Accelerated organic revenue growth, further margin and backlog improvement

Arcadis Q2 & HY 2021 Results

29th July, 2021
Creating sustainable mobility.

Delivering net zero carbon rail station.

Project
HS2, Birmingham Curzon Street station, UK

Client
Mace-Dragados

Services
Design & Engineering

Image Credit: HS2 Ltd
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The forward-looking statements are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements.
Part 1

Q2 & HY 2021 results – key messages

Peter Oosterveer | Chief Executive Officer
Supporting energy transition.

Delivering U.S. wind-mill manufacturing facility.

Project
Factory for off-shore wind farms
Client
Siemens Gamesa Renewable Energy
Services
Project & cost management
Accelerated organic revenue growth, further margin and backlog improvement

Market environment

- Strong rebound of major economies creating positive business outlook
- Climate change, carbon reduction and increasing societal expectations drive client demand
- Capitalizing on public stimulus plans:
  - 14 new projects commissioned
  - > 80 projects in pipeline

Results

Second quarter results

- Revenue growth of 5.7%; Operating EBITA margin improved to 9.2%
- Continued strong order intake
- Strong balance sheet with net debt/EBITDA ratio of 0.3x

Strategic progress

- Increased demand for sustainable solutions for public and private clients
- Advancing our digital expertise and capabilities
- Implementing hybrid working

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Delivering sustainable solutions to improve quality of life
Reducing carbon footprint

Creating the UK’s first carbon neutral bus station.

Client: Leicester City Council
Driving city-wide resilience

Reducing New York’s flood risk.

Client:
New York City Department of Environmental Protection
Innovative mobility solutions

Creating optimized and sustainable transportation for citizens.

Client:
Land Transport Authority, Singapore
Advancing our digital expertise and capabilities
Predicting failure and optimizing maintenance for water assets.
Field Now

Environmental digital data collection program

Instant data transparency for clients.

Client:
Public and private clients in Environment in US, UK and Latin America
Intelligent Buildings

Agile workspace software

Improving the experience, health, wellbeing and productivity for users.

Type of clients: Large global banking, commercial and industrial property clients

Arcadis London office
Growing our business through focus & scale
Continued backlog growth

H1 2021 results:

- **€1.4 billion** Order intake
- **4%** Organic backlog growth
- **1.1** Book-to-Bill

Scaling our innovation globally

PFAS remediation

PFAS services growing at 40% annually.
Supporting energy transition at the Port of Rotterdam

Virginie Duprat | Chief Financial Officer
Accelerated organic revenue growth in Q2

Net Revenues and organic growth
€ millions, %

<table>
<thead>
<tr>
<th></th>
<th>Q2'20</th>
<th>Q3'20</th>
<th>Q4'20</th>
<th>Q1'21</th>
<th>Q2'21</th>
</tr>
</thead>
<tbody>
<tr>
<td>-2.6%</td>
<td>628</td>
<td>604</td>
<td>603</td>
<td>632</td>
<td>644</td>
</tr>
</tbody>
</table>

Operating EBITA (margin)¹)
€ millions, %

<table>
<thead>
<tr>
<th></th>
<th>Q2'20</th>
<th>Q3'20</th>
<th>Q4'20</th>
<th>Q1'21</th>
<th>Q2'21</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.8%</td>
<td>49</td>
<td>66</td>
<td>66</td>
<td>58</td>
<td>59</td>
</tr>
</tbody>
</table>

Net Working Capital (%)
EUR millions, %

<table>
<thead>
<tr>
<th></th>
<th>Q2'20</th>
<th>Q3'20</th>
<th>Q4'20</th>
<th>Q1'21</th>
<th>Q2'21</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.7%</td>
<td>588</td>
<td>518</td>
<td>414</td>
<td>497</td>
<td>486</td>
</tr>
</tbody>
</table>

Days Sales Outstanding
Days

<table>
<thead>
<tr>
<th></th>
<th>Q2'20</th>
<th>Q3'20</th>
<th>Q4'20</th>
<th>Q1'21</th>
<th>Q2'21</th>
</tr>
</thead>
<tbody>
<tr>
<td>87</td>
<td>82</td>
<td>66</td>
<td>78</td>
<td>74</td>
<td></td>
</tr>
</tbody>
</table>

¹) Excluding acquisition, restructuring and integration-related costs
First half year results
Solid operating margin and strong leverage ratio

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
<th>(H1'20)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenue</td>
<td>€1,276M</td>
<td>€1,286M</td>
</tr>
<tr>
<td>Organic Net Revenue growth</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Operating EBITA</td>
<td>€117M</td>
<td>€97M</td>
</tr>
<tr>
<td>Operating EBITA margin</td>
<td>9.2%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>€30M</td>
<td>€81M</td>
</tr>
<tr>
<td>Average Net debt / Adjusted EBITDA</td>
<td>0.3x</td>
<td>1.3x</td>
</tr>
</tbody>
</table>

Scaling our innovation globally

Making net zero a reality for our clients

Delivering >1,200 hydrogen powered houses in the Netherlands
Reduce carbon footprint of Royal Botanic garden Edinburgh by 12%

1) Free Cash Flow and Net debt / EBITDA are calculated based on IAS 17: lease liabilities are excluded
Americas
Sustained growth and very strong financial results

First half year

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross revenues</strong></td>
<td>669</td>
<td>712</td>
<td>-6%</td>
</tr>
<tr>
<td><strong>Net revenues</strong></td>
<td>432</td>
<td>452</td>
<td>-4%</td>
</tr>
<tr>
<td><strong>Organic growth (%)</strong></td>
<td>5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating EBITA</strong></td>
<td>50</td>
<td>41</td>
<td>22%</td>
</tr>
<tr>
<td><strong>Operating EBITA margin</strong></td>
<td>11.5%</td>
<td>9.0%</td>
<td></td>
</tr>
</tbody>
</table>

Second quarter

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross revenues</strong></td>
<td>349</td>
<td>350</td>
<td>-1%</td>
</tr>
<tr>
<td><strong>Net revenues</strong></td>
<td>223</td>
<td>226</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>Organic growth (%)</strong></td>
<td>7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

North America
- Organic growth in all business lines despite 2 working days less
- Operating margin improved due to higher efficiency
- Stimulus plans translating into real opportunities

Latin America
- Excellent organic growth driven by Infrastructure

Upgrade U.S. Infrastructure

Client
Calcasieu Bridge, Los Angeles Department of Transportation

Services
Project & Cost management and consultancy
Europe & Middle East

Outstanding performance UK

First half year

<table>
<thead>
<tr>
<th>48% of total net revenues</th>
<th>2021</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenues</td>
<td>718</td>
<td>676</td>
<td>6%</td>
</tr>
<tr>
<td>Net revenues</td>
<td>609</td>
<td>573</td>
<td>6%</td>
</tr>
</tbody>
</table>

**Organic growth (%)**

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>40</td>
<td>39%</td>
</tr>
</tbody>
</table>

**Operating EBITA margin**

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1%</td>
<td>7.0%</td>
</tr>
</tbody>
</table>

Second quarter

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenues</td>
<td>360</td>
<td>324</td>
</tr>
<tr>
<td>Net revenues</td>
<td>303</td>
<td>271</td>
</tr>
</tbody>
</table>

**Organic growth (%)**

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td></td>
</tr>
</tbody>
</table>

- Excellent Q2 revenue growth driven by significant growth in the UK
- Steady growth and solid performance Continental Europe
- Planned revenue decline in Middle East due to footprint reduction
- Operating margin further improved due to higher revenue, improved portfolio of projects and lower operational costs
- Well positioned for public stimulus plans

Delivering a world class cancer research facility

**Client**
Christies NHS Trust and the University of Manchester, UK

**Services**
Project & Cost management

Image Credit: BDP

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Asia Pacific

Solid performance in Australia, COVID-19 impact in Asia

First half year

<table>
<thead>
<tr>
<th>12% of total net revenues</th>
<th>2021</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenues</td>
<td>173</td>
<td>182</td>
<td>-5%</td>
</tr>
<tr>
<td>Net revenues</td>
<td>159</td>
<td>164</td>
<td>-3%</td>
</tr>
<tr>
<td>Organic growth (%)</td>
<td>-3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating EBITA</td>
<td>8</td>
<td>10</td>
<td>-14%</td>
</tr>
<tr>
<td>Operating EBITA margin</td>
<td>5.3%</td>
<td>6.0%</td>
<td></td>
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</tbody>
</table>

Second quarter

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenues</td>
<td>89</td>
<td>94</td>
</tr>
<tr>
<td>Net revenues</td>
<td>82</td>
<td>84</td>
</tr>
<tr>
<td>Organic growth (%)</td>
<td>-2%</td>
<td></td>
</tr>
</tbody>
</table>

Asia

- Revenues impacted by sustained lockdowns in most countries except China
- Margin impacted due to lower revenue and losses on a few projects

Australia

- Continued strong operating margin despite modest revenue decline

Applying digital solutions to large mixed-use projects

Client
Hong Kong Housing Society
Services
Project & Cost management
CallisonRTKL

In the initial phase of recovery

First half year

<table>
<thead>
<tr>
<th>6% of total net revenues</th>
<th>2021</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenues</td>
<td>99</td>
<td>133</td>
<td>-25%</td>
</tr>
<tr>
<td>Net revenues</td>
<td>76</td>
<td>98</td>
<td>-22%</td>
</tr>
<tr>
<td>Organic growth (%)</td>
<td>-15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating EBITA</td>
<td>4</td>
<td>7</td>
<td>-43%</td>
</tr>
<tr>
<td>Operating EBITA margin</td>
<td>5.0%</td>
<td>6.8%</td>
<td></td>
</tr>
</tbody>
</table>

Second quarter

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenues</td>
<td>51</td>
<td>63</td>
</tr>
<tr>
<td>Net revenues</td>
<td>37</td>
<td>47</td>
</tr>
<tr>
<td>Organic growth (%)</td>
<td>-11%</td>
<td></td>
</tr>
</tbody>
</table>
Strong EBITA performance generating 52% EPS growth

<table>
<thead>
<tr>
<th>In € millions</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITA</td>
<td>115</td>
<td>92</td>
<td>25%</td>
</tr>
<tr>
<td>Amortization &amp; impairment</td>
<td>-6</td>
<td>-8</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>109</td>
<td>84</td>
<td>30%</td>
</tr>
<tr>
<td>Net finance expense</td>
<td>-13</td>
<td>-16</td>
<td></td>
</tr>
<tr>
<td>Taxes on income</td>
<td>-20</td>
<td>-24</td>
<td></td>
</tr>
<tr>
<td>Normalized income tax rate(^1)</td>
<td>21%</td>
<td>34%</td>
<td></td>
</tr>
<tr>
<td>Exp. credit gain (loss) shareholder loans &amp; corp. guarant.</td>
<td>1</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>Minority interest</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>78</td>
<td>62</td>
<td>26%</td>
</tr>
<tr>
<td>Net Income from Operations (NIfO)(^1)</td>
<td>81</td>
<td>53</td>
<td>53%</td>
</tr>
<tr>
<td>EPS (NIfO per share)(^2)</td>
<td>0.90</td>
<td>0.59</td>
<td>52%</td>
</tr>
</tbody>
</table>

\(^1\) Corrected for non-recurring items (e.g. acquisition & restructuring costs, expected credit loss and impairment)

\(^2\) Average number of shares H1 2021: 89.6 million (H1 2020: 89.4 million)
Strong financial position with room for investments

- **Free cash flow** for first half year solid at €30 million (H1 2020: €81 million)
  - Increase Net Working Capital: €62 million (H1 2020: €16 million decrease)
  - Capex: €22 million (H1 2020: €16 million)

- **Net debt** significantly lower than H1 2020 driven by strong cash collection last 12 months

- **Share buy back**: €62 million and Dividend: €31 million (total H1 2020: €10 million)

- **Leverage ratio** further improved to 0.3x

- €36.0 million of floating rate Schuldschein loans and U.S. Private Placement note of $110.0 million at 5.1% repaid in Q2

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1) (average) net debt and adjusted EBITDA are calculated according to bank covenants: lease liabilities are excluded
Concluding remarks

- **Accelerated organic growth** in Q2 and sustained strong order intake
- **Operating margin 9.2%** in first half year, with excellent performance in Americas and UK
- **Solid Free Cash Flow**
- **Strong financial position**; leverage ratio at 0.3x
Wrap up

Peter Oosterveer  |  Chief Executive Officer
Support on cleaning oceans and rivers

Project
Environmental and Social Performance Management
Client
The Ocean Cleanup
Services
Project & Cost Management
Maximizing Impact: Strategy 2021-2023

Financial targets

- **Organic Net Revenue Growth**: Mid-single digit
- **Margin**: Operating EBITA margin >10%
- **Net Working Capital & DSO**: NWC <15% of gross revenues | DSO <75 days
- **Return on Net Working Capital**: Operating EBITA / Net Working Capital: 40-50%
- **Return to shareholders**:
  - Dividend: 30-40% of Net Income from Operations
  - no dilution
  - Additional returns when appropriate
  - Net debt/EBITDA between 1.0 and 2.0

Non-financial targets

- **Voluntary staff turnover**: < 10%
- **Staff engagement**: Improving annually
- **Brand**: Top 3 Brand Strength Index
- **Diversity**: Women in workforce >40%
- **Carbon footprint**:
  - Reduce emissions aligned with a 1.5C science-based target before 2030
  - Carbon neutral operations investing in high quality, certified abatement and compensation programs from 2020

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Summary

• Solid Operational performance
  – Increase in revenue, improved margin and growth of backlog

• Positive business outlook in major economies
  – Climate change felt globally
  – Further increased demand for Sustainable solutions

• Confidence in our ability to deliver strategic targets set for 2023