

Arcadis Capital Markets Day 2017

CREATING A SUSTAINABLE FUTURE

Our strategy, actions and results

AGENDA FOR THE DAY

1. Introduction, vision and strategy

Peter Oosterveer

2. Strategy implementation

Mary Ann Hopkins (Americas)
Stephan Ritter (Europe & Middle East)
Alan Brookes (United Kingdom)
Stephanie Hottenhuis (Asia Pacific)
Greg Steele (Australia)

3. Financial framework

Renier Vree

4. Summary

Peter Oosterveer

5. Q&A

Executive Board

OUR TEAM



Peter Oosterveer

Chief Executive Officer
First year with Arcadis
32 years in industry



Renier Vree

Chief Financial Officer
7 years with Arcadis
7 years in industry



Mary Ann Hopkins

Americas
2 years with Arcadis
23 years in industry



Stephan Ritter

Europe & Middle East
5 years with Arcadis
5 years in industry



Stephanie Hottenhuis

AsiaPacific/CallisonRTKL
22 years with Arcadis
22 years in industry



Alan Brookes

UK
8 years with Arcadis
34 years in industry



Greg Steele

Australia
9 years with Arcadis
34 years in industry

A child in a dark hoodie is silhouetted against a large window, looking through a telescope. The view outside shows a wide river or bay with a city skyline in the distance. The foreground shows a balcony railing and a small circular platform.

INTRODUCTION, VISION AND STRATEGY

Peter Oosterveer
CEO

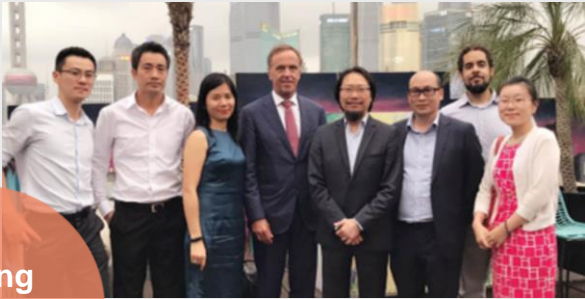
OUR FOUNDATION FOR GROWTH

100 DAYS, 5 HIGHLIGHTS

Committed
people



Strong
client
relations



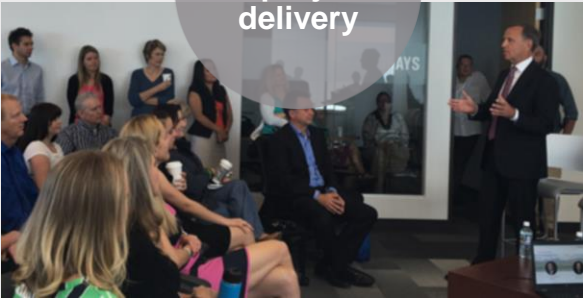
Deep market
sector insights
& expertise



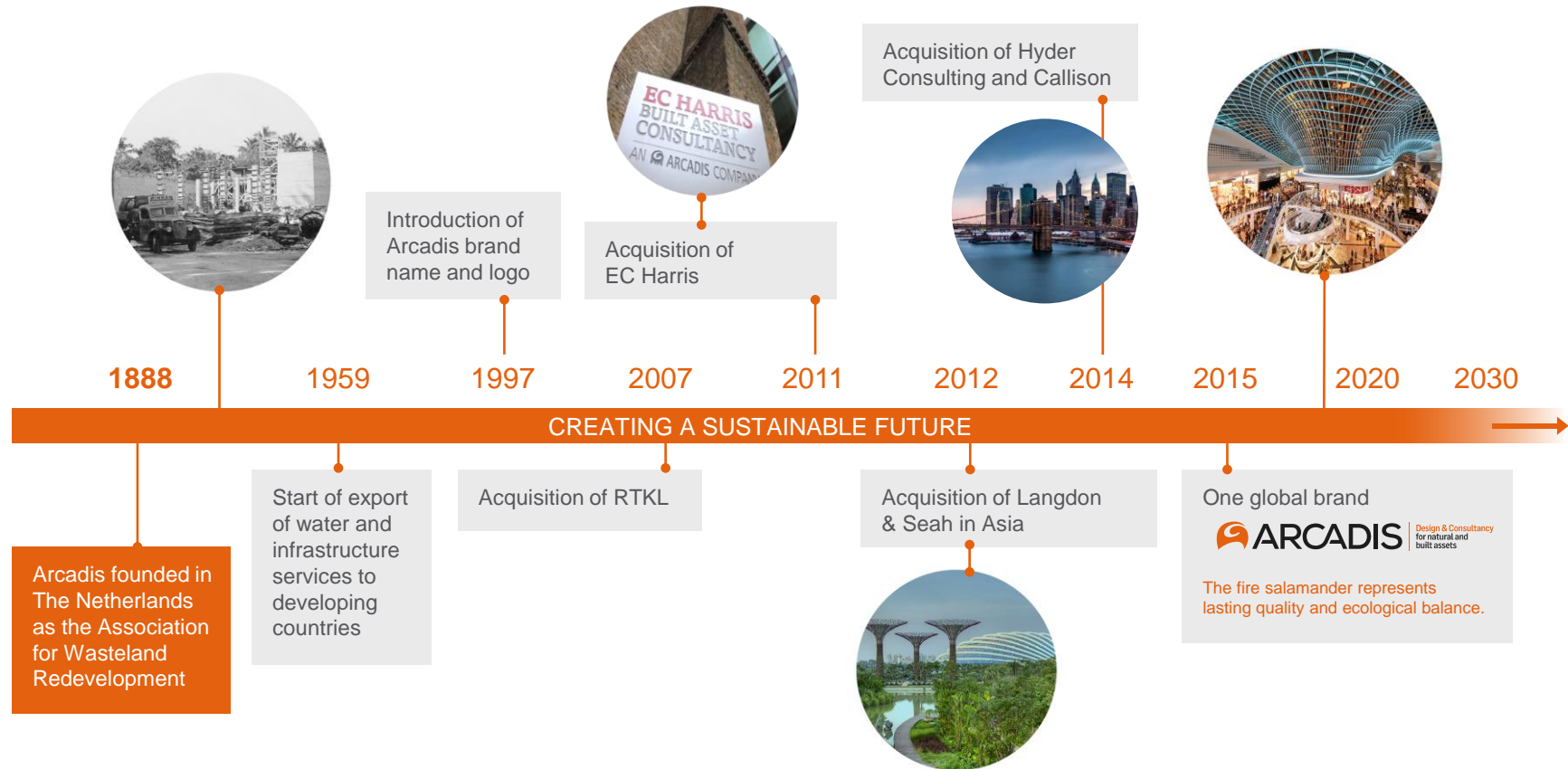
Focus
& project
delivery



Opportunities
for Growth

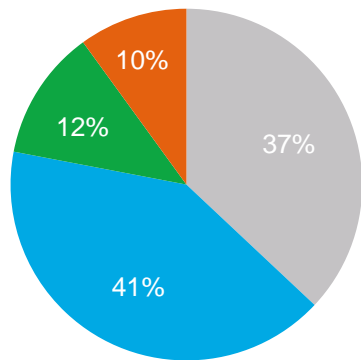


THE ARCADIS JOURNEY



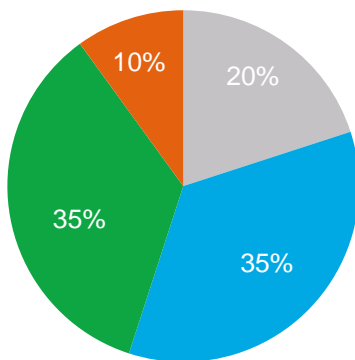
ARCADIS AT A GLANCE – WELL DIVERSIFIED

GROSS REVENUE BREAKDOWN
BY SEGMENT



- Americas
- Europe & Middle East
- Asia Pacific
- CallisonRTKL

GROSS REVENUE BREAKDOWN
BY SERVICE



- Consultancy
- Program, Project & Cost management
- Design & Engineering
- Architectural Design

Global market position: Top-3 in Design & Consultancy

€ 3.3 bn

2016 GROSS REVENUE

~ 27,000

PEOPLE WORLDWIDE

30,000+

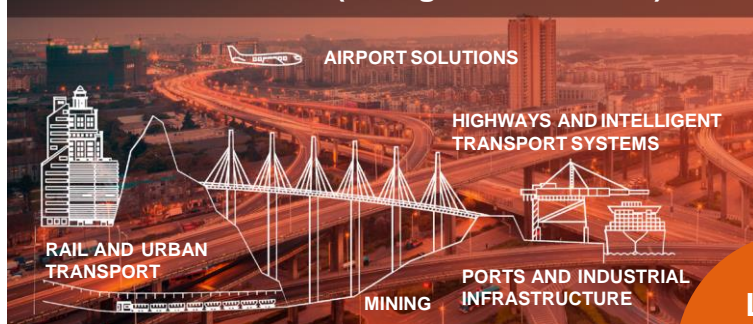
PROJECTS ANNUALLY

70+

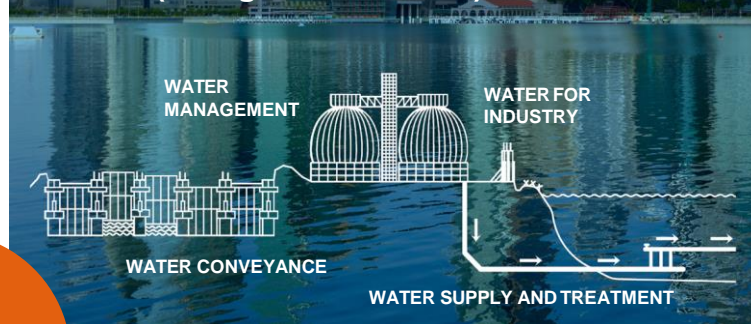
COUNTRIES WHERE ARCADIS
DELIVERS PROJECTS

OUR EXPERTISE TO CREATE A SUSTAINABLE FUTURE

INFRASTRUCTURE (24% gross revenues)

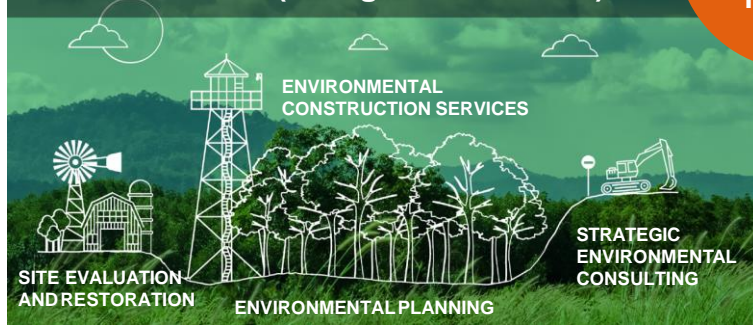


WATER (13% gross revenues)



LOCAL
STRENGTH,
GLOBAL
REACH

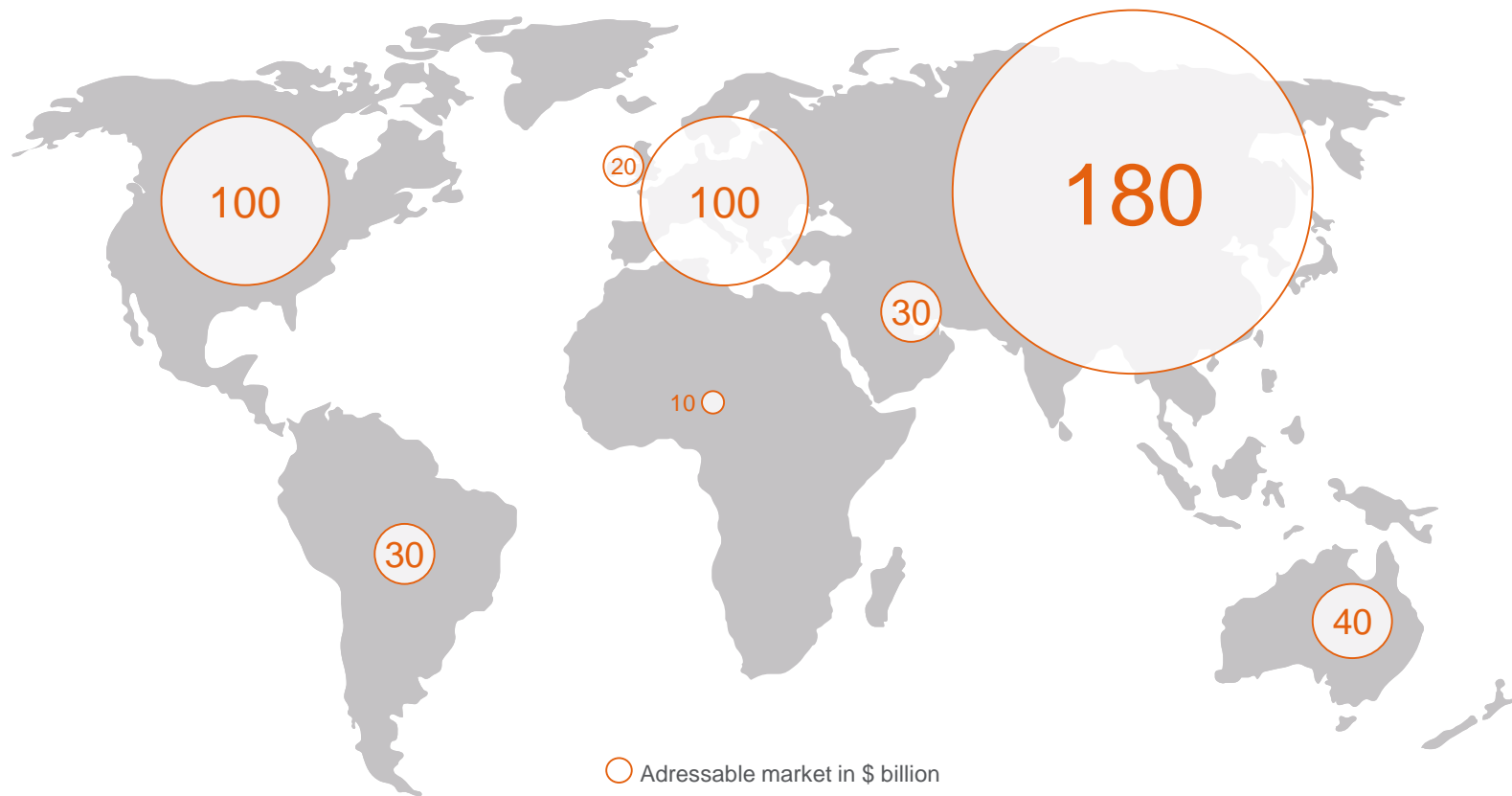
ENVIRONMENT (25% gross revenues)



BUILDINGS (38% gross revenues)

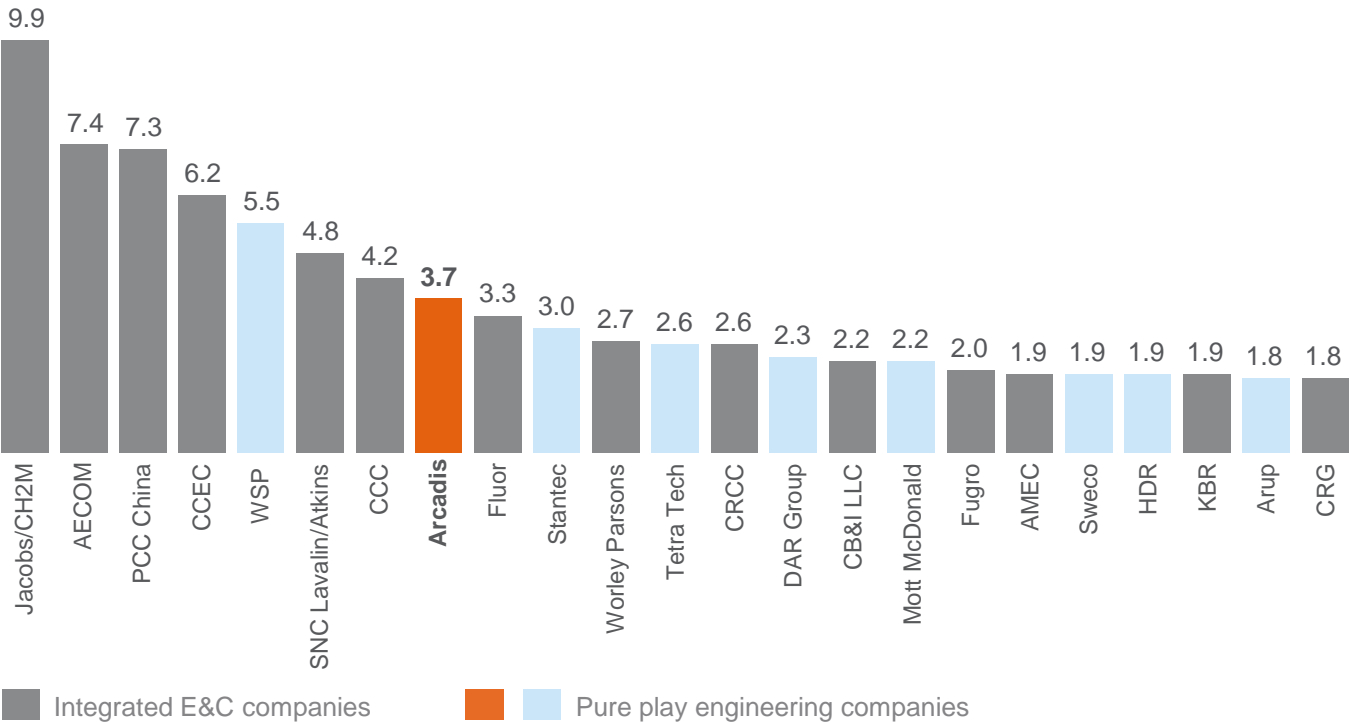


A GLOBAL MARKET OF ~\$500 BILLION, GROWING IN LINE WITH GDP



A STRONG GLOBAL MARKET POSITION

In US\$ billion of engineering revenues



ENR 2017 ranking based on 2016 revenues, adjusted for recently announced acquisitions



STRENGTHS TO BUILD ON AND AREAS FOR IMPROVEMENT

STRENGTHS TO BUILD ON

- Global platforms
- One brand, recognized thought leader
- Leadership positions in key markets
- Strong City program
- Competitive delivery model
- Committed and competent people

IMPROVEMENT AREAS

- Organic revenue growth
- Operating margin
- Focus on markets, solutions, and client sectors
- Commercial excellence
- Project delivery

MEGA TRENDS THAT CREATE OPPORTUNITIES



URBANIZATION
& MOBILITY



SUSTAINABILITY &
CLIMATE CHANGE



GLOBALIZATION



DIGITIZATION

OUR STRATEGIC CONTEXT

MEGA TRENDS



Urbanization
& mobility



Sustainability &
climate change



Globalization



Digitization

STAKEHOLDER DIALOGUE



Employees

Clients

Suppliers/subcontractors

Civil society

Investors

SUSTAINABLE DEVELOPMENT GOALS RELEVANT FOR ARCADIS



Design and Consultancy for

- **Sustainable and resilient cities**
- **Smart infrastructural solutions**
- **Future-proof industries**

COMPETITIVE LANDSCAPE

Changing client
patterns

Shift to digital

Industry consolidation

Scarcity of
qualified people

OUR POSITIONING:

OUR CULTURE IS BASED ON STRONG VALUES



PEOPLE FIRST

We care for each other and create a safe and respectful working environment where our people can grow, perform, and succeed



CLIENT SUCCESS

We are passionate about our clients success and bring insights, agility, and innovation to co-create value



INTEGRITY

We always work to the highest professional and ethical standards and establish trust by being open, honest and responsible



SUSTAINABILITY

We base our actions for clients and communities on environmental responsibility and social and economic advancement



COLLABORATION

We value the power of diversity and our global capabilities and deliver excellence by working as One Arcadis



**IMPROVING
QUALITY
OF LIFE**

A SUSTAINABLE FUTURE THROUGH OUR STRATEGIC PILLARS



PEOPLE & CULTURE

- Create an environment where all our people can be their best
- Recruit and retain the workforce of the future



INNOVATION & GROWTH

- Grow through providing integrated and sustainable solutions for our clients
- Be a digital frontrunner



FOCUS & PERFORMANCE

- Focus on where we can lead
- Deliver client and project excellence

PEOPLE & CULTURE



PEOPLE FIRST

- Be the employer of choice
- Create an environment to grow, perform and succeed

LIVING OUR VALUES

- Foster a balanced culture that is driven by our core values
- Create business value through sustainable solutions

DEVELOP AND RETAIN THE WORKFORCE OF THE FUTURE

- Develop our people and recruit missing capabilities for future needs
- Embrace diversity of capabilities and people to facilitate our success in the future

DEVELOP AND RETAIN THE WORKFORCE OF THE FUTURE

GLOBAL SHAPERS & ARCADIS ACADEMY

Impact

- Annual program for global early career professionals sponsored by the Lovinklaan Foundation. The theme in 2017 was Sustainability for impact - Digital Solutions to improve quality of life.
- Our global hub for learning and development, the Arcadis Academy gives our people access to Project & Program Management, Leadership Development and Client Focus programs.



INNOVATION & GROWTH



ADVISE & DELIVER SUSTAINABLE SOLUTIONS

- Build scale where we can both advise and deliver
- Apply integrated thinking to solve complexity for clients

DIGITAL INNOVATION

- Scale existing technologies
- Explore new technologies in co-creation with clients

LOCAL STRENGTH, GLOBAL REACH

- Utilize local market knowledge and deep client relationships
- Leverage global experience for best-in-class solutions

EMBRACING DIGITAL THINKING, EXPANDING CAPABILITIES

TODAY



100% BIM¹⁾

SCALE

TOMORROW



Digital value propositions

INCUBATE

AFTER TOMORROW



Digital lab

EXPLORE

- Data-driven business models
- Human-centric digital solutions
- Co-creation with clients

1) Building information modeling

FOCUS & PERFORMANCE



FOCUS WHERE WE CAN LEAD

- Build leadership positions based on relevance for clients, local presence and global positions
- De-prioritize businesses that fail to meet our criteria

CLIENT & PROJECT EXCELLENCE

- Disciplined project and client selection and improved project delivery
- Create consistency through the Arcadis Way

COMPETITIVE DELIVERY MODELS

- Optimize delivery across the entire value chain: partnering with architects, contractors, and engineers
- Increase utilization of Global Excellence Centers

THE ARCADIS WAY PROVIDES A TRUE COMPETITIVE EDGE

THE ARCADIS WAY – OUR HARMONIZED WAY OF WORKING



PEOPLE & CULTURE

Enable people to develop in a culture of client success and knowledge exchange



INNOVATION & GROWTH

Enhance client selectivity and pursue profitable projects



FOCUS & PERFORMANCE

Improve project delivery via best practice processes, and data analytics

TECHNOLOGY: Single cloud platform covering PEOPLE, CLIENTS, SALES, DELIVERY, FINANCE, BUSINESS INTELLIGENCE

TRAINING: Creating a platform for our people to grow, perform and succeed

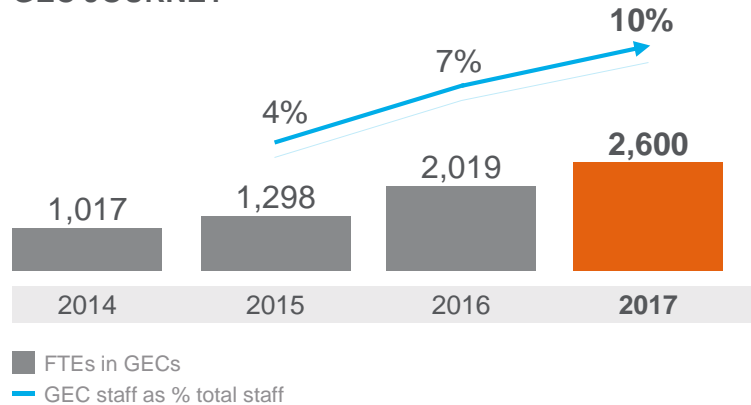
PROCESS: Ensuring best practices are globally shared and applied

CURRENT COMPLETION RATE: 33% of net revenues

GLOBAL EXCELLENCE CENTERS (GEC'S)

- Highly skilled multi-disciplinary capability
- Integrated 'One Team' approach creates seamless project delivery

GEC JOURNEY



OUR STRATEGIC FRAMEWORK 2018 - 2020



PEOPLE & CULTURE

- **Voluntary staff turnover**
Voluntary staff turnover < Market
- **Staff engagement**
Engagement score improving annually
- **Brand**
Top 5 Brand Awareness in markets we serve
- **Clients**
Top Quartile performance for Client Experience



INNOVATION & GROWTH

- **Organic Revenue Growth**
 - Surpass GDP growth in our markets
 - Revenue growth for key clients 2 times overall growth
- **Innovation**
Digital adoption by our people and our clients
- **Sustainability**
Significantly contribute to UN Sustainable Development Goals



FOCUS & PERFORMANCE

- **Margin**
Operating EBITA trending to 8.5% - 9.5% of net revenues in 2020
- **Net Working Capital/DSO**
 - NWC < 17% of gross revenues
 - DSO < 85 days
- **Return**
Return on invested capital > 10%
- **Dividend**
30 - 40% of Net Income from Operations
- **Leverage**
Net Debt/EBITDA between approximately 1.0 and 2.0



STRATEGY IMPLEMENTATION



NORTH AMERICA

Mary Ann Hopkins

NORTH AMERICA - RETURNING TO PROFITABLE GROWTH



OUR PEOPLE

5,200



OUR CLIENTS

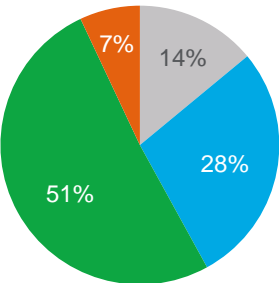
Georgia DOT, USACE, Chevron, PG&E, GE



% OF ARCADIS NET REVENUE

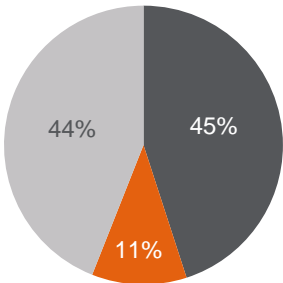
28%

Expertise



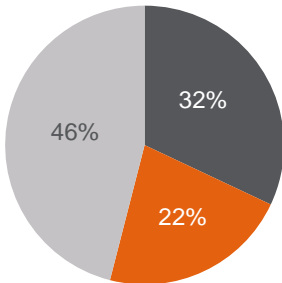
- Infrastructure
- Water
- Environment
- Buildings

Clients



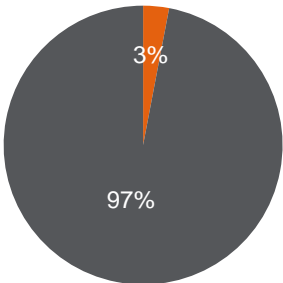
- Public
- Regulated
- Private

Services



- Consulting
- Program, project & cost mgmt
- Design & Engineering

Countries



- US
- Canada

MARKET TRENDS & OPPORTUNITIES

1. Increased Infrastructure spending driven by local funding initiatives
2. Increased use of Design-Build and Public-Private Partnerships
3. Corporate social responsibility driving environmental priorities for private clients
4. Vulnerable cities developing and implementing resiliency strategies
5. Clients are expecting and embracing digital innovation
6. Federal spending on hurricane recovery and rebuilding will last years

IMPLEMENTING OUR STRATEGY IN NORTH AMERICA



PEOPLE & CULTURE

- Live our values and passion
- Become the employer of choice
- Recognize and reward performance
- Foster diversity
- Focus on developing our people:
Grow, Perform and Succeed



INNOVATION & GROWTH

- Lead in addressing emerging contaminants and grow Strategic Environmental Consulting and Arcadis FieldTech Solutions
- Grow Infrastructure and Water through Design-Build contractor strategy and Program Management
- Leverage global resilience resume for US coastal locations and vulnerable cities
- Provide industrial infrastructure and buildings solutions to private clients
- Unleash digital to be the disrupter and differentiator



FOCUS & PERFORMANCE

- Build on the achievements to date:
 - Turnaround Environment
 - Infrastructure growth
- Excel in project delivery
- Focus on key geographies, clients, and market sectors
- Further leverage GECs
- Strengthen account teams and 'pursuit-to-win' strategies

DUTCH EXPERTISE FOR FUTURE FLOOD PROTECTION

EAST SIDE COASTAL RESILIENCY

New York, US



Impact

- Arcadis designs resilient infrastructure in New York City, protecting 200,000 residents and 21,000 businesses.
- Addresses flood protection following Superstorm Sandy.
- A range of multifunctional resilience solutions were integrated with neighborhood and community amenities.



REDUCING TRAFFIC IN A CONGESTED CITY

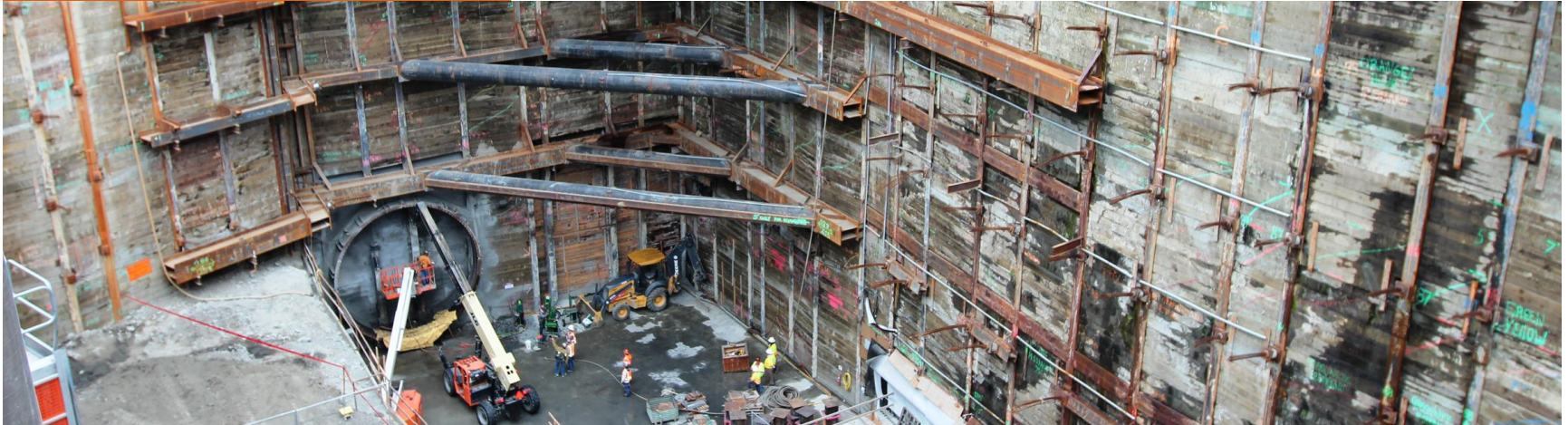
REGIONAL CONNECTOR TRANSIT PROJECT

Los Angeles, US



Impact

- Arcadis provides in-depth transportation knowledge, construction contract administration and quality and safety oversight.
- \$1.55 Billion rail project in partnership with Los Angeles County Metropolitan Transportation Authority to reduce traffic in North America's most congested city.
- Construction of twin tunnels connects three new stations along the newly expanded route.



INNOVATION FOR EMERGING CONTAMINANTS

PRELIMINARY ASSESSMENTS

North America



Impact

- Arcadis assessing portfolio of 85 Army facilities across the US to determine extent of PFAS contamination.
- Prioritizing and fast tracking sites/facilities into emergency response actions where PFAS releases are impacting or threatening drinking water supplies.
- Working with regional US Army Corps of Engineers offices to advance desk top studies to identify potential PFAS sources on Army installations.



SUPPORTING GEORGIA'S GROWING INFRASTRUCTURE NEEDS

ENGINEERING AND CONSULTING

Georgia, US



Impact

- Arcadis provides full design and consulting support, including Intelligent Transportation Systems, Traffic Operations, Asset management and maintenance.
- Over 150 staff support the program that has a contract capacity of \$150M.
- Arcadis supports the agency's D/B programs as an owners-engineer and as a design partner to local contractors.





LATIN AMERICA

Mary Ann Hopkins

LATIN AMERICA - REPOSITION FOR NEW GROWTH CYCLE



OUR PEOPLE

1,550



OUR CLIENTS

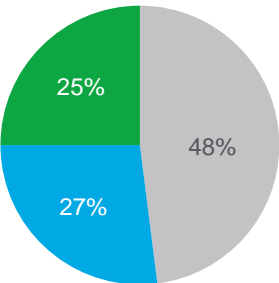
SABESP, Vale, Vinci, Brookfield, GE, Codelco, Embraer



% OF ARCADIS NET REVENUE

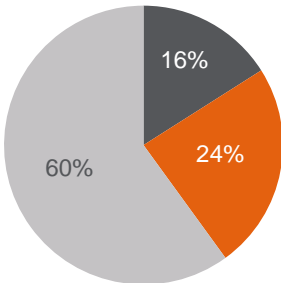
3%

Expertise



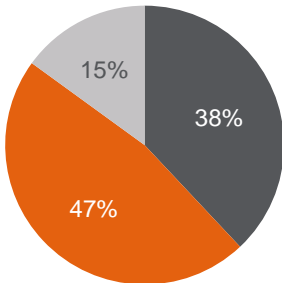
- Infrastructure
- Water
- Environment
- Buildings

Clients



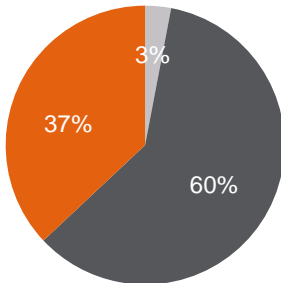
- Public
- Regulated
- Private

Services



- Consulting
- Program, project & cost mgmt
- Design & Engineering

Countries



- Brazil
- Chile
- Peru

MARKET TRENDS & OPPORTUNITIES

1. Macro-economic indicators improving in Brazil
2. Private and foreign capital responding to concessions, PPPs and M&A
3. Foreign contractors entering region
4. Signs of mining recovery in Chile & Peru
5. Political elections in Brazil and Chile create uncertainty

IMPLEMENTING OUR STRATEGY IN LATIN AMERICA



PEOPLE & CULTURE

- Rebuild spirit of the region after several years of contraction
- Value, promote and engage our people
- Collaborate regionally to create opportunity
- Promote BIM and Digital to support workforce of the future



INNOVATION & GROWTH

- Position early with contractors and capital providers for concessions and PPPs
- Leverage global solutions and resources to grow Transportation & Logistics Sector
- Build core and expand into solar and transmission lines in Power Sector
- Grow Water Sector through privatizations, performance based contracts and desalination trends
- Expand mining client base by leveraging expertise from Chile



FOCUS & PERFORMANCE

- Rebalance business back to profitability
- Centralized management and design oversight to improve project delivery
- Use GECs for competitive project delivery
- Focus on key sectors which align to our expertise and presence

PREVENTING POLLUTION OF THE TIETE RIVER

PROGRAM MANAGEMENT FOR TIETE RIVER

São Paulo, Brazil



Impact

- Arcadis has supported SABESP for over 45 years with engineering and program management support to reduce pollution to the Tiete River.
- Over \$15B has been invested to capture and treat wastewater.
- More than 22 million people benefiting from wastewater collection and treatment.



REDUCING IMPACTS DURING CONSTRUCTION

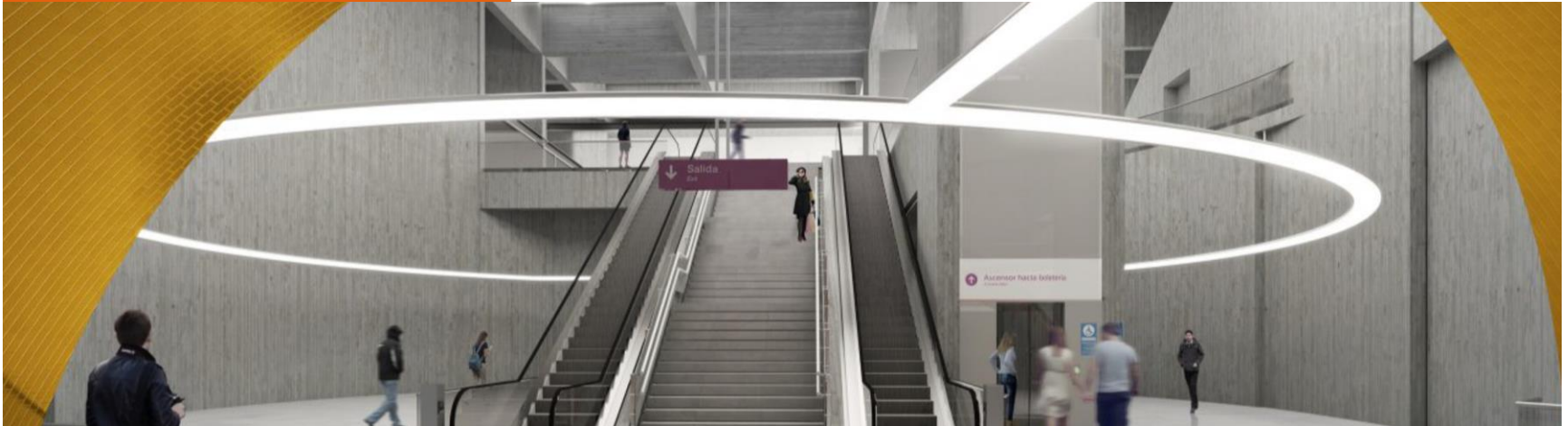
METRO LINES

Santiago, Chile



Impact

- Arcadis has provided design services for all Santiago Metro lines since 2000.
- Metro line 3 was a 22 KM extension with 18 new stations.
- Considered environmental impacts in design
- Project fostered collaboration with other Arcadis entities.



A photograph of a young child running on a sandy beach towards the ocean. The sun is low on the horizon, creating a bright, golden glow over the water and sky. The child is seen from behind, wearing a light-colored shirt and dark pants. The beach is dark and wet, reflecting the sunlight. In the background, there are low mountains or hills under a clear sky.

BREAK



CONTINENTAL EUROPE

Stephan Ritter

CONTINENTAL EUROPE – OUTPERFORMING IN OUR MARKETS



OUR PEOPLE

6,150



OUR CLIENTS

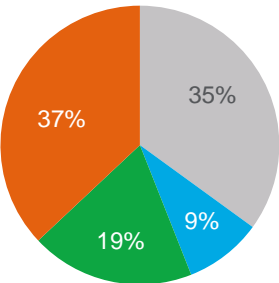
ProRail, Rijkswaterstaat, Societe du Grand Paris, Nike, Opel



% OF ARCADIS NET REVENUE

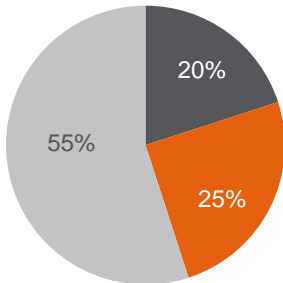
22%

Expertise



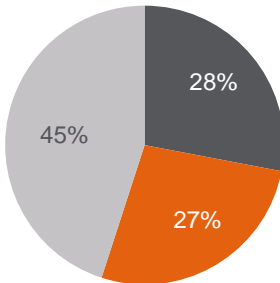
Infrastructure
Water
Environment
Buildings

Clients



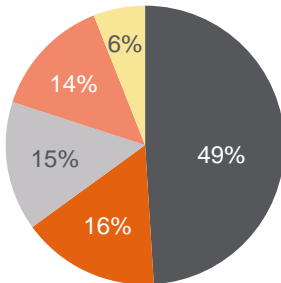
Public
Regulated
Private

Services



Consulting
Program, project & cost mgmt
Design & Engineering

Countries



Netherlands
Germany
France
Belgium
Other Europe

MARKET TRENDS & OPPORTUNITIES

1. Significant focus on Sustainability and urban resilience
2. Continued investments in private sectors
3. Increase spend in public sectors (with more country based variability)
4. Success driven by asset knowledge, integrated offerings and European coverage
5. Asset know-how enables us to infuse knowledge into data, strengthening client relationships and improving business outcomes

IMPLEMENTING OUR STRATEGY IN EUROPE



PEOPLE & CULTURE

- Accelerate diversity and inclusion programs
- Invest in front end design, engineering, project management and digital capabilities
- Leverage improved brand positioning to attract & retain talent



INNOVATION & GROWTH

- Grow integrated capex solutions for industry clients across Europe
- Co-create data driven business models with a focus on the end user
- Capture Energy transition growth opportunities



FOCUS & PERFORMANCE

- Improve project delivery with a spirit of continuous improvement
- Make global design the natural way of working
- Improve project delivery via best practice processes

ENHANCING ECONOMIC GROWTH IN PARIS

GRAND PARIS EXPRESS METRO

France



Impact

- Arcadis is executing a €80 million contract to deliver 60+ stations and 200km + of new metro lines, 90% of which will be underground
- These metro lines are expected to carry 2 million passengers per day, an investment of around €20 billion
- We provide integrated Program/Project/Contract/Procurement management, technical advisory, GIS data collection, land acquisition & stakeholder management



AN ENERGY NEUTRAL STORAGE AND OFFICE COMPLEX

NIKE DISTRIBUTION CENTER

Belgium



Impact

- The 150,000 m² complex is energy-neutral, using low-energy lighting, closed water loops, green roofs and walls, and environmentally friendly hybrid robot cranes.
- Arcadis provided structural and infrastructural engineering, support on biodiversity and LEED, and secured environmental permits.
- Awarded “Best Industrial and Logistics Development” at MIPIM awards 2017 in Cannes.



100% BIM FOR EXPANSION LEARNING CENTER

ABB BERLIN BUILDING

Berlin, Germany



Impact

- Arcadis and its partner TU Berlin were commissioned to design a new building on a heritage industrial complex with 100% BIM.
- Simulations of user behavior, life cycle cost analysis and energy efficiency data are being integrated into the BIM model.



NEW A-TERMINAL TO ACCOMMODATE GROWTH

NEW TERMINAL AT SCHIPHOL AIRPORT

The Netherlands



Impact

- Arcadis won a €20 million contract to perform project and construction management for the new terminal and pier.
- Expanding capacity from 63 million passengers today to 80 million passengers in 2023.
- The expansion seeks to accommodate the ongoing growth in airline travel improving the end client experience.





MIDDLE EAST

Stephan Ritter

MIDDLE EAST- DE-RISK THROUGH FOCUS AND SELECTIVITY



OUR PEOPLE

2,200



OUR CLIENTS

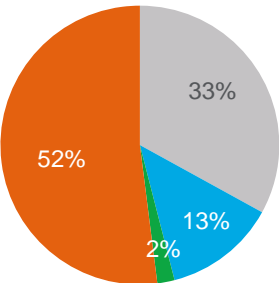
Emaar, Vinci, Ashghal, Kahramaa, Sabb



% OF ARCADIS NET REVENUE

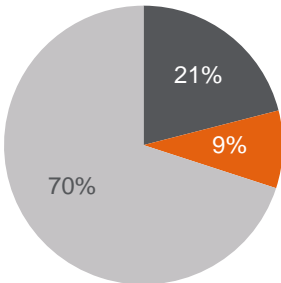
7%

Expertise



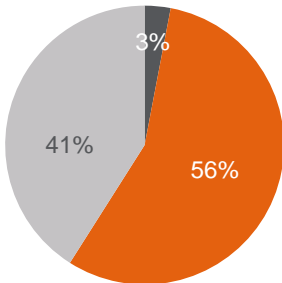
- Infrastructure
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- Buildings

Clients



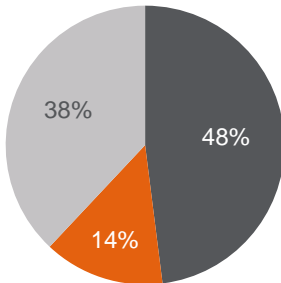
- Public
- Regulated
- Private

Services



- Consulting
- Program, project & cost mgmt
- Design & Engineering

Countries



- UAE and Oman
- KSA and Bahrain
- Qatar

MARKET TRENDS & OPPORTUNITIES

1. Regional dynamics causing business uncertainty
2. Major projects reprioritized due to budget deficits related to the oil price
3. Region has been embarking on a productivity-led transformation
4. National Visions will provide future opportunities

UAE National Vision 2021



Qatar National Vision 2030



KSA National Vision 2030



IMPLEMENTING OUR STRATEGY IN THE MIDDLE EAST



PEOPLE & CULTURE

- Collaborate with UK on university program to attract mobile talent
- Differentiate as an employer of choice through putting people first
- Globally develop people through our iconic projects



INNOVATION & GROWTH

- Grow top 20 clients, increasing share of wallet
- Expand Project, Program and Cost management services
- Enhance relationships with key contractors



FOCUS & PERFORMANCE

- Sharpen focus on selection of profitable clients and projects
- Clearly select businesses where we can sustainably lead
- Improve project delivery via best practice processes

INNOVATING WITH WORLD-CLASS MIXED-USE DEVELOPMENT

CITY WALK

UNITED ARAB EMIRATES



Impact

- Arcadis was appointed to provide lead consultant, design and supervision services for 34 buildings on leisure, retail and entertainment facilities
- The development utilized high-levels of pre-fabrication, off-site manufacturing and repeatability in order to ensure speed and quality in construction
- City Walk has become a benchmark for other developments in the region



SUSTAINABLE AND FUTURE PROOF HEADQUARTER

HEADQUARTER SABB

KSA



Impact

- Arcadis is providing integrated engineering (MEP), traffic planning, site supervision and cost management solutions as well as landscape, waste and security advice.
- The SABB headquarters is the first fully-certified LEED Gold building that we have designed and built in KSA.



IMPROVING HEALTH & SAFETY THROUGH DRONE TECHNOLOGY

NATIONAL VISION 2030 - ORBITAL HIGHWAY

Qatar

Impact

- Arcadis was the first design & consultancy in Qatar to secure the authorization required to use drone technology.
- Arcadis provided volumetric calculations for the earthwork spread of the Orbital Highway.
- Increases precision and efficiency in volume calculations resulting in higher productivity, higher safety and better working conditions.





UNITED KINGDOM

Alan Brookes

UNITED KINGDOM - CAPITALIZE ON MARKET LEADERSHIP



OUR PEOPLE

4,400



OUR CLIENTS

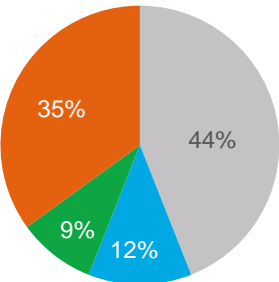
Southern Water, HS2, Cross Rail 2, Jaguar Land Rover



% OF ARCADIS NET REVENUE

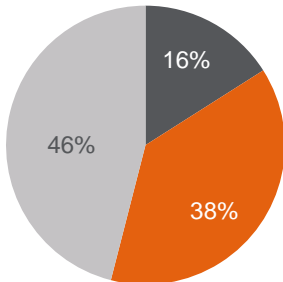
16%

Expertise



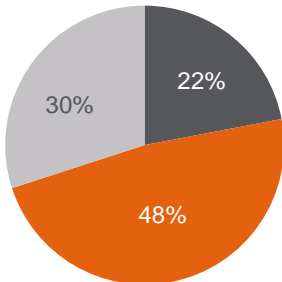
- Infrastructure
- Water
- Environment
- Buildings

Clients



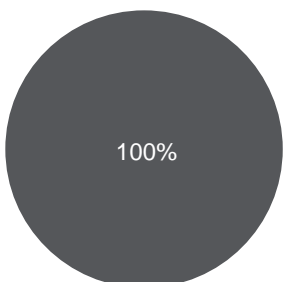
- Public
- Regulated
- Private

Services



- Consulting
- Program, project & cost mgmt
- Design & Engineering

Countries



- UK

MARKET TRENDS & OPPORTUNITIES

1. Lack of clarity of what Brexit means causes lower client confidence
2. UK economy still growing and has real opportunity
3. Lower GBP is bringing continued foreign investment
4. Housing is a key issue - 200,000 more homes needed
5. The volume of major infrastructure projects will stretch the Government purse and create the need for external investment

IMPLEMENTING OUR STRATEGY IN THE UNITED KINGDOM



PEOPLE & CULTURE

- Reduce attrition & enhanced engagement score
- Strategic key hires & active succession planning
- Identify and develop future workforce profile and skills
- Learning and development in Digital



INNOVATION & GROWTH

- Sector, asset and digital knowledge for focused client growth and city focus
- Program management, invest in brand and target major programs
- Strategic environmental consultancy
- Digital technology eco-systems

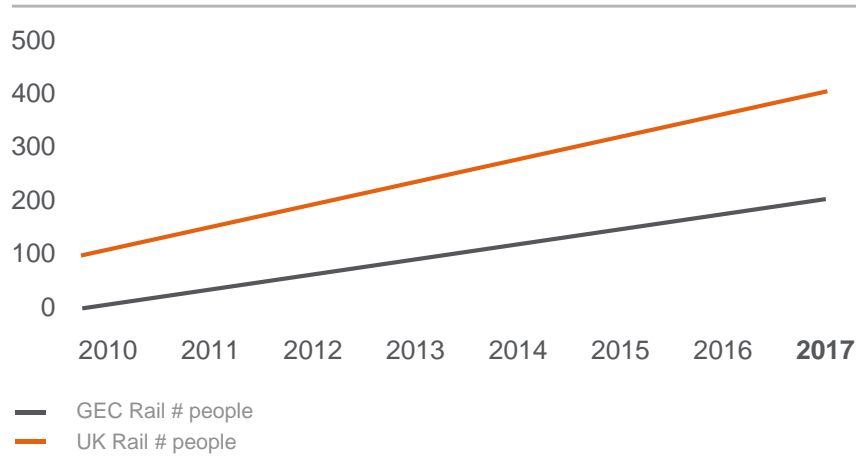


FOCUS & PERFORMANCE

- Program management, performance-driven design engineering
- Digital capability as a differentiator to inform clients on capex and opex strategies
- Leverage GEC's, including Data Analytics
- Contractors partner of choice for environmental compliance services

GLOBAL EXCELLENCE CENTER: RAIL UK

- Growth booster UK
- Adopting new technologies (BIM, Big Data, 3D outputs)
- Efficiency gains
- Exceeded client expectations



AGILE AND MODERN NEW HEADQUARTERS

NEW SCOTLAND YARD OFFICE

London, UK



Impact

- Arcadis provides cost and project management for the development of a modern, agile new headquarters called 'New Scotland Yard'.
- The building is considered to be of special merit and local significance and provides a welcoming and open face for the organization due to extensive remodeling and extension of the existing building.
- Awarded 'The Prime Minister's Award for Better Public Building' at the 2017 British Construction Industry Awards.



NEXT GENERATION GARDEN TOWN

OTTERPOOL PARK RESIDENTIAL AREA

Otterpool Park, UK



Impact

- Arcadis is exploring how technology and digitalization can be used in the next generation of garden settlements.
- The aim is to improve quality of life for residents by creating up to 12,000 new homes an hour's train ride from London and by using smart cities technology to drive more efficient local services.



CREATION OF INTEGRATED PUBLIC TRANSPORT HUB

BELFAST TRANSPORT HUB

Belfast, Ireland



Impact

- Arcadis creates an integrated public transport hub that will provide a world-class gateway for Belfast, linking it to national and international markets.
- Improves passenger journeys and provides better, more modern facilities, significantly increasing rail, bus and coach capacity.
- Developments open up opportunities for significant private investments, creating new jobs and regeneration opportunities throughout the surrounding neighborhoods.



MULTI-DISCIPLINARY 3D MODEL FOR STRATEGIC ROUTE

LOWER THAMES CROSSING

UK



Impact

- Leadership and delivery roles in the Information Systems work package: Information Management, BIM and Asset Data Management.
- The multi-disciplinary 3D model can feed into a future asset management database, enabling Highways England to undertake proactive maintenance which can save between 5% and 15% on maintenance budgets.
- This new strategic road crossing over the river Thames could potentially create more than 6,000 jobs and boost the economy by more than £8 billion.





ASIA

Stephanie Hottenhuis

ASIA – GROWTH THROUGH LOCAL DEPTH AND GLOBAL EXPERTISE



OUR PEOPLE

4,300



OUR CLIENTS

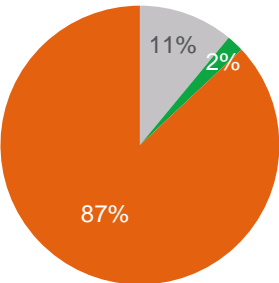
Sung Hung Kai, China Resources, HSBC, Citi, Adidas, BMW, Huawei, Alibaba



% OF ARCADIS NET REVENUE

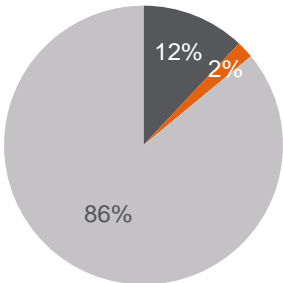
9%

Expertise



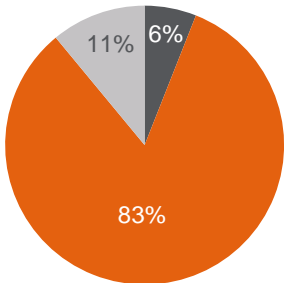
- Infrastructure
- Water
- Environment
- Buildings

Clients



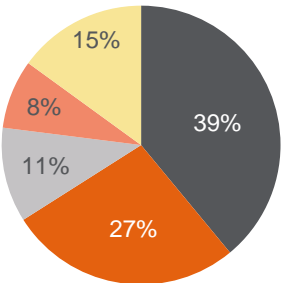
- Public
- Regulated
- Private

Services



- Consulting
- Program, project & cost mgmt
- Design & Engineering

Countries



- China
- Hong Kong and Macau
- Other
- Singapore
- Malaysia

MARKET TRENDS & OPPORTUNITIES

1. Significant growth in transportation and infrastructure
2. One Belt, One Road
3. Increasing influence of Chinese investors in Asia and internationally
4. Growth of new sectors; industrial, logistics, leisure and entertainment
5. Increased relevance of livability and water resilience in Asian cities

IMPLEMENTING OUR STRATEGY IN ASIA



PEOPLE & CULTURE

- Brand recognition
- Become the employer of choice
- Attract and retain the workforce of the future
- Offer a continuous learning experience



INNOVATION & GROWTH

- Sustainable cities
- Lead and “self-disrupt” in cost management
- Digital technologies
- Diversify offering
- Major infrastructure programs
- Water management
- Industrial clients, global and Asian multinationals



FOCUS & PERFORMANCE

- Excel in project and client selection and improve project delivery
- Focus on attractive sectors and geographies
- Leverage GEC's; One-team approach

NEW FACILITY TO MEET GROWING DEMAND

BMW NEX-PLANT

Shenyang, China



Impact

- Arcadis manages delivery of a high-profile scheme for manufacturing and production facility development.
- In 2016 this award-winning project was recognized by the client for outstanding performance.



GLOBAL KNOWLEDGE FOR A GLOBAL CLIENT

GOVERNANCE AND CONTROL SERVICES

Hong Kong

Impact

- Citibank extended the scope of Arcadis' Governance and Control services by including EMEA.
- Arcadis brings deep stakeholder knowledge and delivers a high level of technical ability and global expertise, supported by of Global Excellence Centers and sector knowledge.



MEETING LONG-TERM NEEDS FOR WATER

DEEP TUNNEL SEWAGE SYSTEM

Singapore



Impact

- Arcadis is design consultant for the extension of Singapore's deep tunnel system.
- We deliver value through our global collaboration, expertise and experience.
- Water is collected and transported to a reclamation plant for recycling, new technology improves water efficiency.
- Meets Singapore's long-term water needs and helps to build a sustainable future.



INTEGRATED WATER MANAGEMENT OF SPONGE CITY

WUHAN SPONGE CITY

Wuhan, China



Impact

- Arcadis is principal consultant for Sponge City in Wuhan, providing technical, policy and program management advisory.
- Our approach holds, cleans and drains water, ecologically-friendly.
- Outcome is a city more resilient to climate change and natural disasters by blending green infrastructure & flood control to reduce flood damage and improve quality of life.



OPPORTUNITY FOR AMBITIOUS INFRASTRUCTURE PLAN

ONE BELT ONE ROAD INFRASTRUCTURE

Asia



Impact

- One Belt One Road is an ambitious program by the Chinese government to build and upgrade highways, railways, ports, industrial facilities and other trade supporting infrastructure throughout Asia, Africa and Europe.
- Opportunity for Arcadis to support a range of public and private clients, across the project cycle, through our strong presence in Asia.

SILK ROAD

MARITIME SILK ROAD



AUSTRALIA

Greg Steele

AUSTRALIA - SUSTAIN THE MOMENTUM IN URBAN GROWTH



OUR PEOPLE

>1,300



OUR CLIENTS

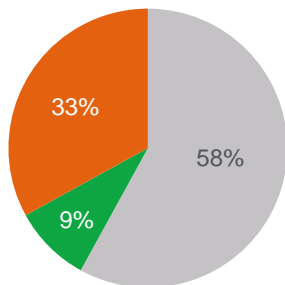
(Regional) Government, LendLease, CPB, Acciona, Charter Hall, GPT



% OF ARCADIS NET REVENUE

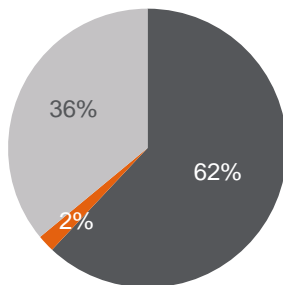
5%

Expertise



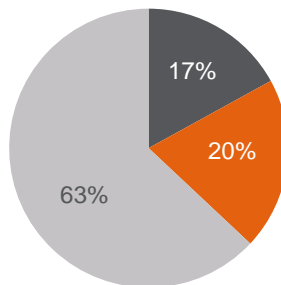
Infrastructure
Water
Environment
Buildings

Clients



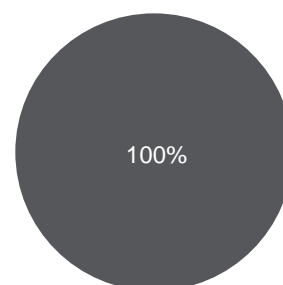
Public
Regulated
Private

Services



Consulting
Program, project & cost mgmt
Design & Engineering

Countries



Australia

MARKET TRENDS & OPPORTUNITIES

1. Australia GDP – 3% for the last few years
2. Stable political system
3. Our key markets of Infrastructure, Environment and Buildings are solid
4. High population growth in major cities
5. Energy and Resources sectors on the way back
6. Digital disruption starting but not yet entrenched
7. Very strong Infrastructure pipeline in Sydney and Melbourne driven by asset recycling

IMPLEMENTING OUR STRATEGY IN AUSTRALIA



PEOPLE & CULTURE

- Creating a diverse and inclusive culture
- Living our values (strong programs for client success, collaboration and positive living)
- Shaping the workforce of the future



INNOVATION & GROWTH

- Strengthen capabilities early in the value chain
- Renewed focus on Energy, Resources, Health and Education
- Continue to scale our rail and environment businesses
- Lead the digitization of our industry



FOCUS & PERFORMANCE

- Strong programs for client selection and pursuit excellence
- Continue project performance improvement measures
- Further expand use of GEC's
- Drive strategy implementation through our focus on Big Urban Clients (Sydney, Brisbane and Melbourne)

DESIGN FOR BIGGEST PUBLIC TRANSPORT PROJECT

SYDNEY METRO

Sydney, Australia



Impact

- Arcadis appointed as lead designer for stage 2 of the Sydney Metro project, the biggest transport project with the longest railway tunnels ever built in Australia.
- Broad multidisciplinary expertise was critical to solving issues around constructability and programming.
- The extended metro network includes 31 new underground stations, 66km of new metro rail and a train every four minutes during peak times.



EXCEEDING EXPECTATIONS WITH ARCADIS TECHNOLOGY

PFAS REMEDIATION WORK

Australia



Impact

- Project implemented Arcadis technology that was developed in Australia.
- The solution developed by Arcadis exceeded all other available options.



FIRST MAJOR INVESTMENT IN HEALTH INFRASTRUCTURE

NORTHERN BEACHES HOSPITAL

Sydney, Australia



Impact

- New 5 level hospital.
- First major investment in health infrastructure in the Northern Beaches area of Sydney.
- Arcadis providing structural, civil, façade and traffic engineering services.



ADVISING FOR SUSTAINABLE LOGISTICS

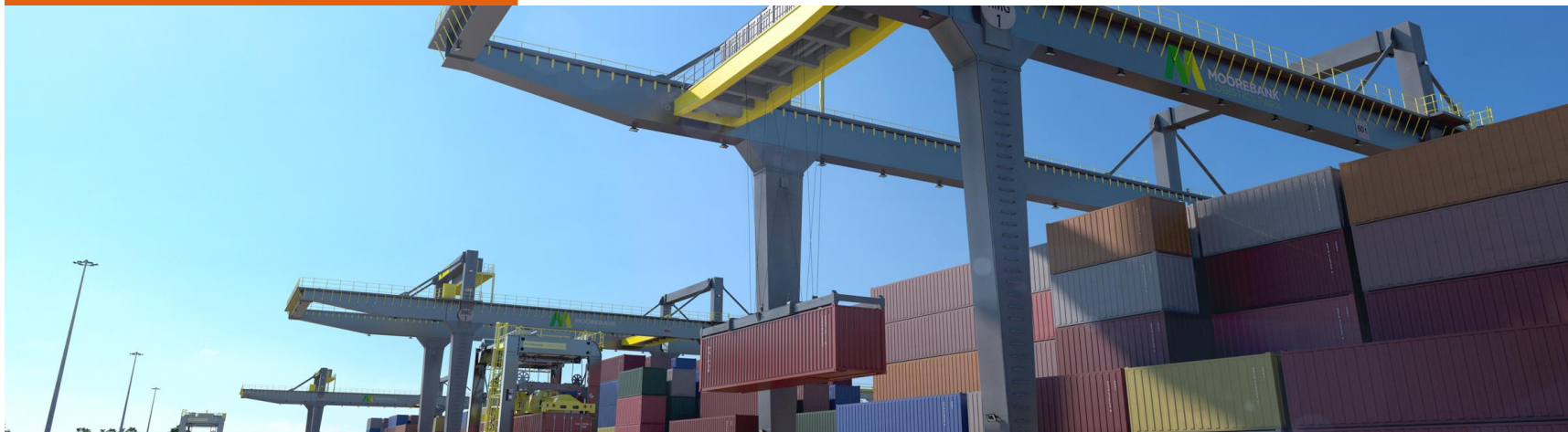
MOOREBANK LOGISTICS PARK

Sydney, Australia



Impact

- Arcadis provides freight logistics and sustainability advisory services enabling the client to obtain clean energy funding to develop the facility and incorporate large-scale renewable energy sources.
- Demonstrated that net greenhouse gas emissions produced by not building the intermodal terminal would be higher than building it.
- Improves supply chain efficiency, removing emissions-intensive trucks off Australian roads in an area of rapid population and economic growth.





FINANCIAL FRAMEWORK

Renier Vree
CFO

OUR STRATEGIC FRAMEWORK 2018 - 2020



PEOPLE & CULTURE

- **Voluntary staff turnover**
Voluntary staff turnover < Market
- **Staff engagement**
Engagement score improving annually
- **Brand**
Top 5 Brand Awareness in markets we serve
- **Clients**
Top Quartile performance for Client Experience



INNOVATION & GROWTH

- **Organic Revenue Growth**
 - Surpass GDP growth in our markets
 - Revenue growth for key clients 2 times overall growth
- **Innovation**
Digital adoption by our people and clients
- **Sustainability**
Significantly contribute to UN Sustainable Development Goals



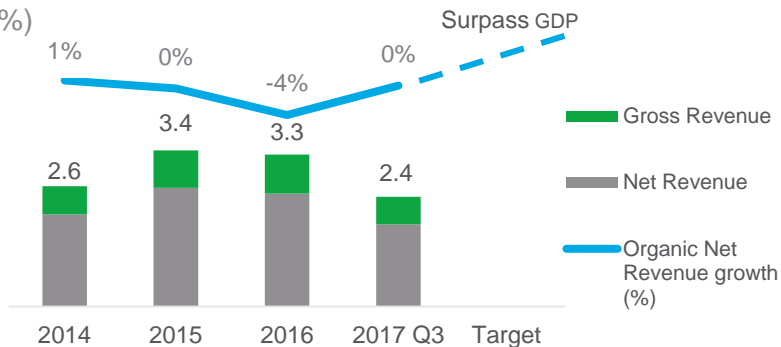
FOCUS & PERFORMANCE

- **Margin**
Operating EBITA trending to 8.5% - 9.5% of net revenues in 2020
- **Net Working Capital/DSO**
 - NWC < 17% of gross revenues
 - DSO < 85 days
- **Return**
Return on invested capital > 10%
- **Dividend**
30 - 40% of Net Income from Operations
- **Leverage**
Net Debt/EBITDA between approximately 1.0 and 2.0

REALISTIC TARGETS BASED ON STRATEGIC DRIVERS

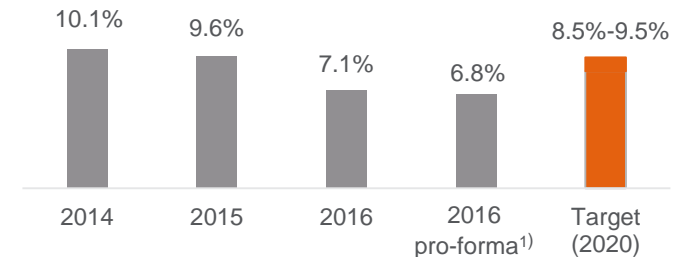
REVENUES (€M) AND ORGANIC GROWTH

(In %)



OPERATING MARGIN

(In % of net revenues)



¹⁾ Pro-forma: excluding CallisonRTKL

Growth drivers

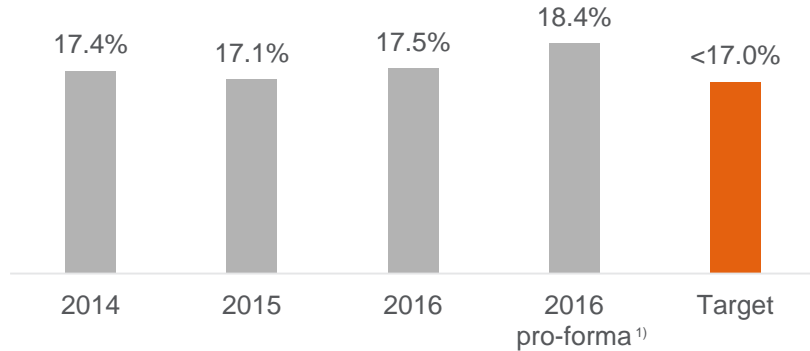
- Increasing demand end-markets
- Focus on higher growth clients
- Big Urban Client program
- Digital Solutions
- Partnerships

Margin drivers

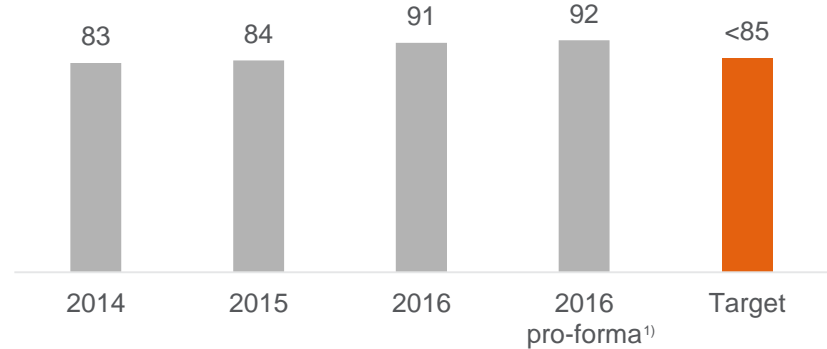
- Focus on higher margin activities
- De-prioritize underperforming businesses
- Improving project delivery
- Expand Global Excellence Centers
- Enabled by Arcadis Way

FOCUS ON CASHFLOW TO IMPLEMENT STRATEGIC ROADMAP...

NET WORKING CAPITAL AS % OF GROSS REVENUES



DSO IN DAYS



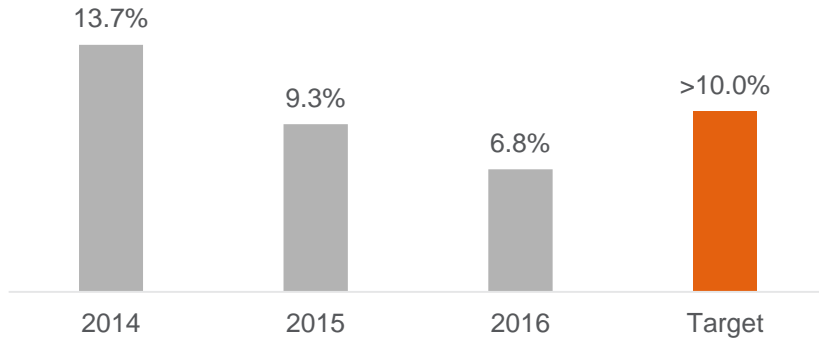
¹ Pro-forma: excluding CallisonRTKL

- Focus on clients with good payment behavior
- Better analysis, invoicing & collection enabled by Arcadis Way
- Train commercial skills of project managers through the Arcadis Academy
- Management incentives include Free Cash Flow metric
- Collect overdue receivables

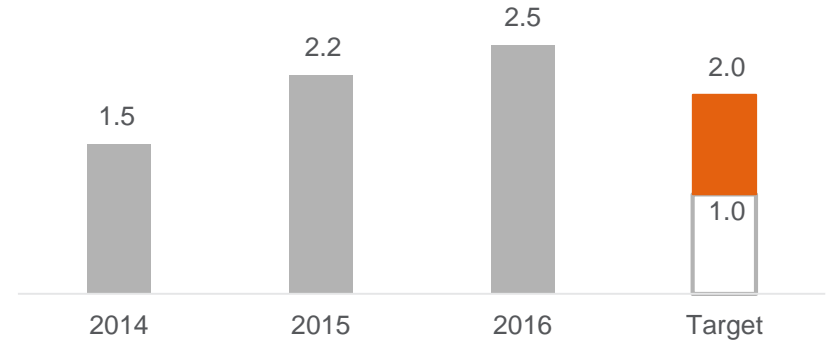
...WITH AN EFFICIENT AND ROBUST CAPITAL STRUCTURE

Return on Invested Capital

(In %)



Leverage ratio Net Debt / EBITDA ¹⁾



¹⁾ Average net debt/EBITDA: calculated according to bank covenant methodology

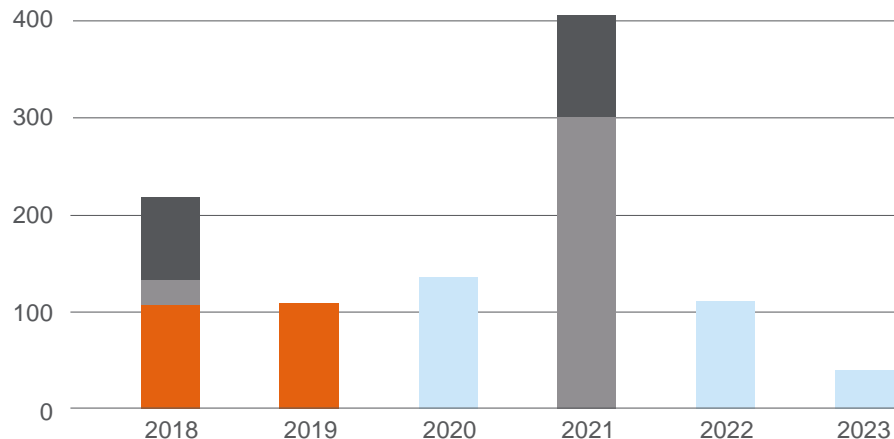
- Higher profitability
- Lower net working capital
- Divestments & selective acquisitions

- Efficient and robust capital structure
- Net debt/EBITDA approximately between 1.0 and 2.0
- Unchanged dividend pay-out of 30 - 40% of Net Income from Operations

FUNDING IN PLACE TO REALIZE STRATEGIC INITIATIVES

MATURITY PROFILE OF DEBT

€ million



Sources of funds

- Operating cash flow
- Divestments

Use of funds

- Capital & people investments
- Dividend
- Acquisitions/Digital strategy
- Repay debt
- Return cash to shareholders if leverage sustained below 1.0

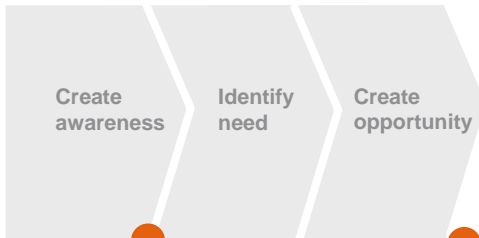
RISK MANAGEMENT IS EMBEDDED IN OUR DAILY PRACTICES



Key risk mitigating controls

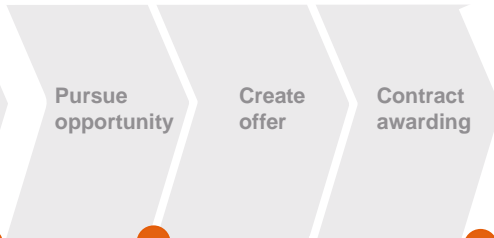
- Strong culture and clear values
- Diversified business
- Aligned regional strategy implementation plans
- Cost efficiency including use of GEC's
- Innovation through Digital
- Excellence in project delivery

MARKET-TO-OPPORTUNITY



●
Client
go/no go

PURSUIT-TO-WIN



●
Opportunity
go/no go

●
Tender
Board

DELIVER-TO-RESULT



●
Project
kick-off

●
Project
reviews

●
Reflect
& learn

● Control point

IN SUMMARY

1. Our Key Performance Indicators are clear and cover the breadth of our stakeholders
2. We have realistic targets based on our strategic performance drivers
3. We focus on cash flow to fund our strategic roadmap
4. We execute our strategy with an efficient and robust capital structure
5. Risk management is well embedded in our daily practices



SUMMARY

Peter Oosterveer
CEO

WELL POSITIONED TO DELIVER ON OUR STRATEGY



CREATING A SUSTAINABLE FUTURE



PEOPLE & CULTURE



INNOVATION & GROWTH



FOCUS & PERFORMANCE



Q&A

CREATING A SUSTAINABLE FUTURE