Royal Heijmans N.V.

Biodiversity & Ecosystems in relation to Heijmans

Vision and Policy

2025

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1. Introduction

We are, as the business community — and certainly as the construction sector — at a crucial point in the transition to nature-positive business. Over the past century, the construction sector has been a major driver of innovation and economic growth, contributing to a higher standard of living, better housing, high-quality infrastructure and the transition to a more sustainable energy supply. At the same time, this growth has also driven a worldwide decline in biodiversity. Society — and Heijmans — is becoming increasingly aware of biodiversity loss and the risks that further decline poses to society, the economy and businesses.

Heijmans' sustainability strategy therefore rests on three pillars: Climate, Water and Biodiversity. We consider biodiversity an integral and essential part of our sustainability strategy. Healthy nature and biodiversity are a prerequisite for economic activity and therefore for our continuity as a business. In addition, biodiversity, in conjunction with climate and water, plays a crucial role in improving the living environment — with the ambition of leaving it better than we found it. This is something Heijmans set out as a bold statement in its "Together towards 2030" vision, drawn up in May 2024.

We also recognise that, within our projects, operations, material choices, value chains and other business activities, our impact on biodiversity and ecosystems is not yet addressed in a sufficiently structured way. Our dependencies and the associated risks have also not yet been fully mapped. Nor are we yet fully seizing the opportunities to deliver a net positive impact on biodiversity, ecosystems and our natural environment.

To reduce our impact on biodiversity, map dependencies, avoid risks and seize opportunities, Heijmans is developing policies to align our strategy and business model with relevant local, national and international objectives. These include, among others, the objectives of the Kunming–Montreal Global Biodiversity Framework and the recently adopted EU Nature Restoration Law.

Heijmans continuously develops and updates its policies, based on the latest scientific insights into impacts, dependencies, risks and opportunities relating to biodiversity, ecosystems and the natural environment. Our ultimate goal is to become a nature-positive business that demonstrably leaves the environment in a better condition than we found it.

2. Policy

2.1 Purpose of the policy

In consultation with representatives from the various divisions, Heijmans adopted an overarching policy document in 2024. This overarching policy covers the various themes relating to biodiversity. Topics such as biodiversity, ecosystems, nature, ecosystem services, nature-based solutions, "nature as a solution", species richness, ecology and other related topics fall within the scope of this policy. To keep the policy clear and manageable, Heijmans refers simply to a biodiversity policy.

The purpose of the policy is to provide the framework within which Heijmans can strengthen biodiversity, deploy nature as a solution and make nature measurable, both in our projects and throughout our value chain.

2.2 Vision at a glance

This policy is guided by a biodiversity vision that focuses on the interaction between Heijmans and nature. This interaction has two dimensions. On the one hand, Heijmans, as a business, has an impact on biodiversity, both through its activities and across our value chain. On the other hand, Heijmans depends on what nature provides in the form of ecosystem services, which we rely on in our activities and throughout our value chain. Our vision is therefore also structured around these two dimensions.

On the one hand, we want to strengthen biodiversity: we reduce our impact on biodiversity in our activities and value chain and, where possible, strive to make a nature-positive contribution. On the other hand, we deploy nature as a solution: we make responsible use of the services that nature provides, strengthen these services where possible, and use them as much as possible as solutions to the challenges in our work.

The "Strengthening Biodiversity" dimension is divided into four impact factors — the levers we can use to influence biodiversity. These impact factors are: Space for Nature, Species Richness, Environmental Conditions and Nature as a Resource. The "Nature as a Solution" dimension is divided into four types of services that we use, or can use, to address challenges in our work. These four services are: Inspiration, Resilience, Health and Production. The vision provides simple, shared language across the whole business, while aligning with the latest scientific insights, relevant reporting requirements and international biodiversity objectives. This enables each business stream, cluster or department to set its own priorities and areas of focus, without compromising the substantive basis.

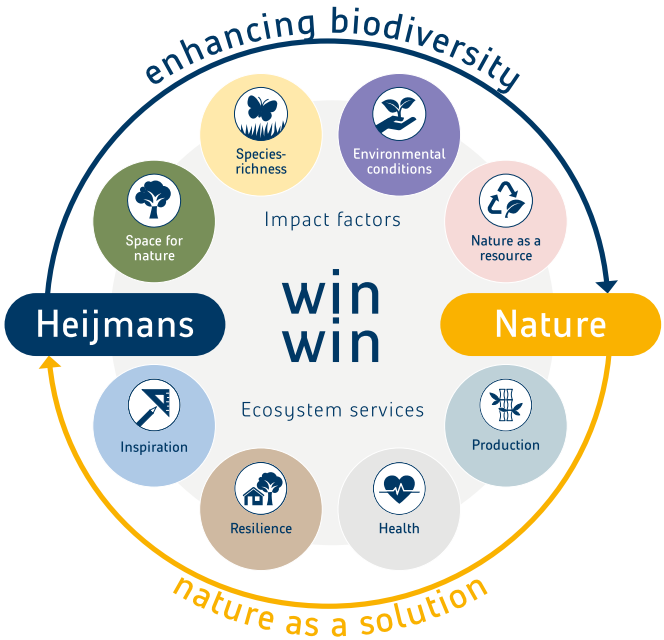

Figure 1: Biodiversity Strategy: Win-Win

2.3 Strengthening biodiversity

We strengthen biodiversity by focusing on four impact factors. These impact factors are specific to Heijmans and align well with our business model and associated strategy. We see these impact factors as the levers we can use as Heijmans to limit our impact as much as possible and, where possible, have a positive impact on biodiversity and ecosystems. These are the following four impact factors:

1. Space for Nature
2. Species richness
3. Environmental conditions
4. Nature as a resource

These four impact factors were developed with the future in mind and are therefore relevant to both our activities and Heijmans' entire value chain. The four impact factors are described in more detail below. For the time being, the vision is implemented only within our direct operations. This is also reflected later in the scope of the objectives in section 3.5, which currently focus only on our direct operations. Because Heijmans carries out its direct operations only in the Netherlands, this vision is, for the time being, geographically limited to the Netherlands.

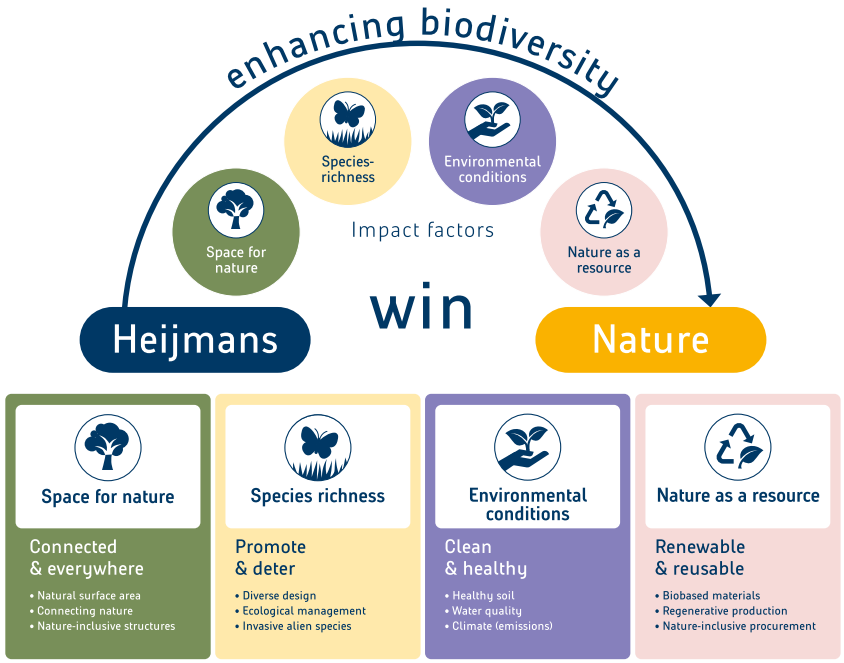

Figure 2: The four impact factors for strengthening biodiversity

The following paragraphs explore the framework, context and Heijmans' impact in relation to these pillars in more detail.

2.3.1 Space for Nature

Framework

How much space is available for nature? We are not specifically referring to nature reserves, but rather to areas where space is created for nature in combination with other functions, such as living, working or infrastructure. In addition to the size, it is also about the extent to which these areas are interconnected.

Context

Existing nature areas are fragmented, and the connections species need in order to move around are lacking. By creating space for nature throughout the built environment and around infrastructure, nature has more room and areas can be reconnected.

The Nature Conservation Act and the Nature Restoration Act not only protect nature areas, but also require restoration measures outside these areas, including in urban areas.

Heijmans' impact

In our projects and activities in and adjacent to the public realm, we come into contact with existing nature and can create additional space for nature. In this way, we contribute to protecting and strengthening biodiversity. In infrastructure projects, verges and wildlife crossings can help connect nature areas. In residential environments, we can limit the amount of paving and create additional space for nature through green façades and roofs.

Land use goes beyond Heijmans' own projects. Our influence on space for nature is not limited to our own assets and project sites (direct operations), but also extends across our upstream and downstream value chain, where raw materials are extracted or our products are used. Here, Heijmans uses nature as a raw material, as further explained in section 2.3.4, "Nature as a Resource".

2.3.2 Species richness

Framework

Species richness concerns the diversity of species and ecosystems in an area. In general, greater diversity of species and ecosystems helps to bring nature into better balance. The focus is on native species. These are species that occur naturally in the Netherlands. By contrast, invasive alien species do not occur naturally in the Netherlands, spread rapidly and displace native species. As a result, they pose a threat to species richness.

Context

Species richness in an area can be strengthened through both design and management. We achieve this through a diversity of abiotic conditions, vegetation and space for water. This includes variation in soil conditions, trees, shrubs, herb-rich grasslands and water bodies. Ecological management takes account of the species present, resulting in a greater variety of habitats and ecosystems.

It is a legal requirement to prevent the spread of invasive alien species and to actively control them. The Nature Conservation Act (Nb-wet) protects a large number of species. In addition, the European Nature Restoration Regulation (2024) focuses on the specific protection and restoration of pollinating insects (bees, butterflies), given their high ecological and economic value, including for our food supply. Heijmans also complies with the European Birds and Habitats Directives in carrying out its activities.

Heijmans' impact

By designing, managing and working in a nature-inclusive way, Heijmans can directly help strengthen biodiversity at project sites and our own (office) locations. In management and earthmoving, we run the risk of contributing to the spread of invasive alien species present. We prevent this by working carefully. Examples include Japanese knotweed, floating pennywort, giant hogweed and the American crayfish.

It is also important to create a range of ecosystems. This increases diversity in an area and creates the basis for more habitats.

2.3.3 Environmental conditions

Framework

Good environmental conditions, such as healthy soil, clean water and good air quality, provide the basis for plants, animals and people to thrive. Pollution in soil, water and air accumulates in plants and animals and spreads as toxins throughout the environment and the food chain. This damages biodiversity.

CO_2 emissions are a key driver of current climate change. Rapid climate change is causing direct damage to biodiversity worldwide. The construction sector also contributes, to some extent, to nitrogen emissions, which affect biodiversity in the Netherlands.

Context

As a result of nitrogen emissions from transport, industry and agriculture, the Netherlands is currently facing a nitrogen crisis. In addition to air emissions, toxic substances (such as PFAS, neonicotinoids and glyphosate) and microplastics in soil and water cause significant damage to biodiversity. Plastic litter breaks down into micro- and nanoplastics, which are taken up by even the smallest organisms in the food chain. As a result, plastic ultimately also ends up in the human body.

Dutch law stipulates that, by 2030, the Netherlands must emit 55% less CO_2 than in 1990, with the aim of being climate neutral by 2050. Among other things, the Water Framework Directive (WFD) requires pollution in the environment to be reduced. If these standards are not met, activities may no longer be permitted from 2027 onwards.

Heijmans' impact

Our activities can cause undesirable substances to enter the environment. We can protect and strengthen biodiversity by reducing the use of toxic substances, cutting emissions such as nitrogen and CO_2, and preventing the spread of pollution such as microplastics. By using smart techniques and working methods, we can also contribute to restoring a cleaner environment. Through the strategic pillars Climate and Water, Heijmans is also working to reduce CO_2 emissions and improve water quality.

2.3.4 Nature as a resource

Framework

All our raw materials (such as timber, hemp, gravel and metal) come from nature. Extracting these raw materials carries a significant risk of biodiversity loss. We distinguish between two types of raw materials. First, primary raw materials (raw materials extracted directly from nature), such as gravel and metal. We also distinguish renewable raw materials (raw materials that naturally grow back or are replenished within a human timescale). Examples include timber and hemp. By ensuring we do not take more than the Earth can regenerate when extracting renewable raw materials, sustainable production is possible.

Context

Humanity uses more raw materials than the Earth can supply. This is symbolised by "Earth Overshoot Day". This is the day when humanity's demand for natural resources and services in a year exceeds what the Earth can regenerate. Due to increasing consumption of goods, this day has shifted worldwide from 25 December in 1971 to 24 July in 2025. In the Netherlands, this date was 5 May in 2025.

To prevent further depletion of natural resources and biodiversity, resource use will need to decrease. The National Circular Economy Programme 2023–2030 states that the use of primary raw materials in the Netherlands must be reduced by 50% by 2030.

Heijmans' impact

Heijmans' construction activities require large amounts of raw materials. By focusing on circular design and the reuse of materials, we can reduce this demand. In addition, we can steer towards a greater share of renewable raw materials, as well as how primary and renewable raw materials are extracted and produced.

By focusing on nature-inclusive, regenerative and sustainable use of natural resources, we can limit negative impacts on biodiversity. For years, Heijmans has used only sustainably produced timber. This significantly reduces the impact of timber harvesting on biodiversity (section 2.12).

2.3.5 Substantiation of the pillars

As the basis for developing Heijmans' impact factors, we used the five pressure factors identified by, among others, IPBES, WWF and other organisations as the main causes of the current global decline in biodiversity. These pressure factors are:

1. Ecosystem use and use change
2. Climate change
3. Pollution
4. Resource exploitation
5. Invasives and other

How the four Heijmans biodiversity pillars relate to these five scientific pressure factors is shown in the table below. Here, "Ecosystem use and use change" is grouped under "Space for Nature", "Invasives and other" under "Species Richness", "Resource exploitation" under "Nature as a Resource", and "Climate change" and "Pollution" under "Clean Environment".

Heijmans	IPBES	ESRS E4 -4	TNFD main drivers	SBTN Pressure category
Space for nature	Ecosystem use and use change	Land use change, freshwater use change and sea use change	Land/freshwater/ocean use change	Land use and land use change Freshwater ecosystem use and change Marine ecosystem use and change
Environmental conditions	Climate change	Climate change	Climate change	GHG emissions
	Pollution	Pollution	Pollution/Pollution Removal	Non-GHG air pollution Water pollution Soil pollution Solid waste
Nature as a resource	Resource exploitation	Direct exploitation	Resource use/replenishment	Water use Other resource use
Species richness	Invasives and other	Invasive alien species	Invasives and other	Other ecological disturbances Biological alterations and interferences

In this way, the four impact factors have a scientific basis and align with the latest international, national and local agreements, frameworks and objectives. An important addition is that the pressure factor "Climate change" has its own policy framework, which is not addressed further in this policy document. This is because "climate change" is addressed in detail under our other overarching sustainability pillar, "Climate". For further elaboration of the "freshwater use change" pressure factor, please refer to our policy document under the overarching sustainability pillar "Water".

2.4 Nature as a solution

At Heijmans, we also deploy "Nature as a Solution": we make responsible use of the services that nature provides, strengthen them where possible, and use them as much as possible as solutions to the challenges in our work. The "Nature as a Solution" dimension is divided into four types of services that we use, or can use, to address challenges in our work. These are the following four types of services.

1. Inspiration
2. Resilience
3. Health
4. Production

These four types of services describe the different ways in which Heijmans uses, or can use, the benefits of greater biodiversity and nature in its activities. In addition, these services provide insight into how our activities and value chain currently depend on biodiversity and nature, and where there are opportunities to create additional value for our clients and projects.

As with "Strengthening Biodiversity", the scope of these services and their impacts is, for the time being, limited to our own activities and project sites in the Netherlands.

The following paragraphs explore the framework, context and Heijmans' impact in relation to these four services in more detail.

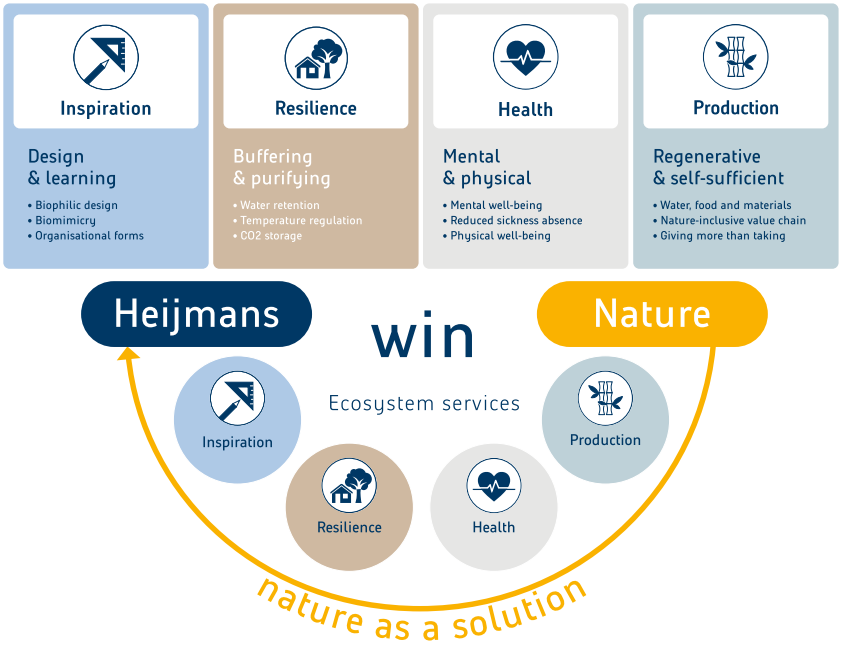

Figure 3: The four ecosystem services through which nature is deployed as a solution

2.4.1 Inspiration

Framework

Inspiration describes the intangible benefits we derive from nature. This includes the aesthetic value of landscapes and the space they provide for recreation and social interaction. Nature is also our greatest teacher. Through biomimicry, we learn from the ingenious solutions that nature has perfected over 3.8 billion years of evolution. We look to natural forms, processes and ecosystems to innovate and make more sustainable our own designs for materials, buildings and systems. Inspiration is therefore not only what we feel, but also what we can learn and apply.

Context

In an increasingly urbanised world, the need for contact with nature is growing. Biophilic design, for example, is an approach that recognises this deeply rooted human need and restores the connection with nature in the built environment. At the same time, we face complex challenges such as material scarcity and energy consumption. Nature offers solutions that are often more efficient, resilient and fully circular. Societal demand is shifting from purely functional buildings to healthy, adaptive and inspiring living environments.

Heijmans' dependency

The value of our property is directly dependent on the quality of the user experience. By integrating greenery into our developments, we not only create more attractive projects with higher (re)sale value, but also healthier and more productive environments for end users. We can also strengthen our innovative capacity and the distinctiveness of our projects by drawing inspiration from nature. By applying nature's principles, we can develop smarter, more efficient and more sustainable solutions. We therefore rely on nature as a source of knowledge for technical innovation and as a blueprint for creating valuable, people-centred living environments.

2.4.2 Resilience

Framework

Resilience is the ability of a system to absorb shocks and adapt to change. Natural systems offer solutions that make our built environment more resilient to the effects of climate change, such as extreme rainfall, prolonged drought and heat stress, as well as CO_2 storage.

Context

The climate is changing, leading to increasingly frequent extreme weather events. Our cities and infrastructure are vulnerable to these impacts. Fossilisation leads to flooding during extreme downpours and dangerous heat stress in the summer. The social and economic damage is increasing. The need to build in a climate-adaptive way is embedded in both national and European policy and is becoming an increasingly stringent requirement in tenders and permitting processes.

Heijmans' dependency

Our projects and assets depend directly on nature's regulating services to remain functional and safe in a changing climate. Without natural water buffering (such as wadis and healthy, uncovered soil), the risk of foundation damage and flooding increases. Without the cooling effect of trees and water bodies, our residential areas and work locations can become unbearably hot. We rely on nature to ensure the sustainability and longevity of our own developments and to reduce the risks of climate-related damage.

2.4.3 Health

Framework

Health as an ecosystem service encompasses the positive effects of nature on people's physical and mental well-being. This includes purifying air and water, reducing noise pollution, and encouraging physical activity and social contact in green environments. In addition, integrating natural elements, patterns and light has been shown to reduce stress, increase productivity and improve overall well-being.

Context

The quality of a healthy living environment is under pressure from air pollution (including particulate matter and nitrogen) and noise nuisance, particularly in urban areas. This has direct negative consequences for public health, such as an increase in respiratory diseases and stress-related complaints. There is broad societal and political consensus that creating a healthy living environment is a core task. Legislation on air quality and noise standards is becoming increasingly stringent, and demand from clients for green environments that improve end users' mental well-being is increasing.

Heijmans' dependency

A healthy living environment is a basic prerequisite for gaining support and securing permits for our projects. We rely on vegetation's purifying capacity to meet air quality standards and create a pleasant living environment. Green buffers are essential for mitigating noise nuisance from our roads or construction activities.

The success of our projects is therefore directly dependent on nature's capacity to reduce the negative external effects of urbanisation and mobility. End users are also increasingly reliant on the integration of natural elements to support their mental well-being.

2.4.4 Production

Framework

This service covers natural processes that enable the production of goods and materials. While "Nature as a resource" focuses on extraction, "Production" focuses on the underlying natural processes, such as crop pollination, the provision of clean water for production processes, and the formation of fertile soils.

Context

Natural production processes are under pressure worldwide. The decline in pollinators, such as bees and butterflies, poses a direct threat to food supply. The availability of clean freshwater is becoming an increasing challenge for both agriculture and industry. Without these fundamental services, economic production stagnates and essential value chains, such as the food chain, become unstable.

Heijmans' dependency

Although less directly visible, Heijmans is fundamentally dependent on nature's production services. We need clean water for our construction processes, for example for concrete production. Our employees depend on a stable and affordable food supply, which relies on pollination and fertile soils. The bio-based materials we increasingly want to use (such as timber and fibres) depend entirely on healthy, productive ecosystems. The stability of our supply chain as a whole and the economy in which we operate rests on this natural productivity. Heijmans can contribute by delivering projects that strengthen ecosystem productivity, rather than undermine it.

2.4.5 Substantiation of the services

The structure of the Common International Classification of Ecosystem Services (CICES) of the European Environment Agency (EEA) was used as the basis for developing Heijmans' four specific types of services. This classification divides the services provided by nature, also known as ecosystem services, into the following three categories:

1. Cultural
2. Provisioning
3. Regulation & Maintenance

How Heijmans' four specific types of services relate to these three scientific ecosystem service categories is shown in the table below. Here, "Inspiration" falls under "Cultural", "Health" spans "Cultural" and "Regulation & Maintenance", "Resilience" belongs to "Regulation & Maintenance", and "Production" is linked to "Provisioning".

Heijmans	Example services	CICES categories
Inspiration	Biomimicry	Cultural
	Biophilic design	
	Aesthetic value	
Health	Mental health	
	Physical health	Regulation & Maintenance
Resilience	Water retention	
	Temperature regulation	
	CO2 storage	
Production	Clean water	Provisioning
	Biobased materials	
	Pollination	

In this way, the four services have a scientific basis and align with the latest international, national and local agreements, frameworks, targets and developments relating to ecosystem services. An important addition is that this makes the connection with another key strategic pillar within Heijmans visible. Under "Health" and "Inspiration", the theme of well-being is particularly prominent. Heijmans also has specific policy in place for this, which can be found in the relevant well-being policy documents.

2.5 Material impacts, dependencies, risks and opportunities

Based on the impact, dependency, risk and opportunity analysis, Heijmans aims to map its material impacts, dependencies, risks and opportunities. Based on the outcomes of this analysis, in the coming years Heijmans will develop policy to reduce its impact on biodiversity in both its direct operations and across the entire value chain, reduce dependencies, avoid risks and seize opportunities.

Heijmans does this by taking measures across four biodiversity pillars that reduce negative impacts and strengthen positive impacts. As impacts, dependencies, risks and opportunities vary significantly by business stream, Heijmans also takes location- and activity-specific measures. In this way, Heijmans aims to transform its business model into a nature-positive and resilient business that seizes opportunities and manages risks.

2.6 Traceability of materials

Heijmans is committed to transparency and traceability of products, components and raw materials within the value chain to limit environmental and social impacts. A key example and first step is the use of FSC- and PEFC-certified timber, ensuring that the timber comes from responsibly managed forests (see section 2.12).

Our ambition is to further strengthen traceability by working with suppliers across the value chain and improving data management and the monitoring of material flows over the coming years. This contributes to responsible procurement and supports Heijmans' sustainability objectives within the construction sector.

2.7 Monitoring to promote recovery and regeneration

Heijmans is committed to the sustainable management of ecosystems that may be affected by our projects and activities. For example, we are transforming verges and property areas that we manage into biodiversity-friendly zones. In doing so, we apply the principle "We give more than we take" and strive for a net positive impact on nature. One example is our innovative hemp cultivation for insulation applications, which not only provides a sustainable construction solution but also contributes to local biodiversity.

To make our progress and impact transparent, we are developing new methods to measure and monitor biodiversity. BioBuddy is one such example. This monitoring tool enables us to track and report on biodiversity change and gains in projects. In this way, we help ensure that our activities contribute to and support the long-term strengthening of biodiversity.

2.8 Impact on biodiversity and ecosystems and social impacts

Heijmans recognises that activities within the value chain can have an impact on biodiversity and ecosystems, and therefore on communities that depend on them. In shaping its vision, Heijmans involved various internal stakeholders from across the business streams. At present, however, external stakeholders have not yet been involved in the process of developing the vision. To better support external stakeholders and communities in the future, Heijmans intends to actively involve them in sustainability analyses and discuss possible mitigation measures to limit negative effects. Where project locations or procurement have an impact, Heijmans will also share insights through appropriate networks and involve communities through consultations, such as meetings and surveys.

If activities affect ecosystem services that are essential for communities, Heijmans will take measures to avoid or limit this impact. This process helps minimise social impacts and ensures communities continue to benefit from shared natural resources. One example is collaboration with the Forest Stewardship Council (FSC) on the responsible management of forest areas in the value chain.

2.9 Protecting biodiversity-sensitive areas

Heijmans aims to manage operational sites — owned, leased or managed — near biodiversity-sensitive areas in a sustainable manner, with specific attention to biodiversity protection. This policy includes the following elements:

1. **Using the Natuurladder within Connecting:**
   Heijmans uses the Natuurladder, developed together with Dura Vermeer, as a guideline for biodiversity in infrastructure projects. This ladder focuses on a change in culture and behaviour and offers practical steps to strengthen biodiversity and climate adaptation in projects. The Natuurladder is used for every Category 2 and 3 infrastructure project and for each construction team, to record ambitions and achievements in the areas of biodiversity and climate adaptation. The Natuurladder has now been transferred to the Deltaplan Biodiversiteit to enable national roll-out.
2. **Using NL Greenlabel within Housing:**
   For area developments, Heijmans applies the NL Greenlabel Area Label to assess and stimulate sustainability efforts. The label measures these efforts using themes such as biodiversity, water management and mobility. Since 2021, Heijmans has required a minimum score of A or B for each of its own area developments. This method not only measures ecological impact, but also helps preserve and enhance local qualities, for example through nature-inclusive construction and strengthening so-called green-blue structures. See Appendix B for the "Guide for Heijmans Vastgoed developers when working with the Area Label".

This policy supports Heijmans' commitment to sustainably managing the natural environment around operational sites, with a clear focus on conserving and enhancing biodiversity.

2.10 Sustainable soil management/sustainable agriculture

Heijmans recognises the importance of sustainable soil management and is working with Wageningen University & Research (WUR) on a framework of seven principles for healthy soil practices in urban development. These guidelines support projects in protecting and strengthening soil health through soil testing, minimising disturbance, preventing compaction, and promoting biodiversity. Although this policy is currently directional, it provides a basis for further implementation and for structurally embedding responsible soil practices within Heijmans' projects.

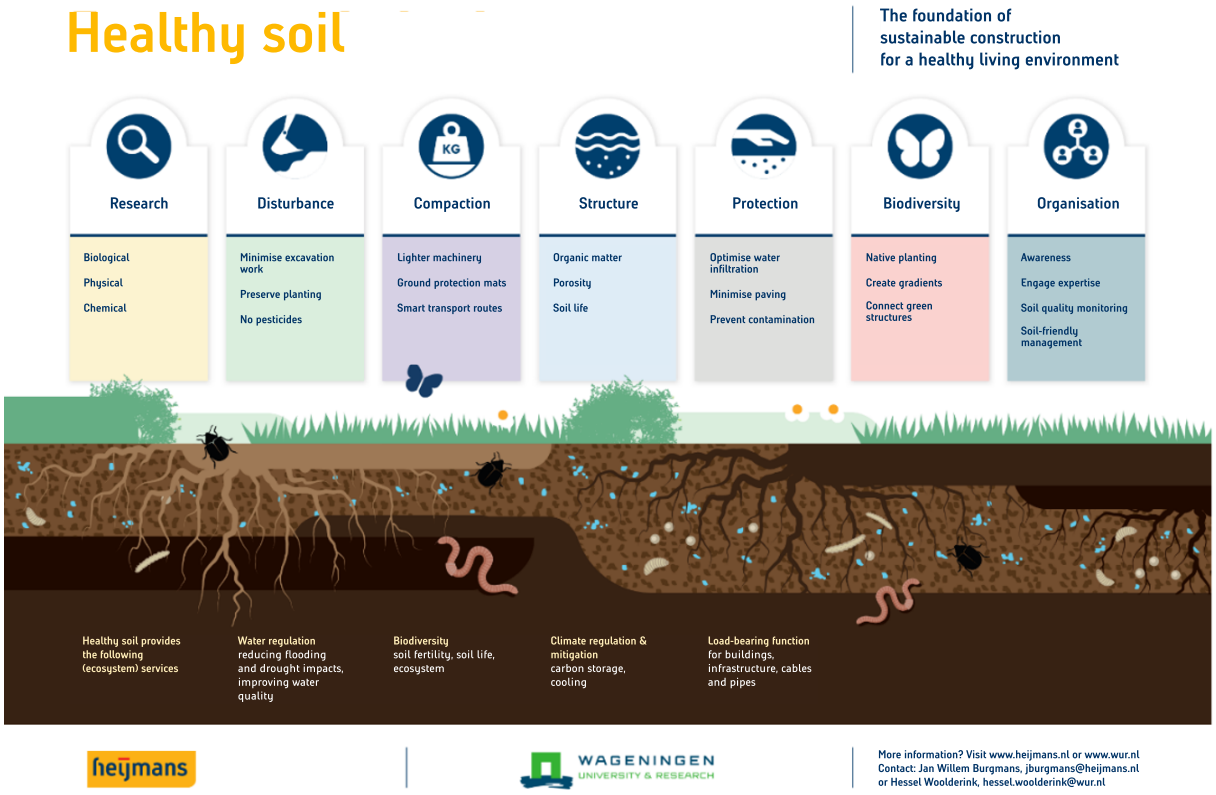

Figure 4: The 7 principles of a healthy soil according to Heijmans and Wageningen University & Research (WUR)

Sustainable agriculture

Heijmans has developed a sustainable land-lease policy aimed at promoting soil health, biodiversity and climate adaptation. This policy aims to reduce nitrogen emissions, increase biodiversity and limit heat stress through targeted land-management measures.

For grassland, the focus is on switching to grass-clover mixtures, a ban on glyphosate and postponing any mowing date until 1 June. For arable land, the transition to bio-based crops (such as hemp) is encouraged, with a ban on glyphosate and non-inversion tillage as key priorities.

2.11 Sustainable oceans/seas, waterways

Heijmans does not currently have specific policy on sustainable oceans, seas and waterways in relation to biodiversity and ecosystems. In addition, Heijmans does not carry out any direct activities at sea. However, for projects in coastal protection areas and waterways, Heijmans acts in accordance with applicable laws and regulations.

2.12 Deforestation

Heijmans considers contributing to healthy forests an important mission and has been actively committed to this for several years. Moreover, with the entry into force of the EU Deforestation Regulation (EUDR), it has become clear that a deforestation-free value chain is a priority under international legislation. This Regulation prohibits the import and export of products and raw materials linked to deforestation. Timber is an important raw material in our activities and end products. That is why we have a sustainable timber policy, which stipulates that we source only FSC- or PEFC-certified timber. Sourcing timber sustainably helps prevent deforestation further down the value chain. We aim to use 100% sustainably certified timber and for years have sourced well over 99% of our timber as certified.

Forest certification, such as FSC or PEFC, not only ensures that forest area is preserved, but also that forests are managed in a way that maintains existing biodiversity. Forests with a greater diversity of tree species, grasses and herbs are more resilient in delivering ecosystem services under changing weather conditions. FSC is also committed to working with Indigenous Peoples by respecting and upholding their ownership, use and management rights in all forests. This helps ensure that affected communities are heard and have a say in what happens to the forests on their land.

In this way, Heijmans limits its impact on forests, biodiversity and ecosystems, as well as on communities in the value chain. It also limits deforestation-related emissions as far as possible.

3. Targets

3.1 Objectives and metrics

To become a nature-positive business and give more than we take, Heijmans has defined strategic objectives. This contributes to our broader ambition: "we leave it better than we find it". While all four pillars under Strengthening Biodiversity can contribute to improving biodiversity and ecosystems, new, specific objectives have been set for two of the four pillars. For now, no separate objectives have been defined for "Nature as a solution".

#	Impact factor	Objective	Metric	Unit
1	Space for Nature	From 2030 onwards, every materially assessed project will add a net area of nature.	Square metres of nature (both horizontal and vertical)	m2 (within and outside project boundaries)
2	Species richness	From 2030 onwards, every materially assessed project will contribute to an increase in species richness.	Number of biotopes (habitats) added per project	Number of biotopes
3	Environmental conditions	No specific biodiversity target has yet been defined.	N/A	N/A
4	Nature as a resource	No specific biodiversity target has yet been defined.	N/A	N/A

3.1.1 Methodology

The objectives for the "Space for Nature" and "Species Richness" pillars were developed using the following methodology:

1. **Integration with the four biodiversity pillars:**
   The first step in the process was to align the biodiversity objectives with Heijmans' four biodiversity pillars. These pillars served as a guideline and ensured that the objectives are anchored in Heijmans' biodiversity vision. As a result, the objectives also align with the scientific pressure factors on which these pillars are based.
2. **Integration with international scientific targets:**
   The next step was to review relevant international targets, such as the Global Biodiversity Framework, the EU Biodiversity Strategy for 2030 and the targets of Science Based Targets for Nature (SBTN), to inform the formulation of our own objectives. For example, our Objective 1 aligns well with SBTN targets such as "No Conversion of Natural Ecosystems" and "Land Footprint Reduction". The Global Biodiversity Framework also includes relevant targets, including Target 12, "Enhance Green Spaces and Urban Planning for Human Well-Being and Biodiversity", and Target 1, "Plan and Manage all Areas to Reduce Biodiversity Loss", which align well with our objective relating to Species Richness.
3. **Integration with measurement methods and monitoring:**
   We then assessed the measurability and monitorability of the objectives. The expert team assessed which resources are available and how these can be used effectively to achieve and measure progress. This included considering the use of satellite data and other relevant instruments, and whether these are realistic and feasible within the defined time horizon.
4. **Objectives were made SMART:**
   As a final step, the objectives were made SMART. The SMART methodology (Specific, Measurable, Achievable, Realistic and Time-bound) ensures that objectives are clear, achievable and measurable, and enables systematic progress towards delivery. This increases focus, supports effective monitoring and facilitates transparent communication on progress. The time horizon selected is 2030, in line with the Nature Positive Initiative (including WWF) and the Global Biodiversity Framework. This also aligns with our own bold statement: "We give more than we take."
5. **Internal evaluation:**
   The targets were then evaluated internally by subject-matter experts, theme leads, the Executive Board and those responsible for sustainability within the business areas. To date, external stakeholders have not been involved in setting the targets.

3.1.2 Metrics

Associated metrics have been defined to measure and monitor the objectives.

Space for Nature

#	Biodiversity pillar	Objective	Metric	Unit
1	Space for Nature	From 2030 onwards, every materially assessed project will add a net area of nature.	Square metres of nature (both horizontal and vertical)	m2 (within and outside project boundaries)

Explanation and assumptions

Heijmans aims to measure progress against this objective based on the number of square metres (m^2) of nature, both horizontally and vertically, and within and outside project boundaries. The term "nature" is defined broadly in this context, with an emphasis on the quantity of green space. The quality of this green space, and the extent to which it actually contributes to increasing biodiversity, is measured using the metric under the "Species Richness" pillar. Heijmans therefore measures all materially relevant projects along two axes: qualitative and quantitative.

The measured area may include green roofs, green façades and other (living) green surfaces. For example, the surface area of a building wall designed in a fully nature-inclusive way can contribute to this objective, as can a wildlife crossing above or below a motorway.

The distinction between within and outside project boundaries also offers the opportunity to promote nature development around project boundaries, for example by planting trees or restoring watercourses.

Species richness

#	Biodiversity pillar	Objective	Metric	Unit
2	Species richness	From 2030 onwards, every materially assessed project will contribute to an increase in species richness.	Number of biotopes (habitats) added per project	Number of biotopes

Explanation and assumptions

Heijmans aims to measure progress against this objective based on the number of habitats added to the project. A habitat is defined here as a specific living environment with the associated species that occur there. This metric provides insight into the quality of the green space by explicitly considering the number of habitats created, thereby increasing the potential number of species that can establish themselves in an area. In addition to the quantity of green space measured under the "Space for Nature" pillar, the "Species Richness" pillar specifically assesses the quality of nature.

For habitats, Heijmans focuses on landscape elements with demonstrable ecological value for as wide a diversity of species as possible. Examples include nature-inclusive hedgerows, gently sloping banks that attract various plant and animal species requiring wet conditions, and native trees that form microhabitats for local insects and bird species. By increasing the number of habitats, biodiversity at a site can be enhanced without having to count each species individually. However, in the future Heijmans aims to use smart digital techniques and AI to monitor the specific species present in an area.

3.2 Alignment with ecological thresholds

In setting its targets relating to biodiversity and ecosystems, Heijmans did not use ecological thresholds. Instead, we have chosen to link our objectives to the four biodiversity pillars as described in Chapter 5.2. As noted above, the four biodiversity pillars were developed on the basis of the five scientific pressure factors identified by IPBES. See below:

#	Biodiversity pillar	Objective	Scientific substantiation
1	Space for Nature	From 2030 onwards, every materially assessed project will add a net area of nature.	This target contributes to reducing "Ecosystem use and (land & ocean) use change", one of the five scientifically substantiated pressure factors on biodiversity and ecosystems according to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES).
2	Species richness	From 2030 onwards, every materially assessed project will contribute to an increase in species richness.	This target contributes to reducing "Invasives and other", one of the five scientifically substantiated pressure factors on biodiversity and ecosystems according to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES).
3	Environmental conditions	No specific biodiversity target has yet been defined.	N/A
4	Nature as a resource	No specific biodiversity target has yet been defined.	N/A

3.3 Alignment with international objectives

Our objectives currently align well with various international frameworks. The most important is the Kunming-Montreal Global Biodiversity Framework (GBF), which consists of 23 targets to combat the worldwide decline of biodiversity and ecosystems. Our objectives, which are linked to the different biodiversity pillars, contribute to ten of the 23 targets of the Global Biodiversity Framework (GBF). The table below shows how these align with the relevant targets:

#	Biodiversity pillar	Objective	GBF-relevant 2030 targets
1	Space for Nature	From 2030 onwards, every materially assessed project will add a net area of nature.	TARGET 1: Plan and Manage all Areas To Reduce Biodiversity Loss TARGET 2: Restore 30% of all Degraded Ecosystems TARGET 12: Enhance Green Spaces and Urban Planning for Human Well-Being and Biodiversity
2	Species richness	From 2030 onwards, every materially assessed project will contribute to an increase in species richness.	TARGET 1: Plan and Manage all Areas To Reduce Biodiversity Loss TARGET 3: Conserve 30% of Land, Waters and Seas TARGET 4: Halt Species Extinction, Protect Genetic Diversity, and Manage Human-Wildlife Conflicts TARGET 6: Reduce the Introduction of Invasive Alien Species by 50% and Minimize Their Impact TARGET 12: Enhance Green Spaces and Urban Planning for Human Well-Being and Biodiversity
3	Environmental conditions	No specific biodiversity target has yet been defined.	N/A
4	Nature as a resource	No specific biodiversity target has yet been defined.	N/A

3.4 Alignment with the outcomes of the impact, dependency, risk and opportunity analysis

The objectives are linked to the outcomes of the impact, dependency, risk and opportunity analysis carried out in 2024.

Impacts

For the reporting year 2024, the potential impacts on nearby nature areas were mapped for the locations identified as material. According to the ENCORE database, eight of the thirteen assessed impact factors for our economic activities have a Very High, High or Medium materiality rating. These eight material pressure factors are shown below, linked to the relevant objectives where applicable.

Material impact factors (ENCORE)	Corresponding target
Area of Land Use	Space for Nature: From 2030 onwards, every materially assessed project will add a net area of nature.
Area of Freshwater Use	Environmental conditions: specific water targets related to freshwater use can be found in our reporting under the Water sustainability pillar.
Area of Seabed Use	No target has been set for this specific impact factor.
Disturbances (e.g. noise light)	No target has been set for this specific impact factor.
Greenhouse gas emissions	Environmental conditions: specific climate targets related to greenhouse gas emissions can be found in our reporting under the Climate sustainability pillar.
Emissions of toxic pollutants to water and soil	No target has been set for this specific impact factor.
Generation and release of solid waste	Nature as a resource: specific targets related to solid waste can be found under the topic of Circularity in our reporting.
Introduction of invasive species	Species Richness: From 2030 onwards, every materially assessed project will contribute to an increase in species richness.

Dependencies

At present, no specific objectives have been set in relation to dependencies.

Risks and opportunities

By achieving our objectives, Heijmans can reduce risks and seize opportunities. Among other things, creating nature areas and increasing species richness helps reduce physical, transition and systemic risks, while also offering valuable opportunities for improved sustainability, cost savings and reputation. The table below links the various nature-related risks to the objectives.

Objective	Risk category	Explanation of impact
Target 1: from 2030 onwards, every materially assessed project will add a net area of nature.	Physical risks (acute and chronic)	By adding natural surface area, this target can help reduce acute risks such as coastal erosion and drought, as well as chronic risks related to soil degradation, ecosystem fragmentation and species loss. The focus on adding natural surface area strengthens ecosystem resilience.
	Transition risks (policy and legislation)	Policy and legal risks related to environmental protection, such as increasing regulation, can be mitigated by proactively adding natural areas. This approach aligns with regulatory trends towards nature-based solutions, which can help prevent fines and sanctions.
	Systemic risks (ecosystem collapse)	Adding natural surface area contributes to ecosystem stability, thereby reducing the risk of ecosystem collapse. By giving nature and ecosystems space, this target helps prevent tipping points at which entire ecosystems may collapse.
	Opportunities (sustainability)	This target supports sustainability performance by promoting ecosystem restoration and giving space to nature. This can improve the company's reputation and attract customers focused on sustainability, while also adding additional quantifiable value to projects through the valuation of ecosystem services.
Target 2: from 2030 onwards, every materially assessed project will contribute to an increase in species richness.	Physical risks (acute and chronic)	Increasing species richness enhances the resilience of ecosystems to natural risks such as climate change and invasive species, as well as to health-related risks affecting physical and mental well-being. Higher biodiversity also leads to better ecosystem services, such as pollination and water regulation, helping to mitigate physical risks.
	Transition risks (technology and market)	As companies move towards more biodiversity-conscious practices, increasing species richness can align with market demand for biodiversity and environmental protection. This also helps Heijmans remain at the forefront of evolving regulation and technologies in sustainable practices.
	Systemic risks (impact on biodiversity)	By increasing species richness, Heijmans directly addresses biodiversity loss, thereby reducing the systemic risk of biodiversity loss. This target helps the company remain aligned with global biodiversity goals.
	Opportunities (business and sustainability goals)	Species richness is directly linked to ecosystem services, which can reduce operational costs, such as energy, water and waste management costs, while at the same time promoting sustainability. In addition, it can improve Heijmans' reputation and attract investors focused on sustainability and biodiversity.

3.5 Geographical scope

The geographical scope of the defined objectives is limited to the Netherlands, as our direct operations also take place exclusively within the Netherlands. This means that the targets are specifically aimed at the context of the Dutch market and the business activities carried out within it.

#	Biodiversity pillar	Objective	Scope	Geographical scope
1	Space for Nature	From 2030 onwards, every materially assessed project will add a net area of nature.	Direct operations	Netherlands
2	Species richness	From 2030 onwards, every materially assessed project will contribute to an increase in species richness.	Direct operations	Netherlands
3	Environmental conditions	No specific biodiversity target has yet been defined.	N/A	N/A
4	Nature as a resource	No specific biodiversity target has yet been defined.	N/A	N/A

3.6 Biodiversity offsets and objectives

In setting its objectives, Heijmans did not make use of biodiversity offsets. The targets set are based on the four pillars of biodiversity and underlying scientific insights as mentioned above, with a focus on reducing the negative impact on biodiversity through other actions. The targets are thus primarily aimed at preventing damage to ecosystems and promoting biodiversity in the long term, rather than compensating for losses after the fact.

3.7 Mitigation hierarchy and objectives

Heijmans' objectives can be categorised under the "Restore" step of the mitigation hierarchy. This step focuses on restoring and improving the biodiversity and ecosystem services that have been affected by human activities. The objectives Heijmans has defined, such as those under the "Space for Nature" and "Species Richness" pillars, focus on restoring and enhancing biodiversity and ecosystems. This aligns with the "Restore" phase, which aims to address negative effects of previous interventions in nature and improve the natural state.

#	Biodiversity pillar	Objective	Mitigation hierarchy	Type of target
1	Space for Nature	From 2030 onwards, every materially assessed project will add a net area of nature.	Restore	Absolute
2	Species richness	From 2030 onwards, every materially assessed project will contribute to an increase in species richness.	Restore	Absolute
3	Environmental conditions	No specific biodiversity target has yet been defined.	N/A	N/A
4	Nature as a resource	No specific biodiversity target has yet been defined.	N/A	N/A

4. Actions

4.1 Application of the mitigation hierarchy

Heijmans applies a structured approach to biodiversity and ecosystems through four types of measures:

- Measuring instruments
- Partnerships
- Research programmes with external partners
- Cross-project measures

Although Heijmans does not explicitly use the mitigation hierarchy as a steering instrument, all measures taken can be positioned within this hierarchy. Each measure is also linked to one of the four strategic biodiversity pillars (Space for Nature, Environmental Conditions, Species Richness and Nature as a Resource).

4.1.1. Measuring instruments

These measures provide practical tools and certifications that support the assessment and safeguarding of biodiversity. This enables projects to be planned and delivered with an explicit focus on nature conservation.

- **BioBuddy**
  Mitigation hierarchy: Avoidance and restoration/rehabilitation
  Biodiversity pillar: Species richness
  Instrument for monitoring biodiversity across various projects within Living and Connecting. BioBuddy is currently still in the development phase. At present, monitoring of bird species is feasible; expansion to other species groups is being explored.
- **Natuurladder (Nature Ladder)**
  Mitigation hierarchy: Avoidance, Minimisation, Restoration/rehabilitation
  Biodiversity pillar: Space for Nature, Species Richness, Environmental Conditions
  A measurement tool that assesses the maturity of biodiversity and climate adaptation within projects based on culture, leadership and substantive performance. The tool is applied at a minimum across all Category 2 and 3 projects within Connecting and within construction teams.
- **NL-Gebiedslabel certification**
  Mitigation hierarchy: Minimisation (Minimise)
  Biodiversity pillar: Space for Nature, Species Richness, Environmental Conditions, Nature as a Resource
  The NL Area Label is a certification scheme from NL Greenlabel, focused on integrated sustainable area development, with biodiversity as one of its core components. The label combines up-to-date expertise in ecology and material use with advanced applications in geodata and digitalisation.

4.1.2. Partnerships

Collaborations with external organisations strengthen Heijmans' commitment to protecting biodiversity through knowledge sharing, support and strengthening natural resources.

- **Collaboration with Staatsbosbeheer and Nationaal Bomenfonds**
  Mitigation hierarchy: Restoration/rehabilitation
  Biodiversity pillar: Space for Nature
  Collaboration with Staatsbosbeheer and Stichting Nationale Boomfeestdag, aimed at promoting biodiversity outside project boundaries by planting 24 hectares of forest by 2030. This will absorb 2 million kg of CO_2 per year and provide opportunities for education and increased engagement of children.
- **Partnership with Pollinators**
  Mitigation hierarchy: Restoration/rehabilitation
  Biodiversity pillar: Species richness
  Participation in initiatives aimed at distributing native flower seed in spring, planting trees in autumn (Treevember) and public communication.
- **Partnership with Struikroven**
  Mitigation hierarchy: Avoidance, minimisation
  Biodiversity pillar: Space for Nature
  This partnership focuses on involving local residents at project sites to protect and preserve existing planting by "harvesting" it if it cannot be retained in its current location. Heijmans is also a partner in developing the "Struikroversacademie" to train volunteers and coordinators.

- **Van Gogh National Park partnership**
  Mitigation hierarchy: Restoration/rehabilitation
  Biodiversity pillar: Space for Nature
  A partnership focused on integrated nature development for Van Gogh National Park. Within this park, the interplay between city, culture and nature is central. The development of these three pillars is therefore considered integrated and as a single process.
- **Cooperation with Bird Protection(Vogelbescherming)**
  Mitigation hierarchy: Restoration/rehabilitation
  Biodiversity pillar: Species richness
  The collaboration focuses on knowledge sharing on various aspects of nature-inclusive construction and smart biodiversity measurement using artificial intelligence.
- **Collaboration with Naturalis**
  Mitigation hierarchy: Restoration/rehabilitation
  Biodiversity pillar: Space for Nature and Species Richness
  The collaboration focuses on making biodiversity measurable. This relates both to embedding biodiversity objectives in business operations and to actual biodiversity in the field.

4.1.3. Research programmes

Heijmans runs research programmes with academic and research institutes, contributing to knowledge development and innovation in the field of biodiversity.

- **Research programme with Naturalis – Hidden Biodiversity**
  Mitigation hierarchy: Avoidance
  Biodiversity pillar: Species richness
  "Hidden Biodiversity" is a four-year research programme with a broad consortium that investigates the presence of "hidden biodiversity" in urban areas, with the aim of embedding it in policy and management.
- **Research programme with Wageningen University – URBISOIL**

Mitigation hierarchy: Avoidance

Biodiversity pillar: Environmental conditions

URBISOIL is a four-year research programme with a broad consortium focused on developing measurable soil indicators, objectives and thresholds to quantify and assess the health of urban soils.

4.1.4. Cross-project measures

These measures are applied within projects, but have a broader impact by supporting ecosystems and contributing to the restoration and conservation of nature areas.

- **Example gardens**
  Mitigation hierarchy: Restoration/rehabilitation
  Biodiversity pillar: Space for Nature
  Inspiration for buyers of new-build homes on how to create biodiverse and climate-adaptive gardens.
- **Concrete examples within the Heijmans Area Label**
  Mitigation hierarchy: Varies by measure
  Biodiversity pillar: Overarching
  Within the Area Label, various concrete measures have been developed for each theme and are currently being applied in area development for real estate projects. Examples include:
  - **Vegetation structure:** Improving biodiversity by combining trees, medium-height vegetation and low vegetation. Using water features to increase ecological value.
  - **Nature-inclusive construction:** Using measures that create habitats for local flora and fauna.
  - **Strengthening biodiversity (Basic Quality of Nature):** Carrying out process steps to strengthen biodiversity, such as preparing an EBW scan (Ecology, Soil, Water) and creating food sources for specific species.

These actions are just a selection of all the actions that Heijmans is taking to prevent, reduce, repair or compensate for its impact on biodiversity and ecosystems.

4.2. Biodiversity offsets

Heijmans does not currently use biodiversity offsets to compensate for its impact on biodiversity and ecosystems.

4.3 Integration of local knowledge and nature as a solution

Heijmans frequently uses nature-based solutions in its projects and area developments. These solutions focus on using natural processes and ecosystems to contribute to climate adaptation, biodiversity recovery and the well-being of communities. By combining technical knowledge with ecological principles, Heijmans creates social, economic and ecological value.

5. Biodiversity, ecosystems, strategy and the Heijmans business model

In 2024, Heijmans started mapping its impacts, dependencies, risks and opportunities relating to biodiversity and ecosystems. In parallel with further development of this analysis, work is under way on a more mature resilience analysis. Until this analysis is fully developed, Heijmans assumes that its strategy and business model are vulnerable to risks associated with biodiversity and ecosystem loss, and that resilience has not yet been sufficiently mapped. At present, Heijmans is not adjusting its business model based on the outcomes of the impact, dependency, risk and opportunity analysis. However, an annual overview is prepared of material locations, linking impacts and dependencies to material economic activities. This provides a solid basis for further development of an evidence-based resilience analysis. The outcomes of steps 3 and 4 of the LEAP approach will contribute to this once these steps are implemented from the 2026 financial year onwards.

6. Impact, dependency, risk and opportunity analysis

This brief process description sets out how Heijmans carries out its impact, dependency, risk and opportunity analysis. Further detail and the results [E4-1 13e] of this resilience analysis can be found in the documents "Process Biodiversity and Ecosystems" and "Data Biodiversity and Ecosystems".

6.1 Process description

To map actual and potential impacts, dependencies, risks and opportunities at its own business locations and across its upstream and downstream value chain, Heijmans follows a step-by-step approach. This process is based on, and inspired by, the stages of the LEAP approach under the TNFD framework. Heijmans intends to further develop and refine this process over the coming years, taking a deeper look into the value chain each year. To this end, TNFD's sector-specific LEAP guidance for "Engineering, construction and real estate" was used to recalibrate the process where necessary. The TNFD's LEAP approach is designed as an iterative process, aligned with existing risk management processes and business reporting cycles, with a specific focus on biodiversity and ecosystems. This aligns well with our existing governance and reporting structures and provides structure and continuity in addressing nature-related risks and dependencies.

Heijmans operates across many different locations and works with a large number of suppliers and customers across its value chains, with potentially significant nature-related dependencies and impacts. Heijmans therefore chose to start with a defined scope to create a manageable starting point. This scope includes a limited number of locations and parts of the value chain where nature-related dependencies, impacts, risks and opportunities are most likely to occur. In this way, and in combination with data from its own operations, Heijmans can establish a solid and workable basis for further analysis and focus on the areas where the greatest impact can be made. For each reporting year, the scope of the analysis is adjusted based on available capacity (such as FTEs and analytical capacity) and available data (tools and databases). In this way, both the breadth and depth of the analysis are expanded over time, as experience grows and the process matures. This avoids unnecessary complexity, limits errors and supports acceptance of the analysis process within the organisation.

7. Expected financial impacts of material biodiversity- and ecosystem-related impacts, risks and opportunities

7.1 Financial aspects of CSRD reporting

For Heijmans, there are several qualitative financial aspects that are relevant in the context of CSRD reporting on biodiversity. Key points include:

Risks and opportunities:

- **Physical risks:**
  This includes both acute and chronic risks, such as natural disasters exacerbated by biodiversity loss and the degradation of ecosystems essential to business operations.
- **Transition risks:**
  These relate to changes in policy and legislation, technological developments, market changes and reputational risks arising from the transition to a more sustainable economy.

Impact on financial performance:

- **Cost savings:**
  By implementing biodiversity-friendly measures, Heijmans may be able to achieve long-term cost savings, for example through more efficient use of natural resources.
- **New market opportunities:**
  Investing in biodiversity can create new business opportunities, such as developing green infrastructure projects that are attractive to clients and investors.

Dependencies on ecosystem services:

- Heijmans relies on various ecosystem services, such as water purification, pollination and soil health. The loss of these services can lead to higher operating costs and supply chain disruptions.

Investment needs:

- Implementing biodiversity measures may require upfront investment, but can deliver long-term financial benefits through improved project sustainability and resilience.

Reputation and market position:

Proactively addressing biodiversity issues can enhance Heijmans' reputation and strengthen its competitive position, potentially leading to higher customer satisfaction and greater investor confidence.

7.2 Financial opportunities

In addition, there may be opportunities related to biodiversity and ecosystems. These can deliver significant financial benefits for Heijmans. Key impacts include:

Cost savings:

- Efficient use of resources: By implementing biodiversity-friendly measures, such as using native plants that require less water and maintenance, Heijmans can reduce operational costs.
- Reduction in repair costs: Preserving natural ecosystems can reduce the need for costly restoration projects following environmental damage.

New market opportunities:

- Green infrastructure: Investing in projects that promote biodiversity, such as green roofs and parks, can attract new clients and strengthen Heijmans' competitive position.
- Sustainable construction projects: By focusing on sustainable construction methods and materials, Heijmans can respond to growing demand for environmentally friendly homes and buildings.

Improved reputation and brand value:
- Social responsibility: Proactively addressing biodiversity issues can enhance Heijmans' reputation, potentially leading to higher customer satisfaction and greater investor confidence.

Certifications and subsidies:
- Participation in biodiversity initiatives can make Heijmans eligible for environmental certifications and subsidies, which can deliver financial benefits.

Risk management:
- Reducing legal and compliance risks: By complying with environmental legislation and standards, Heijmans can avoid legal costs and fines.

Resilience to climate change:
- Promoting biodiversity can help increase the resilience of construction projects to the effects of climate change, which can lead to long-term cost savings.

These financial impacts show that investing in biodiversity is not only beneficial for the environment, but can also deliver significant economic benefits for Heijmans.

7.3 Methodologies used

Heijmans uses various methodologies to quantify the financial impacts on, and arising from, biodiversity and ecosystems. A commonly used approach is the LEAP approach developed by the Taskforce on Nature-related Financial Disclosures (TNFD). This methodology consists of four steps:
- **Locate:**
  Identify the locations where Heijmans' activities have a significant impact on biodiversity and ecosystems.
- **Evaluate:**
  Assess the dependencies and impacts of these sites on biodiversity and ecosystem services.
- **Assess:**
  Analyse the risks and opportunities arising from these dependencies and impacts.

Prepare:
Develop and implement strategies and measures to manage these risks and opportunities, and report on them.

7.4 Sources used

To quantify the financial impacts, Heijmans uses various sources and tools, such as:
- **Ecosystem service models:**
  Tools such as InVEST (Integrated Valuation of Ecosystem Services and Tradeoffs) can help quantify the value of ecosystem services.
- **Biodiversity indicators:**
  Using indicators such as the Biodiversity Intactness Index (BII) to measure impacts on biodiversity.

Financial analysis:
Integrating biodiversity data into financial models to calculate the economic value of biodiversity measures.

7.5 Uncertainty in assumptions

There is always a degree of uncertainty associated with the assumptions used to quantify financial impacts. This uncertainty can arise from:
- **Data variability:**
  Differences in the quality and availability of biodiversity data.
- **Model uncertainty:**
  Limitations and assumptions in the models and tools used.
- **Future scenarios:**
  Uncertainty about future changes in policy, technology and market conditions.

It is important to communicate these uncertainties transparently and, where possible, quantify them, for example through scenario analysis and sensitivity analysis.

8. Glossary of terms and abbreviations

Term	Definition
Biodiversity	Variation in species, ecosystems and genetic diversity within an area. Essential for healthy ecosystems and for the delivery of ecosystem services.
Biodiversity pillars	Heijmans-specific principles aimed at enhancing nature in business operations, divided into four pillars: Space for Nature, Species Richness, Environmental Conditions, and Nature as a Resource.
Biodiversity Risk Filter (WWF)	Tool for identifying nature-related risks, helping Heijmans assess risks and opportunities related to biodiversity impact.
Double materiality analysis	Analysis that assesses the impact of business operations on biodiversity, and vice versa, essential for strategic decision-making.
Earth Overshoot Day	The date on which demand for natural resources exceeds the Earth's regenerative capacity.
Ecosystem services	Benefits that people obtain from ecosystems, such as water purification, pollination and climate regulation. These services support economic and social well-being.
EU Nature Restoration Law	European legislation requiring Member States to restore natural areas and limit biodiversity loss.
Integrated Biodiversity Assessment Tool (IBAT)	Database for identifying the impact of business operations on endangered species and ecosystems.
Invasive alien species	Non-native species that can disrupt ecosystems by displacing local species, posing a threat to biodiversity.
Kunming-Montreal Global Biodiversity Framework	
Land degradation and desertification	Material negative impacts that Heijmans identifies and monitors within its projects, related to soil sealing and land use.
LEAP approach	Five-phase analytical model (Scoping, Locating, Evaluating, Assessing, Responding & Reporting) for biodiversity impact analysis within the TNFD.
Natura 2000	European network of protected areas, established to preserve vulnerable species and habitats, with which Heijmans may interact within its projects.
Nature as a resource	One of the biodiversity pillars that emphasises the need for natural resources such as timber and minerals to be sourced sustainably in order to minimise negative impacts on biodiversity.
Nature Restoration Law	Dutch legislation aimed at restoring biodiversity, such as the protection of pollinating insects, in order to preserve ecological and economic value.
Nature-inclusive design	Integration of nature and biodiversity into design and construction processes, with the aim of creating a positive impact on local ecosystems.
Nature-positive	Business objective to improve the natural environment and strengthen biodiversity so that there is a net positive impact on nature.
Environmental conditions	One of the biodiversity pillars that emphasises the need for healthy environmental conditions, such as air, water and soil quality, which are essential for healthy biodiversity and which Heijmans seeks to improve.
Space for Nature	One of the biodiversity pillars that emphasises the need to create and connect areas for nature conservation, even within urban environments.
Science Based Targets for Nature (SBTN)	Scientific framework for setting nature targets within companies in order to limit nature loss.
Species richness	One of the biodiversity pillars that emphasises the need to protect and enhance species diversity within an ecosystem in projects.
Taskforce on Nature-related Financial Disclosures (TNFD)	A global initiative that helps companies report risks and opportunities arising from nature-related dependencies and impacts.
Traceability	The ability to trace the origin and impact of raw materials and components within the value chain, essential for responsible sourcing.