

Strategic repositioning with a strong set of results

Fourth Quarter and Full Year 2022 Results

16 February 2023

Disclaimer

Statements included in this presentation that are not historical facts (including any statements concerning investment objectives, other plans and objectives of management for future operations or economic performance, or assumptions or forecasts related there to) are forward-looking statements. These statements are only predictions and are not guarantees. Actual events or the results of our operations could differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements are typically identified by the use of terms such as “may,” “will,” “should,” “expect,” “could,” “intend,” “plan,” “anticipate,” “estimate,” “believe,” “continue,” “predict,” “potential” or the negative of such terms and other comparable terminology.

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

Q4 & full year 2022 results

Peter Oosterveer | Chief Executive Officer



Key highlights of full year 2022

- Continued strong client demand
- Record backlog, organic pro forma backlog growth at 8.9%¹⁾
- Strong set of results, improved operating margin and high cash conversion
- Global Business Area model successfully implemented

Full Year 2022 results

Record Net Revenue

€3,019 million

Organic growth 8.9%²⁾

Record backlog

€3,119 million

Book to bill: 1.03x

Operating EBITA margin further improved

9.8%

Last year: 9.6%

¹⁾ Organic net backlog growth 2022 (year on year), pro forma IBI and DPS backlog growth

²⁾ This excludes the impact of currency movements, acquisitions, divestments, or footprint reductions (such as the Middle East)

Global Business Areas

Resilience

2022 STRATEGIC ACHIEVEMENTS

- **Strong client demand** in energy transition, water optimization and environmental restoration
- **Strategic investments** supporting growth areas: Hydronet (digital water), Giftge (energy transition)

Q4 MARKET DRIVERS

- **Water optimization:** need for operational efficiencies drive demand for digital products
- **Sustainability advisory:** Arcadis advisory capability combined with engineering solutions
- **Environmental restoration:** PFAS

PROJECT EXAMPLE



Create infrastructure to help generate 10GW renewable energy by 2026

Client
Scottish Power | UK

Global Business Areas

Places

STRATEGIC ACHIEVEMENTS

- Repositioning: IBI & DPS
- Investments in Industrial Manufacturing
- Increased presence North America, reduction Asia
- Architecture & Urbanism business unit

Q4 MARKET DRIVERS

- High growth end markets: e.g. Life Sciences and EV tech
- Continued delays China property sector
- Strong momentum Continental Europe and North America boosting order intake

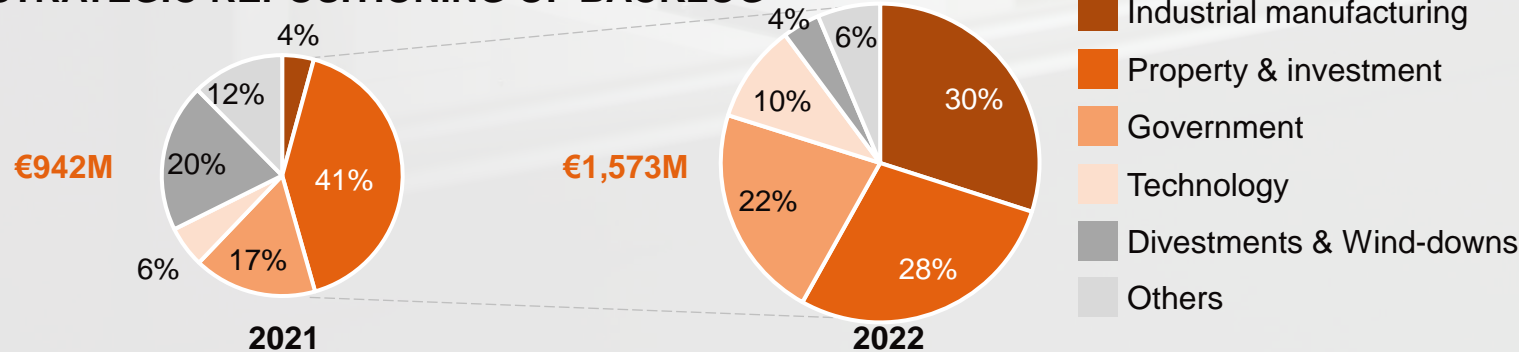
PROJECT EXAMPLE



Planning and managing the delivery of one of Europe's largest EV battery factory

Client
Automotive Cells Company | Germany

STRATEGIC REPOSITIONING OF BACKLOG



Global Business Areas

Mobility

2022 STRATEGIC ACHIEVEMENTS

- Expansion North America through IBI
- IBI Digital Mobility portfolio
- Strong client demand for Intelligent Rail and Mobility Development

Q4 MARKET DRIVERS

- Ongoing programs and stimulus packages
- Climate change and decarbonization high priorities
- Ageing infra Australia, UK

PROJECT EXAMPLE



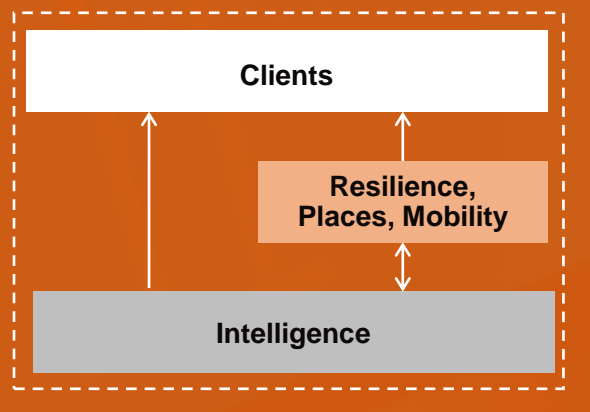
Faster commute, better connectivity and reduction of carbon emissions in Los Angeles

Client
LA Metro | US

Global Business Areas

Intelligence

- Created in Q4 2022
- Bringing together Arcadis Gen and Arcadis IBI Intelligence
- Servicing clients directly or through GBA:



Intelligence team: staff >900

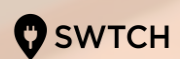
Solutions & products
500 staff

Design & consulting
300 staff

Managed services
130 staff

Attractive suite of services and solutions

SaaS in in traffic management



Decision analytics



PROJECT EXAMPLE



Map curbside data for city decision makers

Client
Numerous cities in US and Canada

Part 2

Financial Results

Virginie Duperat | Chief Financial Officer

Record net revenue and margin improvement

Full year 2022 results

€3,019M

2021: €2,565M

Net Revenue

8.9%

Organic Net Revenue growth¹⁾

€295M

YoY +20% | '21: €246M

Operating EBITA²⁾

9.8%

2021: 9.6%

Operating EBITA margin

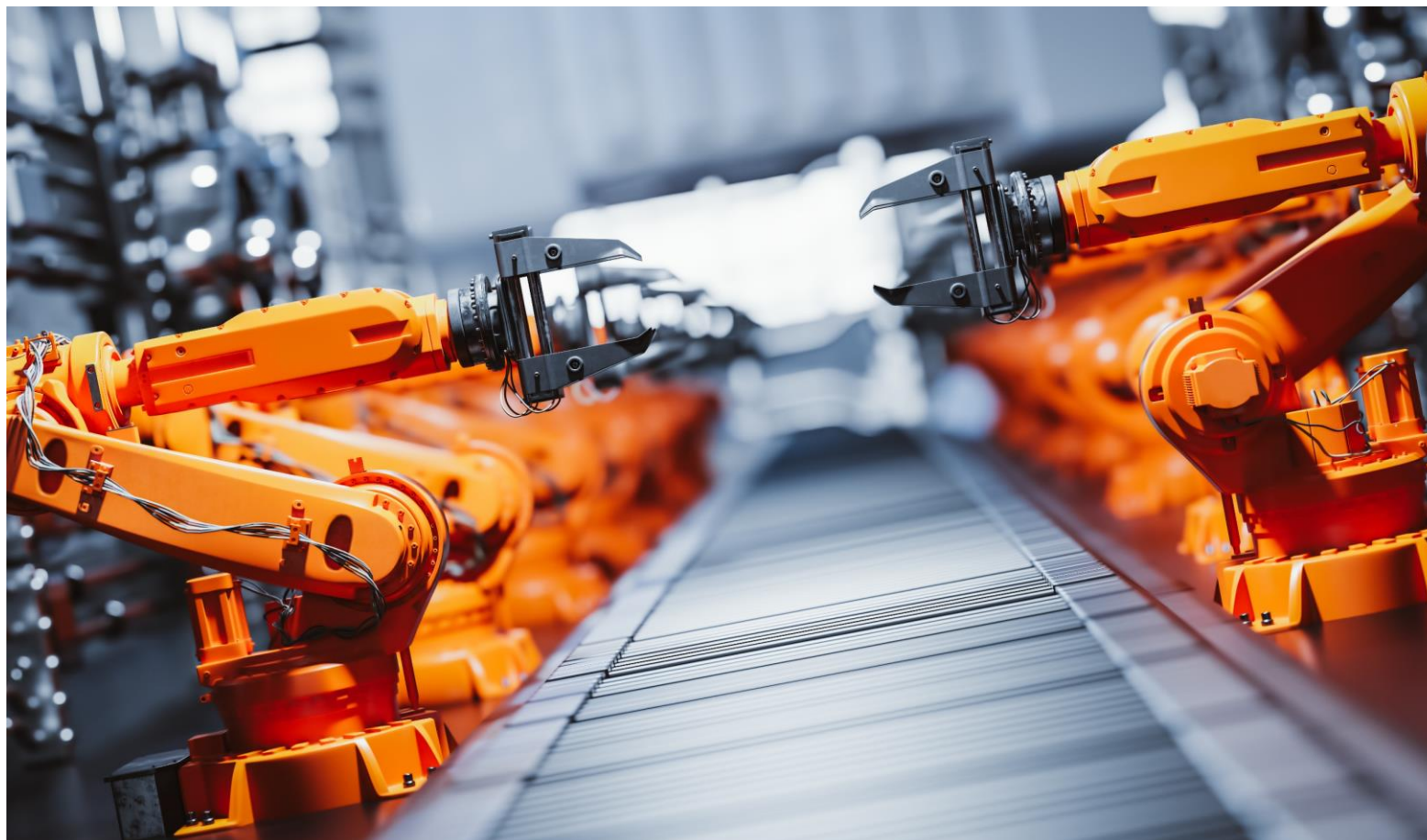
2.2x

**Leverage ratio
Net debt / Operating
EBITDA**

€173M

2021: €234M

Free Cash Flow³⁾



2021 figures have been restated in accordance with IAS 8

¹⁾ Underlying growth excluding the impact of currency movements, acquisitions or footprint reductions, such as the Middle East, winddowns or divestments

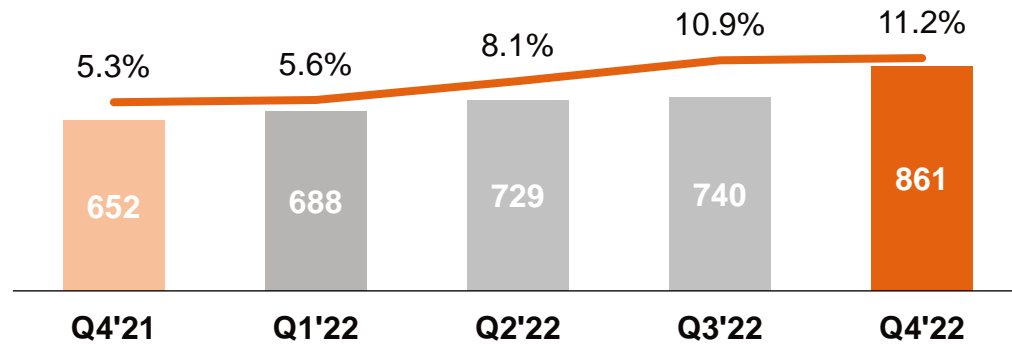
²⁾ Excluding acquisition, divestment, restructuring and integration-related costs

³⁾ Free Cash Flow = Cash flow from operating activities minus capex minus lease liabilities

Accelerated revenue growth, excellent working capital management

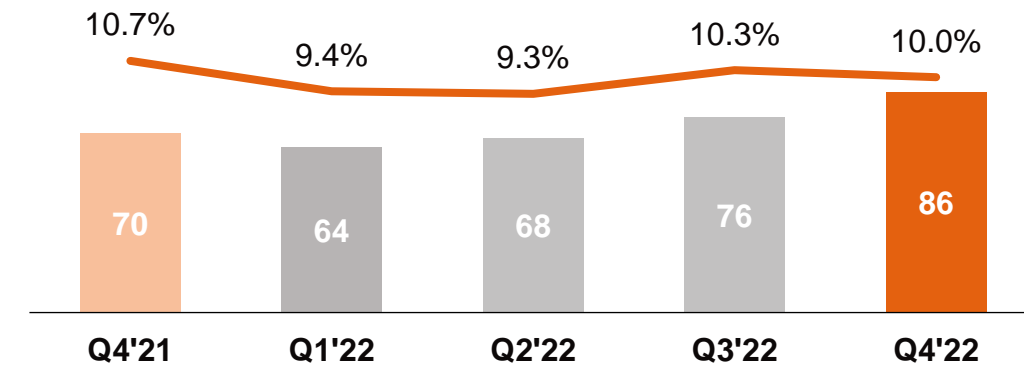
Net Revenues and Organic Growth¹⁾

€ millions, %



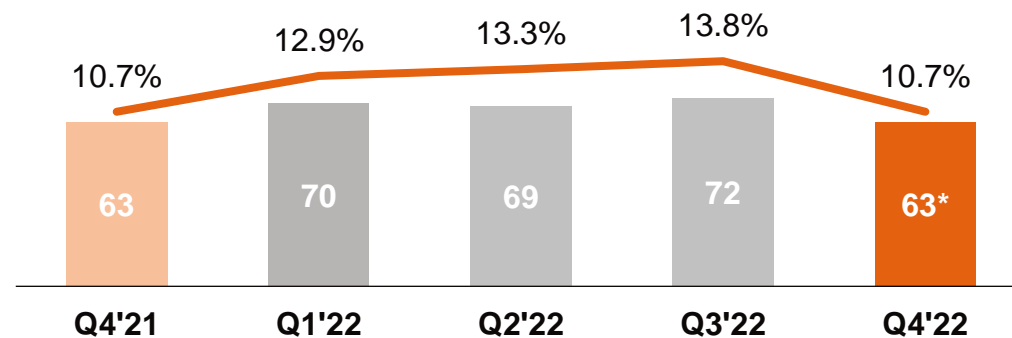
Operating EBITA (margin)²⁾

€ millions, %



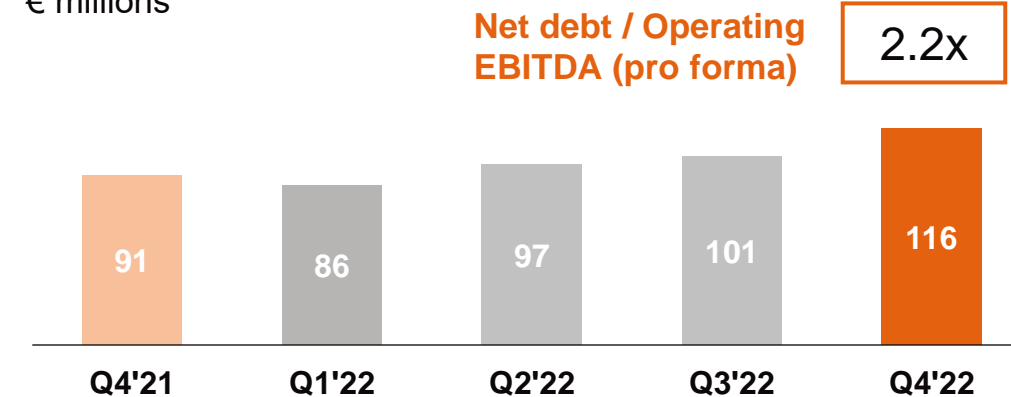
Days Sales Outstanding and Net Working Capital (%)

Days, %



Operating EBITDA

€ millions



2021 figures have been restated in accordance with IAS 8

¹⁾ Underlying growth excluding the impact of currency movements, acquisitions or footprint reductions, such as the Middle East, winddowns or divestments

²⁾ Excluding acquisition, divestment, restructuring and integration-related costs

Resilience

Strong growth with good profitability

Resilience

41% of net revenues | 29% of backlog

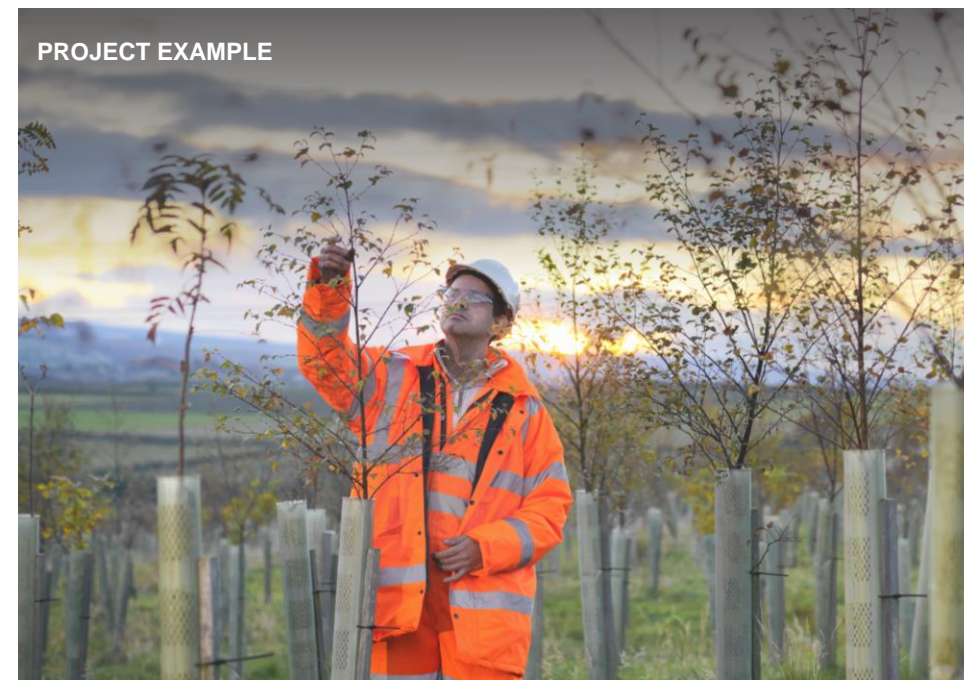
in € millions	Full year			Fourth quarter		
	2022	2021	change	2022	2021	change
Period ended 31 Dec. 2022						
Net revenues	1,239	1,041	19%	330	269	22%
Organic net revenue growth (%) ¹⁾	10.3%			11.9%		
Operating EBITA ²⁾	134	113	18%			
Operating EBITA margin (%)	10.8%	10.9%				
Order intake	1,304	1,087	20%			
Backlog net revenues	895	768	16%			
Backlog organic growth (YoY) ¹⁾	7.6%					

- Resilience growth driven by strong market conditions in US and Europe with energy transition, sustainability and climate adaptation high on the agenda
- Investments in growth areas such as digital water optimization, energy transition and biodiversity solutions
- Good margin in line with last year, driven by North America and Europe

2021 figures have been restated in accordance with IAS 8

1) Underlying growth: excluding the impact of currency movements, acquisitions, divestments, or footprint reductions (such as the Middle East)

2) Excluding restructuring, integration, disposal and acquisition related costs, and net result from divestments



PROJECT EXAMPLE

Offering nature-based solutions and biodiversity expertise to one of the most important wetlands in Australia

Client
Living Murray | Australia

Places

Solid revenue growth and improved operating margin

Places
34% of net revenues | 50% of backlog

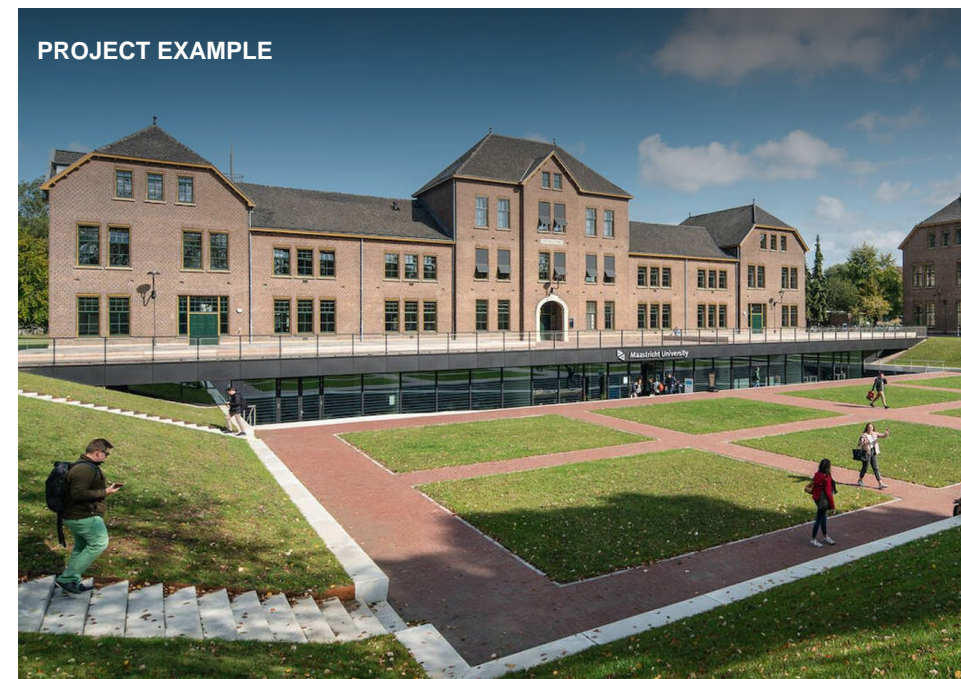
in € millions	Full year			Fourth quarter		
	2022	2021	change	2022	2021	change
Period ended 31 Dec. 2022						
Net revenues	1,017	879	16%	320	223	43%
Organic net revenue growth (%) ¹⁾	4.2%			6.5%		
Operating EBITA ²⁾	93	74	26%			
Operating EBITA margin (%)	9.1%	8.4%				
Order intake	1,003	992	1%			
Backlog net revenues	1,573	942	67%			
Backlog organic growth (YoY) ¹⁾	0.0%					

- Revenue and backlog growth driven by a good demand for sustainable and intelligent buildings, including the development of automotive giga-factories
- Operating EBITA margin improved whilst repositioning portfolio
- Backlog increased to €1.6 billion including €308 million of IBI and €460 million of DPS. Life sciences and EV technology providing a good opportunities

2021 figures have been restated in accordance with IAS 8

1) Underlying growth: excluding the impact of currency movements, acquisitions, divestments, or footprint reductions (such as the Middle East)

2) Excluding restructuring, integration, disposal and acquisition related costs, and net result from divestments



Creating the healthiest university building in Europe

Client
 University of Maastricht | **NETHERLANDS**

Mobility

Strong results driven by larger markets

Mobility

25% of net revenues | 17% of backlog

in € millions

Period ended 31 Dec. 2022	Full year			Fourth quarter		
	2022	2021	change	2022	2021	change
Net revenues	743	645	15%	191	160	20%
Organic net revenue growth (%) ¹⁾	12.9%			16.5%		
Operating EBITA ²⁾	72	65	11%			
Operating EBITA margin (%)	9.7%	10.1%				
Order intake	751	665	13%			
Backlog net revenues	538	493	9%			
Backlog organic growth (YoY) ¹⁾	5.4%					

- Market conditions remain strong and have driven significant growth
- Strong margin at core markets in the US, UK and Australia
- Increased investments in digital solutions and talent attraction and development
- Committed funding in the US, ageing infrastructure in Australia and UK investments in rail and road upgrades led to significant order intake

2021 figures have been restated in accordance with IAS 8

1) Underlying growth: excluding the impact of currency movements, acquisitions, divestments, or footprint reductions (such as the Middle East)

2) Excluding restructuring, integration, disposal and acquisition related costs, and net result from divestments



Supporting Shell's world-first transition from fuel station to EV charging hub

Client
Shell UK | UK

New GBA transformational step to Digital Leadership

Intelligence

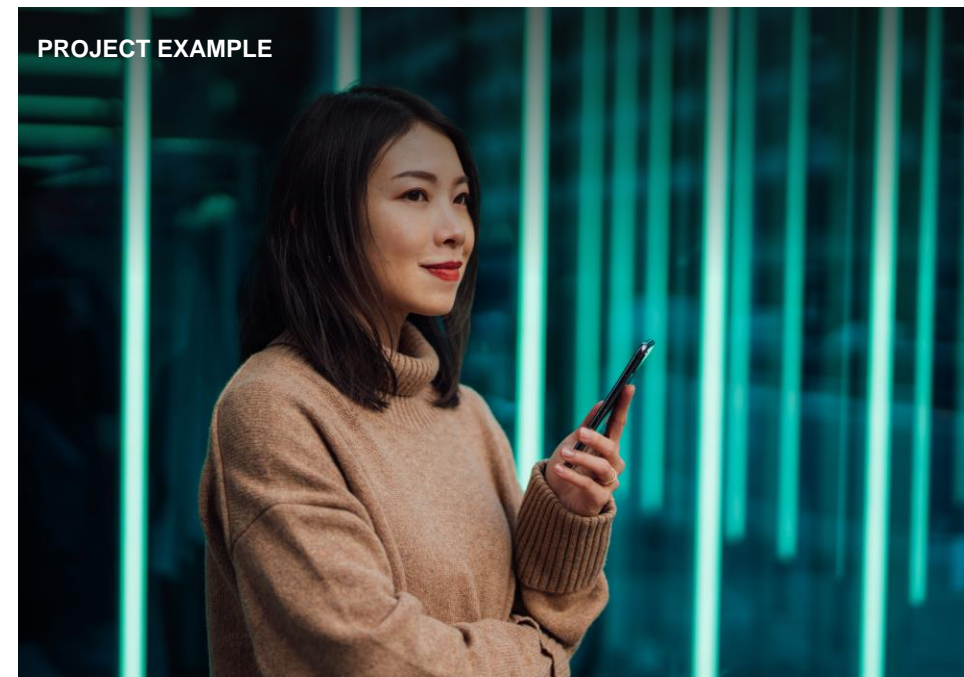
1% of net revenues | 4% of backlog

in € millions | reflecting 1 quarter of results

Period ended 31 Dec. 2022	Q4'22
Net revenues	21
Operating EBITA ¹⁾	2
Operating EBITA margin (%)	9.1%
Order intake	31
Backlog net revenues	113

- GBA Intelligence was created in Q4 2022, results showing one quarter
- Strong backlog of €113 million with several wins for our smart city platform and continued strong order intake for tolling solutions

¹⁾ Excluding restructuring, integration, disposal and acquisition related costs, and net result from divestments



Travel IQ – ‘SaaS’ traveler information platform to seamlessly plan trips

Client
New Hampshire, Maine and Vermont | US

Strong operational performance

Generating 15% EPS growth

In € millions	2022	2021 ³⁾	change
EBITA	233	237	-2%
Amortization	-15	-11	
EBIT	218	226	-4%
Net finance expense	-24	-19	
Taxes on income	-61	-52	
Normalized income tax rate	31%	25%	
Income from associates	2	11	
Expected Credit Loss on shareholder loans and guarantees	0	1	
Minority interest	1	0	
Net Income	136	168	-19%
Net Income from Operations (NifO)¹⁾	202	175	15%
EPS (Net Income from Operations per share) ²⁾	2.26	1.96	15%

¹⁾ Corrected for non-recurring items (e.g. acquisition, divestment, restructuring & integration costs, expected credit loss and impairments)

²⁾ Average number of shares 2022: 89.4 million (2021: 89.4 million)

³⁾ 2021 figures have been restated in accordance with IAS 8



+15%

Increase in NifO



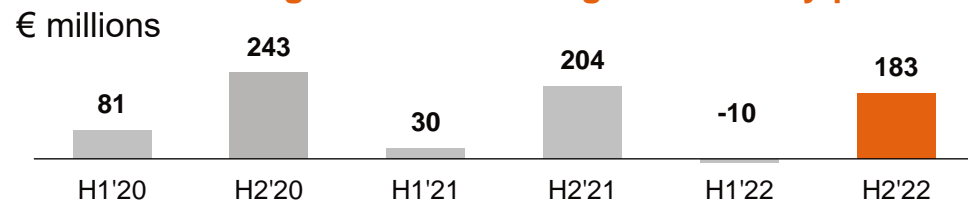
€2.26

EPS (NifO per share)

Strong cash conversion

In € millions	2022	2021 ¹⁾	change
Operating EBITDA	400	347	15%
Non-operating costs	-62	-9	
EBITDA	338	338	0%
Changes in net working capital	17	54	
Changes in other working capital	-24	16	
Tax paid	-70	-67	
Net interest paid	-14	-12	
Other	37	0	
Cash flow from operating activities	284	329	-14%
Capital expenditures (net)	-39	-26	
Payment of lease liabilities	-73	-69	
Free cash flow	173	234	-26%

Free Cash Flow generation with high seasonality pattern



+15%

Increase in
Operating EBITDA



€173

Free Cash Flow

Balance sheet and impact of acquisitions

In € millions

Assets	2022	2021	Equity & Liabilities	2022	2021
Intangible assets and goodwill	1,554	866	Total equity	1,039	1,022
Fixed assets	109	83	Debt	958	264
Right-of-use assets	276	229	Lease liabilities	308	255
Trade receivables ¹⁾	747	522	Contract liabilities (billing in excess) ¹⁾	482	381
Contract assets (unbilled receivables) ¹⁾	645	500	Provision for onerous contracts ¹⁾	24	26
Other assets	226	185	Accounts payable ¹⁾	338	232
Cash and cash equivalents	273	351	Other liabilities	681	556
Total assets	3,830	2,736	Total equity & liabilities	3,830	2,736



€750 million

Bridge loan in debt



2.2x

Leverage ratio

Net debt / Operating
EBITDA at year-end

Capital allocation: Return to shareholders, investment in growth and de-leverage

74 cents

Proposed Cash
Dividend

€40-60 million

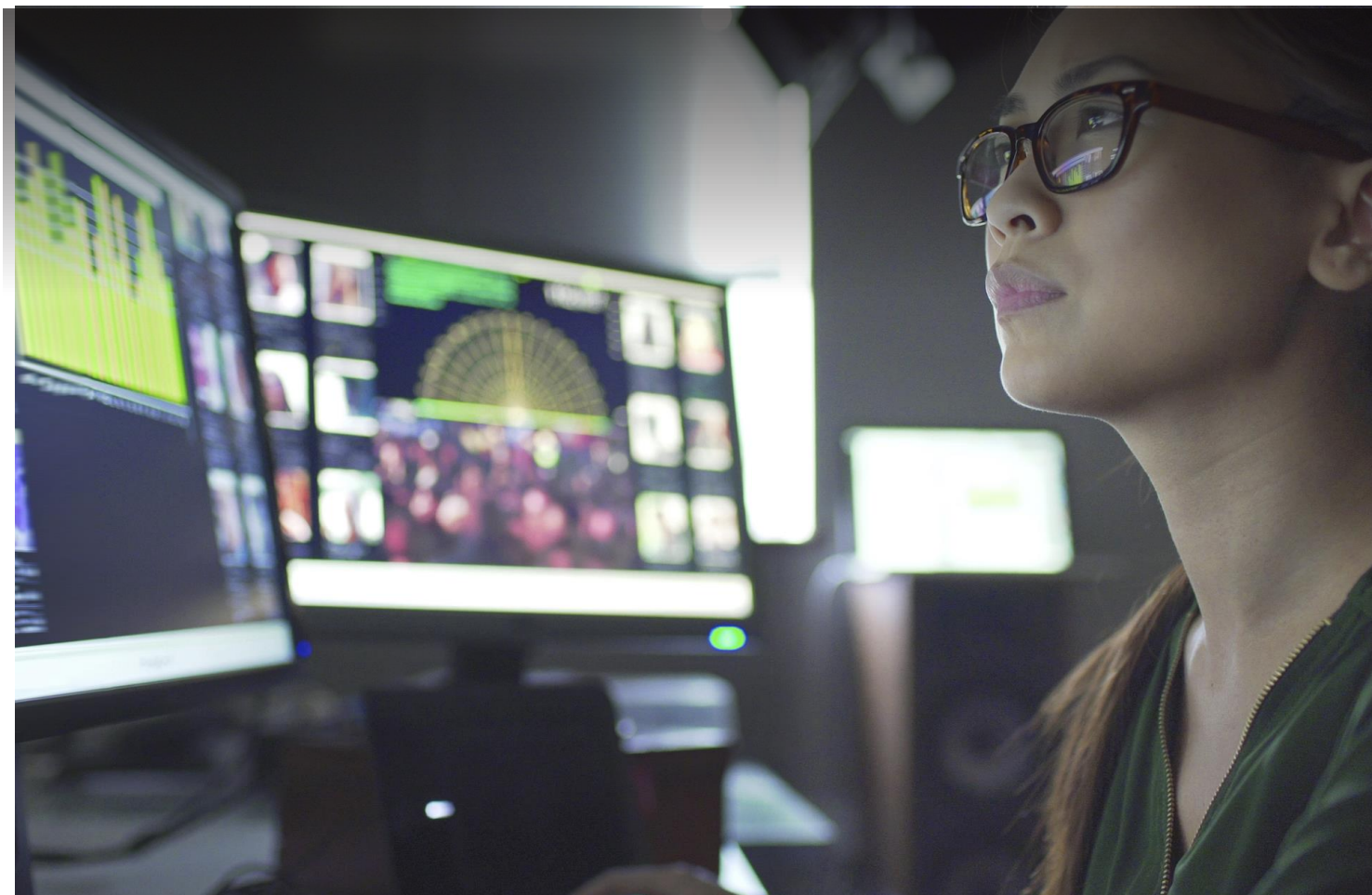
Capex target

6%

Increase YoY
Proposed Cash
Dividend

€39 million

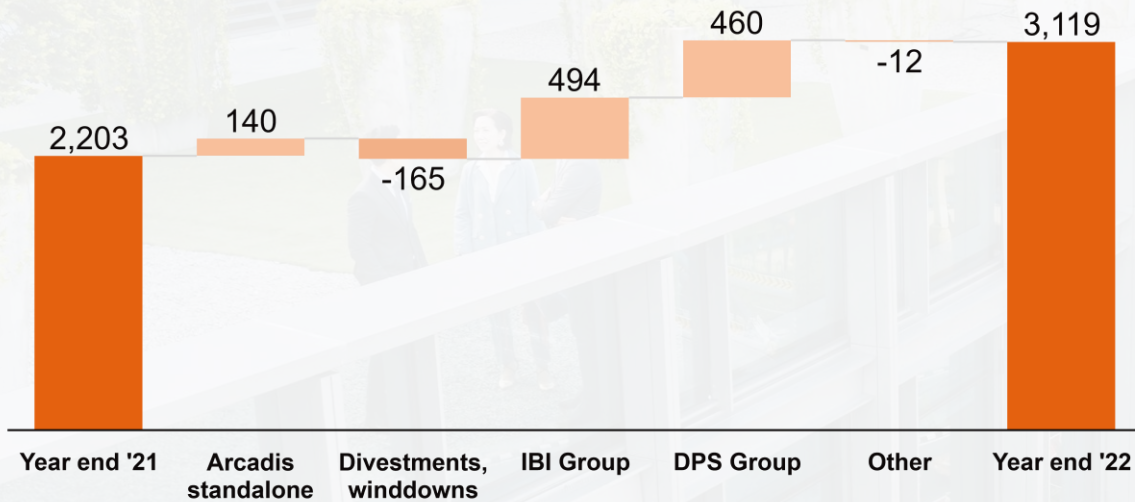
Capex 2022



Repositioning to key regions and strong growth markets

Backlog Net Revenue

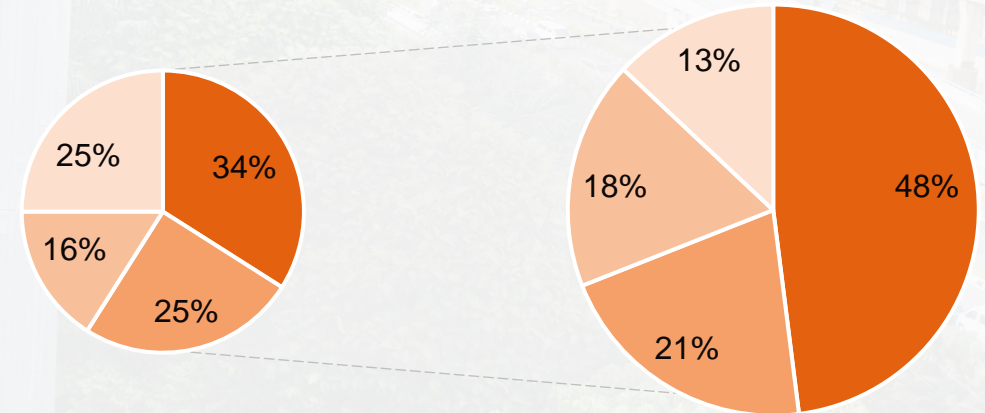
€ millions



Backlog Net Revenue Geographical split

2021 Backlog: €2.2B

2022 Backlog: €3.1B



4.2%

Organic backlog growth YoY¹⁾

10%

Organic backlog growth YoY pro forma IBI

34%

Organic backlog growth YoY pro forma DPS

8.9%

Organic backlog growth YoY pro forma total Arcadis

Part 3

On track to deliver targets

Progress on strategic framework

Peter Oosterveer | Chief Executive Officer

IBI & DPS integration process on track: allowing continued focus on clients and operations

Key integration milestones: well on track, **70%** of IBI revenues addressed



Transaction closed: 27 Sept '22



Transaction closed: 1 Dec '22

Operational and commercial integration		Back-office alignment & operational optimization	
<p>✓</p> <p>Architecture & Urbanism unit set up in Places</p> <p>~50% of IBI revenues</p>	<p>✓</p> <p>Intelligence GBA set up</p> <p>~20% of IBI revenues</p>	<p>Integrating IBI Infra across GBA's</p> <p>~30% of IBI revenues</p>	<p>Systems & controls Reporting alignment</p> <ul style="list-style-type: none"> • Workplace • Overhead alignment
<p>DPS European operations Integration into Places GBA</p> <p>60% of DPS revenues</p>	<p>DPS US operations Integration into Places GBA</p> <p>40% of DPS revenues</p>	<ul style="list-style-type: none"> • Systems & controls • Reporting alignment • Workplace • Overhead alignment 	<p>Onboarding of the Global Excellence Centers</p> <p>First workshop Jan '23</p>

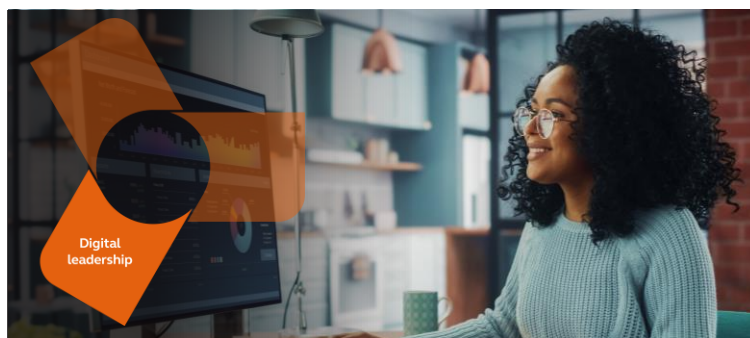
PROJECT EXAMPLE

Supporting one of world's largest Microelectronics companies on its facility's design, safety, logistics & procurement

Client
Confidential | Europe

Delivering on our strategy “Maximizing Impact”

Digital leadership



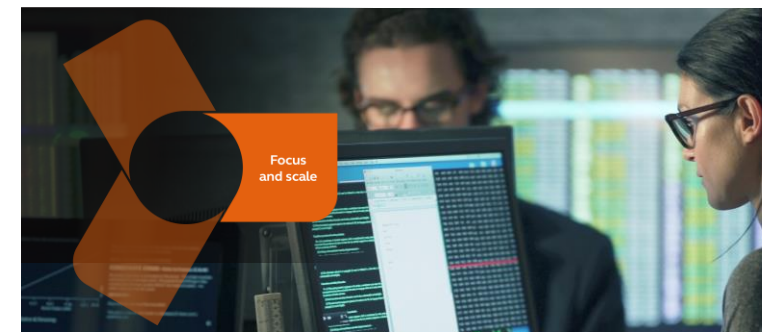
- Fourth GBA: “Intelligence”
- Client offering expansion: digital products, professional engineering services, maintenance and operating support

Sustainable solutions



- Investing in Energy Transition
- Leading in remediation & water in US
- Support clients’ Net Zero Strategy, decarbonization of operations and assets

Focus & Scale



- Divesting non-core, focus on high growth- & geographical core markets
- GBA structure and GECs* driving client focus, operational efficiencies, data management

Portfolio optimization:



*Portfolio assessment:
non-core geographies and
businesses divested*

Leading global engineering, people focused company, offering landmark projects to **35,600 Arcadians**

Improvement across ESG performance in 2022

People

- Total people at Arcadis: **35,600**, up **+21%** YoY driven by IBI and DPS
- Underlying headcount growth **+5%** YoY²⁾

<p>14.2%¹⁾</p> <p>2021: 14.9%</p> <p>Voluntary turnover < 10%</p>	<p>+39</p> <p>2021: +30</p> <p>Staff engagement improving annually</p>	<p>39%¹⁾</p> <p>2021: 38%</p> <p>Diversity: women in workforce > 40%</p>
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ESG performance

- Commitment to accelerate the transition to a Net Zero world:
 - Our carbon footprint reduction target, approved by the Science Based Targets initiative (SBTi): reducing 74% of emissions across scopes 1-3 by **2035 (baseline 2019)**
- Continue to lead in ESG rankings

<p>Net Zero SBTi approved</p> <p>74% reduction</p>	<p>-7%</p> <p>Carbon footprint reduction</p> <p>(scope 1+2+3 market based/FTE to baseline)</p>	<p>#1</p> <p>Place of industry</p> <p> SUSTAINALYTICS</p>
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¹⁾ Voluntary turnover and Women in workforce excludes Middle East and divestment effects
²⁾ Excluding Middle East and acquisition & divestment effects

Maximizing Impact: Strategy 2021-2023



Looking ahead

- ✓ Sustained robust market conditions, despite geopolitical tensions and inflation
- ✓ Solid set of results, strong repositioned backlog, setting Arcadis on the right foot
- ✓ Integration of IBI and DPS well on underway
- ✓ On track to deliver on 2023 strategic targets and prepare for 2024-2026 plan



Q&A

