

Arcadis N.V. Annual General Meeting 2020

Type of meeting	AGM
Company:	Arcadis
Date	14:00h CET, May 6 th , 2020
Location	Virtual Shareholder Meeting
Speaker	Robert Dykstra (Robeco)
Opt-in members	N.A.
Attendance AGM	76 % of stock of outstanding stock represented

		Result (%)	
Agenda items	Vote	For	
1	Opening And Notifications	-	-
2	Report By The Supervisory Board On Financial Year 2019	-	-
3	Report By The Executive Board On Financial Year 2019	-	-
4.A	Accounts And Reports	For	100%
4.B	2019 Financial Statements And Dividend: Dividend Over Financial Year 2019	-	-
5.A	Ratification Of Management Board Acts	For	98.99%
5.B	Ratification Of Supervisory Board Acts	For	98.99%
6	Appointment Of Auditor	For	100%
7.A	Remuneration Report Management Board	For	97.03%
7.B	Remuneration Report Supervisory Board	For	99.62%
8.A	Management Board Remuneration Policy	For	99.62%
8.B	Supervisory Board Remuneration Policy	For	99.62%
9.A	Elect Deanna L. Goodwin To The Supervisory Board	For	99.37%
9.B	Composition Of The Supervisory Board	-	-
10	Amendments To Articles	For	100%
11.A	Authority To Issue Shares W/ Preemptive Rights	For	82.19%
11.B	Delegation Of Authority To Grant Or Issue (Rights To Acquire) Arcadis N.V. Shares	-	-
11.C	Authority To Suppress Preemptive Rights	For	81.37%
12	Authority To Repurchase Shares	For	99.12%

Agenda Item 1 - Opening

COVID-19 impact

We would like to acknowledge Arcadis' timely response to minimize the impact of COVID-19 crisis in your business. We appreciate that Arcadis has made health and safety an important priority in these times. We understand that Arcadis has decided to temporarily cancel the dividend and the share buy-back program, because of the uncertainty around future developments. Nonetheless, we have the following questions:

- Can you explain the company's capital allocation priorities for both the short term and the long run?

Growth is no longer of primordial importance for us, so we can be more selective in our projects and clients we work with (in the middle east). The impact of COVID-19 is still unclear but we no longer expect to achieve the goals that were set out in 2017. Not all strategic objectives have been received. In general terms,

the short-term priorities are focused on the keeping us going. No changes foreseen in the medium term. We do intend to go back to the dividend in the future, and we acknowledge that this is temporary. Our short-term priorities.

- Could you elaborate on the effectiveness of Arcadis' business contingency plan, and whether you identified any potential areas of improvement based on its implementation during the COVID-19 crisis?

A COVID 19 task force was setup and we identified eight workstreams to be prioritized. 90% of employees (24,000 people) ended up working from home. We've seen that things can be done differently and have noticed opportunities amidst this crisis. We are very proud and satisfied with our approach. We executed our plan in 1.5 weeks, but of course there is room for improvement.

CFO Vacancy

- Can you elaborate on the current CFO search? What is the expected time frame time for filling the vacancy? Are there any differences for the desired profile compared to the previous CFO?

The process is underway and is confidential. We are looking for an all-rounded CFO with experience running a PLC.

Sustainability Strategy

- Sustainability is clearly at the core of Arcadis, however we have identified potential to improve the disclosures on Arcadis' sustainability performance. We know that Arcadis is working to become Carbon Neutral by 2030. Can you explain how this will be achieved? We encourage routine reporting on concrete progress on this ambition.

It is not so complicated and is already being executed through our own operations. The impact of our own business we measure on a regional basis. It is no problem being more transparent on this as well.

- Climate change adaptation is one of the primary and most effective ways Arcadis contributes to solving the complex challenges posed by climate change. To what degree can this contribution be measured and incorporated into Arcadis' climate strategy? Again, reporting is key for investors to understand progress. We encourage routine disclosure on how climate change furthers Arcadis' climate strategy.

This is a justified request. We have started reporting on SDGs although it is not perfect yet. Sustainability and climate change adaptation will play a greater role in the strategy that we will roll out by the year's end. We are identifying a number of non-financial KPI's and ultimately, we would like to have a fully integrated report with financial and non-financial goals.

- We have been pleased to see the inclusion of the Sustainable Development Goals as a framework to communicate the impact of Arcadis on a broader group of stakeholder challenges. However, what is the current methodology being used to measure this impact and would it be possible to include this in public disclosures?

I think we already do this. We are currently measuring this by looking at the 4 business segments (Land, Environment, Infrastructure, and Buildings) we operate in and then look at what percentage of sales contributes to SDGs. We want to have it more detailed and accurate in the future, but it is a journey we are on to have more transparency around this.

- At the moment, the external auditor only issues 'limited assurance' to some sustainability indicators. Are there any plans to request 'reasonable assurance' for all published sustainability information?

This is also something we intend to do. Specific KPI's have been issued to facilitate this. It is a logical next step.

Agenda item 3 – Executive Board Report

Arcadis GEN was launched earlier this year and is an entity within Arcadis that will provide digital solutions. We expect much growth in this project. We also expect growth in sustainability. We also measure this extensively. The projects that we carry out can contribute to 5 SDGs in particular. We've decided to combine analytics and our SDG contribution and are looking into incentive mechanism for this. The impact of COVID-19 is still unclear but we no longer expect to achieve the goals that were set out in 2017.

How will the climate change strategy be executed and to what extent mitigation and adaptation will play a role in it?

We work on about 35,000 projects annually and not all of them are relevant to climate change. When they are, we will advise on climate change mitigation factors and how to be more resilient to climate change. This varies per region and where you are – Tornadoes in some places, flooding in others. Nonetheless there are a lot of opportunities here but setting specific targets is not as simple as it seems. What we can't do is force clients to make sustainable investments, but we can encourage them to.

What is the impact of stress tests on this crisis?

Our task force carried out these tests and we have not seen any tangible impact on delayed projects. We took cost-cutting measure but there is a lot of uncertainty. Risk analysis is something that we do on a continual basis, and now we are just looking at them more frequently. We are taking a local approach to dealing with the crisis such as government support in some markets.