



Remuneration report

The purpose of the Arcadis remuneration policies are to attract, motivate and retain qualified executives and non-executives. The remuneration policies intend to set the framework for competitive remuneration, to enable Arcadis to compete on the relevant industry labor market for senior executive talent with companies similar to Arcadis, in terms of size and complexity. The remuneration policies for the Arcadis 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 current Executive Board remuneration policy was adopted in 2021. The current Supervisory Board remuneration policy was adopted in 2020.

During the 2024 AGM, revised versions of both the Executive Board remuneration policy and the Supervisory Board remuneration policy will be put forward for adoption.

Introduction

This report outlines the application of the remuneration policies for the Executive Board and the Supervisory Board in 2023 as well as actual performance in 2023 against set performance criteria.

2023 General meeting

During the 2023 general meeting of shareholders, the remuneration report for the Executive Board 2022 and the remuneration report for the Supervisory Board 2022 were submitted for an advisory vote. The meeting participants did not raise any questions on the reports and positive advisory votes were cast regarding both remuneration reports.

2023 Financial Performance

In 2023, Arcadis has delivered a record breaking fourth quarter and full year 2023 performance, achieving all its key 2021-2023 strategic targets. During 2023 Arcadis successfully finalized the operational and commercial integration of Arcadis IBI and Arcadis DPS, resulting in significant project wins, pipeline opportunities and cost synergies, while deleveraging well inside our target range. Continued strong client demand drove record revenues, order intake and margin.

Furthermore, we expanded our Global Excellence Center capabilities, further standardized and automated our operating processes and have been more deliberate in our project choices; focusing closely on growth markets and Key Clients.

Alignment between remuneration and performance of the company

The total remuneration in 2023 for both the Executive Board and the Supervisory Board is in line with the applicable remuneration policies.

The total remuneration for the Executive Board consists of fixed remuneration and variable remuneration. The short-term incentive financial criteria that were selected for 2023 are Operating EBITA Margin, Free Cash Flow and Net Order Intake Key Clients. These criteria are directly linked to our 2021 – 2023 Strategy “Maximizing Impact”; accelerating our ability to meet our client’s needs driven by the megatrends in the world such as urbanization, climate change, digitalization and societal expectations. During this strategy cycle, we aimed to create impact through our Sustainable Solutions, our Digital Leadership and by leveraging our Focus and Scale. These strategic pillars support the long-term performance of the company. The financial criteria (Operating EBITA Margin and Net Order Intake Key Clients) are directly connected to sustainable and profitable revenue growth, while ensuring sufficient Free Cash Flow is generated (i.e. the third financial criterion).



To make sure Arcadis has an engaged workforce, the Supervisory Board decided to continue with Employee Engagement as the fourth criterion and one of two non-financial criteria. The success of the transformation of the company has been chosen as the fifth criterion, and second non-financial one for the members of the Executive Board.

For the long-term incentive, the selected criteria Total Shareholder Return, Earnings per Share and Sustainability, reflect the long-term performance of the Company. These criteria ensured alignment with shareholder interests.

Executive Board Remuneration

Remuneration in line with median level of reference groups

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 remuneration package and is based on performance criteria that support long-term value creation of the company.

Arcadis has developed from a multi-local company to a leading globally natural and built asset design and consultancy company. 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, a labor market reference group has been defined¹. The reference group consists of Dutch headquartered companies with significant international activities, supplemented by global industry peers, as presented below.

Dutch headquartered companies with significant international activities

Aalberts Industries
AkzoNobel
ASM International
BAM
Boskalis
DSM
Fugro
SBM Offshore
TKH Group
Vopak

Global industry peer companies

AF Pöyry (FIN)
RPS Group (UK)
SNC Lavalin (CAN)
Stantec (CAN)
Sweco (SE)
WSP Global (CAN)

Within this group, Arcadis positions around the median in terms of the average of the aforementioned parameters revenues, average market capitalization, total assets and number of FTE.

With the Total Direct Compensation levels (the sum of base salary, short-term variable compensation and long-term variable compensation), the Executive Board remuneration policy aims to be at around the median of this reference group.

Internal pay ratio

When developing the remuneration policy for the Executive Board, Arcadis considered the pay ratio within the organization. In line with the methodology included in the 2022 Dutch Corporate Governance Code, Arcadis considered the ratio between the total annual remuneration of the CEO on one hand and the average annual remuneration of the employees of the company and group companies whose financial data is consolidated by the company on the other hand, where:

- the total annual remuneration of the CEO includes all the remuneration components (such as fixed remuneration, variable cash remuneration (short term incentive), the share-based part of the remuneration (long term incentive), social security contributions, pension, expense allowance, etc.) as included in the consolidated annual accounts.

¹ Changes to the reference group may be required from time to time e.g. following mergers or acquisitions in which one or more companies in the reference group are involved.



- the average annual remuneration of the employees is determined by dividing the total wage costs in the financial year (as included in the consolidated annual accounts) by the average number of FTEs during the financial year; and
- the value of the share-based component of the remuneration is determined at the time of assignment in accordance with the applicable rules under IFRS.

Based on this new methodology, the following pay ratios were determined:

Year	Pay ratio	CEO remuneration (€ 1,000)
2019	29	2,175
2020	18	1,266
2021	31	2,244
2022	28	2,156
2023	23	1,963

The changes in CEO pay ratio over the past 5 years, are significant in 2020 and in 2023.

The 2020 pay ratio was lower due to a lower value of short-term incentive (STI) and long-term incentive (LTI) as part of the CEO remuneration. In 2020, the CEO informed the Supervisory Board that he decided not to accept the STI payout due to him, because of the pandemic.

The 2023 CEO pay ratio was lower than in 2022 because in 2023 the average employee remuneration increased whilst the total CEO remuneration¹ decreased. The average employee remuneration increased in 2023 because in 2022, the employee remuneration of Arcadis IBI and Arcadis DPS was only included for the months that these companies were part of the Arcadis group. Therefore, the total remuneration of the integrating companies was smaller than a full year total compensation, whilst the number of employees of Arcadis IBI and Arcadis DPS was taken into account in full.

¹ The CEO remuneration is the annualized compensation of the new CEO

² Percentages mentioned are the on-target levels

³ Prorated amount based on the appointment of Mr. Brookes as CEO and member of the Executive Board per 12 May 2023

⁴ Prorated amount based on the retirement of Mr. Oosterveer as CEO and member of the Executive Board per 12 May 2023

Total Direct Compensation Mix

The relative proportions of the annual base salary and the short-term and long-term variable compensation components² of the members of the Executive Board are as follows:

	Base salary	Short-term Variable	Long-term Variable	Total
Chief Executive Officer	39%	19%	42%	100%
Chief Financial Officer	40%	20%	40%	100%

The total compensation has a relatively strong focus on long-term remuneration, which reflects the importance of alignment with the long-term strategy and long-term value creation of the Company and with shareholder interests.

Fixed Remuneration

In line with the remuneration policy for the Executive Board, the Supervisory Board determines the base salaries of the members of the Executive Board on an annual basis. The Supervisory Board determines the base salaries based on benchmarking against the labor market reference group, market movements, salary increases of employees and other considerations as are deemed appropriate. The increase of base salaries of the members of the Executive Board will not exceed the average increase for employees, unless the benchmarking exercise indicates differently.

In 2023, the Supervisory Board decided to increase the fixed compensation for the Executive Board by 2%, which is in line with the remuneration policy for the Executive Board, i.e. compensation for average increase in the market, and with the average increase for employees. The following annual fixed remuneration levels applied to members of the Executive Board in 2023.

Executive Board member	2023 Annual fixed remuneration	2023 fixed remuneration pay out
CEO (A. Brookes)	€701,000	€438,125 ³
CFO (V. Duperat-Vergne)	€504,000	€504,000
Former CEO (P. Oosterveer)	€687,000	€257,625 ⁴



For 2024, the Supervisory Board will propose to the AGM to increase the fixed compensation of the CEO and the CFO with 5%. This increase is to bring the remuneration in line with the median of the labor reference market.

Executive Board member	2024 Annual fixed remuneration
CEO (A. Brookes)	€736,000
CFO (V. Duperat-Vergne)	€529,000

Short-term Variable Remuneration

The short-term variable compensation serves to incentivize the Executive Board to meet short term performance criteria. The short-term variable compensation is a percentage of base salary and ranges from 0% to 85% of the annual base salary, with 50% being the target. The short-term variable compensation is payable in cash. The payment is made in March, the year following the year of review.

No pay out will be made in the event that none of the performance criteria meet the threshold target. In addition, no payout will be made in the event the Free Cash Flow threshold was not met. Pay out for performance between threshold and targets and between target and maximum is based on a linear calculation approach. All short-term variable compensation criteria allow for rewarding strong performance.

Performance criteria STI

To support the Company's strategy, the criteria for the short-term variable compensation are based on the strategy and are partly financial and partly non-financial. Based on the annual priorities of the Company, the Supervisory Board determines the performance criteria applicable to the short-term variable compensation in their meeting before the performance year commences.

In line with the remuneration policy for the Executive Board, the Supervisory Board will select from the following performance criteria:

1. Financial criteria (minimum 60% weighting):

- Profit/ Margin
- Revenue/ Growth
- Cash Flow
- Capital return measures (such as ROA, ROE, ROIC)
- Economic/ Market value added measures

2. Non-financial criteria:

- Customer results (e.g. net promotor score)
- People & Organization (e.g. employee engagement, voluntary turnover)
- Sustainability (e.g. carbon footprint reduction)
- Individual non-financial criterion (e.g. measuring the success of the implementation of the strategy)

The targets (threshold, target and maximum) for each of the performance criteria will be determined annually by the Supervisory Board by reference to the business plan for the respective year and considering the strategic aspirations of the Company.

The actual realization of each of the criteria will be reported in the remuneration report relating to the relevant performance year. No payout will be made for meeting a performance criterion in case the performance does not meet the threshold target.

The Supervisory Board has the discretion to make adjustments, for example to account for events that were not planned when targets were set or were outside of management's control. The Supervisory Board has not applied the derogation clause in 2023.



For performance year 2023, the Supervisory Board selected the following three financial performance criteria for the short-term variable remuneration of the members of the Executive Board:

- Operating EBITA%
- Free Cash Flow
- Net Order Intake Key Clients

In addition, considering the strategic importance of attracting and retaining employees, the Supervisory Board selected Employee Engagement as one of two non-financial criteria. The selection of Employee Engagement is in line with the Arcadis strategy as it is an Environmental, Social and Governmental (ESG) target. Employee Engagement was measured by the employee Net Promoter Score (eNPS). The eNPS score is a rolling average of 12 months. Employee engagement was measured based on our employee engagement survey. Employees complete a questionnaire on a quarterly basis, which will lead to the eNPS score.

Finally, the Supervisory Board decided to continue to set an individual (non-financial) criterion to measure the success of the implementation of the 2021-2023 strategy. For each member of the Executive Board an individual target applied in line with their role in the transformation. The Supervisory Board assessed the performance against this individual criterion at the end of the year based on the progress made in 2023.

The weighting of each metric is 20%.

In 2023, the performance of the company against the targets set was as follows.

Criterion	Threshold	Target	Maximum	Realization	
				amount	percentage
Operating EBITA%	10.0%	10.4%	10.8%	10.4%	100%
Free cash flow (€ million)	127	177	227	190	118%
Net Order Intake Key Clients (€ million)	1,366	1,518	1,670	1,770	170%
Employee engagement (eNPS) ¹	40	43	46	52	170%

The realization on the individual non-financial criterion linked to the transformation for the members of the Executive Board was assessed by the Supervisory Board at 170% for the CEO, at 150% for the previous CEO and at 160% for the CFO. The target for the CEO was set to create comfort with all stakeholders following CEO transition in May 2023 and to lead the development of the 2024 – 2026 Strategy culminating in a successful Capital Markets Day in November 2023 which was well received by key stakeholders. The target for the former CEO was leadership on the integration of Arcadis IBI and Arcadis DPS and CEO transition until his retirement in May 2023. The target for the CFO was determining the right timing and conditions to set up and successfully execute the appropriate refinancing scheme. The Supervisory Board concluded that these individual non-financial targets for the CEO, former CEO and the CFO were all overachieved.

The performance on the financial targets, the non-financial criterion Employee Engagement and the individual non-financial criterion linked to the implementation of the strategy (as assessed by the Supervisory Board) leads to the following payout:

Name	Annual Base Salary (€)	STI target %	Operating EBITA%	Free cash flow	Realization (as percentage of Annual Base Salary)			Total	Payout (€)
					Net Order Intake Key Client	Engagement	Individual non-financial criterion		
CEO (A. Brookes)	701,000 ²	50%	10.0%	11.8%	17.0%	17.0%	17.0%	72.8%	319,043
CFO (V. Duperrat-Vergne)	504,000	50%	10.0%	11.8%	17.0%	17.0%	16.0%	71.8%	361,973
Former CEO (P. Oosterveer)	687,000 ³	50%	10.0%	11.8%	17.0%	17.0%	15.0%	70.8%	182,450

¹ eNPS target excludes employees Arcadis-IBI and Arcadis-DPS. These employees participated in an integration survey.

² The pro-rated base salary for the STI payout calculation is EUR 438,000

³ The pro-rated base salary for the STI payout calculation is EUR 258,000



Name	Annual Base Salary (€)	STI target %	Realization (as percentage of target)					Total	Payout (€)
			Operating EBITA%	Free cash flow	Net Order Intake Key Client	Engagement	Individual non-financial criterion		
CEO (A. Brookes)	701,000 ¹	50%	100%	118%	170%	170%	170%	73%	319,043
CFO (V. Duperat-Vergne)	504,000	50%	100%	118%	170%	170%	160%	72%	361,973
Former CEO (P. Oosterveer)	687,000 ²	50%	100%	118%	170%	170%	150%	71%	182,450

For 2024, the Supervisory Board decided to make a few changes to the performance criteria for short-term remuneration. Firstly, in view of the recently launched strategy, the weighting of the Operating EBITA will be increased from 20% to 30%, as margin improvement is an important strategic driver. This increase in weighting will come from a reduction in weighting of the individual non-financial criterion. Secondly, Employee Engagement will be replaced by Gender diversity. The target will be an increase of the percentage of women in the total workforce.

These changes lead to the following set of criteria:

Financial criteria:

- Operating EBITA margin % (30% weighting)
- Free Cash Flow (20% weighting)
- Net Order Intake Key Clients (20% weighting)

Non-financial criteria:

- Gender diversity (20% weighting)
- Individual criterion: measuring the success of the implementation of the strategy (10% weighting)

Threshold applying to any short-term remuneration payout:

- Free Cash Flow

¹ The pro-rated base salary for the STI payout calculation is EUR 438,000

² The pro-rated base salary for the STI payout calculation is EUR 258,000

³ For the 2023 grant, the Volume Weighted Average Price (VWAP) was based on the average share price of five days prior to the actual grant date.

Actual targets, including the range, will be disclosed in the 2024 remuneration report.

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 applicable Volume Weighted Average Price (VWAP).³

In 2023, the members of the Executive Board received the following Long-term variable remuneration:

	% of fixed remuneration	Grant value (in €)	VWAP (in €)	Number of shares	Fair value (in €)	Total IFRS grant value (in €)
CEO (A. Brookes)	110%	771,100	39.99	19,281	34.96	673,999
CFO (V. Duperat-Vergne)	100%	504,000	39.99	12,602	34.96	440,524

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)	Spie (FR)	Alten (FR)
NV5 (US)	SNC-Lavalin (CAN)	Worley Parsons (AUS)
Fugro (NL)	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 vests 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-point¹ 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/option 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, to 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.

¹ % growth from t0 to tx, divided by # years.

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%

Performance Criterion 3: Sustainability

In 2023, the sustainability target was 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 16,000+ 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
Sustainalytics score	0	50%	100%	150%
Target performance period 2023 - 2025		76.3	77.3	78.3

The target of this performance criterion was set using the Sustainalytics ESG Risk Rating methodology; realization will be assessed with the methodology applicable to Arcadis’ Sustainalytics sub-industry (‘non-residential construction’) in 2026.

The sustainability target includes a wide range of performance objectives in Arcadis’ material ESG issues as defined by Sustainalytics. For example: human capital (roll-out of global mentorship program with a diversity focus), carbon and environmental management (progress toward achieving our ‘Net-Zero’ target) and human rights (implementing a three-year roadmap for embedding human rights standards in our operations).



As of financial year 2024, a new metric is selected to measure performance on Sustainability, replacing the Sustainability score.

As of 2024 the sustainability target will be measured by the percentage of Scope 1 + Scope 2 (market based) + business travel greenhouse gas (GHG) emissions reduction compared to the 2019 baseline GHG emissions. These targets are aligned with Arcadis' near-term and net zero targets as submitted to the Science Based Targets initiative for approval in January 2024. Arcadis measures its carbon footprint using the GHG Protocol semi-annually and reports its carbon footprint annually in the Annual Integrated Report.

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
Total percent reduction GHG emissions Scope 1 + Scope 2 (market based) + business travel	0	50%	100%	150%
Target performance period 2024 - 2026 ¹		45%	50%	55%

During the Capital Markets Day in November 2023, Arcadis announced its targets in line with its ambition to achieve net zero across its value chain in 2035:

- 70% reduction in absolute scope 1 and 2 emissions by 2026 compared to 2019 baseline emissions
- 45% reduction in absolute scope 3 emissions by 2029 compared to 2019 baseline emissions
- 35% reduction in business travel emissions by 2025 compared to 2019 baseline emissions
- 50% reduction in air travel emissions by 2025 compared to 2019 baseline emissions
- Transition entire company fleet to electric vehicles by 2030 (currently at ~23%).

¹ GHG emissions reduction percentage will be calculated based on a comparison of year end 2026 GHG emissions to 2019 baseline GHG emissions.

² These conditional performance shares were granted to Mr. Brookes prior to his appointment as CEO and membership of the Executive Board.

³ Mr. Oosterveer retired as CEO and Executive Board member as per 12 May 2023.

Emissions Data Used to Develop Target (MT CO₂-eq) as reported in Annual Integrated Report 2023

	2019 (baseline)	2021	2022	2023
Scope 1+2	26,186	11,149	10,920	10,854
Business Travel	46,450	15,001	27,065	32,192
Total (Scope 1 + 2 + Business Travel)	72,636	26,150	37,985	43,046
% reduction vs. 2019		64%	48%	41%

Conditional performance shares held by member of the Executive Board

In 2023, the aggregate numbers of conditional performance shares held by members of the Executive Board are as per below. The Executive board members did not hold any stock options in 2023.

Number of conditional (performance) shares Arcadis NV	31 December 2023	31 December 2022
CEO (A. Brookes)	39,176	31,206 ²
CFO (V. Duperat-Vergne)	41,981	35,238
Former CEO (P. Oosterveer) ³		80,738

Vested Shares

Conditional performance shares vested in 2023

Over the performance period 2020 – 2022, the performance criteria TSR, EPS and Sustainability were applied.

The realization on these performance criteria was:

Criterion	Weight	Threshold	Target	Max	Realization	
					Value	Percentage
Total Shareholder Return	33%	Rank 7	Rank 5	Rank 1	Rank3	150%
Earnings per share growth	33%	6.87%	8.09%	9.30%	16.8%	150%
Sustainability	33%	75	77	79	80	150%
Overall	100%					150%



As a result of the realization, the following number of shares were vested in 2023 per the vesting date.

# shares	2020 grant	2023 vesting
CEO (A. Brookes)	8,661 ¹	12,992
CFO (V. Duperat-Vergne)	5,859	8,789
Former CEO (P. Oosterveer)	35,817	53,726

Conditional performance shares to vest in 2024

Over the performance period 2021 – 2023, the performance criteria TSR, EPS and Sustainalytics were applied. The realization on these performance criteria was:

Criterion	Weight	Threshold	Target	Max	Realization	
					Amount	Percentage
Total Shareholder Return	33%	Rank 7	Rank 5	Rank 1	Rank 5	100%
Earnings per share growth	33%	7.83%	9.22%	10.60%	19.0%	150%
Sustainalytics	33%	76.3	78.2	80.2	80.3	150%
Overall	100%					133%

As a result of the realization, the following number of shares will vest in 2024 per the vesting date.

# shares	2021 grant	2024 vesting
CEO (A. Brookes)	7,703 ²	10,271
CFO (V. Duperat-Vergne)	16,076	21,435

The members of the Executive Board must 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.

¹ In 2020, Mr. Brookes was a member of the Executive Leadership Team. In this capacity he was granted performance shares which vested in 2023 based on the same performance criteria as applicable to the Executive Board.

² In 2021, Mr. Brookes was a member of the Executive Leadership Team. In this capacity he was granted performance shares which will vest in 2024 based on the same performance criteria as applicable to the Executive Board.



Total Remuneration

The total remuneration of the Executive Board members over 2023 and 2022 received in their capacity of Executive Board member, 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	Fringe benefits	One-year variable	Multi-year variable				Fixed	Variable
A. Brookes ¹	2022	n/a								
based on due	2023	580	78	-	-	n/a	n/a	658	100%	0%
A. Brookes	2022	n/a								
based on IFRS	2023	569	89	319	436	n/a	n/a	1,413	47%	53%
V. Duperat-Vergne	2022	561	267	349	0	n/a	19	1,197	70%	30%
based on due	2023	574	280	372	370	n/a	21	1,617	53%	47%
V. Duperat-Vergne	2022	561	267	372	371	n/a	19	1,591	53%	47%
based on IFRS	2023	574	280	362	507	n/a	21	1,743	50%	50%
P. Oosterveer	2022	845	58	486	3,098	n/a	19	4,506	20%	80%
based on due	2023	346	16	518	2,190	n/a	7	3,077	12%	88%
P. Oosterveer	2022	845	58	518	1,392	n/a	19	2,832	32%	68%
based on IFRS	2023	317	45	182	586	n/a	7	1,138	32%	68%

¹ A recent tax legislation change relating to the timing of tax in restricted share units in the UK has resulted in an additional tax liability of € 1.2 million on the shares vested in 2023 and prior years for Mr. Brookes (in relation to his previous role as Arcadis LLP member in the UK)



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

	2023		2022		2021		2020		2019		2018
	actual	change (%)	actual	change (%)	actual	change (%)	actual	change (%)	actual	change (%)	actual
Operating EBITA margin (%)	10.4%	6%	9.8%	2%	9.6%	5%	9.1%	11%	8.2%	12%	7.3%
Free Cash Flow (in € millions)	220	27%	173	(26%)	234	(28%)	324	234%	97	(35%)	149
Organic net revenue growth % (net revenue in %)	9.0%	0.1%	8.9%	4.7%	4.2%	5.7%	(1.5%)	(4.6%)	3.1%	0.1%	3.0%
TSR (index 2017 = 100)	458	33%	344	(13%)	396	56%	254	30%	195	95%	100
Sustainalytics	80.3	0%	80	0%	80	3%	78	7%	73	4%	70
Average remuneration employees (€ thousands)	87	13%	77	8%	71	0%	71	(7%)	76	5%	73
CEO (€ thousands)	4,245	(6%)	4,538	227%	1,386	(39%)	2,273	78%	1,275	14%	1,115
CFO (€ thousands)	1,617	33%	1,220	11%	1,102	45%	762	(13%)	879	19%	737
Supervisory Board											
Carla Mahieu	68	0%	68	49%	46						
Barbara Duganier ¹	59										
Deanna Goodwin	88	(3%)	91	26%	72	4%	69	(14%)	80	0%	80
Linda Morant ²	6										
Michael Putnam	84	3%	82	10%	74	7%	69	(14%)	80	31%	61
Michiel Lap	116	14%	101	44%	70	3%	68	(15%)	80	(5%)	84
Niek Hoek ³	26	(68%)	83	(19%)	103	5%	98	(6%)	104	(1%)	105
Peter de Wit ⁴	0										
Wee Gee Ang ⁵	32	(59%)	77	18%	65	(1%)	66	(22%)	84	0%	84
Ruth Markland ⁶					22	(67%)	67	(13%)	77	(5%)	81
Maarten Schonfeld ⁷							23	(68%)	72	(1%)	73

¹ In the Supervisory Board since 12 May 2023

² In the Supervisory Board since 13 December 2023

³ In the Supervisory Board until 12 May 2023

⁴ In the Supervisory Board since 13 December 2023. Pursuant to his employment arrangement with McKinsey in the Netherlands, which terminates on 31 March 2024, until the end of his employment at McKinsey any remuneration due to Mr. Peter de Wit for services rendered in his capacity of member of the Supervisory Board of Arcadis N.V. shall be donated to charity. Arcadis has donated the full amount due to Mr. de Wit over 2023 (EUR 3,728) to a charity of its choice

⁵ In the Supervisory Board until 12 May 2023

⁶ In the Supervisory Board until 29 April 2021

⁷ In the Supervisory Board until 6 May 2020



Retirement and Other benefits, Contracts

Retirement benefits

In 2023, the Executive Board members Mr. P. Oosterveer and Mrs. V. Duperat-Vergne participated in the Arcadis Netherlands pension plan. This is a collective defined contribution plan. The contribution from the participants is 6.64% of the pensionable salary (annual base salary minus offset) for the salary part below €128,810 (maximum pensionable salary in 2023 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 €128,810. The participation of the Executive Board members is aligned with the arrangement for employees. The Supervisory Board decided to grant Mr. A. Brookes a cash allowance in lieu of participation in the Arcadis Netherlands pension plan.

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. 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.

Management agreements and severance pay

In line with current Dutch legislation, all Executive Board members work for Arcadis NV under a management agreement: Mr. A. Brookes (appointed in 2023) has a four-year term and Mrs. V. Duperat-Vergne (appointed in 2020) has a term until the annual General Meeting in 2024. They may be entitled to a severance pay with a maximum of one year's base salary. They will not be entitled to severance pay in case their management agreement is not renewed after the agreement is expired. Management agreements with Executive Board members do not contain provisions on severance payments in case of termination resulting from a change in control.

In May 2023, Mr. P. Oosterveer retired. Mr. P. Oosterveer who was appointed in 2017 and reappointed in 2021 did not receive a severance pay as a result of his retirement.

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 2023. 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.

Supervisory Board remuneration

The remuneration of the members of the Supervisory Board consists of a fixed fee and a travel 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 current remuneration policy for the Supervisory Board was adopted 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 follows:

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

Supervisory Board members receive an attendance fee 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 chair, 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 private investment.

During the 2024 AGM, a revised version of the Supervisory Board remuneration policy will be submitted for adoption.



Total Remuneration

The total remuneration of the Supervisory Board members over 2023:

In €	C. Mahieu	B. Duganier ¹	D. Goodwin	L. Morant ²	M. Putnam	M. Lap	N. Hoek ³	P. de Wit ⁴	W. G. Ang ⁵
SB membership	58,000	36,952	58,000	2,962	58,000	85,000	21,204	-	21,204
Committee membership	10,000	9,556	18,000	358	16,000	18,000	5,118	-	2,559
Attendance fee	-	12,000	12,000	2,500	10,000	12,500	-	-	8,000
Total	68,000	58,508	88,000	5,820	84,000	115,500	26,323	-	31,763

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
Carla Mahieu, Chair

¹In the Supervisory Board since 12 May 2023

²In the Supervisory Board since 13 December 2023

³In the Supervisory Board until 12 May 2023

⁴In the Supervisory Board since 13 December 2023. Pursuant to his employment arrangement with McKinsey in the Netherlands, which terminates on 31 March 2024, until the end of his employment at McKinsey any remuneration due to Mr. Peter de Wit for services rendered in his capacity of member of the Supervisory Board of Arcadis N.V., shall be donated to charity. Arcadis has donated the full amount due to Mr. de Wit over 2023 (EUR 3,728) to a charity of its choice

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