



# Remuneration report

The remuneration policies for the Executive Board and the Supervisory Board are proposed by the Supervisory Board to the annual General Meeting, based on the advice of the Arcadis Remuneration Committee ('RemCo'). The remuneration policies aim to attract, motivate and retain qualified executives and non-executives for an international company of Arcadis' size and complexity to deliver our business strategy.

## Introduction

This report outlines the application of the remuneration policy for the Executive Board in 2020 as well as actual performance in 2020 against set performance criteria. It also outlines the application of the remuneration policy for the Supervisory Board in 2020.

## 2020 General meeting advisory vote

During the 2020 General Meeting, there was strong support for the agenda items related to remuneration. Both the remuneration policy for members of the Executive Board and the remuneration policy for members of the Supervisory Board were adopted with the required majority. In addition, positive advisory votes were cast regarding both the remuneration report Executive Board 2019 and the remuneration report Supervisory Board 2019.

## 2020 financial performance

In the unprecedented environment we all experienced in 2020, Arcadis has demonstrated to be very resilient and delivered strong performance as we pursued our quest to improve quality of life for our clients and for the communities in which we operate. The flexibility, agility and dedication of our employees enabled us to continue to deliver our projects. The foundational and institutionalized performance enhancements, combined with the measures we initiated at the beginning of the pandemic, allowed us to perform so well. This resulted in a strong improvement of our operating EBITA margin, outstanding free cash flow, and healthy backlog growth which combined created our strong financial position. We are very proud that we have been able to deliver on all our strategic targets for the year, despite the challenging environment.

The health and economic crisis resulting from COVID-19 and the disruption this has caused globally, underscores the importance for societies to continue with investments necessary to enhance the resilience and sustainability of our environments, in addition to the growing necessity to better protect ourselves against the impacts of climate change. For us at Arcadis, it is imperative to fully integrate resilience thinking in all the work for our clients and to use this as an opportunity for change. Therefore, we will continue to invest in the expertise of our people, in sustainable solutions and digital offerings as this supports societal needs and whilst making economic sense.

In November, we shared our new strategic Plan for 2021-2023 called 'Maximizing Impact'. We strongly believe global mega trends will drive market opportunities for us and Arcadis has the experience, capabilities, and solutions to address these.

## Contribution of remuneration to the performance of the Company

The total remuneration in 2020 for both Executive Board and Supervisory Board is in line with the remuneration policies as adopted in 2020.

The total remuneration for the Executive Board consists of fixed remuneration and variable remuneration. The fixed remuneration equals the amounts in the remuneration policy. Both the short-term and long-term variable remuneration are in line with the approved remuneration policy.

The short-term incentive criteria for 2020 are directly linked to the strategic pillars, therefore supporting the long-term performance of the Company. The financial criteria support sustainable revenue growth, while making sure enough free cashflow is generated. The people criteria focus on reduction of our voluntary turnover, which is a leading measure for stability of the Company. Finally, role modelling leadership behavior is measured in order to embrace the right culture in the Company. For the long-term incentive, the criteria, being Total Shareholder Return, Earnings per Share and Sustainability, contribute to the long-term performance of the Company.

The total remuneration for the Supervisory Board reflects the amounts as approved by the General Meeting in 2020.



## Remuneration report

### Executive Board remuneration policy applicable to 2020

In May 2020, the General Meeting adopted the revisions to the remuneration policy for the Executive Board as proposed by the Supervisory Board, with effective date 1 January 2020. The revisions made served to ensure compliance of the Executive Board remuneration policy with the Shareholder Rights Directive II.

The remuneration policy for Executive Board members aims to support the business strategy, enhance the link between pay and performance and align the interests of our Executive Board members with shareholders' interests by stimulating share ownership while adopting the highest standards of good corporate governance. Remuneration for Executive Board members consists of fixed remuneration, short-term variable remuneration, long-term variable remuneration and other benefits, such as a pension scheme. Variable remuneration is an important part of the total package and is based on annual performance criteria that support long-term value creation.

### 2020 Labor market reference groups

Arcadis has developed from a multi-local to a leading international company with clear focus on creating a sustainable future. 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, the remuneration policy is based on a comparison against two reference groups of sixteen companies each. A clear distinction is made between Dutch headquarter companies with significant international activities on the one hand and global industry peer companies on the other hand.

The remuneration policy aims to align Arcadis with the market median of both reference groups on Total Direct Compensation (the sum of fixed remuneration, short-term variable remuneration and long-term variable remuneration).

#### Dutch headquarter companies

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

#### Global industry peer companies

AECOM (USA)  
Amec Foster Wheeler (UK)  
Cardno (AUS)  
CBRE (USA)  
Hill International (USA)  
Jacobs Engineering (USA)  
Jones Lang LaSalle (USA)  
Pöyry (FIN)  
RPS Group (UK)  
SNC Lavalin (CAN)  
Stantec (CAN)  
Sweco (Sw)  
Tetra Tech (USA)  
Worley Parsons (AUS)  
WS Atkins (UK)  
WSP Global (CAN)

In 2020, the labor market reference groups have been reviewed. As a result of this review, a combined group of Dutch headquarter companies and Global industry peer companies will be proposed for 2021.

### Internal pay ratio

When drafting the remuneration policy for the Executive Board, Arcadis considered the pay ratio within the organization. For 2020, Arcadis has a pay ratio 25, implying that the CEO pay is 25 times the average compensation within the organization. The Arcadis internal pay ratio is calculated by dividing the total CEO compensation by the average employee compensation<sup>1,2</sup>. The internal pay ratio of 2020 has decreased compared to the pay ratio of 2019, which was 29.

<sup>1</sup> Average employee compensation is based on total personnel costs and the average number of full-time employees over one year excluding CEO as disclosed in note 8 of the Consolidated financial statements and as stated in the five-year summary on page 291

<sup>2</sup> Considering transparency and clarity, Arcadis applies a methodology to calculate the internal pay ratio that is IFRS-driven (i.e. linked to Arcadis' notes to the Consolidated Financial statements). From 2019, the pay ratio calculation is based on IFRS values, previous years have been restated to apply consistent calculation



## Remuneration report

In 2020, the Supervisory Board carried out a benchmarking of the CEO compensation. The benchmark showed that the current compensation of the CEO is below median. In discussion with the CEO, the Supervisory Board concluded that it would not be appropriate to make any changes for 2021.

### Fixed remuneration

In 2020, the fixed compensation for the Executive Board has not changed compared to 2019. The following annual fixed remuneration levels applied to members of the Executive Board as set by the General Meeting on 6 May 2020:

Executive Board member	Annual fixed remuneration
CEO (P. Oosterveer)	€660,000
CFO (V. Duperat-Vergne) / former CFO (S. Kuijlaars) <sup>3</sup>	€475,000

<sup>3</sup> (Former) CFO compensation as disclosed above compared to the consolidated Financial Statements is normalized as if our (former) CFO was employed for a full year

In April 2020, as part of the response of the company to the COVID-19 pandemic, the CEO informed the Supervisory Board that he would accept a reduction of his base salary by 10% for a 6 month period.

### Short-term variable remuneration

The short-term variable remuneration ranges from 0% to 85% of the fixed remuneration, with 50% payout when targets are met. The short-term variable remuneration is paid fully in cash in line with the remuneration policy.

#### 2020 Performance criteria

To support the Company's strategy ending in 2020, the criteria for the short-term variable remuneration are based on the three 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 %	20%
Focus & Performance	free cash flow	20%
Innovation & Growth	organic net revenue growth %	20%
People & Culture	voluntary turnover rate	20%
People & Culture	role modeling leadership behavior	20%

- Reported EBITA %: Earnings Before Interest, Taxes, and Amortization/Impairment of goodwill and/or identifiable assets.
- Free cash flow: cash flow from operating activities minus (dis)(in)vestments in (in)tangible assets.
- Organic net 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.
- Voluntary Turnover Rate: voluntary termination of permanent employees divided by the average number of permanent employees during a 12-month period (January – December). A termination is voluntary when the decision for termination is made by the employee.
- Role modelling leadership behavior: The assessment of this target is done by comparing the actual performance with a matrix, indicating on different aspects, what it means to meet expectations, exceed expectations or falling short of meeting expectations. The assessment of this target considers how the Executive Board members have performed towards the identity, mission and values of the company.

The short-term variable remuneration targets are set annually by the Supervisory Board based on the plan and budget for the respective year and considering the strategic aspirations. No payout will be made for below threshold performance. All short-term variable remuneration criteria allow for rewarding excellent performance. Short-term variable remuneration will not exceed 85% of the fixed compensation.



## Remuneration report

In 2020, the performance of the company against the targets set was as follows.

Criteria	Realization	
	payout as percentage of target	payout as % of fixed compensation
Reported EBITA %	100%	10%
Free cash flow (in € millions)	170%	17%
Organic net revenue growth %	0%	0%
Voluntary turnover rate %	170%	17%

The performance on the financial targets and the Role Modelling Leadership Behavior target (as assessed by the Supervisory Board) leads to the following payout:

Name	Annual Base Salary	Currency	STI target %	Realization (as percentage of Annual Base Salary)					Pay out	
				Free cash flow	Reported EBITA%	Organic Net- Revenue Growth %	Voluntary turnover rate %	Leadership Behavior		Total
CEO (P. Oosterveer)	660,000	EUR	50%	17%	10%	0%	17%	17%	61%	402,600
CFO (V. Duperat-Vergne)	475,000	EUR	50%	17%	10%	0%	17%	15%	59%	81,740

The STI payout of the CFO is prorated based on her join date.

In April 2020, as part of his review of the response of the company to the COVID-19 pandemic, the CEO informed the Supervisory Board that he did not plan to accept the STI payout due to him in 2020. Subsequently, on her appointment, the CFO also indicated a similar intention. Recognizing the strong leadership shown by this action, the Supervisory Board has exercised its discretion to reduce the STI otherwise due to the CEO and CFO to zero.

For 2021, dependent on the adoption of the revised remuneration policy at the General Meeting, the Supervisory Board has selected the following performance criteria for short-term remuneration:

- Reported EBITA%
- Free Cash Flow
- Organic net revenue growth %
- Net Order Intake Key Clients

In addition, the Supervisory Board decided to set an individual (non-financial) criterion to measure the success of the implementation of the new strategy. The weighting of each metric is 20%. As the actual targets are considered commercially sensitive, realization against them will only be disclosed retrospectively in the remuneration report for 2021.

### Long-term variable remuneration: performance shares

The long-term variable remuneration aims to align the interests of the members of the Executive Board with long-term shareholder's interests. Therefore, under the remuneration policy, members of the Executive Board receive annually conditional performance shares. The conditional performance shares will vest and become unconditional after three years and are restricted for another two years after vesting.

The value of the annual award is determined by a percentage of fixed remuneration. The actual grant is determined by the value divided by the Volume Weighted Average Price (VWAP)<sup>4</sup>.

In 2020, the members of the Executive Board received the following Long-term variable remuneration:

	% of fixed remuneration	Grant value (in €)	VWAP (in €)	Number of performance shares	Fair value (in €) <sup>5</sup>	Total IFRS grant value (in €)
CEO (P. Oosterveer)	110%	726,000	20.27	35,817	11.13	398,641
CFO (V. Duperat-Vergne) <sup>6</sup>	n/a	n/a	n/a	5,859	17.95	105,189

<sup>5</sup> The fair value per the grant date, determined in accordance with IFRS

<sup>6</sup> Mrs. Duperat-Vergne joined Arcadis on 14 September 2020. As per her join date, she received a RSU grant

<sup>4</sup> Volume Weighted Average Price (VWAP) of a 30-day period starting on the day of the publication of the annual results



## Remuneration report

**Performance criteria long-term variable remuneration**

In order to support the three strategic pillars of the strategy, the performance criteria are:

- Total Shareholder Return
- Earnings per share
- Sustainability

Each parameter counts for 33.33%.

**Performance Criterion 1: Total Shareholder Return**

The vesting percentage of the performance shares is conditional upon the achievement of performance measured as relative Total Shareholder Return (TSR), which is defined as share price movements including dividends, assuming dividends are reinvested over three years.

The TSR performance of Arcadis is measured against the performance of direct competitors.

The current TSR group is as follows:

**TSR peer group**

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

The position of Arcadis within the peer group, after three years, determines the final number of conditional performance shares that vest and becomes unconditional, in accordance with the following table:

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

**Performance Criterion 2: Earnings Per Share**

Earnings Per Share (EPS) is calculated by applying the simple point-to-point<sup>7</sup> method at the end of the period. EPS is disclosed in our Consolidated Financial statement 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, the 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 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	0	50%	100%	150%

<sup>7</sup> % growth from t0 to tx, divided by # years



## Remuneration report

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

The sustainability target will be measured by reference to the 'Management score' applied to the Company by Sustainalytics, a leading independent global Environmental, Social and Governmental (ESG) ratings firm which provides a robust analytical framework that addresses a broad range of ESG issues and trends that have a significant and material impact on industries and companies. Sustainalytics analyzes and rates the performance of more than 12,000 companies globally across 138 Sustainalytics-defined sub-industry classifications. The analysis is made by looking at and weighting the core and sub-industry specific metrics to determine the overall ESG Risk performance.

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

	< Threshold	Threshold	Target	Maximum
Target performance period 2020 - 2022	0	50%	100%	150%
		75	77	79

The target of this performance criterion was set using the Sustainalytics ESG methodology. Starting in 2018, Sustainalytics transferred to a new methodology and approach of assessing companies ESG performance: the ESG Risk methodology. This new methodology measures a company's unmanaged ESG risks driven by its exposure and management of material ESG issues. Companies are exposed to different ESG issues to different degrees, which is better taken into account in this new methodology. Exposure assessment is driven by sub-industry and company-specific factors.

Moving forward, the old methodology will be phased-out and the new ESG Risk methodology will be the only methodology Sustainalytics supports. Therefore, the target of this performance criterion will from now on be measured using the ESG Risk methodology. For 2021, Arcadis will adopt this new ESG Risk methodology. The realization of previous grants will be based on the ESG methodology.

**Conditional performance shares held by member of the Executive Board**

Number of conditional (performance) shares Arcadis NV Current EB members	31 December 2020	31 December 2019
P. Oosterveer	174,662	226,635
V. Duperat-Vergne	5,859 <sup>8</sup>	-

<sup>8</sup> Mrs. Duperat-Vergne joined Arcadis on 14 September 2020. As per her join date, she received a RSU grant

**Vested shares****Conditional performance shares vested in 2020**

Over the performance period 2017 - 2019 Arcadis ended on the 4th place of the peer group. Therefore, the conditional performance shares that were granted in 2017 vested at 125% in 2020.

# shares	2017 grant	2020 vesting
CEO (P. Oosterveer)	87,790	109,738 <sup>9</sup>

<sup>9</sup> The fair value of the 2020 vesting is €12.81 per share

**Conditional performance shares to vest in 2021**

Over the performance period 2018 - 2020 Arcadis ended on the 9th place of the peer group. Therefore, the conditional performance shares that were granted in 2018 will vest at 0% in 2021.

# shares	2018 grant	2021 vesting
CEO (P. Oosterveer)	87,790	nil

The members of the Executive Board have to retain the shares awarded under the 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.



## Remuneration report

## Conditional performance shares to vest in 2022

The conditional performance shares that were granted in 2019 will vest in 2022. The performance criteria over the performance period 2019-2021 are Total Shareholder Return, Earnings Per Share and Sustainability. The realization on these performance criteria will be determined in February 2022.

# shares	2019 grant	2022 vesting
CEO (P. Oosterveer)	51,055	to be determined

## Total remuneration

The total remuneration of the Executive Board members over 2020 and 2019, split by component and presented in relative proportion between fixed and variable remuneration is as follows:

Name of Director position (in € 1,000)	Reporting year	1. Fixed remuneration		2. Variable remuneration		3. Extraordinary items	4. Pension Expenses	5. Total remuneration	6. Proportion of fixed and variable remuneration	
		Base salary <sup>10</sup>	Fringe benefits	one-year variable	multi-year variable				Fixed	Variable
CEO (P. Oosterveer) based on due	2019	826	58	373	0	n/a	18	1,275	70%	30%
	2020	790	60	0	1,406	n/a	17	2,273	38%	62%
CEO (P. Oosterveer) based on IFRS	2019	826	58	373	1,049	n/a	18	2,324	38%	62%
	2020	790	60	0	914	n/a	17	1,781	48%	52%
CFO (S. Kuijlaars) based on due	2019	555	61	245	0	n/a	18	879	72%	28%
	2020	231	23	0	96	523 <sup>11</sup>	8	882	89%	11%
CFO (S. Kuijlaars) based on IFRS	2019	555	61	245	393	n/a	18	1,272	49%	51%
	2020	231	23	0	250	523	8	1,036	76%	24%
CFO (V. Duperat-Vergne) <sup>12</sup> based on due	2019	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2020	161	56	0	0	n/a	5	222	100%	0%
CFO (V. Duperat-Vergne) based on IFRS	2019	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2020	161	56	0	12	n/a	5	234	95%	5%

<sup>10</sup> Base salary includes pension compensation for pension accrual for fixed remuneration above €110,111

<sup>11</sup> This includes the Dutch excessive tax levy ('pseudo eindheffing' (Art. 32bb Dutch wage tax Act))

<sup>12</sup> CFO (V. Duperat-Vergne) remuneration based on actual



## Remuneration report

An overview of the company's performance, the annual change in remuneration of the Executive Board members and the average remuneration on a full-time equivalent basis of employees of the company is as follows:

	2020		2019		2018		2017		2016		2015
	actual	change (%)	actual	change (%)	actual	change (%)	actual	change (%)	actual	change (%)	actual
Operating EBITA margin (%)	9.2%	12%	8.2%	12%	7.3%	(4%)	7.6%	7%	7.1%	(26%)	9.6%
Free Cash Flow (in € millions)	324	234%	97	(35%)	149	53%	98	22%	80	(34%)	121
Organic net revenue Growth % (net revenue in %)	(2%)	(5%)	3%	0%	3%	2%	1%	5%	(4%)	(5%)	0%
TSR (index 2015 = 100)	146	30%	112	95%	57	(44%)	103	43%	72	(28%)	100
Sustainalytics	77	5%	73	4%	70	9%	64	3%	62	0%	62
Average remuneration employees (€ thousands)	71	(7%)	76	5%	73	0%	72	(2%)	74	(1%)	75
CEO (€ thousands)	2,273	78%	1,275	14%	1,115	(15%)	1,311	51%	866	(18%)	1,062
CFO (€ thousands)	762	(13%)	879	19%	737	17%	630	1%	624	(20%)	779
<b>Supervisory Board</b>											
Niek Hoek	98	(6%)	104	(1%)	105	0%	105	19%	88	1%	87
Deanna Goodwin	69	(14%)	80	0%	80	(1%)	81	62%	50		
Ruth Markland	67	(13%)	77	(5%)	81	3%	79	8%	73	(3%)	75
Michael Putnam	69	(14%)	80	31%	61						
Maarten Schonfeld	23	(68%)	72	(1%)	73	0%	73	6%	69	6%	65
Michiel Lap	68	(15%)	80	(5%)	84	9%	77	13%	68	51%	45
Wee Gee Ang	66	(22%)	84	0%	84	47%	57				





## Remuneration report

**Retirement and other benefits, contracts****Retirement benefits**

In 2020, all Executive Board members participated in the Arcadis Netherlands pension plan. This is a collective defined contribution plan with the premium based on the ambition of a pension payment. The contribution from the participants is 6.66% of the pensionable salary (annual base salary minus offset) for the salary part below €110,111 (maximum pensionable salary under Dutch tax legislation). Executive Board members participating in the Arcadis Netherlands pension plan also receive an annual cash allowance in line with legislation in the Netherlands for the salary above €110,111.

**Other benefits**

Executive Board members receive a net fixed expense allowance, as well as other customary fringe benefits, including the use of a company car or a mobility allowance. They may also participate in the Employee Stock Purchase Plan (ESPP) to purchase up to a maximum of €400 per month of Arcadis shares from the Lovinklaan Foundation at a discount (see note 9 of the Consolidated financial statements). 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. The ESPP from the Lovinklaan Foundation ended on 31 December 2020 and will not be renewed.

**Management agreements and severance pay**

In line with current Dutch legislation, all Executive Board members work for Arcadis NV under a management agreement: Mr. Oosterveer (appointed in 2017) and Ms. Duperat-Vergne (appointed in 2020) both have been appointed for a term which continues through the end of the annual General Meeting in the fourth year after their respective appointments. They may be entitled to a severance pay with a maximum of one year's base salary. Management agreements with Executive Board members do not contain provisions on severance payments in case of termination resulting from a change in control.

The reappointment of Mr. P. Oosterveer for another four-year term will be brought forward for resolution at the annual General Meeting in April 2021.

**Other elements of the remuneration policy**

The Dutch Corporate Governance Code contains additional best practices regarding executive remuneration. Based on the advice of the RemCo, the Supervisory Board is satisfied that it has complied with these additional best practices in 2020. Before setting proposed targets for Supervisory Board approval, the RemCo carried out scenario analyses of the possible financial outcomes of meeting target levels, as well as maximum performance levels, and how they may affect the level and structure of the total remuneration of the members of the Executive Board.

**Proposed revisions to the remuneration policy in 2021**

In 2020, the Supervisory Board has reviewed the remuneration policy for members of the Executive Board. The revised remuneration policy for members of the Executive Board will be submitted to the General Meeting for adoption in April 2021.

The full text of the revised policy and an explanation of what is proposed will be sent to shareholders with the notice convening the annual General Meeting.

To validate the newly proposed remuneration policy, the proposed changes have been discussed with various shareholders and employee representatives. Both shareholders and employee representatives were supportive of the proposed changes. On a regular basis, the remuneration of the Executive Board is and will continue to be included in our interaction with various stakeholders, including but not limited to non-governmental organizations, customers and suppliers.



# Supervisory Board remuneration

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.

The remuneration for Supervisory Board members was last adjusted in 2020, based on a benchmark analysis by an external advisor of remuneration at Dutch Headquartered companies with significant international activities.

The remuneration of the Supervisory Board members is as follow:

In €	Chairman	Member
Annual fixed remuneration SB	85,000	58,000
Membership AARC	12,000	8,000
Membership ASC and RemCo	10,000	7,000
Membership of SusCo	8,000	6,000

In 2020, the General Meeting approved an attendance fee for all Supervisory Board members of €2,500 for every visit for meetings that takes place outside of the country of domicile of a Supervisory Board member and that does not involve intercontinental travel, or €4,000 for every visit for meetings that involves intercontinental travel. No attendance fee is paid if the meeting takes place in the country of domicile of a Supervisory Board member.

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.

Remuneration of Supervisory Board members is not dependent on company results. Supervisory Board members are not eligible to receive shares or options as part of their remuneration package. Possible share ownership of Arcadis shares by a Supervisory Board member is meant as a long-term investment.

## Total remuneration

The total remuneration of the Supervisory Board members over 2020:

In €	Niek W. Hoek	Deanna Goodwin	Ruth Markland	Wee Gee Ang	Michiel Lap	Maarten Schönfeld <sup>1</sup>	Michael Putnam
SB membership	80,750	55,100	55,100	55,100	55,100	19,333	55,100
Committee membership	17,100	10,067	9,500	6,650	10,067	4,000	11,333
Attendance allowance	0	4,000	2,500	4,000	2,500	0	2,500
<b>Total</b>	<b>97,850</b>	<b>69,167</b>	<b>67,100</b>	<b>65,750</b>	<b>67,667</b>	<b>23,333</b>	<b>68,933</b>

<sup>1</sup> Mr. Schönfeld retired from the Supervisory Board per the 2020 General Meeting

The total remuneration of the Supervisory Board members has reduced because the Supervisory Board members joined the Executive Board members in a salary reduction of 10% for a six-month period. In addition, due to limited travel in 2020, the attendance allowance has been paid only once.

## Other information

The Company has not granted any loans, advances or guarantees to Executive or Supervisory Board members. The articles of association of Arcadis NV provide current and former Executive Board members and Supervisory Board members with an indemnification for all costs and expenses arising from and against any claim, action or lawsuit related to actions and/or omissions in their function as Executive Board or Supervisory Board members.

On behalf of the Arcadis Remuneration Committee  
**Ruth Markland, Chair**