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Annual General Meeting Arcadis N.V.

6 May 2020



The annual General Meeting of Arcadis N.V. will be held on Wednesday 6 May 2020 at 2pm CET at the RAI Convention Centre, Europaplein 24, Amsterdam, the Netherlands

Agenda

1. Opening and notifications

- a. Opening
- b. Notifications

2. Report by the Supervisory Board on financial year 2019

(for discussion)

3. Report by the Executive Board on financial year 2019

(for discussion)

4. 2019 financial statements and dividend

- a. Adoption of the 2019 financial statements (for resolution)
- b. ~~Dividend over financial year 2019 (for resolution)~~ *(item withdrawn)*

5. Discharge

- a. Discharge of the members of the Executive Board (for resolution)
- b. Discharge of the members of the Supervisory Board (for resolution)

6. Appointment of auditor to audit the 2021 financial statements

(for resolution)

7. Remuneration reports Executive Board and Supervisory Board 2019

- a. Remuneration report Executive Board (for advice)
- b. Remuneration report Supervisory Board (for advice)

8. Remuneration policies Executive Board and Supervisory Board

- a. Revisions to remuneration policy for Executive Board (for resolution)
- b. Remuneration policy for Supervisory Board (for resolution)

9. Composition of the Supervisory Board

- a. Re-appointment of Ms. D.L.M. Goodwin (for resolution)
- b. Announcement of vacancies arising after the next Annual General Meeting (for information)

10. Amendments to the Articles of Association of Arcadis N.V.

(for resolution)

11. Delegation of authority to grant or issue (rights to acquire) Arcadis N.V. shares

- a. Designation of the Executive Board as the body authorized to grant or issue (rights to acquire) ordinary shares and/or cumulative financing preference shares (for resolution)
- b. ~~Designation of the Executive Board as the body authorized to issue ordinary shares as dividend (for resolution)~~ *(item withdrawn)*
- c. Designation of the Executive Board as the body authorized to limit or exclude pre-emptive rights (for resolution)

12. Authorization to repurchase Arcadis N.V. shares

(for resolution)

13. Any other business

14. Closing

Amsterdam, 20 March 2020

Executive Board
Arcadis N.V.
Gustav Mahlerplein 97-103
1082 MS Amsterdam,
The Netherlands

Explanatory notes to the agenda of the annual General Meeting of Arcadis N.V. (the ‘Company’)

Agenda item 2

Report by the Supervisory Board on financial year 2019 (for discussion)

The Supervisory Board reports on its activities during financial year 2019.

Agenda item 3

Report by the Executive Board on financial year 2019 (for discussion)

The Executive Board reports on its activities during financial year 2019.

Agenda item 4.a

Adoption of the 2019 financial statements (for resolution)

Pursuant to section 2:101.3 of the Dutch Civil Code, financial statements are adopted by the General Meeting. It is proposed to adopt the 2019 Financial Statements.

Agenda item 5.a

Discharge of the members of the Executive Board (for resolution)

It is proposed that the members of the Executive Board who were in function during financial year 2019 be discharged from liability for their management of the Company and its activities during such year, as far as evidenced by the Executive Board report, the annual financial statements, announcements during the annual General Meeting and/or (other) publicly available information and without prejudice to the provisions of section 2:138 of the Dutch Civil Code.

Agenda item 5.b

Discharge of the members of the Supervisory Board (for resolution)

It is proposed that the members of the Supervisory Board who were in function during financial year 2019 be discharged from liability for their supervision during such year, as far as evidenced by the Executive Board report, the Supervisory Board report, the annual financial statements, announcements during the annual General Meeting and/or (other) publicly available information and without prejudice to the provisions of sections 2:138 and 2:149 of the Dutch Civil Code.

Agenda item 6

Appointment of auditor to audit the 2021 financial statements (for resolution)

The General Meeting is the corporate body authorized to appoint the auditor that will audit the financial statements of the Company. The Arcadis Audit and Risk Committee and the Supervisory Board recommend giving the assignment to audit the 2021 Financial Statements of the Company to PricewaterhouseCoopers Accountants N.V. To come to this recommendation, the Supervisory Board assessed the relationship with the external auditor, based on a report from the Executive Board and the evaluation and recommendation by the Audit and Risk Committee, all in line with applicable legislation. If appointed, it will be the seventh year that PricewaterhouseCoopers audits the financial statements of the Company.

Agenda item 7

Remuneration reports Executive Board and Supervisory Board 2019

On 1 December 2019, the Dutch Act implementing the amended European Shareholder Rights Directive entered into force (with a few provisions exempted). The Shareholder Rights Directive targets improved Corporate Governance and aims to encourage effective and sustainable shareholder engagement in listed companies. The new Dutch rules include that the remuneration report for the Executive Board and the remuneration report for the Supervisory Board must be submitted to the general meeting for an advisory vote.

Agenda item 7.a

Remuneration report Executive Board (for advice)

In line with section 2:135b.2 of the Dutch Civil Code, the remuneration report for the Executive Board is submitted to the general meeting for an advisory vote. For the report on the remuneration of the Executive Board in 2019 reference is made to pages 168 through 175 of the 2019 Annual Report. The shareholders are asked to give their view on how the Company implemented the remuneration policy for the Executive Board in 2019.

In line with section 2:135b.2 of the Dutch Civil Code, the remuneration report for the Executive Board with respect to financial year 2020 will include an explanation on how the Company has taken into account the advisory vote of the shareholders.

Agenda item 7.b

Remuneration report Supervisory Board (for advice)

In line with sections 2:135b.2 and 2:145.2 of the Dutch Civil Code, the remuneration report for the Supervisory Board is submitted to the general meeting for an advisory vote. For the report on the remuneration of the Supervisory Board in 2019 reference is made to pages 168 and 175 of the 2019 Annual Report. The shareholders are asked to give their view on the remuneration of the Supervisory Board in 2019.

In line with sections 2:135b.2 and 2:145.2 of the Dutch Civil Code, the remuneration report for the Supervisory Board with respect to financial year 2020 will include an explanation on how the Company has taken into account the advisory vote of the shareholders.

Agenda item 8.a

Revisions to remuneration policy for Executive Board (for resolution)

Introduction

Pursuant to section 2:135 of the Dutch Civil Code and article 13 of the Articles of Association, the General Meeting is authorized to adopt the remuneration policy for the Executive Board upon the proposal of the Supervisory Board. The current remuneration policy for the members of the Executive Board was adopted by the General Meeting in May 2005 and was last amended in April 2019.

On 1 December 2019, the Dutch Act implementing the amended European Shareholder Rights Directive entered into force (with a few provisions exempted). The Shareholder Rights Directive targets improved Corporate Governance and aims to encourage effective and sustainable shareholder engagement in listed companies. The new rules introduce, inter alia, additional items to be addressed in the remuneration policy for the Executive Board.

The Company's current remuneration policy for the Executive Board is already largely compliant with the new rules stemming from the Shareholder Rights Directive. It is proposed to update the remuneration policy for the Executive Board in order to further align it with these new rules. No changes to the level of the remuneration are proposed. In line with current practice to review the remuneration policy every two years, the Arcadis Remuneration Committee plans to do a full review of the remuneration policy for the Executive Board, including a review of the various elements and the level of remuneration, in the course of

2020. The Arcadis Remuneration Committee aims to submit an amended version of the remuneration policy during the Annual General Meeting in 2021.

Main changes to remuneration policy Executive Board

The main proposed changes to the remuneration policy for the Executive Board include the following, in line with the new legislation:

1. Clarification how the remuneration contributes to the Company's identity, strategy, long-term interests and sustainability of the Company, and how the level of support in society is taken into account when determining the compensation of the members of the Executive Board;
2. Explanation of how the CEO pay ratio and salary and employment conditions of the Company's employees are taken into account when determining the compensation of the members of the Executive Board;
3. Clarification of the possibility for the Supervisory Board to apply discretion to the short term variable remuneration, for example, to account for events that were not planned when targets were set or were outside of management's control; and
4. Possible deviations from the remuneration policy for the Executive Board are further defined and clarified.

The full text of the proposed remuneration policy for the Executive Board is included as Annex 1. The proposed changes are in green.

Agenda item 8.b

Remuneration policy for Supervisory Board (for resolution)

The Shareholder Rights Directive referred to in agenda item 8.a introduces the requirement for Dutch listed companies to adopt a remuneration policy for the Supervisory Board. Pursuant to sections 2:135 and 2:145.2 of the Dutch Civil Code, the General Meeting is authorized to adopt such remuneration policy upon the proposal of the Supervisory Board.

Remuneration elements

The proposed remuneration policy for the Supervisory Board contains many of the elements which were already present in the remuneration of the Supervisory Board as set by the General Meeting, which was last changed in 2017. The proposed policy is fully in line with the new legislation and explains, for example, how the Company's identity, mission and values and the level of support of society are taken into consideration in the preparation of the policy.

In the process of preparing a remuneration policy for the Supervisory Board, a benchmark analysis was performed which indicated that the expense allowance that formed part of the remuneration of the members of the Supervisory Board, was no longer in line with market practice. It is therefore proposed to eliminate the expense allowance of € 3,000 for the chairman of the Supervisory Board and € 2,000 per member of the Supervisory Board. Members of the Supervisory Board will be reimbursed for actual expenses made.

In line with the market benchmark it is proposed to increase the annual fee for the chairman of the Supervisory Board by from € 80,000 to € 85,000 and the annual fee of the members of the Supervisory Board from € 55,000 to € 58,000.

Remuneration for additional sub-committees

In addition to the three existing sub-committees of the Supervisory Board (the Arcadis Audit and Risk Committee, the Remuneration Committee and the Arcadis Selection Committee), the Supervisory Board may decide to introduce additional sub-committees.

The annual fixed fee for additional committee membership(s) will be dependent upon the expected number of committee meetings per annum (€ 2,000 per meeting for the chairperson, with a maximum fixed annual fee of € 8,000; and € 1,500 per meeting for a member, with a maximum fixed annual fee of € 6,000).

Members of the Supervisory Board participating in more than two committees will only be compensated for their membership of the two committees with the highest fees. The combined membership of the Remuneration Committee and the Selection Committee is considered one committee membership for the purpose of remuneration.

No other changes to the various elements or the level of the remuneration of the members of the Supervisory Board are proposed.

The full text of the proposed remuneration policy for the Supervisory Board is included as Annex 2.

Agenda item 9.a

Composition of the Supervisory Board; Re-appointment of Ms. D.L.M. Goodwin (for resolution)

In accordance with the rotation schedule drawn up by the Supervisory Board, the first term of Ms. D.L.M. (Deanna) Goodwin will expire per the end of this annual General Meeting. Ms. Goodwin is eligible and available for re-appointment.

Ms. Goodwin has been a member of the Supervisory Board since 2016. She complies with the independence criteria of the Dutch Corporate Governance Code, and the proposed appointment complies with the diversity policy for the Supervisory Board and the profile drawn up by the Supervisory Board. She also complies with the statutory regime limiting the number of supervisory positions that may be held by members of the Supervisory Board under the Dutch Civil Code.

Candidate details for the proposed re-appointment in accordance with section 2:142.3 of the Dutch Civil Code:

Name	Deanna Lynn Marie Goodwin (10 January 1965)
Nationality	Canadian
Current positions	<ul style="list-style-type: none"> • Member of the Board of Directors Kosmos Energy • Member of the Board of Directors Oceaneering International, Inc.
Previous positions	<ul style="list-style-type: none"> • President TECHNIP North America (2013-2017) • Chief Operating Officer, Offshore TECHNIP North America (2012-2013) • Senior Vice President Operations Integration TECHNIP (2011-2012) • Chief Financial Officer North America TECHNIP (2007-2011) • Various positions at Veritas DGC (1993-2007)
Supervisory/ non-executive directorships	None
Arcadis N.V. shares and/or options	None

The Supervisory Board is submitting a non-binding nomination for the re-appointment of Ms. Goodwin as a member of the Supervisory Board immediately per the end of this annual General Meeting. The nomination for the re-appointment of Ms. Goodwin is based on, amongst other things, her extensive knowledge of the professional services industry and her experience as a global business leader and in the North and Latin American business. In the past four years her contributions to the Supervisory Board, to the Arcadis Selection Committee and the Arcadis Remuneration Committee have been very valuable. The appointment will be for a period of four years and will continue through the end of the annual General Meeting in 2024, and any adjournment thereof.

The Supervisory Board proposes that Ms. D. Goodwin be re-appointed as a member of the Supervisory Board per the end of this annual General Meeting. If re-appointed, Ms Goodwin will become a member of the Arcadis Audit and Risk Committee and give up her role as a member of the Selection Committee and the Remuneration Committee.

Agenda item 9.b

Composition of the Supervisory Board; announcement of vacancies arising after the next annual General Meeting (for information)

In accordance with the rotation schedule drawn up by the Supervisory Board, the third and final term of Ms. R. Markland, as well as the first term of Mr. W.G. Ang and the second term of Mr. N.W. Hoek will expire after the annual General Meeting in 2021.

In accordance with the Articles of Association and the Dutch Corporate Governance Code, Ms. R. Markland is not eligible for re-appointment and Mr. W.G. Ang and Mr. N.W. Hoek are eligible for re-appointment.

Agenda item 10

Amendments to the Articles of Association of Arcadis N.V. (for resolution)

It is proposed to amend the Articles of Association of the Company.

The amendments are proposed for the following reasons in particular:

1. To reflect recent changes in legislation such as the amended European Shareholder Rights Directive and its implementation in Dutch law;
2. To align the Articles with current (market) practice; and
3. To implement textual changes for consistency reasons.

A detailed explanation of the proposed changes is set out in the triptych – including the current Articles, the proposed Articles and an explanation of the changes – available on the Company website.

The proposal includes the authorization of each member of the Executive Board, as well as each deputy civil law notary, lawyer and notarial paralegal practicing with Zuidbroek Notarissen, individually, to execute the Deed of Amendments to the Articles of Association (as included in the second column of the triptych, available on the Company website).

In accordance with article 28.1 of the Articles of Association, the Supervisory Board and the Priority Foundation have approved the proposed amendments.

Agenda item 11.a

Designation of the Executive Board as the body authorized to grant or issue (rights to acquire) ordinary shares and/or cumulative financing preference shares (for resolution)

It is proposed to designate the Executive Board as the body authorized to issue ordinary shares and/or cumulative financing preference shares, subject to the prior approval of the Supervisory Board and of the Arcadis N.V. Priority Foundation (the holder of the priority shares). This includes the authority to grant (rights to acquire) ordinary shares and/or cumulative financing preference shares.

This designation will be valid for a period of eighteen months as from 1 July 2020. If the resolution is adopted, the designation of the Executive Board as granted in the annual General Meeting of 25 April 2019 shall lapse on 1 July 2020.

The designation shall apply up to a maximum of 10% of the total number of ordinary and/or cumulative financing preference shares issued at the time of the decision to issue or grant (rights to acquire) ordinary and/or cumulative financing preference shares, and an additional 10% if the issue or grant takes place in connection with a merger, strategic alliance or takeover.

The purpose of this proposal is to be able to decisively anticipate opportunities to expand Arcadis by means, for example, of acquisitions. It may be desirable to issue shares to finance (part of) such acquisitions. The impact on the expected profit per share will constitute an important aspect of the decision making. Furthermore, it may be necessary to issue shares in the context of commitments made in relation to incentive plans. In view of the Company's financing structure, the scope of the authority to issue shares is set at no more than 10% of the issued share capital for any purpose, plus an additional 10% if the issue takes place in connection with a merger, strategic alliance or takeover.

Agenda item 11.c

Designation of the Executive Board as the body authorized to limit or exclude pre-emptive rights (for resolution)

It is proposed to designate the Executive Board as the body authorized to limit or exclude pre-emptive rights in relation to any issue or grant of (rights to acquire) shares by the Executive Board under the authorities designated to the Executive Board. This designation will be valid for a period of eighteen months as from 1 July 2020. If the resolution is adopted, the designation of the Executive Board as granted in the annual General Meeting of 25 April 2019 shall lapse on 1 July 2020.

No pre-emptive rights exist in respect of ordinary shares issued against a non-cash contribution. In the event of issue of new ordinary shares against payment in cash, holders of ordinary shares have pre-emptive rights to subscribe for these new ordinary shares during a period of at least fourteen days, as to be published in the Dutch State Gazette. The delegation requested under this agenda item will permit the Executive Board to exclude or limit pre-emptive rights in relation to incentive schemes. Furthermore, the pre-emptive rights can be limited or excluded - for up to 20% of the total issued share capital at the time of the decision to issue shares or grant rights to acquire shares - if it would be desirable to pay (part of) an acquisition in the form of ordinary Arcadis N.V. shares. The Executive Board will only exercise this authority taking into account the limitations identified in this explanatory note and exclusively for the objectives described in this explanatory note.

Agenda item 12

Authorization to repurchase Arcadis N.V. shares (for resolution)

It is proposed that in accordance with article 7.1 of the articles of association of the Company the Executive Board be authorized to acquire on behalf of the Company ordinary shares and/or cumulative financing preference shares in the share capital of the Company for financial consideration. The authorization will be valid for a period of eighteen months as from 1 July 2020. If the resolution is adopted, the authorization of the Executive Board as granted in the annual General Meeting of 25 April 2019 shall lapse on 1 July 2020. The authorization shall apply up to a maximum of 10% of the issued share capital.

Ordinary shares may be acquired by purchasing them on the stock exchange, or otherwise, at a price that is equal to at least the nominal value of the ordinary shares and at most the listed share price plus 10%. For this purpose, the listed share price is calculated as the average of the share closing price according to the Daily Official List of Euronext N.V., Amsterdam, on each of the five trading days preceding the date on which the shares are acquired.

The cumulative financing preference shares may be acquired at a price that is equal to at least the nominal value of the financing preference shares and at most the amount paid on those financing preference shares, including the nominal amount and the share premium, increased by the amount of the distribution that in accordance with article 8 of the articles of association should be paid if these shares were to be cancelled.

Annex 1: Executive Board remuneration policy

Objectives

The remuneration policy for members of the Executive Board of Arcadis N.V. ('Arcadis' or the 'Company') should serve to attract, motivate and retain international executives of the highest caliber in order to deliver our ambitious business strategy. The remuneration policy aims to support the business strategy of Arcadis. It further enhances the link between pay and performance and aligns the interests of the members of the Executive Board with the long-term interests of Arcadis and the interests of shareholders. This is done by linking the performance criteria of the short-term and long-term variable remuneration to the strategy of the Company and by stimulating share ownership of the members of the Executive Board. In doing so, Arcadis adopts the highest standards of good corporate governance.

Remuneration elements

The remuneration policy for the members of the Executive Board consists of four elements: fixed compensation, a short-term variable remuneration, a long-term variable remuneration and other benefits such as a pension scheme.

Labor market reference

Arcadis has developed from a multi-local to the leading international natural and built asset design and consultancy company. In order to align with Arcadis' size (in terms of revenues, average market capitalization, total assets and number of FTE), geographic and industry scope, and labor market competition, two reference groups are defined¹. The first group focuses on Dutch headquartered companies with significant international activities. The second group consists mainly of global industry peers:

Dutch headquartered companies with significant international activities

Randstad (NL)

AkzoNobel NL

DSM (NL)

BAM (NL)

KPN (NL)

Wolters Kluwer (NL)

PostNL (NL)

Boskalis (NL)

SBM Offshore (NL)

Aalberts Industries (NL)

Fugro (NL)

Refresco (NL)

Vopak (NL)

TKH Group (NL)

Brunel (NL)

TomTom (NL)

Global industry peer companies

AECOM (US)

Jacobs Engineering (US)

CBRE (US)

Amec Foster Wheeler (UK)

SNC Lavalin (CAN)

Worley Parsons (AUS)

Jones Lang LaSalle (USA)

WSP Global (CAN)

Wood Group (UK)

Stantec (CAN)

Tetra Tech (USA)

Sweco (S)

Cardno (AUS)

RSP Group (UK)

Hill International (USA)

Pöyry (FIN)

In both groups², Arcadis is positioned around the median in terms of the average of the afore mentioned parameters revenues, average market capitalization, total assets and number of FTE.

The remuneration policy aims at Total Direct Compensation levels (the sum of fixed compensation, short-term variable remuneration and long-term variable remuneration) around the median of the levels defined by both reference groups, whereby alignment with Dutch headquartered companies is primary and alignment with the global reference group secondary.

¹ Changes to the two reference groups may be required from time to time e.g. following mergers or acquisitions in which one or more companies in the reference groups are involved.

² The Labor Market Reference assessment was executed mid 2016.

Total compensation

The relative proportion of the fixed and the variable compensation components³ of the members of the Executive Board is as follows:

	Fixed	Short Term Variable	Long Term Variable	Total
Chief Executive Officer	39%	19%	42%	100%
Chief Financial Officer	40%	20%	40%	100%

The compensation has a relatively strong focus on long-term variable remuneration, which reflects the importance of alignment with the long-term strategy of the Company.

Fixed compensation

The annual fixed compensation of members of the Executive Board is as follows:

	Fixed compensation
Chief Executive Officer	€ 660,000
Chief Financial Officer	€ 475,000

Fixed compensation levels can be adjusted with a maximum of 3% per annum, to be decided upon by the Supervisory Board, based on general market movement and inflation figures.

Short-term variable remuneration

The short-term variable remuneration ranges from 0% to 85% of the fixed compensation, with 50% being the target. The short-term variable remuneration is payable in cash. The payment is made in March, following the performance year to which the short-term variable remuneration relates.

³ Percentages mentioned are based on target realization.

⁴ Reported EBITA %: Earnings Before Interest, Taxes, Depreciation and Amortization, divided by impairment of goodwill and/or identifiable assets.

⁵ Free cash flow: Cash flow from operating activities minus (dis)(in)vestments in (in)tangible assets.

⁶ Organic revenue growth (revenue) %: Year-on-year Net revenue change minus contributions from acquisitions in that period plus contributions of divestments in the previous period, minus exchange rate differences, and adjusted, if applicable, for non-recurring items.

⁷ Voluntary Turnover Rate: Voluntary termination of permanent employees divided by the average number of permanent employees during a 12-months period (January – December). A termination is voluntary when the decision for termination is made by the employee.

⁸ Role modeling leadership behavior: assessment of performance of the individual Executive Board members towards the identity, mission and values of the Company, using a standardized score card/matrix as determined by the Supervisory Board.

Performance criteria

In order to support the Company's strategy, the criteria for the short-term variable remuneration are based on the 3 pillars of the strategy and are partly financial and partly non-financial. The financially driven criteria determine 60% and reflect the financial priorities of the Company. They support the pillars of the strategy relating to Focus & Performance and Innovation & Growth. The remaining 40% support the People & Culture pillar.

The criteria for the members of the Executive Board are:

Strategic pillar	Criteria	Weight
Focus & Performance	reported EBITA ⁴ %	20%
Focus & Performance	free cash flow ⁵	20%
Innovation & Growth	organic growth (revenue) % ⁶	20%
People & Culture	voluntary turnover rate ⁷	20%
People & Culture	role modeling leadership behavior ⁸	20%
Total		100%

The targets (threshold, target and maximum) for each of the performance criteria will be pre-set annually by the Supervisory Board by reference to the plan for the respective year, and in light of the strategic aspirations of the Company. No pay out will be made for below threshold performance. All short-term variable remuneration criteria allow for rewarding strong performance.

The Supervisory Board has the discretion to make adjustments, for example to account for events that were not planned when targets were set or were outside of management's control.

Long-term variable remuneration

The long-term variable remuneration serves to align the interests of the members of the Executive Board with long-term interests of the Company and its shareholders. Members of the Executive Board annually receive conditional performance shares in principle on the ex-dividend date after the Annual General Meeting of the Company. The conditional performance shares vest after three years and are subject to achievement of set performance criteria over three financial years. In addition, the shares must be held for two more years.

Size of award

The size of the LTI award is defined as a percentage of fixed remuneration, with the actual grant being determined by this percentage and the applicable Volume Weighted Average Price (“VWAP”).⁹

The following percentages apply:

Chief Executive Officer	110%
Chief Financial Officer	100%

The maximum opportunity for the long-term variable pay shall not exceed 165% of the on target pay.

Performance criteria LTI

In order to support the three pillars of the strategy, the long-term interests and continuity of the Company, the performance criteria are:

Performance Indicator	Weight
Total Shareholder Return	33.33%
Earnings Per Share	33.33%
Sustainability	33.33%
Total	100%

Performance Criterion 1: Total Shareholder Return

To determine the achievement of this performance criterion, the relative Total Shareholder Return (“TSR”) is measured, which is defined as share price movements including dividends, assuming dividends are reinvested.

The TSR performance of Arcadis is measured against the performance of direct competitors. The TSR peer group is as follows¹⁰:

TSR Peer group	
Arcadis (NL)	SNC-Lavalin (CAN)
AECOM (USA)	Sweco (Sw)
Cardno (AUS)	Tetra Tech (USA)
Hill International (USA)	Stantec (CAN)
Jacobs Engineering (USA)	Wood Group (UK)
AF Pöyry (FIN)	Worley Parsons (AUS)
RPS Group (UK)	WSP Global (CAN)

The position of Arcadis in the TSR peer group, after three years¹¹, determines the final score for this criterion in accordance with the following performance incentive zones:

Ranking	14-8	7	6	5	4	3	2	1
Vesting	0%	50%	75%	100%	125%	150%	175%	200%

The position of Arcadis in the ranking will define the vesting for this part of the conditional grant.

Performance Criterion 2: Earnings Per Share

Earnings Per Share (“EPS”) is calculated by applying the simple point-to-point¹² method at the end of the period. EPS is disclosed in our Consolidated Financial Statements (in our Annual Integrated Report) and is calculated by dividing the Net income from operations by the weighted average number of shares outstanding during the period, excluding ordinary shares purchased by the Company and held as treasury shares (i.e. shares purchased to cover share/options plans). Earnings are adjusted for changes in accounting principles during the performance period.

The Supervisory Board has the discretion to include other adjustments, for example, to account for events that were not planned when targets were set or were outside of management’s control.

The EPS growth target, threshold and maximum are set annually by the Supervisory Board. Given that these targets are considered to be commercially sensitive, EPS targets and the achieved performance are published in the Annual Report after the relevant performance period.

The following performance incentive zones will be used to define the vesting for this part of the conditional grant:

	< Threshold	Threshold	Target	Maximum
EPS				
Vesting (of conditional grant)		0	50%	100%
			100%	150%

⁹ The number of conditional performance shares to be granted is based on the VWAP of ordinary Arcadis NV shares with a nominal value of EUR 0.02 per share of a 30-day period starting on the day of the publication of the annual results of the year preceding the grant year.

¹⁰ Changes to the peer group may be required from time to time e.g. following mergers or acquisitions in which one or more peer companies are involved.

¹¹ The TSR performance is measured by using the average performance in the three months before the start of the performance period and the average performance over the last three months of the performance period.

¹² % growth from t_0 to t_n , divided by # years.

Performance Criterion 3: Sustainability (Sustainalytics score (ESG))

The sustainability target will be measured by reference to the score applied to the Company by Sustainalytics, a leading independent global ESG ratings firm which provides a robust analytical framework that addresses a broad range of Environmental, Social and Governmental (“ESG”) issues and trends that have a significant and material impact on industries and companies. Sustainalytics analyzes and rates the performance of companies across 42 different peer groups (comparable to sub-industries). The analysis is made by looking at and weighting the core and sector specific metrics to determine the overall ESG performance.

Arcadis has the ambition to move from its current position as outperformer to a leader position. The Supervisory Board will set an ESG target that is aligned with this ambition.

The target, threshold and maximum score will be set by the Supervisory Board each year for the 3-year period and disclosed in the Annual Report of the year the target scores are set.

The following performance incentive zones will be used to define the vesting for this part of the conditional grant:

	< Threshold	Threshold	Target	Maximum
Sustainalytics score				
Vesting	0	50%	100%	150%

The actual results of Arcadis compared with the performance incentive zones for both EPS and Sustainalytics will define the vesting.

Share ownership guidelines

One of the aims of the remuneration policy is to increase alignment with the interests of the shareholders by stimulating share ownership. The members of the Executive Board have to retain the shares awarded under the short-term and long-term variable remuneration for a period of at least five years from the grant date, while allowing part of the shares to be sold to cover taxes due on the date of vesting, if any. Furthermore, members of the Executive Board must hold shares in the Company with a value¹³ equal to 250% of fixed compensation for

the Chief Executive Officer, 150% of fixed compensation for the Chief Financial Officer, for which a build-up period of five years applies. All shares obtained by means of remuneration are held until the required ownership level is reached.

Policy in case of a take over

In the event of a takeover of Arcadis, the treatment of shares (and options) granted to the Executive Board (and other senior staff) will be determined by the Supervisory Board, upon advice by the Remuneration Committee, taking into account the share price in the period preceding the disclosure of an offer, as well as all other relevant circumstances at that moment. This means that the exercise price of outstanding options and the number of unvested conditional shares can be adjusted to correct for (part of) the increase in share price caused by the offer. Unvested shares and options will vest proportionally to the number of months of the three-year vesting period that elapsed since the grant date.

Other benefits

In line with best practice, the Company provides benefits which the Supervisory Board considers appropriate for a global Company which needs to attract and retain Executive Board members from different parts of the world. Any benefits provided will be reported in the Remuneration Report.

If a new Executive Board member is recruited from abroad, the Company’s mobility policy may apply. Such policy includes various benefits in relation to a potential relocation of the Executive Board member, such as housing, schooling and relocation support.

Furthermore, the members of the Executive Board participate in the Dutch Arcadis Pension Scheme. This pension scheme provides for pension accrual according to a Collective Defined Contribution method up to the statutory salary maximum. For the salary above this statutory maximum, a compensation is provided. In line with the pension scheme, the Company pays 73% and the Executive Board member pays 27% of the total pension contribution.

¹³ To determine the number of shares to be held by each EB member, the following calculation is made:

- the relevant multiple of the EB member’s base salary at the annual shareholder meeting in May 2014, or the shareholder meeting after that date in which the EB member is appointed; divided by
- the Volume Weighted Average Price of the Arcadis share during the five trading days after the May 2014 annual shareholder meeting, or the shareholder meeting after that date in which the EB member is appointed (whichever is applicable).

Severance compensation: in line with the Dutch Corporate Governance Code, severance compensation is maximized at one-year gross annual fixed compensation (so excluding variable remuneration and other elements such as expense allowance and pension contributions). In accordance with the Dutch Corporate Governance Code, severance compensation will not be awarded if the Executive Board membership and/or the management agreement is terminated early at the initiative of the Executive Board member, or in the event of seriously culpable or negligent behavior on the part of the Executive Board member. Existing ultimatum remedium and claw back clauses in Management Contracts with Members of the Executive Board are in line with the applicable legislation and the Dutch Corporate Governance Code.

Management agreements of members of the Executive Board in principle have a duration of four years with a notice period of three months for the Company and three months for the Executive Board member.

Adoption, revision of and deviation from this Policy

Adoption / revision

The Arcadis Remuneration Committee submits a proposal for the remuneration policy to the Supervisory Board (such policy to be adopted by the General Meeting).

In their preparation of the remuneration policy, the Remuneration Committee takes into careful consideration the Company's identity, mission and values, the level of support of society, the CEO pay ratio¹⁴ and salary and employment conditions of the Company's employees. The Remuneration Committee tracks how the pay ratio changes on an annual basis and takes this into consideration when reviewing Executive Board remuneration levels.

The Company's identity, mission and values are translated into the short-term incentive targets. The level of support of society for the remuneration policy was assessed by means of a stakeholder analysis, which looks at the opinions of clients, suppliers, shareholders and investors, employees and relevant non-governmental organizations.

The Remuneration Committee also takes into consideration the compensation and benefits of the employees of the Company. This is done by means of a benchmark using the internal grading system and related compensation schemes, which are structured in a systematic manner, supported by external consultants.

The Remuneration Committee considers the view of the members of the Executive Board in its decision to adjust the remuneration policy. The votes and views of shareholders with respect to the remuneration policy and the remuneration report since the most recent vote on these topics in the General Meeting are also considered.

In order to validate the proposed remuneration policy for the Executive Board, the Remuneration Committee performs a scenario analysis.

The remuneration policy for members of the Executive Board of Arcadis is, in principle, reviewed every two years by the Remuneration Committee at the instruction of the Supervisory Board.

If the General Meeting does not approve any proposed amendments to the remuneration policy, the Company shall continue to remunerate in accordance with the existing approved remuneration policy and shall submit a revised policy for approval at the subsequent General Meeting.

¹⁴ The CEO pay ratio is calculated by dividing the total CEO compensation by the average employee compensation within the Arcadis organization, as disclosed in the annual financial statements. Average employee compensation is based on total personnel costs and the average number of full-time employees over two years.

Deviation

In exceptional circumstances only, the Supervisory Board, as advised by the Remuneration Committee, may decide to temporarily deviate from this policy. Exceptional circumstances are only those situations in which deviation from the remuneration policy is necessary to serve the long-term interests and continuity of Arcadis. This includes the situation where a new Executive Board member is recruited from an external company. In such case, a one-off sign-on grant up to a maximum 200% of their annual LTI award under this policy is permitted as compensation for loss of long-term incentive value at their previous company.

In addition, if a new Executive Board member is recruited from abroad, the Company's mobility policy may apply. Such policy includes various benefits in relation to a potential relocation of the Executive Board member, such as housing, schooling and relocation support.

The remuneration policy was adopted by the General Meeting in May 2005 and last amended in May 2020 to align with the Dutch implementation legislation of the European Shareholder Rights Directive.

Annex 2: Supervisory Board remuneration policy

Objectives

The remuneration policy for members of the Supervisory Board of Arcadis N.V. ('Arcadis' or the 'Company') should serve to attract, motivate and retain diverse Supervisory Board members of the highest caliber in order to support and oversee the execution of our ambitious business strategy.

Remuneration elements

The remuneration of the members of the Supervisory Board consists of a fixed fee and an attendance fee. Given the nature of the responsibilities of the Supervisory Board, the remuneration is not tied to the performance of the Company and therefore includes fixed compensation only. In line with the Dutch corporate governance code, the members of the Supervisory Board will not be rewarded in equity-based compensation.

Labor market reference

The annual remuneration levels for the Supervisory Board are based on a benchmark analysis against the median of the following 16 Dutch headquartered companies with significant international activities.

Dutch headquartered companies with significant international activities¹

Randstad (NL)
AkzoNobel NL
DSM (NL)
BAM (NL)
KPN (NL)
Wolters Kluwer (NL)
PostNL (NL)
Boskalis (NL)
SBM Offshore (NL)
Aalberts Industries (NL)
Fugro (NL)
Refresco (NL)
Vopak (NL)
TKH Group (NL)
Brunel (NL)
TomTom (NL)

¹ Changes to the reference group may be required from time to time e.g. following mergers or acquisitions in which one or more companies in the reference group are involved.

Total compensation

Fixed Fee

The following fixed annual fees are applicable:

	Supervisory Board	AARC	ASC / RemCo (combined membership)
Chairperson	€ 85,000	€ 12,000	€ 10,000 ²
Member	€ 58,000	€ 8,000	€ 7,000

AARC = Arcadis Audit and Risk Committee

ASC = Arcadis Selection Committee

RemCo = Remuneration Committee

Attendance fee

The following attendance fees are applicable for members of the Supervisory Board:

- € 2,500 for every visit for meetings that take place outside of the Supervisory Board member's country of domicile and does not involve intercontinental travel; or
- € 4,000 for every visit for meetings that involve intercontinental travel; and
- No attendance fee is paid if the meeting takes place in the Supervisory Board's member's country of domicile.

Share ownership

Any share ownership of (privately acquired) Arcadis shares by the SB member is meant as a long-term investment.

Other committees

As is deemed necessary, the Supervisory Board may decide to introduce additional committees. The annual fixed fee for such additional committee membership(s) will be dependent upon the expected number of committee meetings per annum (€ 2,000 per meeting for the chairperson, with a maximum fixed annual fee of € 8,000; and € 1,500 per meeting for a member, with a maximum fixed annual fee of € 6,000).

Members of the Supervisory Board participating in more than two committees, will only be compensated for their membership of the two committees with the highest fees. The combined membership of the Remuneration Committee and ASC is considered one committee membership for the purpose of remuneration.

Other information

The Company will not grant any loans, advances or guarantees to Supervisory Board members. Arcadis provides Supervisory Board members with an indemnification for costs and expenses from and against claims, actions or lawsuits related to actions and/or omissions in their function as Supervisory Board Member of Arcadis.

² This includes the fee for the membership of the Committee where the Chairperson is not functioning as Chairperson.

In accordance with best practice provision 2.2.2 of the Corporate Governance Code, a Member of the Supervisory Board shall be appointed for a period of four years and shall thereafter be eligible for re-appointment for another four-year period. The SB member may then subsequently be re-appointed for a period of two years, which appointment may be extended by at most two years. The engagement does not include any severance, claw-back or change of control provisions.

Adoption, revision of and deviation from this Policy

Adoption / revision

The Remuneration Committee submits a proposal for the remuneration policy to the Supervisory Board (such policy to be adopted by the General Meeting). In their preparation of the remuneration policy, the Remuneration Committee takes into careful consideration the Company's identity, mission and values, the level of support of society and the time spent and the responsibilities of the members of the Supervisory Board. The level of support of society is assessed via a stakeholder analysis, which looks at the opinions of clients, suppliers, shareholders and investors and employees and relevant non-governmental organizations.

This remuneration policy was adopted by the General Meeting in May 2020 to align with the Dutch implementation of the European Shareholder Rights Directive. The remuneration policy for members of the Supervisory Board of Arcadis is, in principle, reviewed at least every four years by the RemCo at the instruction of the Supervisory Board.

The Remuneration Committee submits a proposal for revision of the remuneration policy to the Supervisory Board (such revisions to be adopted by the General Meeting). If the General Meeting does not approve any proposed amendments to the remuneration policy, the Company shall continue to remunerate in accordance with the existing approved remuneration policy and shall submit a revised policy for approval at the subsequent General Meeting.

Deviation

In exceptional circumstances only, the Supervisory Board, as advised by the Remuneration Committee, may decide to temporarily deviate from this policy. At this moment, no exceptions are considered.

Voting Instructions

The holders of ordinary shares entitled to attend and/or vote at this General Meeting are those persons who, on Wednesday 8 April 2020 (the '**Record Date**'), have those rights and are registered as such in the registers designated for that purpose by the Executive Board.

An invitation to attend the annual General Meeting will be sent to all holders of registered shares.

Starting Thursday 9 April 2020, holders of bearer shares wishing to attend the General Meeting may apply to the intermediary that administers their shares or via www.abnamro.com/evoting for a registration certificate that serves as proof of entitlement for admission to the General Meeting. Shareholder requests must be received no later than Wednesday 29 April 2020 at 5pm CET.

Shareholders are entitled to be represented at the General Meeting by an independent third party. Following registration with the intermediary, holders of bearer shares may submit a proxy with voting instructions to Intertrust (Netherlands) B.V. in Amsterdam. The proxy is made available on the Company website and can be obtained from the intermediary. It must be received by Intertrust (Netherlands) B.V. for the attention of Mr. R. Rosenboom, Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands, no later than Wednesday 29 April 2020 at 5pm CET.

A proxy with voting instructions will be sent to the holders of registered shares. Here too, Intertrust (Netherlands) B.V. must receive the proxy no later than Wednesday 29 April 2020 at 5pm CET at the above address. Should shareholders wish to designate a party other than Intertrust (Netherlands) B.V. as their proxy, then they can also use the proxy form that the Company has made available on its website.

To gain access to the General Meeting the third party granted the proxy must take such proxy and, if applicable, the registration certificate, to the General Meeting.

Shareholders and proxy holders who choose to attend the meeting in person may be asked to identify themselves at the registration desk prior to the AGM. We therefore ask that all those entitled to attend the AGM carry a valid proof of identity (passport or driving license).

Shareholders who do not wish to attend the AGM in person or by proxy, can cast their vote prior to the AGM via the ABN AMRO website designated for this purpose: www.abnamro.com/evoting, up to Wednesday 29 April 2020, 5pm CET.

Intermediaries must submit a statement to ABN AMRO ultimately on Thursday 30 April 2020 at 12 noon CET identifying the number of shares registered for the AGM for each shareholder.

This year, shareholders can also exercise their voting right remotely during the meeting. For more information on the webcast and the voting process see abnamro.com/evoting.

This year, shareholders who choose not to attend the AGM at the RAI can follow the meeting online through a webcast.

Shareholders who will be following the AGM through the webcast will be able to submit written questions prior to the meeting. Please submit your question(s) to ir@arcadis.com by 5pm CET on Tuesday 5 May 2020. We cannot guarantee that questions received after this date & time will be addressed during the AGM.

Holders of New York shares

Similar to previous years, holders of New York shares will be able to cast their votes through the Bank of New York Mellon. Shareholders will be provided with a proxy card and the Agenda for the meeting, including the explanatory notes thereto. The Bank of New York Mellon should be provided with the executed proxy card prior to 5pm New York Time on Monday 27 April 2020. In accordance with Dutch Law and the Articles of Association of the Company holders of shares must hold their shares on Wednesday 8 April 2020 (the '**Dutch Record Date**') in order for their votes to be accepted at the Meeting. By signing and returning the proxy card the shareholder agrees and attests that they will not sell or transfer the shares prior to the close of business on Wednesday 8 April 2020. If the shareholder sells or transfers the shares on or before the close of business on Wednesday 8 April 2020, their votes will not be counted.

Route description

Public transport

The RAI Convention Centre can easily be reached by public transport.

By metro and bus

From Amsterdam Central Station you can take metro 52, the new underground connection linking the district of Amsterdam North to the Amsterdam Zuid railway station. This line provides the fastest direct connection from Amsterdam Central Station to the RAI (exit at the Europaplein station). You can also take tram 4 and stop at Europaplein.

From Amstel Station you can reach the RAI on metro 51 (exit at Amsterdam RAI station) or bus line 62 (get off at Europaplein) or line 65 (get off at Scheldeplein).

Metro 50, which runs between Amsterdam Sloterdijk and Gein, also stops at the Amsterdam RAI railway station.

Train

The Amsterdam RAI railway station is located at a seven-minute walk from the RAI.

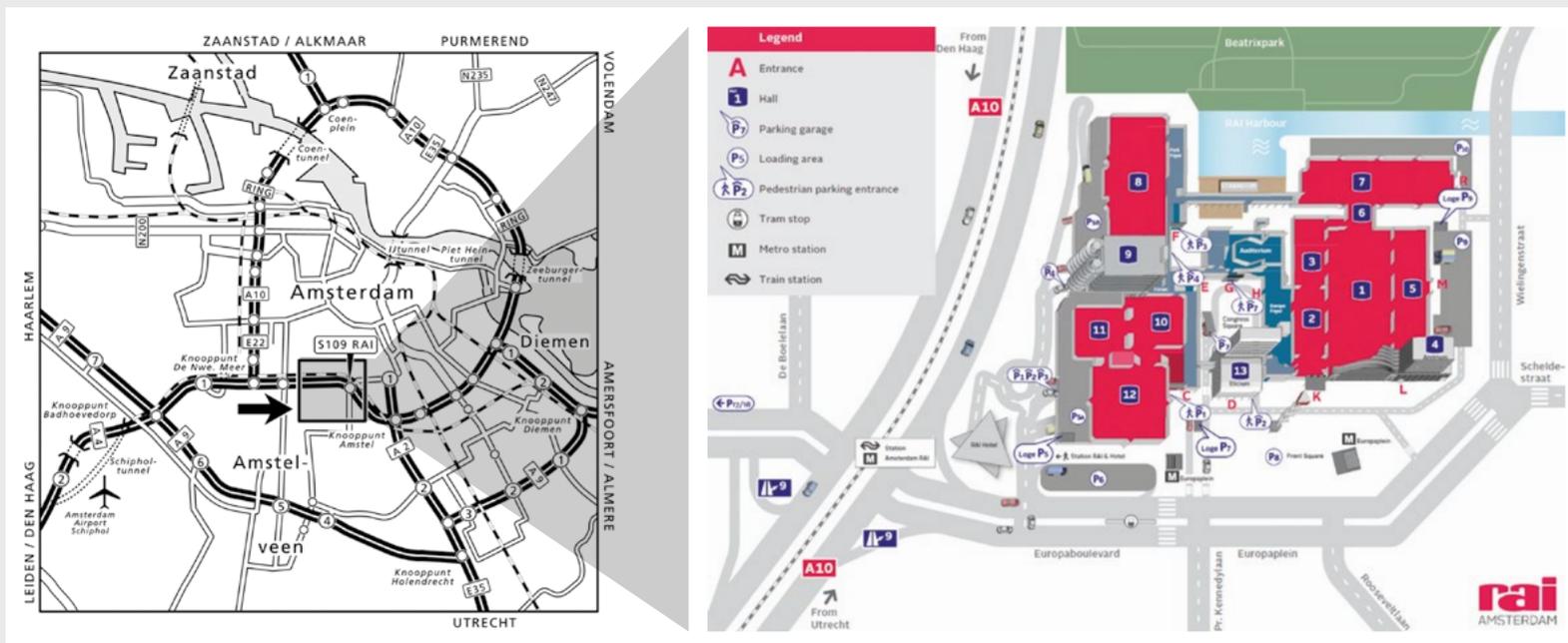
By car

Directly on approaching Amsterdam via the motorway A1, A2 or A4 and entering the ring road (A10), the RAI is indicated on the signs. The RAI is located alongside the ring road (exit 9). Upon exiting the motorway please follow the RAI car park signs.

Meeting location

The AGM will be held in the Amtrium (hall 4), which can be accessed by Entrance L. The registration desk for the AGM will be next to the entrance to the meeting room.

RAI Amsterdam
 Europaplein 24
 1078 GZ Amsterdam



Contact

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