



Agenda and Notes

to the Annual General Meeting
of 18 April 2018

Agenda

of the Annual General Meeting, to be convened on Wednesday 18 April 2018 at 3 p.m.
at the Postilion Hotel, Kosterijland 8, 3981 AJ Bunnik, the Netherlands.

1. Opening, notifications and announcements.
2. Report of the Supervisory Board for the financial year 2017:
 - a. General report (*for discussion*);
 - b. Application of the remuneration policy regarding 2017 (*for discussion*).
3. Report of the Executive Board for the financial year 2017 (*for discussion*).
4. Adoption of the 2017 financial statements (*for resolution*).
5. Adoption of the dividend over the financial year 2017 (*for resolution*).
- 6 Discharge:
 - a. Discharge of the members of the Executive Board for their management in the financial year 2017 (*for resolution*);
 - b. Discharge of the members of the Supervisory Board for their supervision of the management performed by the Executive Board in the financial year 2017 (*for resolution*).
7. Corporate Governance:
 - a. Implementation of the new Corporate Governance Code (*for discussion*);
 - b. Amendment of the profile of the Supervisory Board (*for discussion*).
8. Composition of the Executive Board.
Re-appointment of Mr E.J. Bax as member of the Executive Board (*for resolution*).
9. Confirmation of the Executive Board's authorisation to:
 - a. Issue respectively grant rights to acquire ordinary shares and cumulative preference shares F (*for resolution*);
 - b. Restrict or exclude pre-emptive rights upon issuing respectively granting rights to acquire ordinary shares (*for resolution*).
10. Authorisation for the Executive Board to have the Company acquire ordinary shares in the Company's capital (*for resolution*).
11. Re-appointment of Ernst & Young Accountants LLP as external auditor responsible for auditing the 2019 financial statements (*for resolution*).
12. Any other business.
13. Closing the meeting.

For this meeting, the persons entitled to attend the meeting and/or vote in connection with the shares are those who have the relevant rights and are registered as such in a register or sub-register designated by the Executive Board by Wednesday 21 March 2018 at 6 p.m. (the Registration Date and Time), after clearance of all credit and debit transactions. For holders of shares to bearer, the designated register or sub-register is the administrative systems of the intermediaries as set out in the Securities Giro Transactions Act as at the Registration Date and Time. The designated register for the holders of shares registered to name is the Company's shareholder register as at the Registration Date and Time.

Holders of shares to bearer and persons entitled to attend the meeting based on these shares and intend to attend the meeting, may register for attendance. Registration is possible from Thursday 22 March 2018 with ABN AMRO Bank N.V. (hereafter referred to as ABN AMRO), on +31 (0)20 344 20 00, via the intermediary where the relevant shares are administered. Alternatively, you can register at www.abnamro.com/evoting. Upon registration, the full address details of holders of shares to bearer and persons entitled to

attend the meeting must be submitted. This ensures that ABN AMRO is able to efficiently verify the shareholdership at the Registration Date and Time. Also, upon registration, a confirmation from the intermediary involved must be submitted, stating the number of shares to be represented at the meeting, and confirming that the shareholder owned these shares at the Registration Date and Time. The registration and confirmation must be received by ABN AMRO latest by Wednesday 11 April 2018 at 5 p.m. Holders of shares to bearer and persons entitled to attend the meeting who have registered accordingly will be sent an entry ticket by email or by post. This entry ticket serves as proof that the person involved is entitled to attend the meeting. If holders of shares to bearer and persons entitled to attend the meeting based on these shares wish to be represented by a proxy holder, this written proxy must also be submitted upon registration.

Shareholders, proxies or other persons entitled to attend the meeting must be able to provide proof of identity upon arrival. In order to be admitted to the meeting, they must also show the afore-mentioned entry ticket.

Item 1

Opening, notifications and announcements.

in nature, BAM has added back this item for the dividend payout calculation. Therefore, BAM proposes a dividend of €0.10 per ordinary share for 2017 (2016: €0.09) which equates to a payout ratio of 50 per cent of the adjusted net result.

Item 2

Report of the Supervisory Board for the financial year 2017.

a. General report.

This agenda item includes the discussion of the report of the Supervisory Board. Please refer to page 114 and onwards in the integrated report.

Based on the number of ordinary shares outstanding as at year-end 2017, a maximum of €27.3 million will be paid out as dividend on ordinary shares. The dividend yield on ordinary shares amounts to 2.6 percent based on the dividend proposal and the 2017 closing price of the BAM shares. The ex-dividend date is set on 20 April 2018, and the record date, after clearance of all credit and debit transactions of that date, is 23 April 2018.

b. Application of the remuneration policy regarding 2017.

In accordance with Dutch legislation, the application of the remuneration policy regarding 2017 will be discussed. Please refer to the 2017 remuneration report on page 124 and onwards in the integrated report. A specification of the remuneration as referred to in Articles 2:383 c through 2:383 e of the Dutch Civil Code is included in the Notes to the balance sheet of the 2017 integrated report.

Shareholders will be given the choice between cash or ordinary shares. If a shareholder does not opt for ordinary shares, the dividend will be paid out in cash.

The decision period for dividend in ordinary shares starts on 24 April 2018 and ends on 9 May 2018. The dividend will be paid out in cash, unless the shareholder explicitly requested to receive ordinary shares during the decision period. The resolution of the General Meeting to distribute the dividend also involves the resolution to issue a number of ordinary shares in order to pay out the required amount of dividend in shares, and, in addition, involves the resolution to exclude the pre-emptive right relating to such shares. The implementation of the resolution will be delegated to the Executive Board.

Item 3

Report of the Executive Board for the financial year 2017.

This agenda item includes the discussion of the report by the Executive Board. Please refer to page 8 and onwards in the integrated report. The Executive Board will give a presentation on developments and performance in 2017.

The conversion ratio will be determined by the Executive Board on 9 May 2018 after the Stock Exchange closes, based on the volume-related weighted average of the share price of the last three trading days of the decision period for cash, i.e. 7, 8 and 9 May 2018. Both the cash dividend and the stock dividend will be made available to the holders of ordinary shares on 16 May 2018, after settlement of fractions in cash. The stock dividend value will be equal to that of the cash dividend (apart from any rounding differences). Such new ordinary shares are eligible for dividend payments on 2018 and subsequent financial years.

Item 4

Adoption of the 2017 financial statements.

It is proposed to adopt the 2017 financial statements which are included in the integrated report on page 146 and onwards.

Item 5

Adoption of the dividend over the financial year 2017.

BAM aims for a predictable dividend based on its policy to pay out a dividend on ordinary shares amounting to 30 to 50 per cent of the net result. When preparing the dividend proposal, the Company takes the balance sheet structure into consideration to support both the strategic agenda 'Building the present, creating the future' and the shareholders' interests. BAM's net result for 2017 of €12.5 million included a charge of €40 million for the impairment of deferred tax assets. Since this item is one-off, non-operational and non-cash

The stock dividend will be paid from the share premium reserve and is therefore exempt from withholding tax. The cash dividend is paid from the net profit, deducting 15 percent dividend tax. In so far the net result is not sufficient for the cash dividend, the dividend will be paid out of the free distributable reserves. Any remainder of the net result will be added to the retained earnings.

The shares issued as stock dividend are admissible for trade without a prospectus, such in accordance with Section 5:4 (e) of the Financial Supervision Act.

The Company shall neutralise the dilution effect of the stock dividend by buying back an equal number of ordinary shares as will be issued to deliver the stock dividend.

Item 6

Discharge.

a. Discharge of the members of the Executive Board for their management in the financial year 2017.

The General Meeting is requested to grant discharge to the members of the Executive Board. Discharge concerns all liability in relation to the exercise of their duties in the financial year 2017, to the extent that such exercise is apparent from the management report, the annual financial statements, announcements during the General Meeting or other public disclosures prior to the adoption of the 2017 financial statements. The discharge is granted to persons who held the position of Executive Board member of the Company in the financial year 2017.

b. Discharge of the members of the Supervisory Board for their supervision of the management performed by the Executive Board in the financial year 2017.

The General Meeting is requested to grant discharge to the members of the Supervisory Board. Discharge concerns all liability in relation to the exercise of their duties in the financial year 2017, to the extent that such exercise is apparent from the management report, the annual financial statements, announcements during the General Meeting or other public disclosures prior to the adoption of the 2017 financial statements. The discharge is granted to persons who held the position of Supervisory Board member of the Company in the financial year 2017.

Item 7

Corporate Governance.

a. Implementation of the new Corporate Governance Code.

On 8 December 2016 the Monitoring Committee Corporate Governance Code published an updated version of the Dutch Corporate Governance Code, which subsequently came into force as of 1 January 2017. Companies are recommended to submit to the General Meeting the outline of its corporate governance structure and compliance with this code. BAM complies with the principles and best practises of this code. A Corporate Governance Compliance Overview has been published on BAM's website, providing transparency on how BAM complies with the code. At the meeting shareholders will be given the opportunity to discuss this topic.

b. Amendment of the profile of the Supervisory Board.

In conformance with Article 2:158(3) of the Dutch Civil Code, any change to the profile of the Supervisory Board must be discussed with the General Meeting and with the works council. The Central Works Council has indicated that they had no comments regarding the changes to the profile. The changes to the profile relate particularly to the required experience and expertise in the construction industry and in the field of information technology and digital innovation and the related organisational transformation. Please refer to the draft profile, which is included as an appendix to the agenda. At the meeting shareholders will be given the opportunity to discuss the profile.

Item 8

Composition of the Executive Board.

Re-appointment of Mr E.J. Bax, MBA as a member of the Executive Board.

As his four-year term of office expires, Mr E.J. Bax will step down as member of the Executive Board after closure of the General Meeting of 18 April 2018.

The Supervisory Board proposes Mr E.J. (Erik) Bax (1957) to be reappointed by the General Meeting as a member of the Executive Board for a period of one year, ending at the Annual General Meeting of April 2019. This proposal is non-binding and supported by the Central Works Council.

Mr Bax has informed the Supervisory Board that he wishes to explore other opportunities and would therefore not seek re-appointment as member of the Executive Board for four years. Reappointment for one year ensures continuity and a smooth transition of responsibilities, also in light of Mrs T. (Thessa) Menssen stepping down from the Executive Board effective 1 July 2018, as previously announced.

In his role as member of the Executive Board and COO of BAM, Mr Bax has among other things contributed to the development and implementation of the Back in Shape programme, the strategic agenda and the tender stage gate process. He also played an important role in the improvement of working capital. Before joining BAM, Mr Bax was managing director for Europe at CRH, the international leader for production and distribution of building materials. He joined CRH in 1984 and subsequently fulfilled various operational and commercial positions at different business units of CRH and later on a number of positions in CRH's senior management, including member of CRH's Executive Committee. He studied 'Engineering, Building & Construction' at the institute of technology in Tilburg and obtained an MBA at Erasmus University Rotterdam and Georgia State University in Atlanta, USA.

Mr Bax has the Dutch nationality and is 60 years of age. He does not hold any shares in the equity of Royal BAM Group nv.

The most important elements of the management services contract of Mr Bax have been published on the Company's website.

Item 9

Confirmation of the Executive Board's authorisation to:

a. Issue respectively grant rights to acquire ordinary shares and cumulative preference shares F.

The General Meeting is requested to designate the Executive Board for the duration of an 18-month period starting on 18 April 2018 as the body authorised to issue of and/or grant rights to acquire ordinary shares and/or cumulative preference shares F (as treasury shares) up to a maximum of 10 per cent of the number of ordinary shares and cumulative preference shares outstanding at the time of the General Meeting; such subject to the Supervisory Board's approval.

The reason this authorisation is requested is not that the Company has a specific purpose in mind, but rather that this enables the Company to act quickly if an event so requires.

If the authorisation is granted, it will replace the authorisation granted by the General Meeting on 19 April 2017.

Based on discussions with shareholders, the aforementioned request is limited to 10 per cent of the number of outstanding shares, which is different from the past when the request included an additional 10 per cent in case of a merger, takeover or strategic partnership.

b. Restrict or exclude pre-emptive rights upon issuing respectively granting rights to acquire ordinary shares.

The General Meeting is requested to designate the Executive Board for the duration of an 18-month period starting on 18 April 2018 as the body authorised to exclude respectively restrict the pre-emptive rights upon issuing of and/or granting rights to acquire ordinary shares up to a maximum of 10 per cent of the number of ordinary shares and cumulative preference shares outstanding at the time of the General Meeting, such subject to the Supervisory Board's approval.

The reason this authorisation is requested is that this enables the Company in combination with the authorisation under item 9a, to act quickly if an event so requires.

Item 10

Authorisation for the Executive Board to have the Company acquire ordinary shares in the Company's capital (treasury shares).

The General Meeting is requested to authorise the Executive Board for the duration of an 18-month period starting on 18 April 2018 and within the limits of relevant legislation and subject to the Supervisory Board's approval, either on the Stock Exchange or privately, to acquire ordinary shares in the Company's capital up to a maximum of 10 per cent of the capital issued on the day of acquisition, at a price between 0 and 10 per cent above the average closing price of the shares on Euronext Amsterdam during the five trading days immediately prior to the acquisition date of the shares.

This authorisation enables the Company to acquire ordinary shares to neutralise the dilution effect of the issue of stock dividend as mentioned under item 5 or to fulfil its obligations deriving from share plans.

If the authorisation is granted, it will replace the authorisation granted by the General Meeting on 19 April 2017.

Item 11

Re-appointment of Ernst & Young Accountants LLP as external auditor responsible for auditing the 2019 financial statements.

The General Meeting is requested to re-appoint Ernst & Young Accountants LLP as the external auditor responsible for auditing the 2019 financial statements.

As part of its consideration of the 2017 Integrated Report, including the Financial Statements, the Supervisory Board assessed the relationship with the external auditor, based on a report from the Executive Board and the evaluation and recommendation of the Audit Committee. The Audit Committee stated that its recommendation is free from influence by a third party and that no clause of a contract as referred to in article 16 par. 6 of the EU regulation No 537/2014 restricts the resolution of the General Meeting. Based on this assessment, the Supervisory Board's experience with the external auditor and the external auditor's expertise with regard to the construction industry in general and Royal BAM Group in particular, the proposal to the General Meeting is to reappoint Ernst & Young Accountants LLP as external auditor responsible for auditing the 2019 financial statements of Royal BAM Group.

Item 12

Any other business.

Item 13

Closing the meeting.

Royal BAM Group nv
Runnenburg 9
3981 AZ Bunnik
P.O. Box 20
3980 CA Bunnik
The Netherlands
Telephone +31 (0)30 659 89 88
info@bam.com
www.bam.com

Established at Bunnik.
Trade register number 30058019.

Layout:
Boulogne Jonkers Vormgeving, Zoetermeer, the Netherlands.

Printing:
Veenman+, Rotterdam, the Netherlands.

Cover:
Futurium, Berlin. BAM Deutschland.

Printed on FSC®-certified paper, Multiart Sil from Papyrus.



Follow us on

