

***Fighting Against Forced Labour and Child Labour in Supply Chains Act* report**

Introduction

As defined by the International Labor Organization, modern slavery is a term used to encapsulate slavery, servitude, forced or compulsory labour and human trafficking. The worst forms of child labour are also considered Modern Slavery. According to recent figures, there are an estimated 50 million people worldwide – in every country – that are subject to some form of modern slavery. Forced labour alone generates an estimated \$236 billion USD in illegal profits annually.

Within this context, Arcadis understands that the scale of modern slavery presents a global challenge and recognizes our responsibility to respect human rights in general, and consistent with the expectations of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act"), to address potential modern slavery in our business and supply chain.

Arcadis Canada (as defined below) delivers sustainable design, engineering and consultancy services for natural and built assets in Canada and elsewhere. Arcadis Canada issues this statement in accordance with the *Act*, which provides an overview of our approach to addressing the risk of modern slavery in the Arcadis Canada business and supply chain.

Reporting Entities

This report is issued by Arcadis Canada Inc., Arcadis Professional Services (Canada) Inc. and Arcadis Architects (Canada) Inc. ("Arcadis Canada") for the financial year ended December 31, 2024.¹

Organizational Structure

Arcadis Canada is part of a global consultancy which is ultimately owned by Arcadis NV, a Dutch listed company. Further information on our Canadian business can be found on our website [here](#).

Supply Chains

The supply chain of Arcadis Canada comprises:

- Other professional service organizations and individuals with whom we work to provide services to our clients, including architects, engineering companies, planners, surveyors, digital service providers and other professional advisors; and
- Suppliers of products and services for our corporate operations, including insurance, legal and financial advisors, software and technology providers, stationery and materials.

¹ Arcadis acquired IBI Group in 2023. IBI Group Professional Services (Canada) Inc. changed its name to Arcadis Professional Services (Canada) Inc. on April 25, 2023, and IBI Group Architects (Canada) Inc. changed its name to Arcadis Architects (Canada) Inc. on April 20, 2023.

Policies and Governance

Guiding the overall approach of Arcadis Canada is our [Arcadis General Business Principles](#), our Global [Human Rights Policy](#), [Global Sustainability Statement](#) and [Stakeholder Engagement Policy](#), and as it relates to our suppliers, our [Global Supplier Code of Conduct](#). Our Supplier Code of Conduct sets out the human rights requirements, including those related to modern slavery, that Arcadis places on its supply chain. This ensures that our suppliers uphold the same high standards that we commit to ourselves.

In 2024, Arcadis established a Modern Slavery Working Group (“MSWG”).² The MSWG is tasked with:

- Overseeing disclosure in accordance with modern slavery laws;
- Establishing a governance and management system;
- Developing and implementing risk-based due diligence for employees/contract workers, suppliers, and clients/projects;
- Defining protocols for remediation if links to forced or child labour are found;
- Delivering tailored modern slavery training to staff; and
- Developing key performance indicators of modern slavery efforts.

The membership of the MSWG includes our human rights experts alongside business area representatives, including personnel from Arcadis Canada.

Due Diligence and Risk Assessment Across our Value Chain

Own Operations: As a professional services business, we consider that the risk of modern slavery occurring within Arcadis Canada’s employee population to be low. Nevertheless, in 2025, Arcadis’ People (human resources) Department will determine whether there are ways to enhance due diligence for this risk among our employee base and on-site contractors.

Projects/Clients: Although the Canadian market may present low risk for modern slavery, Arcadis recognizes that certain sectors within Canada may present higher risks. Therefore, in 2025, the MSWG will define a risk-based due diligence approach for project work in Canada.

Supply Chain: Arcadis Canada acknowledges that there may be risks of modern slavery within our supply chain arising primarily from:

- purchase of commodities, products and services for use in operations or projects, particularly where the supply chain may utilize unskilled labour (for example, supply of office goods), where the supplier is in countries with weaker legal protections and/or higher rates of modern slavery or where the supplier is active in a sector with higher rates of modern slavery; and
- any failure of our partners, subconsultants, contingent workers or suppliers to comply with our Supplier Code of Conduct, including in relation to modern slavery.
- entry into new services and contracting models where we may have less visibility of the supply chain or project context;

We are continuously working to improve our supplier due diligence processes. We have implemented the following measures:

² Last year, we reported on the activities of the Canadian Modern Slavery Working Group. Since our last report, we have modified the working group to be global in composition to reflect the international nature of our work.

- **Identified our high-risk areas**

To better identify high-risk areas related to human rights, including modern slavery, within our supply chain, we collaborated with external human rights experts to develop a Sustainability Risk matrix. This matrix evaluates various factors, such as the supplier's services and operational locations. By combining insights from the matrix with our ESG screening tools, we have been able to pinpoint high-risk purchasing categories, countries where we operate, and vulnerable groups, such as migrant workers. Our higher-risk categories include construction, IT hardware, and materials.

- **Pre-qualification questionnaire and Supplier Code of Conduct**

Suppliers active in high-risk areas undergo a due diligence process that is increasingly centralized via our prequalification questionnaire and screening tools. Commitment to the Supplier Code of Conduct is required in the prequalification questionnaire and our general terms and conditions, which are also references in our purchase orders. For example, through our Supplier Code of Conduct, suppliers agree to provide appropriate working conditions for supply chain workers and combat child labour, forced labour, and human trafficking. To facilitate the understanding of our Supplier Code of Conduct, a concise training module for suppliers is provided online.

- **ESG screening & monitoring tool**

To ensure effective oversight of our supply chain, we utilize an ESG (Environmental, Social, and Governance) screening and monitoring system. This tool enables us to continuously monitor and assess all suppliers active in high-risk areas, helping us identify potential human rights issues, including modern slavery, across the industry and our supply chain.

The tool leverages digital technology to analyze supplier activities, assess risks, and flag potential incidents in real-time. By focusing on suppliers operating in high-risk industries and countries, the tool provides valuable insights that allow us to act swiftly to address any identified risks. This approach helps us ensure compliance with our Supplier Code of Conduct and uphold our commitment to ethical and sustainable practices.

- **Know Your Third Party screening**

Phased implementation of a Global KY3P Centralised Screening Programme ("Know Your Third Party") which has been designed to screen certain categories of new third parties for defined risk areas.

Arcadis is committed to advancing its supply chain due diligence practices and addressing modern slavery risks proactively. In 2025, we will start introducing modern slavery-specific contractual clauses, targeted questionnaires, and on-site worker surveys to strengthen oversight in high-risk areas. Using tools like worker surveys, we aim to gather insights from workers, including contractors and subcontractors, to identify and address potential risks on projects early on.

Monitoring and Reporting

Arcadis Canada manages risks of modern slavery through the Arcadis General Business Principles ("AGBP"), the Arcadis Integrity Line (both internal and external), and the Canada Compliance Committee.

The AGBP define our values and the interpretation of business ethics and provide guidance for business decisions and actions by Arcadis Canada throughout the world. Our AGBP refer to our

Human Rights Policy, which includes modern slavery as a salient human rights issue. Arcadis Canada employees are required to complete online training as part of their induction and an annual mandatory refresh training.

Arcadis Canada provides access to both internal and external Integrity Lines which are available not only to employees but also to suppliers, clients, value chain workers, local communities and other third parties and which are hosted by an independent third party. This provides for reporting of actual or suspected breaches of the AGBP including anonymously if requested.

Arcadis Canada also has a legally qualified Compliance Officer whose responsibilities include monitoring compliance with the AGBP. The Compliance function is in turn supervised by a Canadian Compliance Committee. Actual or suspected breaches of the AGBP may be reported directly to the Canada Compliance Officer if employees are not comfortable raising such issues with their line manager, or through the Integrity Line.

As part of its ongoing work, the MSWG will explore ways to increase Arcadis Canada's ability to control and monitor modern slavery risks.

Remediation

Arcadis Canada has not identified any modern slavery in our activities or supply chains during FY 2024. Accordingly, no remediation measures have been taken in this area.

Similarly, Arcadis Canada has not identified any circumstances in which vulnerable families have experienced loss of income as a result of steps Arcadis Canada has taken to eliminate modern slavery risks during FY 2024. Accordingly, no remediation measures have been taken in this area.

Training


As previously reported, to support employees in better understanding the topic of human rights and what our responsibility is in respecting human rights across the value chain, in 2023 Arcadis Canada employees were provided access to two online human rights trainings: An Introduction to UN Guiding Principles on Business and Human Rights, and An Introduction to Modern Slavery. In 2024, an online learning module pertaining to sustainable procurement containing a dedicated human rights section that places specific emphasis on modern slavery risks within the construction industry was also made available to all Arcadians. In 2025, the MSWG will explore whether there are ways to strengthen training on modern slavery.

Future Activities

We plan to make enhancements to our approach to modern slavery in Canada on a continuous-improvement basis, and consistent with the *Act*, will report next year on progress made.

Attestation

In accordance with section 11(4)(b)(i) of the *Act*, this report was approved by Scott Arbuckle on behalf of Arcadis Canada Inc., Arcadis Professional Services (Canada) Inc., and Arcadis Architects (Canada) Inc.

A handwritten signature in black ink, appearing to read 'Scott Arbuckle', is written over a horizontal line.

Scott Arbuckle