliers. On a scale of 0 to 10, customers indicate the extent to which they would recommend the supplier in question. In the philosophy of NPS, a customer is a 'promoter' when they give a 9 or 10 in response. 'Detractors' are customers who give a 6 or lower. The percentage of promoters minus the percentage of detractors determines the NPS score. This can be a score between -100 and +100. In our 2024-2026 strategic plan, our dot on the horizon is an NPS of +60, which means we need to have a lot of promoters.

In addition to the NPS score, we also ask for an overall customer rating. We aim for a report grade of at least an 8.5. After the NPS question, customers can provide an explanation. If the customer answers "Yes" to the question of whether he agrees to publish the review with his name underneath, it can be read after 24 hours at: heembouw.tevreden.nl.

Partners & suppliers

Collaboration in the chain

We cooperate as much as possible with (strategic) partners and regular suppliers. Our cooperation is based on the lean philosophy. Shared goals and openness and transparency in collaboration ensure a smooth process and optimal results. Good cooperation with our partners and suppliers also leads to innovation, new ideas, an efficient process and cost savings.

This starts with the preparation: planning a project jointly with all parties involved. Planning the various phases of the process together and aligning all work together creates a schedule that is achievable and to which everyone is committed. For example, we can also think together about smarter design with a better footprint or how we deal with reusing materials. We are also investing in achieving standard quality in the BIM models of the customer groups and our partners.

We are committed with our partners to applying and using materials as efficiently as possible, using the circular principles of reduce, reuse and recycle as a starting point and by applying more bio-based materials. We also think together about reducing CO2 emissions, both in transportation to and from and on the construction site. By using electric equipment and, where not (yet) possible or available, by using HVO100 diesel as a fossil-free alternative fuel.

Our way of working together and dealing with people is based on respect, mutual trust and equality. Where everyone, within a diverse and inclusive work environment, is allowed and able to be themselves and we make full use of each other's differences. We provide a safe working environment for everyone who works for and with us. Therefore, it is important to us that our partners also cooperate in this way, not only with us, but also with their employees, customers and suppliers. We make agreements with each other about this.

Our supplier management focuses on mutual knowledge sharing and continuous improvement and alignment of each other's processes. At the annual strategic partner days, we share knowledge and insights, and discuss our plans for the future and how we can help each other do so. Of course, we also evaluate with our partners to learn from previous projects and see how to do even better next time.



Sign strategic partner agreement | Voorbij Prefab

Environment and Surroundings (E)

General

The material topics for Environment and Environment oversee climate change and the actions, which we need to take to comply with the climate agreement. Biodiversity and ecosystems are also a material issue for us as a design and build construction company. In addition, the nature of our business, makes material consumption and circularity a material issue. For example, using reusable packaging materials can significantly reduce the amount of plastic waste.

Environment and Surroundings



Climate Change ESRS E1

Reduction of CO₂ emissions

Energy neutral and low-emission design and construction

Biodiversity and ecosystems ESRS E4

Nature-inclusive design and construction

Healthy living environment

Perception and well-being of the users of our buildings

Circular economy and material consumption ESRS E5

Reduction of plastic waste on site and in the value chain

Circular design and construction

Heembouw Strategy 2024 | 2026

For our mission goals in terms of Environment, in the new plan we are also committed to the movement in the areas of raw materials, nature and energy. This includes the conscious use of (circular) materials and less (plastic) waste; strengthening local biodiversity and climate-adaptive design and construction; and low-nitrogen and low-CO₂ construction and energy conservation on the construction site.

For most goals we have achieved great results in the past two years, (link to page from board report where results old plan are listed) and we are continuing on the path to do even better. What has not yet gone well is the reduction of plastic waste on the construction site. We wanted 30% less plastic waste, but due to a couple of large projects of commercial property, even more plastic waste was measured. We take the learning points on board and, together with our partners and their suppliers and producers, are again pushing for reductions. To this we have added as a goal that at least 50% of the residual plastic waste stream be circular. In the area of CO2 reduction, we are also committed to further reducing emissions on the construction site, including emissions to and from the construction site (transport).



Goals 2024| 2026

Towards designing and building with a positive impact

“We are aware of the impact of our actions on the planet and are genuinely driven to do better.” As a design and build construction company, we are involved from initial design to realization and maintenance. We can make a big difference with that. Buildings make a substantial use of space and resources. Our influence on this begins as early as the design choices and continues through to the construction site. We take responsibility in this, and are intrinsically motivated to make a positive impact in this. Less bad is not an option; rather, we want to do better. So that our plans add value and ultimately deliver more than they ask for. We can only achieve this in close cooperation with our (strategic) partners.

The lowest possible carbon footprint is our starting point. This starts with asking what is really needed, to fill the customer demand. A smarter building leads to an optimal footprint, also in relation to the end of its life cycle. This is only possible in close cooperation with our strategic partners. By 2030, with 2023 as the base year, we want to reduce CO2 emissions by 50%. Ultimately, our goal is at least carbon neutral buildings and construction sites.

The pillars of our sustainability strategy

- Nature-inclusive design and construction: strengthening local biodiversity, climate-adaptive design and building and increasing experiential value ('biophilic design')
- Reduce, reuse, recycle: default commitment to lowering MPG (Environmental Performance Buildings)
- Low-emission construction process: reducing CO2 emissions on, from and to our construction sites
- Waste: reduction of plastic waste on the construction site



Nature-inclusive design and construction on all our design and built projects

We focus on strengthening local biodiversity and climate-adaptive building. Nature in the Netherlands is under pressure. That's why when we design and develop our projects, we look at how to provide more space for nature. In doing so, we are also looking at opportunities for climate-adaptive construction. What measures can we take for water storage, heat stress and greenery in the city. But also plant-rich landscaping and animal-friendly outdoor lighting. Apart from its value for climate and biodiversity, greenery is also an important happiness factor. A green environment invites to be outdoors, is attractive and healthier. For people, animals and climate.

Incorporating nature into our projects, which include green façades, abundant plantings, animal-friendly outdoor lighting and nesting boxes, promotes local biodiversity. Working with landscape architects and ecologists, we ensure that these interventions are seamlessly integrated with local flora and fauna. As a result, we create an environment that often has higher biodiversity, than when we started.

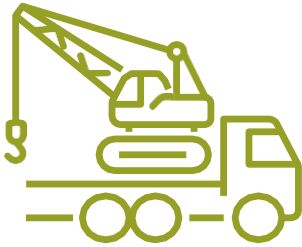
By now, more than 64% of our design and built projects have been designed in a nature-inclusive manner. Our goal for 2026 is that 100% of design and built projects will be designed and built in a nature-inclusive manner.



Always at least 40% below standard MPG

The MPG (MilieuPrestatieGebouwen) is a widely accepted standard used by the government to determine the environmental impact of material use in new construction plans. The MPG is 1.0 for non-residential construction and 0.8 for residential construction (2023 standard). We are committed to an MPG at least 40% below current MPG standards. Early in the design phase, we make the first MPG calculation and actively manage it during the further design and execution phase, for example, has an MPG of 0.55. And is therefore already "Paris proof".

We consciously choose to use (circular) material. This can be done by working with reused materials, or natural (bio-based) materials such as certified sustainable wood, but also by applying new products, which can be disassembled again in the future.



Emission-free construction

We want to move toward an emission-free construction site, and are committed to reducing CO2 emissions on, from and to the construction site. These include the use of low-emission equipment, and the use of renewable fuel. On our construction sites, we are working to save energy by generating our own energy with solar panel sets on the construction shack. Each construction site is also equipped with electric charging stations. Our own commercial vehicle fleet has been further electrified; we expect to replace the last fossil-fuelled commercial vehicles during 2024, making our commercial vehicle fleet fully electric. Our lease car policy is ultimately to go all-electric. The percentage of all-electric leased cars is already at 75%. Furthermore, we are making a conscious effort to deploy low-emission equipment, such as emission-free mobile equipment and electric vehicles. In reducing emissions on, from and to the construction site, our partners and suppliers play an important role. This is an important item on the agenda of our consultations and agreements. Our construction site of Duinwijk in IJmuiden, next to a Natura 2000 area, is virtually emission-free.



Construction site plastic waste reduction

Construction and demolition waste consists mainly of rubble, stone, wood, metals, plastics, paper and cardboard. Over 90% of construction and demolition waste can be used as raw material for new products. Therefore, waste is collected and disposed of separately on our construction sites. It is of course better to reduce waste. Plastic packaging waste, is a residual stream with a high environmental impact. We want to reduce this by 30% (reference year 2023), and we want at least 50% of the plastic waste that is left is circular plastic. We have found in recent years, that a structural reduction of plastic waste is a challenging goal. We can only do this in close cooperation with our (strategic) partners and their suppliers and producers. We are taking the learning points from last period and, together with them, are pushing for structural reduction.

Governance (G)

General

Heembouw's business behaviour is co-determined by our culture. Our core values guide how we conduct ourselves inside and outside the organisation. This involves issues of integrity, trust and (social) safety. But it is also about how we manage our processes and risks.

Governance



Business behavior ESRS G1

Risk management and process control

Collaboration with strategic partners

Part of the risk management system is the procurement system. This stipulates, among other things, when permission is required from the group management or the RVC to make certain decisions or commitments. Our risk policy is already outlined on [this page](#).

Our standards of conduct are laid down in a company code, which is aligned with the code of conduct of Bouwend Nederland. Our code of conduct guides all employees. Interviews with new employees reflect on this and explain the intent of the code, coupled with explanations of the company's "mores". The subject of integrity and standards of conduct and how Heembouw deals with them is covered as standard in our induction program in the form of a number of questions from our culture game. Behaviour, however, is determined not only by the rules and procedures laid down, but more importantly by how they are applied in practice. Managers have an exemplary role in this regard. Within this framework, the customer group managements also offer their accountability letters each year, which are discussed with the group management.

The company code includes a reference to Heembouw's Whistleblower Policy. The Whistleblower Policy regulates how Heembouw deals with reports of (suspected) abuse. Also included in this Whistleblower Policy are the names and phone numbers of the internal and external confidant.

It is good to regularly reflect explicitly on this theme. That is why, among other things, we periodically organise the previously named integrity sessions, which we hold with the entire organisation. In cooperation with an outside party, a special program was developed for this purpose. With the goal of engaging with each other about social safety, trust and integrity. Last year we completed the sessions in a theatrical format. Actors played on stage a number of scenes, which could occur within our organisation. During these sessions, we also reflected on various integrity issues such as, for example, how to handle gifts received by an employee from a concerned party. Employees were asked to think about how they would act in relation to the various situations presented, after which beautiful dialogues ensued and each other's insights were shared.

The financial statements also provide a good insight into how Heembouw implements Governance, in addition to the open and transparent way in which the organization's realized results are presented.



Financial Statements

2023 Annual Report

Consolidated balance sheet

as at 31 December 2023 (for allocation of profits and/or losses)

Heembouw Holding B.V. (amounts in €)

ASSETS		31-12-2023	31-12-2022
Intangible assets	1		
Software		594,404	617,952
Development costs		308,860	340,758
		903,264	958,710
Property, plant and equipment	2		
Commercial building modifications		1,573,459	1,770,202
Business Development		97,386	125,211
Machines and transport equipment		106,853	104,888
Tools and inventory		935,455	1,060,052
		2,713,153	3,060,353
Financial fixed assets			
Participating interests	3	642,939	1,916,596
Funds loaned by third parties	4	-	225,000
		642,939	2,141,596
Inventories			
Terrain		1,374,258	1,374,258
Finished products	5	-	-
Work in progress	6	3,241,023	2,915,159
Raw materials and consumables	7	2,904	2,904
		4,618,185	4,292,321
Receivables and prepaid expenses			
Projects in progress	8	363,415	2,112,752
Accounts receivable		17,574,530	13,090,676
Affiliated companies	9	58,456	6,283,535
Taxes and social security contributions	10	2,268	-
Pensions		53,475	44,274
Other receivables and accruals	11	816,904	579,785
		18,869,047	22,111,022
Cash and cash equivalents		48,910,732	56,483,993
		76,657,321	89,047,995

Financial Statements

LIABILITIES		31-12-2023	31-12-2022
Equity			
Share capital		441,000	441,000
Share premium reserve		2,779,670	2,779,670
Statutory reserve		941,503	2,247,058
General reserve		22,646,505	12,447,875
Result current fiscal year		8,880,862	23,093,074
		35,689,539	41,008,677
Provisions	12	89,932	281,356
Short-term debts			
Projects in progress	13	13,399,948	8,240,481
Accounts payable		19,432,233	30,785,689
Affiliated companies		6,949	-
Taxes and social security contributions	14	4,873,921	5,225,994
Pensions		25,420	52,280
Other receivables and accruals	15	3,139,378	3,453,518
		40,877,849	47,757,962
		76,657,321	89,047,995

Consolidated profit and loss statement

as at 31 December 2023 (for allocation of profits and/or losses)

Heembouw Holding B.V. (amounts in €)

		2,023	2,022
Net turnover	16	220,524,459	279,152,945
Change in stock, work in progress and finished product		380,949	-/- 2,069,904
Capitalised production for own business		204,149	44,675
Sum of operating income		221,109,557	277,127,716
Subcontracted work costs and other external costs		177,367,250	221,636,814
Wages and salaries	17	22,139,306	21,055,065
Social charges (incl. pension costs)		5,422,984	5,073,445
Depreciations of (in)tangible assets		1,064,422	910,423
Other operating expenses	18	8,161,842	7,784,894
Sum of operating expenses		214,155,804	256,460,641
Operating profit		6,953,753	20,667,075
Interest income and similar income	19	438,391	237,661
Interest charges and similar charges	20	-/- 1,117	-/- 171,642
		437,274	66,019
Income before taxes		7,391,027	20,733,094
Tax on profit	21	3,049,537	7,825,132
Share of profit of companies in which it has a stake		4,539,372	10,185,113
Income after taxes		8,880,862	23,093,074

Consolidated cash-flow statement

as at 31 December 2023 (for allocation of profits and/or losses)

Heembouw Holding B.V. (amounts in €)

		2,023	2,022
Net liquid assets as at 1 January		56,483,993	44,458,422
Cash-flow from operational activities			
Operating profit		6,953,753	20,667,075
Adjustments for:			
- Depreciations	1, 2	1,064,422	910,423
- Movements in provisions	12	-/- 191,424	6,094
- Movement in (un)realised changes in value		-	-
		872,998	916,517
Changes in working capital:			
- movement in trade receivables		-/- 4,483,854	1,719,286
- movement in accruals	9, 11	5,978,760	-/- 2,447,694
- movement in stock and projects in progress	5, 6, 7, 8, 13	6,582,940	1,512,452
- movement in trade payables		-/- 11,353,456	3,529,963
- movement in debt taxes and social contributions	10, 14	529,959	619,864
- movement in accrued liabilities	15	-/- 334,052	116,231
		-/- 3,079,703	5,050,102
Cash-flow from business operations		4,747,048	26,633,694
Interest received	19	438,391	237,661
Dividend received	3	5,813,029	14,286,270
Interest paid	20	-/- 1,117	-/- 171,642
Income tax paid	15, 21	-/- 3,933,837	-/- 8,320,986
		2,316,466	6,031,303
Cash-flow from operational activities		7,063,514	32,664,997
Cash-flow from investment activities			
Loans to affiliated companies		-	-
Investments in intangible assets	1	-/- 375,010	-/- 744,131
Investments in property, plant and equipment	2	-/- 286,765	-/- 612,922
Investments in financial fixed assets	3	-	306,627
Cash-flow from investment activities		-/- 661,775	-/- 1,050,426
Cash-flow from financing activities			
Loan issuance	4	-	-/- 225,000
Loan repayment	9	225,000	-
Dividend paid to shareholders		-/- 10,400,000	-/- 11,364,000
Interim dividend payment		-/- 3,800,000	-/- 8,000,000
Share premium reserve payment		-	-
Cash-flow from financing activities		-/- 13,975,000	-/- 19,589,000
Net cash-flow		-/- 7,573,261	12,025,571
Net liquid assets as at 31 December		48,910,732	56,483,993

Principles of consolidation, valuation and determination of earnings

The statutory and consolidated financial statements have been prepared in accordance with the requirements of Part 9 of Book 2 of the Dutch Civil Code. The financial statements are presented in Euros. Assets and liabilities are generally valued at acquisition or manufacturing cost. If not specific basis of valuation is stated, valuation is at face value. The financial statements were prepared on 6 March 2024.

General

Heembouw Holding B.V. (registered office in Roelofarendsveen, Chamber of Commerce number 28062709), as head of the Heembouw Group, constitutes the Heembouw Group together with its group and operating companies. The purpose of the Heembouw Group is to develop, design, contract and execute construction works. Heembouw Holding B.V. is a wholly-owned subsidiary of Heembouw Beheer B.V.

The Heembouw Group includes the following companies:

Company name	Registered office	Capital interest
Heembouw Bedrijfsruimten West B.V.	Roelofarendsveen	100%
Heembouw Kantoren B.V.	Roelofarendsveen	100%
Heembouw Amersfoort B.V.	Roelofarendsveen	100%
Heembouw Wonen B.V.	Roelofarendsveen	100%
Heembouw Bedrijfsruimten Zuid B.V.	Roelofarendsveen	100%
Heembouw Ontwikkeling Wonen B.V.	Roelofarendsveen	100%
Heembouw Ontwikkeling Bedrijfsruimten B.V.	Roelofarendsveen	100%
Heembouw Architecten B.V.	Roelofarendsveen	100%
Heegro 3 B.V.	Roelofarendsveen	100%
West-End B.V.	Roelofarendsveen	100%
Heembouw Deelnemingen B.V.	Roelofarendsveen	100%
Heembouw Centrumplan B.V.	Roelofarendsveen	100%
Hepark B.V.	Roelofarendsveen	100%
Verhulstplein B.V.	Roelofarendsveen	100%
HWO Deelnemingen B.V.	Roelofarendsveen	100%
Heembouw Bedrijfsruimten Deelnemingen B.V.	Roelofarendsveen	100%
HBO Deelnemingen B.V.	Roelofarendsveen	100%
Beheer West-End B.V.	Roelofarendsveen	66.5% (1)
West-End C.V.	Roelofarendsveen	65.2% (2)
Tripolis Amersfoort B.V.	Harderwijk	50% (3)
VOF Rijndijk 86	Utrecht	50% (4)
Stellar Development (Aalsmeer, Utrecht & Wijchen) C.V.	Roelofarendsveen	50% (5)
ARA (ALMELO) C.V.	Roelofarendsveen	50% (6)

(1) Heembouw Deelnemingen B.V. has a 66.5% interest in said B.V. [private limited company] and a 66.5% share in the profit; control is 50%.

(2) West-End B.V. has a 65.2% interest in said C.V. [limited partnership] and a 65.2% share in the profit; control is 50%.

(3) Heembouw Ontwikkeling Bedrijfsruimten B.V. has a 50% share in said B.V. and a 50% share in the profit.

Tripolis Amersfoort B.V. dissolved on 30-04-2023

(4) HWO Deelnemingen B.V. has a 50% share in said V.O.F. [general partnership] and a 50% share in the profit.

(5) Heembouw Bedrijfsruimten Deelnemingen B.V. has a 45% interest in said C.V. and a 45% share in the profit and no control. HBO Deelnemingen B.V. has a 5% interest in said C.V. and a 5% share in the profit and 50% control.

(6) Heembouw Bedrijfsruimten Deelnemingen B.V. has a 45% interest in said C.V. and a 45% share in the profit and no control. HBO Deelnemingen B.V. has a 5% interest in said C.V. and a 5% share in the profit and 50% control.

On behalf of the above group companies (the 100% interests), with the exception of Heembouw Deelnemingen B.V., Heembouw Centrumplan B.V., Verhulstplein B.V., HWO Deelnemingen B.V., Hepark B.V., Heembouw Bedrijfsruimten Deelnemingen B.V. and HBO Deelnemingen B.V. declarations of liability, as referred to in Section 403 (1) (f) of Book 2 of the Dutch Civil Code, have been filed at the Trade Register of the respective Chambers of Commerce.

The differences and reasons that have led to revision of the classification and amounts compared to the previous year.

The comparative figures of the previous fiscal year have been adjusted, where necessary, only in terms of classification for comparison purposes.

Consolidation

The consolidated financial statements include the financial data of the company and its group companies as at 31 December of the fiscal year. Group companies are legal entities and companies in which decisive control is exercised. Holdings in partnerships in which shareholders have joint control are not proportionally consolidated. As for the 2023 fiscal year, this means that only the holdings with a 100% interest have been consolidated. Intercompany debts, receivables and transactions, as well as profits made within the Heembouw Group have been eliminated in the consolidated financial statements.

The corporate financial statements have been prepared in accordance with Section 402, Part 9, Book 2 of the Dutch Civil Code.

Balancing

An asset and a borrowed capital item are offset in the financial statements only if and to the extent that:

- a proper legal instrument is available to settle the asset and the borrowed capital item netted and simultaneously; and
- there is a firm intention to settle the balance as such or both items simultaneously.

Key estimates and reviews in the financial statements

Estimates and reviews are continually evaluated and are based on past experiences and other factors, including expectations of future events that may reasonably occur given the circumstances. Heembouw makes estimates and assumptions about the future.

The reality may differ from the estimates made.

Project result in progress

Project revenues and costs are recognised as projects progress to the extent that they can be determined responsibly. Progress is determined on the basis of the completion of a physically distinguishable project section (milestones). Loss provisions on projects are taken when it is clear that the costs will exceed the revenues of a project.

This is reviewed periodically per project by the project manager and the management of the operating company concerned. This assessment is done primarily on the basis of project records and knowledge and experience of those involved. It is inherent in this process that estimates are made.

Provisions

A provision is recognised when the Heembouw Group has a legally enforceable or factual obligation on the balance sheet date that is likely to require an outflow of resources to settle the obligation, the amount of which can be reliably estimated.

The scope of the provision is determined by the best estimate of the amounts necessary to settle the related obligations on the balance sheet date.

Unless stated otherwise, provisions are stated at face value.

Cash-flow statement

The cash-flow statement has been prepared using the indirect method. Cash in the cash-flow statement consists of cash and cash equivalents.

Interest receipts and expenses, dividends received and income taxes are included in the cash-flow from operating activities. Paid dividends are included in the cash-flow from financing activities.

Valuation

General

Unless stated otherwise, items appearing on the balance sheet are stated at face value.

(In)tangible assets

Modifications to company buildings are valued at acquisition price or, as the case may be, manufacturing price minus straight-line depreciations. The depreciations are based on the expected useful life.

(In)tangible assets are included in the balance sheet when it is likely that the future benefits embodied in that asset will accrue to the company and that the cost of that asset can be determined reliably.

The company assesses on each balance sheet date whether there is any indication that a fixed asset may be subject to an impairment. If such indications are present, the recoverable amount of the asset is determined. An impairment occurs when the carrying amount of an asset exceeds its recoverable amount; the recoverable amount is the higher of the net realisable value and value in use. An impairment loss is recognised immediately as an expense on the profit and loss statement with a simultaneous deduction in the carrying amount of the related asset.

The other (in)tangible assets are valued at original acquisition cost less straight-line depreciation based on the expected useful life and calculated on the acquisition cost. Investments made during the fiscal year are depreciated on a time-weighted basis.

The depreciation term is:

- 5 years for software
- 5 years for business development
- between 5 and 25 years for modifications to company buildings
- between 5 and 10 years for machines and transport equipment
- 5 years for tools and inventory

Financial fixed assets

Participating interests

Participating interests in which the company exercises significant influence over business and financial policy are valued using the equity method. In accordance with this method, the participating interests are included in the balance sheet at the company's share of the net asset value plus its share of the earnings of the participating interests from the moment of acquisition, as determined according to the principles of the Heembouw Group.

The profit and loss statement records the company's share of the earnings of the participating interests. If and to the extent that the company cannot effect distribution of the positive results to itself without restriction, the results are included in a statutory reserve. Its share of the direct capital gains and losses of the participating interests is also included in the statutory reserve. A provision is made for participating interests with negative equity, if necessary and there is liability to do so.

Inventories

Terrain

Terrain inventory is valued at cost or lower net realisable value, being the estimated selling price minus directly attributable selling expenses. The cost consists of the acquisition or manufacturing cost (all costs associated with acquisition or manufacturing) and costs incurred to bring inventories to their present location and condition.

Finished products

Inventories of finished products are valued at cost or lower net realisable value. There are no finished product inventory positions at the end of 2023.

Work in progress

This relates to work at own risk. The work in progress item is valued at material costs spent, cost of work by third parties and man-hours or lower net realisable value. The net realisable value is the estimated selling price minus directly attributable selling expenses.

Raw materials and consumables

Inventories of raw materials and consumables are valued at historical purchase prices or lower net realisable value.

Projects in progress

These are projects in progress on behalf of third parties. The projects in progress are valued at material costs spent, costs of work by third parties and man-hours, plus profit in proportion to the progress of the project.

Profit is recognised from the start of construction to the extent that projects or parts of projects have been sold and to the extent that the profit can be determined with sufficient certainty. A provision is made for projects expected to close with a negative result.

In addition, the projects in progress item consists of pre-billing and post-billing with clients and purchase invoices from suppliers yet to be received.

Receivables and prepaid expenses

When receivables and prepaid expenses are initially processed, they are recorded at fair value plus directly attributable transaction costs. These amounts relate to a period of less than one year. All transactions are recorded at the time when the Heembouw Group enters into the binding agreement.

After initial processing, the receivables are measured at amortised cost using the effective interest method. Income and expenses are processed in the profit and loss statement as soon as they are transferred to a third party or are subject to impairment, as well as through the amortisation process.

The Heembouw Group assesses on each balance sheet data whether a receivable is impaired. The loss is determined as the difference between the carrying amount of the asset and the best possible estimate of future cash-flows discounted at the effective interest rate of the financial asset as determined at the initial processing. The carrying amount of receivables is reduced using a bad debt provision.

Cash and cash equivalents

Cash and cash equivalents means cash on hand, balances in bank accounts and bills of exchange and cheques. Cash and cash equivalents that are not (expected) to be available to the Heembouw Group for more than twelve months are classified as financial fixed assets. With the exception of the G-account and deposits, cash and cash equivalents are freely available to the Heembouw Group.

Short-term debts

Upon initial recognition, short-term debt is recorded at fair value minus directly attributable transaction costs. Upon initial valuation, short-term debt is measured at amortised cost using the effective interest method.

Profit or loss is recognised in the profit and loss statement as soon as the liabilities are no longer recognised on the balance sheet, as well as through the amortisation process.

Provisions

A warranty liability arising from a past event is not provided for (in whole or in part) because its amount cannot be determined with sufficient reliability (and for the portion that can be reliably determined, an amount is included under other liabilities).

Provision for anniversary allowance

This refers to a provision made for anniversary benefits. The provision was recalculated (actuarially) in 2020 and will be recalculated again in 2025.

Determination of results

General

Income and expenses are allocated to the year to which they relate.

Net turnover

The net turnover represents the balance of any year's production at net realisable value, including profits allocated to works in progress, in proportion to the progress of the performance achieved.

Costs

The costs are determined in accordance with the principles of valuation mentioned above, and allocated to the reporting year to which they relate.

Pensions

The company has a pension plan with the Construction Industry Pension Fund. In the event of a deficit in the industry pension fund, the company is not obliged to make additional contributions other than to pay future premiums. Nor can the group companies assert rights to any surpluses in the funds.

The above also applies to the pension plan placed with the insurance company.

Based on the above characteristics, it is assumed that, in the reporting period, the pension expense to be processed is equal to the pension contributions payable to the pension fund or insurance company for that period. The estimated coverage ratio of the Construction Industry Pension Fund as at 31 December 2023 is 121.0% (31-12-22: 122.0%).

Leasing

The Heembouw Group only has contracts that qualify as operating leases and, therefore, lease payments are charged to the profit and loss statement on a straight-line basis over the lead period.

Interest income

Interest income is processed in the profit and loss statement on a time apportionment basis, taking into account the effective interest rate of the asset concerned, if their amount is determinable and their receipt is probable.

Taxes

The justified taxes are based on the prevailing rate, taking into account tax facilities and differences between the commercial and tax valuation of assets and liabilities.

Clarification of consolidated balance sheet

Heembouw Holding B.V. (amounts in €)

				31-12-2023	31-12-2022
Intangible assets (1)	Book value as at	Investments	Depreciations	Book value	Book value
	1 January				
Software	617,952	171,647	195,195	594,404	617,952
Development costs	340,758	203,363	235,261	308,860	340,758
	958,710	375,010	430,456	903,264	958,710
	Cumulative purchase price	Cumulative depreciations	Cumulative purchase price	Cumulative depreciations	
	31-12-2022	as at 31-12-2022	31-12-2023	as at 31-12-2023	
Software	1,267,307	649,356	1,259,858	665,454	
Development costs	358,208	17,450	561,571	252,711	
	1,625,515	666,805	1,821,429	918,165	
Property, plant and equipment (2)	Book value as at	Investments	Depreciations	Book value	Book value
	1 January				
Commercial building modifications	1,770,202	13,712	210,455	1,573,459	1,770,202
Business Development	125,211	-	27,825	97,386	125,211
Machines and transport equipment	104,888	17,469	15,504	106,853	104,888
Tools and inventory	1,060,052	255,584	380,182	935,455	1,060,052
	3,060,353	286,765	633,966	2,713,153	3,060,353
	Cumulative purchase price	Cumulative depreciations	Cumulative purchase price	Cumulative depreciations	
	31-12-2022	as at 31-12-2022	31-12-2023	as at 31-12-2023	
Commercial building modifications	3,342,949	1,572,746	3,310,189	1,736,730	
Business Development	139,124	13,912	139,124	41,737	
Machines and transport equipment	202,714	97,826	217,033	110,180	
Tools and inventory	3,438,777	2,378,725	3,453,794	2,518,340	
	7,123,564	4,063,209	7,120,140	4,406,987	

Financial Statements

Financial fixed assets	31-12-2023	31-12-2022
Participating interests in other related companies (3)		
Net asset value as at 1 January Distribution of dividend	1,916,596 -/- 5,813,029	6,477,620 -/- 14,286,270
	-/- 3,896,433	-/- 7,808,650
Change to short-term receivable	-	-
Contribution of capital	-	-/- 306,627
Return of capital	-	-
	-/- 3,896,433	-/- 8,115,277
Income from participating interests	4,539,372	10,185,012
Change in provision related to negative equity	-	-/- 153,139
Net asset value as at 31 December	642,939	1,916,596
Funds loaned by third parties (4)		
Balance as at 1 January (incl. short-term)	225,000	-
Disbursements during fiscal year	-	225,000
Repayments during fiscal year	-/- 225,000	-
	-	225,000
Repayment obligation next fiscal year	-	-
Balance as at 31 December	-	225,000
The loan is repaid in 2023.		
Inventories		
Finished products (5)		
Refers to the available unsold inventory of previously completed projects.	-	-
Work in progress (6)		
Costs spent minus billed amounts of debit projects	3,241,023	2,915,159
A write-down amount of € 1,282,528 for inventories and work in progress is included in the profit and loss statement		
Raw materials and consumables (7)		
Refers to the stock of wood, sheet metal, hardware, metal sheets and profiles present as at 31 December	2,904	2,904

Financial Statements

Receivables and prepaid expenses	31-12-2023	31-12-2022
Projects in progress (8)		
Costs incurred, capitalised margins minus provision billed on projects in progress	2,636,171 -/- 2,272,756	37,786,035 -/- 35,673,283
	363,415	2,112,752
In the projects in progress as at 31 December 2023, € 0 of interest has been capitalised (2022: € 0).		
Affiliated companies (9)	58,456	6,283,535
This relates, in particular, to the funding of partnerships and these receivables are short-term in nature.		
Taxes and social security contributions (10)		
Corporate income tax	-	-
Social insurance	2,268	-
Social insurance	2,268	-
Other receivables and accruals (11)		
Licences/maintenance contracts software	221,661	200,984
Interest	112,968	-
Purchase bonuses	216,519	183,629
Insurance	117,508	62,244
Lease amounts	4,228	772
Miscellaneous accruals	144,020	132,156
	816,904	579,785
Cash and cash equivalents		
Free accounts	28,847,795	33,781,670
Deposit accounts	20,000,000	22,500,000
Blocked accounts	62,937	202,323
Total balance	48,910,732	56,483,993

LIABILITIES

Equity

The specification and statement of changes in equity, taking into account RJ 265, are included in the clarification of the corporate balance sheet.

Provisions (12)

	31-12-2023	31-12-2022
The provisions are predominantly long-term in nature.		
Provision for anniversary benefits		
Balance as at 1 January	87,905	81,811
Allocation/release current fiscal year	2,027	6,094
Balance as at 31 December	89,932	87,905
The provision is calculated actuarially every five years. This was done (for the last time) in 2020. The other years are subject to indexation, which also takes into account the growth of the workforce.		
Provision for negative value participating interests		
Balance as at 1 January	193,451	346,590
Additions	-/- 193,451	-/- 153,139
Capital deposits	-	-
Balance as at 31 December	-	193,451
Total provisions	89,932	281,356

Short-term debts

	31-12-2023	31-12-2022
Projects in progress (13)		
Costs incurred, capitalised margin minus provision	-/- 151,295,650	-/- 111,766,962
Billed on projects in progress	164,695,598	120,007,443
	13,399,948	8,240,481

In the projects in progress as at 31 December 2023, € 0 interest has been capitalised (2022: € 0).

The total of invoices yet to be received is € 13,399,948. The total of advances received is zero.

The total amounts withheld by principals from instalment invoice, if there is a formal notice of default, are equal to zero. The amount on capitalised expenses for services not yet performed if and to the extent that they are presented as part of construction contracts in progress is equal to zero.

Taxes and social security contributions (14)

	31-12-2023	31-12-2022
Sales tax	3,281,754	1,988,204
Payroll tax and contributions	444,707	1,204,846
Corporate tax	1,147,460	2,031,760
Social insurance	-	1,184
	4,873,921	5,225,994

Other receivables and accruals (15)

	31-12-2023	31-12-2022
Reservation of personnel-related costs	2,591,942	2,838,339
Reservation costs complaints	236,250	171,903
Accounting and consulting fees	63,000	55,350
Insurance	-	76,014
Interest	-	-
Miscellaneous accruals	248,186	311,912
	3,139,378	3,453,518

Plans and obligations not included in the balance sheet	31-12-2023	31-12-2022
Bank guarantees provided	11,979,865	16,625,772
Corporate guarantees provided	3,607,804	182,266
Lease obligations for fleet and printers		
Lease obligation for next fiscal year	1,792,975	1,704,430
Lease obligation for 2nd to 5th year after balance sheet date	2,807,099	2,075,076
Lease obligation after 5 years from balance sheet date	-	24
Rental obligations for housing		
Rental obligation for next fiscal year	1,120,465	921,563
Rental obligation for 2nd to 5th year after balance sheet date	3,882,050	1,356,077
Rental obligation after 5 years from balance sheet date	3,635,499	1,970,914
Software licences		
The liability for licences for the coming fiscal year amounts to	213,791	200,984
Contingent liabilities		
Rental obligation	-	-
Land acquisition obligation	-	-

The company is jointly and severally liable for the corporate income tax payments of Heembouw Bedrijfsruimten West B.V., Heembouw Amersfoort B.V., Heembouw Bedrijfsruimten Zuid B.V., Heembouw Wonen B.V., Heparck B.V., Heembouw Kantoren B.V., Heembouw Ontwikkeling Wonen B.V., Heembouw Ontwikkeling Bedrijfsruimten B.V., Heegro 3 B.V., West-End B.V., Heembouw Deelnemingen B.V., Heembouw Centrumplan B.V. and Heembouw Architecten B.V.

The company is jointly and severally liable for the payment of sales tax of Heembouw Bedrijfsruimten West B.V., Heembouw Amersfoort B.V., Heembouw Bedrijfsruimten Zuid B.V., Heembouw Wonen B.V. B.V., Heembouw Kantoren B.V., Heembouw Ontwikkeling Wonen B.V., Heembouw Ontwikkeling Bedrijfsruimten B.V.V., West-End B.V., B.V. and Heembouw Architecten B.V.

The company is jointly and severally liable for debts of Heembouw Bedrijfsruimten West B.V., Heembouw Amersfoort B.V., Heembouw Bedrijfsruimten Zuid B.V., Heembouw Wonen B.V. B.V., Heembouw Kantoren B.V., Heembouw Ontwikkeling Wonen B.V., Heembouw Ontwikkeling Bedrijfsruimten B.V., Heegro 3 B.V., West-End B.V., B.V. and Heembouw Architecten B.V. Within the scope of these 403 statements, these private companies are exempt from preparing their own financial statements.

HWO Deelnemingen B.V. is jointly and severally liable for the debts of VOF Rijndijk 86.

The credit facility is a committed overdraft with unchanged limit. The following collateral is provided for this credit facility: pledged business assets and receivables from construction contracts.

Affiliated companies

Transactions took place with the affiliated companies Heembouw Beheer B.V., Heevas B.V., Stellar Development C.V. and ARA (ALMELO) C.V. during the fiscal year. This consists of the provision of services and goods. The transactions are based on the cost-plus method with the exception of on-charging costs. These are charged at actual cost.

	31-12-2023	31-12-2022
<i>By affiliated companies to the Heembouw Group:</i>		
provision of services	2,639,603	3,079,290
<i>By the Heembouw Group to affiliated companies:</i>		
provision of services	555,675	356,615
provision of goods	29,678,807	33,972,006

Clarification of consolidated profit and loss statement

Heembouw Holding B.V. (amounts in €)

	2,023	2,022
Net turnover (16)*		
Commercial Property	121,774,000	164,308,000
Offices	28,778,000	33,666,000
Residential	69,973,000	80,811,000
Other	-	368,000
Sales produced	220,525,000	279,153,000
Other revenues	-	-
Total net turnover	220,525,000	279,153,000
The turnover was realised entirely in the Netherlands.		
* rounded to thousands of Euros		
Sum of operating expenses		
Wages and social charges (17)		
Wages and salaries	22,139,306	21,055,065
Social charges	3,339,546	3,019,823
Pension costs	2,083,438	2,053,622
	27,562,290	26,128,510
Staffing expressed in FTEs averaged in 2023: 283 (2022: 276) The composition was as follows:		
Construction site employees, including executives	67	68
Office employees	216	208
	283	276
Other operating expenses (18)		
House/office expenses*	3,191,314	3,213,321
Car expenses**	1,078,179	1,090,808
Other personnel costs	2,475,143	2,328,821
Other costs	1,417,207	1,151,944
	8,161,842	7,784,894

*the office expenses in 2023 include the amount of € 115,000 (2022: € 109,350) in audit fees for the examination of financial statements, and € 1,500 (2022: € 4,586) in fees for other non-audit advisory services performed by the audit firm.

**lease payments processed in the period amount to € 2,004,717 (2022: € 1,881,078). Some of the car expenses are allocated directly to works.

	2023	2,022
Interest income and similar income (19)		
Bank interest	-	-
Accounts receivable	-	-
Interest on receivable from affiliated company	-	-
Tax authority	438,391	237,661
Bank interest	-	-
	438,391	237,661
Interest charges and similar charges (20)		
Bank interest	-/- 1,117	-/- 171,642
Accounts receivable	-	-
Other	-	-
	-/- 1,117	-/- 171,642

Tax burden (21*)	2023		2,022	
	in €	in %	in €	in %
Nominal tax burden	3,027,103	41.0%	7,765,896	38%
Effect of fiscally non-deductible expenses	22,911	0.3%	21,362	0.1%
Other effects	477-	0.0%	37,874	0.2%
Effective tax burden	3,049,537	41.3%	7,825,132	37.7%

* The effective tax burden in 2023 is higher than 25.8% because (subject to VPB) result participation is not presented in the income before taxes. If this had been done, the effective tax burden would be 25.6%.

Remuneration of Directors and Supervisory Directors

In the reporting year, compensation to directors totalled € 872,472 (in 2022 € 889,464) and to supervisory directors it totalled € 116,750 (in 2022 € 110,500).

Events after the balance sheet date

No significant events occurred after the end of the fiscal year.

Corporate balance sheet

Heembouw Holding B.V. (amounts in €)

ASSETS	31-12-2023	31-12-2022
Intangible assets		
Software	594,404	617,952
Development costs	308,860	340,758
	903,264	958,710
Intangible assets		
Commercial building modifications	942,611	1,002,191
Machines and transport equipment	-	-
Tools and inventory	694,973	746,828
	1,637,584	1,749,019
Financial fixed assets		
Participating interests	1 9,624,169	24,145,298
Funds loaned by third parties	-	225,000
	9,624,169	24,370,298
Receivables and prepaid expenses		
Accounts receivable	336	2,756
Group companies	809,001	6,149,759
Taxes and social security contributions	226,312	261,147
Other receivables and accruals	734,334	463,251
	1,769,983	6,876,913
Cash and cash equivalents	38,150,864	9,112,078
	52,085,864	43,067,018

Financial Statements

LIABILITIES		31-12-2023	31-12-2022
Equity			
Share capital	2	441,000	441,000
Share premium reserve	3	2,779,670	2,779,670
Statutory reserve	4	941,503	2,247,058
General reserve	5	22,646,505	12,447,875
Result current fiscal year		8,880,862	23,093,074
		35,689,539	41,008,678
Provisions			
Anniversary benefits		89,932	87,905
		89,932	87,905
Short-term debts			
Work in progress		-	138,352
Accounts payable		246,747	166,273
Group companies	6	15,472,297	147
Affiliated companies		6,284	-
Taxes and social security contributions		385,812	1,316,847
Pensions		-	-
Other receivables and accruals		195,252	348,816
		16,306,393	1,970,435
		52,085,864	43,067,018

Corporate profit and loss statement

Heembouw Holding B.V. (amounts in €)

	2,023	2,022
Share of profit of companies in which it has a participating interest	9,406,069	23,927,198
Other income and expenses after taxes	525,207	-/- 834,123
Income after taxes	8,880,862	23,093,074

Clarification of the corporate financial statements

Heembouw Holding B.V. (amounts in €)

The corporate valuation principles are the same as the consolidated valuation principles. To clarify the corporate balance sheet and profit and loss statement, refer to the clarification of the consolidated balance sheet and profit and loss statement. Additionally, here are a few other specifications.

ASSETS	31-12-2023	31-12-2022
Financial fixed assets		
Participating interests in other related companies (1)		
Net asset value as at 1 January	24,145,298	19,368,352
Distribution of dividend	-/- 23,927,198	-/- 19,150,252
	218,100	218,100
Result of participating interests	9,406,069	23,927,198
deposit of share capital	-	-
Change in provision related to negative equity	-	-
Net asset value as at 31 December	9,624,169	24,145,298

Financial Statements

LIABILITIES	31-12-2023	31-12-2022
Equity Share capital (2)		
Registered capital of which not issued	2,000,000 -/- 1,559,000	2,000,000 -/- 1,559,000
	441,000	441,000
The issued capital consists of 882 ordinary shares at € 500.		
Share premium reserve (3)		
Balance as at 31 December	2,779,670	2,779,670
Refers to the amount paid in excess of par value on the share capital.		
Statutory reserve (4)		
Balance as at 1 January	2,247,058	6,160,573
Capitalised development costs	203,363	358,208
Amortisation of development costs	-/- 235,261	-/- 17,450
Income from participating interests	4,539,372	10,031,997
Dividend paid	-/- 5,813,029	-/- 14,286,270
Balance as at 31 December	941,503	2,247,058

The statutory reserve relates to the undistributed profit of the participating interests in which Heembouw no longer has a controlling interest and therefore cannot effect distributions from these assets without restrictions. In addition, there is a statutory reserve for capitalised development costs.

	31-12-2023	31-12-2022
General reserve (5)		
Balance as at 1 January	12,447,875	9,382,354
Payment of final dividend for previous fiscal year	-/- 10,400,000	-/- 11,364,000
Payment of interim dividend	-/- 3,800,000	-/- 8,000,000
Change in statutory reserve retained earnings from participating interests	1,273,657	4,254,273
Change in statutory reserve capitalised development costs	31,898	-/- 340,758
Addition to profit previous fiscal year	23,093,075	18,516,006
Balance as at 31 December	22,646,505	12,447,875
Group companies (6)	15,472,297	147

This relates in particular to funds of the group companies which are managed at Holding level through savings products.

Result appropriation

The result for fiscal year 2023 at € 8,880,862 is available to the general meeting in accordance with the provisions of the Articles of Association.

The management proposes to add the results of the fiscal year in the amount of € 8,880,862 to the general reserve.

Other data

Statutory provision regarding profit appropriation

Article 27 of the by-laws states:

The general meeting is authorised to appropriate profits determined by the adoption of the financial statements, as well as to determine distributions from profits or reserves to the extent that equity exceeds the reserves that must be maintained by law.

Roelofarendsveen, 6 March 2024

Management:

L.J. Heddes R.P.M. van Oostrom

Supervisory Board:

J.G. Blokhuis P.J. Lammertink M.A.P. Huysmans G.A. Witzel

Independent auditor's report

To: the shareholders and supervisory board of Heembouw Holding B.V.

Statement on the financial statements included in the 2023 annual report

Our opinion

We have audited the 2023 financial statements of Heembouw Holding B.V. in Roelofarendsveen. The financial statements include consolidated and statutory financial statements.

In our opinion, the financial statements included in this annual report give a true and fair view of the financial position of Heembouw Holding B.V. as at 31 December 2023 and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements consist of:

1. the consolidated and statutory balance sheet as at 31 December 2023;
2. the consolidated and statutory profit and loss statement for 2023; and
3. the clarification containing a summary of the financial reporting principles and other disclosures.

The basis for our opinion

We conducted our audit in accordance with Dutch law, which also includes the Dutch auditing standards. Our responsibilities hereunder are described in the section titled "Our responsibilities for the audit of the financial statements".

We are independent of Heembouw Holding B.V. as required by the Dutch Accounting Firms (Supervision) Act (Wta), the Regulation on the Independence of Auditors in Assurance Engagements (ViO) and other independence rules in the Netherlands relevant for the engagement. Furthermore, we have complied with the Regulation on Auditors' Conduct and Professional Rules (VGBA).

We believe that the audit information we have obtained is sufficient and appropriate as a basis for our opinion.

Information supporting our opinion

We determined our audit procedures in the context of the financial statement audit as a whole and in forming our opinion thereon.

The information below in support of our opinion should be considered in that context and not as separate opinions or conclusions.

Auditing approach - continuity

Management has prepared the financial statements assuming continuity of operations for the period up to and including at least 12 months after the financial statements are prepared. Our work to evaluate the board's continuity assessment includes:

- consider whether the board's continuity assessment contains all relevant information known to us as a result of our audit, question the board on key assumptions and starting points. We have, among other things, paid attention to risks on projects in progress commissioned by third parties, any onerous contracts, the order portfolio and potential litigation and legal disputes. In addition, we assessed the current financial health of the company at the time our audit opinion was issued.
- verify whether the board has identified events or circumstances that may cast reasonable doubt on the entity's ability to maintain its continuity (hereinafter referred to as: continuity risks);
- evaluate budgeted operating results and related cash-flows for the period up to and including at least twelve months from the date of preparation of the financial statements, taking into account developments in the industry such as increased (mortgage) interest rates, inflation, the expiration of the construction exemption nitrogen as a result of the ruling of the Council of State on 2 November 2022, the general economic expectations in the Netherlands and our knowledge from the audit;
- Analyse whether the current and necessary financing is secured to be able to continue the entire business operation, including compliance with relevant agreements;
- inquire with the board about its knowledge of any continuity risks beyond the period of the continuity assessment conducted by the board.

Our audit procedures did not reveal any information that conflicts with the board's assumptions and premises about the continuity assumption used.

Audit approach of fraud risks

We tested the inherent risks identified by us for the presence and, where applicable, we assessed it for material misstatements in the financial statements resulting from fraud. During our audit, we obtained an understanding of the entity and its environment, the components of the internal control system, including the risk assessment process and the manner in which management responds to fraud risks and monitors the internal control system, and the manner in which the supervisory board exercises oversight, as well as the results thereof.

We evaluated the design and relevant aspects of the internal control system and, in particular, the fraud risk analysis as well as, for example, the code of conduct, whistle-blower policy and incident recording. We evaluated the design and existence, and to the extent we considered necessary, the operation of internal control measures aimed at mitigating fraud risks.

As part of our process for identifying risks of material misstatement of the financial statements resulting from fraud, we considered fraud risk factors related to fraudulent financial reporting, improper appropriation of assets and bribery and corruption. We evaluated whether these factors were indicative of the presence of the risk of material misstatement due to fraud.

We integrate an element of unpredictability in our audit. We also reviewed the outcome of other audit procedures and considered whether there were any findings indicative of fraud or non-compliance with laws and regulations.

We took note of the available information and requested information from members of the management and supervisory boards.

The fraud risks generally identified by us and specific work performed are as follows:

Fraud risk

Generally, the management of organisations is inherently in a unique position to commit fraud because it can, from its role within the organisation, influence administrative records and financial statements by breaching internal control measures that otherwise appear to operate effectively.

Therefore, in all our audits, we pay attention to the risk of breach of internal control measures by management for:

- Journal entries and other adjustments made during the preparation of the financial statements;
- Estimates and estimation processes with respect to construction contracts in progress on behalf of third parties;
- Any significant transactions beyond the framework of the ordinary course of business

Audit activities and observations

We evaluated the design and existence of internal control measures in the processes for generating and processing journal entries and making estimates, assuming a risk of breach of that process. We have reviewed the process surrounding the preparation of financial reports and, in particular, evaluated the design and implementation of the internal control measures surrounding estimates. We have also given specific attention to the access safeguards in the IT-system and the possibility for separation of functions can be included in this.

are overcome.

We selected journal entries based on risk criteria, such as journal entries in revenue recognition and transfers between projects in progress on behalf of third parties. This was subject to audit work during which we also considered significant transactions beyond the ordinary course of business.

In addition, we performed audit work on significant estimates made by the management, including the valuation of projects in progress on behalf of third parties.

Our work did not reveal any specific indications of fraud or suspicions of fraud with respect to the breach of internal control by Heembouw's management.

Fraud risk

The management makes estimates of the progress and expected outcome on projects in progress on behalf of third parties. Due to the inherent subjectivity and uncertainty surrounding these estimates, as well as the impact of such an item on the financial statements as a whole, there is an inherent risk of fraudulent financial reporting as a result of misstatement of projects in progress on behalf of third parties.

This includes projects carried out by companies within the scope of consolidation as well as projects carried out in non-consolidated participating interests (partnerships with third parties). In our fraud risk analysis, we assume that the inherent fraud risk in revenue recognition may be reflected primarily in the valuation and income recognition on projects in progress.

Audit activities and observations

We evaluated the design and implementation of internal controls around estimates on construction contracts as well as the proper recording of project costs and project revenues. We have performed work on the possible trends in management's estimate of outstanding costs and expected project revenues. We performed an analysis by comparing the most recently available post-balance sheet projections with the project budgets, estimates from previous periods and costs incurred up to the financial statement preparation date. We have identified and estimated opportunities and risks on projects in progress and evaluated the effect on the valuations as of the balance sheet date. We have included both the opportunities and risks identified by Heembouw Holding B.V. and the (potential) opportunities and risks we have identified ourselves. In doing so, we have paid increased attention to projects with above-average complexity characteristics, such as contracts with contingent or variable project revenues, multiple and potentially separable or, on the contrary, combinable performance obligations, and projects implemented in collaborative arrangements with third parties.

We visited several projects on site to assess their existence and progress. We performed a retrospective review of the quality of management's estimates from prior years. We cross-checked the revenue incorporated in the projections with contracts signed by clients, including any additional work. In our audit, we tested the effective functioning of the internal controls that ensure that the primary recording of costs on the correct projects. In addition, we performed an audit of journal entries making transfers between projects in progress on behalf of third parties.

Projects with outcomes that differed from expectations or, in our judgement, required additional attention in our audit for other reasons, we investigated in depth and discussed them with various relevant officials within the organization, both finance and administration officials and members of the project team and management

Our work did not result in any specific indications of fraud or suspicions of fraud with respect to the risk of erroneous financial reporting around project valuations.

Statement on other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report includes other information, which consists of:

- The 2023 management report;
- Key figures;
- Message on behalf of the Supervisory Board on 2023;
- Joint Works Council report 2023;
- Innovation and Technology
- Heembouw and CSRD;
- the other data.

Based on the work below, we believe that the other information:

- consistent with the financial statements and does not contain material misstatements;
- contains all the information required by Title 9 Book 2 of the Dutch Civil Code.

We read the other information and, based on our knowledge and understanding obtained from the financial statement audit or otherwise, considered whether the other information contained material misstatements.

Our work complies with the requirements of Title 9 Book 2 of the Dutch Civil Code and the Dutch Standard 720. This work does not have the same depth as our audit work on the financial statements.

The management is responsible for the preparation of the other information, including the management report and other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities related to the financial statements

Responsibilities of the management and supervisory board for the financial statements

Management 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, management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to error or fraud.

In preparing the financial statements, management must consider the ability of the company to continue its activities. Under said reporting system, management must prepare financial statements on a going concern basis unless management intends to liquidate the company or cease operations or if termination is the only realistic alternative. Management must disclose in the financial statements events and circumstances that might create reasonable doubt about whether the company can continue its business activities.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement so as to obtain sufficient and appropriate audit evidence for the opinion we are to express.

Our audit was conducted with a high but not absolute level of assurance which means that we may not detect all material errors and fraud during our audit.

Misstatements may arise as a result of fraud or error and are material if they could reasonably be expected to affect, individually or collectively, the economic decisions that users make on the basis of these financial statements. Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We conducted this audit with professional scrutiny and applied professional judgement where relevant in accordance with Dutch auditing standards, ethical rules and independence requirements. Our audit included:

- identifying and estimating the risks that the financial statements contain material misstatements due to error or fraud, determining and performing audit procedures in response to those risks, and obtaining audit information that is sufficient and appropriate to provide a basis for our opinion. In case of fraud, the risk of not detecting a material misstatement is greater than with errors. Fraud may involve collusion, forgery, intentional failure to record transactions, intentional misrepresentation or breach of internal controls;
- obtaining an understanding of internal control relevant to the audit for the purpose of selecting audit procedures that are appropriate in the circumstances. The purpose of this work is not to express an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of the accounting policies used, and evaluating the reasonableness of estimates made by management and the related disclosures in the financial statements;
- determining that the going concern assumption used by management is acceptable. Also determining, based on the audit evidence obtained, whether there are events and circumstances that might raise reasonable doubt as to whether the company can continue its business activities. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the relevant related disclosures in the financial statements. If the disclosures are inadequate, we must amend our statement. Our conclusions are based on the audit evidence obtained up to the date of our audit opinion. However, future events or circumstances may cause a company to be unable to maintain its continuity;
- evaluating the presentation, structure and content of the financial statements and the disclosures contained therein; and
- evaluating whether the financial statements present fairly the underlying transactions and events.

Given our ultimate responsibility for judgement, we are responsible for directing, supervising and conducting the group audit. Within this framework, we determined the nature and scope of the work to be performed for the group entities. The size and risk profile of the group units or activities are decisive here. Based on this, we selected the group entities in which an audit or review of the complete financial information or specific items was required.

We communicate with the Supervisory Board, among other things, on the planned scope and timing of the audit and on the significant findings that emerged from our audit, including any significant deficiencies in internal control.

The Hague, 6 March 2024

On behalf of BDO Audit &

Assurance B.V.,

Dr. M. Wijnans RA MFSFME

GRI Content Index

GRI Standard #	Disclosure	Chapter / clarification (Page)	Omission / clarification of 2023 annual report
GRI 1			
Declaration of use	Heembouw Holding B.V. reports the information in this GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI standards.		
Used GRI 1	GRI 1: Foundation 2021		
GRI 2 - General disclosures			
Organisation profile and reporting			
2-1	Organisation details	Principles of consolidation, valuation and determination of earnings- General Governance	
2-2	Entities in reporting	Principles of consolidation, valuation and determination of earnings - General	Entities in financial reporting are the same as entities in sustainability information.
2-3	Reporting period, frequency and contact person	a/b. Principles - General (prepared annually). c. Other information (signature) d. Colophon	
2-4	Error recovery of information	Principles of consolidation, valuation and determination of earnings - General	There is no error recovery in the 2023 annual report.
2-5	External assurance	Independent auditor's report	No assurance has been provided on this annual report with respect to the non-financial information. BDO Audit & Assurance B.V. has issued an audit opinion on the financial statements and other information included in the annual report. (financial statements audit opinion)
Activities and employees			
2-6	Activities, value chain and other business relationships	a. Principles of consolidation, valuation and determination of earnings - General b/c/d. Customer groups in 2023. How do we add value?	

2-7	Staff	<p>a. Man and society - Male/female ratio</p> <p>b. Man and society - Staffing, inflow and turnover</p> <p>c. Man and society - Staffing, inflow and turnover & Male/female ratio d/e. Man and society (entire chapter)</p>	<p>a. All employees work in the Netherlands and therefore not split by geographic region</p> <p>b. Only the key figures most relevant to Heembouw are presented. The proposed cross sections according to GRI 2-7 are not among them.</p> <p>c. Employee data based on headcount presented.</p>
2-8	Temporary and contract workers		The impact of hiring and temporary workers in the total employee population is limited. Accordingly, no further explanation was given here.
Governance			
2-9	Governance structure and composition	Governance of the organization and Board of Commissioners Governance	
2-10	Determination and selection of highest governance body	<p>Message on behalf of the Board of Commissioners on 2023</p> <p>-</p> <p>Man and society - Diversity and inclusion & male/female ratio</p>	
2-11	Seat of the highest governance body	Principles of consolidation, valuation and determination of earnings - General	
2-12	Role of the highest governance body in overseeing impact management	Environment and surroundings, management report strategy management report financial policy and risk management	
2-13	Delegating impact management	Environment and surroundings	
2-14	Role of the highest governance body in sustainability reporting	2023 Management report	
2-15	Conflict of interest	Environment and surroundings	There is no formalized process for preventing, detecting and mitigating conflicts of interest in terms of Heembouw's sustainability ambitions.
2-16	Communication about critical concerns	<p>Man and society - Man and society</p> <p>- HSE incidents</p> <p>Management report - financial policy and risk management</p> <p>Governance code of conduct and whistle-blower policy</p>	
2-17	Collective knowledge of the highest governance body	Environment and surroundings & governance of the organisation	

2-18	Evaluation of the performance of the highest governance body	Message on behalf of the Supervisory Board on 2023	The results of the Supervisory Board's evaluation of management are not reported.
2-19	Compensation policy	Remuneration of Directors and Supervisory Directors	Compensation policy is not reported.
2-20	Process to determine remuneration		Compensation policy is not reported.
2-21	Annual remuneration ratio	Management report - value creation model good employment practice	The annual remuneration ratio is not reported
Strategy, policy and practices			
2-22	Sustainability strategy statement	Strategy, Heembouw and CSRD and Management Report 2023	
2-23	Policy commitments	Strategy and Heembouw and CSRD	
2-24	Embedding policy commitments	Strategy and Heembouw and CSRD	
2-25	Processes to repair negative impacts	Strategy and Heembouw and CSRD	
2-26	Mechanisms for seeking advice and naming concerns	Human capital - HSE incidents Governance code of conduct and whistle-blower policy	
2-27	Complying with laws and regulations	Governance	There are no material instances of non-compliance during the reporting year.
2-28	Association memberships	Colophon	
Stakeholder engagement			
2-29	Approaching stakeholders	Heembouw and CSRD-stakeholder table	
2-30	Collective bargaining agreements	Human capital - Staffing, inflow and turnover	
GRI 3 - Material topics			
3-1	Process to determine material themes	Management report - Strategy Heembouw and CSRD material issues	
3-2	List of material themes	Management report - Strategy Heembouw and CSRD material issues	
Material themes			
3-3	Customers	Management report - Customer groups in 2023 & how we add value Man and society - Customers and end users	
Own indicator	Average customer rating	Management report strategy Man and society: customers and end users	
Own indicator	NPS-score	Management report strategy Man and society: customers and end users	

3-3	People	Management report 2023 Man and society	
Own indicator	Employee engagement	Management report 2023 Man and society	
Own indicator	Employee engagement	Management report 2023 Man and society	
3-3	Surroundings	Management report 2023 Environment and surroundings	
Own indicator	MPG-score	Management report 2023 Environment and surroundings	
Own indicator	Nature-inclusive design and construction	Management report 2023 Environment and surroundings	
Own indicator	Emission reduction on, from and to the construction site	Management report 2023 Environment and surroundings	
Own indicator	Construction site plastic waste reduction	Management report 2023 Environment and surroundings	

Colophon

Heembouw Holding B.V. has its registered office in Roelofarendsveen, De Lasso Zuid 22, 2371 EW in Roelofarendsveen and forms the Heembouw Group with its various operating companies. The Group's objective is to develop, design, contract and execute construction works.

Heembouw Group is a member and/or partner of, among others: Bouwend Nederland | Dutch Green Building Council (DGBC) | Duurzaam Gebouwd | FSC Nederland | Bewuste Bouwers | Woningbouwers.nl | Archined | Branchevereniging Nederlandse Architectenbureaus (BNA)

For questions regarding this report, please contact the management of the organisation.

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