ARCADIS

Making sustainable choices

Accelerating a planet positive future



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Accelerating a Planet Positive Future



"We have dedicated the past year to building a solid foundation for a stronger, more efficient, and profitable business.

Led by our new strategy, *Accelerating a Planet Positive Future*, we're focusing on our key clients and making sustainable project choices, investing in digital products and solutions, and unlocking the power of more than 35,000 Arcadians around the world. I'm delighted to present our annual report for 2024."

Alan Brookes
Chief Executive Officer

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Arcadis KPIs

IFRS

5.0
Gross revenues
in € billions
2023: **5.0**

389
Operating income
in € millions
2023: **284**

350
Net cash from operating activities
in € millions
2023: **309**

Key business performance measures

3,880
Net revenues
in € millions
2023: **3,759**

4.5%
Organic net revenue growth
as % of net revenues
2023: **9.0%**

270/3.00
Net income from operations
in € millions / share
2023: **226/2.51**

1.00
Dividend per share
proposed in €
2023: **0.85**

11.5%
Operating EBITA margin
as % of net revenues
2023: **10.4%**

1.3
Net debt to operating EBITDA ratio
2023: **1.7**

228
Free cash flow
in € millions
2023: **190**

33.1%
Return to shareholders
as % of NifO
2023: **33.9%**

For definition of the indicators included on this spread, please refer to page 341 and further. Details on Alternative Performance measures (APM's) along with explanations and reconciliation can be found on page 336).

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ESG at a glance

35,246

Total workforce
Headcount as at 31 December

2023: **35,999**

8,970 t

Scope 1 and 2 (market-based) CO_2e emissions

2023: **10,850 t**

275,800 t

Scope 3 CO_2e emissions [3]

2023: **256,000 t**

39.3%

Women in total workforce
Headcount as at 31 December

2023: **38.4%**

+46

Employee engagement [1]
Employee Net Promoter Score (scale -100 to +100)

2023: **+52** [2]

ESG accomplishments in 2024

- Maintaining our industry-leading sustainability ratings in Sustainalytics and EcoVadis
- Publication of Arcadis' first Climate Transition Plan
- Launch of Project Carbon for measuring whole of life carbon on new major projects
- Roll-out of 13+ modules of Sustain Abilities training

1 The engagement scope in 2023 did not include employees from integrating companies (i.e., A-IBI, A-DPS), as the survey was conducted to inform specific integration activities. In 2024, the scope was expanded to include all Arcadis entities.
2 This is marked as non-comparable due to differences in survey scope.
3 Scope 3 category 1 of the carbon footprint contains re-baselined historic figures following updated DPS emissions estimates, by shifting from an FTE-based intensity estimation method to a revenue-based estimate approach. Further, emissions related to working from home (WFH) are not part of our total footprint but reported separately to align with the requirements on the scope of our SBTi net zero target.

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Welcome to our 2024 Annual Report



The world we live in is changing rapidly. As our clients' trusted partner in sustainable transformation, Arcadis is focused on helping build resilience – whether that means supporting decarbonization, meeting the challenges of extreme weather, adapting cities in the face of growing urbanization, or integrating digital solutions to get the most out of vital infrastructure. With the launch of our 2024-2026 strategy, *Accelerating a Planet Positive Future*, we have dedicated the past year to building a solid foundation for a stronger, more efficient, and profitable business.

Sustainability is in Arcadis' DNA, stretching back to our foundation 136 years ago. In 2024, we further built on that legacy by deliberately focusing on sustainable project choices, investing in digital and human innovation, and unlocking the power of more than 35,000 Arcadians around the world. We increased our profit from the year prior - a signal of positive momentum for our business – with strong growth, a record order book, and an agile approach that enables us to pursue the most impactful opportunities in the market.

The choices we're making now, and the initiatives we've put in place, will enable us to accelerate our future ambitions.

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Accelerating a Planet Positive Future

The world is constantly evolving, and our clients' needs are ever changing. When we developed our strategy, we identified the market and client dynamics that are crucial to our long-term success, namely climate change and decarbonization, urbanization, evolving supply chains, increased cost of capital, energy costs, project complexity and infrastructure investment. Those dynamics informed our strategy across three strategic focus areas, and as you'll see throughout this report, we've responded in ways that both serve our clients' needs and enable us to grow.

Sustainable project choices

We've made a commitment to sustainable project choices, and we're putting it into practice in three ways. Firstly, we only pursue projects that align with our strategic direction, and where we see an opportunity to improve quality of life. This report provides an insight into how we're working with clients on climate resilience, energy security, water optimization and more.

Secondly, when we talk about project choices, we're also talking about choices *within* projects. Could we create greater value through more sustainable design techniques? Could we build in digital solutions to help the client manage the asset's lifecycle and find energy efficiencies? Could we proactively include solutions that contribute to improving quality of life?

Thirdly, we prioritize projects that futureproof our business and set us up for long-term success. In 2024, we continued with our plan to leave the Middle East and refocus efforts on core markets including the UK, Europe and Australia, as well as expanding operations in North America.

We enlarged our Key Client program by 50%, strengthening our partnerships with clients that represent the largest opportunities. As part of our focus on sustainable project choices, our Global Business Areas (GBAs) – Resilience, Places, Mobility, and Intelligence – are becoming more selective in pursuing projects with a healthy profit margin to match our strategic targets. I was also delighted that our targets for reaching net zero by 2035 across our operations were approved by the Science Based Targets Initiative in 2024.

Finally, we continue our long-standing commitment to UN Global Compact (UNGC). Our values, mission and strategy are fully aligned with its principles and reflect our sustainability ambitions.

Digital and human innovation

I'm proud that Arcadis has been named one of the World's Most Innovative Companies of 2024 by *Fast Company*. It's recognition of the exciting digital products we've been creating for our clients, such as Transport Strategy Optimizer. Equally, it's a testament to the strength of our global innovation framework, and our people's ability to approach their work with an innovative mindset.

Through digital and human innovation, we can unlock the benefits of technology for our clients. We can also use technology to enhance our efficiency, so that our people can spend more time doing fulfilling work that requires creativity and skill. For example, we're currently working on standardizing and automating our pursuit process, and I want to push this further so we can make the best use of our resources while maximizing successful bids.

"The choices we're making now, and the initiatives we've put in place, will enable us to accelerate our future ambitions."

Artificial intelligence (AI) offers many exciting possibilities, and we want to incorporate it into our work in a considered way. Internally, we've been testing our own artificial intelligence tool, Arcadis-GPT, to see how it can contribute to our operations. Externally, we're bringing AI into our digital solutions. Our Bridge Health product, for example, uses AI-enhanced predictive maintenance to help clients manage bridges and ensure they remain safe for use.

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Powered by our people

None of our success would be possible without the talent and creativity of our Arcadians. I thank them all for their contributions to our success in 2024.

This was my first full year as CEO, and I've been proud to see people getting excited about the new strategy. On our strategy roadshows, the leadership team and I met more than 4,800 Arcadians across the global business. We were delighted that our people have recognized how the strategy resonates with our mission to improve quality of life, embracing our commitment to sustainable project choices. This passion is highlighted by our Your Voice employee engagement scores, in which Arcadis remains in the top quartile across our industry.

"I've been proud to see people getting excited about the new strategy. Arcadians have recognized how the strategy resonates with our mission to improve quality of life."

In 2024, we were focused on supercharging and harnessing our people's skills, including through investment in our Energy Transition Academy and by starting our transformation into a Skills Powered Organization (SPO). As an SPO, we are enabling people to develop their skills, advance their careers, and be deployed on the projects where their capabilities are most needed. Since the launch of SPO in May, over 15,000 Arcadians have signed up and more will follow in 2025 as rollout continues.

Another major focus for 2024 was increasing the use of our Global Excellence Centers (GECs) in the Philippines, India and Romania. Employees working in our GECs are critical to Arcadis' success and efficiency, contributing technical skills (for example, in engineering) that enable us to carry out projects in a more agile way across the business. In 2024 we increased the proportion of our business that flows through these knowledge hubs, while also increasing GEC headcount from 4,248 to 4,976 (17%) to ensure greater capacity and capabilities.

Trends and highlights from 2024

Leadership changes

We made some changes to our Executive Leadership Team (ELT) in 2024 that will help us achieve our growth ambitions, as well as ensure the development of our people. Juud Tempelman, who led the Intelligence GBA, has moved over to Places and will be focusing on growing our business globally, with a particular focus on North America, while Edel Christie takes on a new role that aligns Digital Intelligence with Growth. Meanwhile, Mark Cowlard has become our new Chief People Officer, and Emily Barker joined the ELT as our new Global General Counsel. I would also like to thank Sandra Bolder, who left the business this year, for her contribution to Arcadis.

Water management

As a company founded in the Netherlands, a country that is one-third below sea level, we have – as you might imagine – longstanding expertise in water management. Today, we've diversified our water-related capabilities, and we're working with clients all over the world to meet their water needs – whether that's keeping water out (preventing floods) or in (identifying leaky pipes). Overall, 15% of our net revenues are related to water and water management, making this a significant part of the business.

We're seeing interest from clients in climate resilience and how to prepare for more storm surges, flooding, and heavy rain. In 2024, we were selected as lead designer for a groundbreaking flood protection program in Virginia Beach, US, and entered into a new eight-year contract with the Canal and River Trust in the UK, to manage and protect more than 2,000 miles of waterways. At the same time, we're working with water utilities companies to implement leak detection tools and technologies and manage their assets more effectively.

On a related note, we've seen an uptick of interest – and sizable wins – in addressing PFAS contamination. There is growing concern about the dangers of these compounds, widely used in manufacturing for many decades, which is driving clients to look at PFAS in their buildings' fire suppression systems, or their water systems. This is a fast growing market for Arcadis.

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Advanced industry

We see ourselves as a partner to our clients, and that means evolving and developing the capabilities to meet their needs. And our clients' needs are only becoming more complex with the increased integration of robotics, new technologies and algorithms.

Accordingly, we've expanded our offering, partly through the integration of DPS Group (acquired in 2022) into our Places GBA, so that we can design industrial facilities more holistically. This has helped us to meet our clients' needs in the life sciences sector, in high-tech manufacturing of products such as semiconductors and electric vehicle batteries. In terms of what we can offer our clients, this is a clear differentiator for Arcadis.

Making sustainable project choices also comes into play here. Many industries have significant environmental impacts and by being involved in the design of facilities, we can find more sustainable solutions. For example, there's now a need for more data centers to meet surging demand, but what if, in parallel to serving that demand, we could bring carbon emissions as close to net zero as possible? That's the question behind a groundbreaking data center design we created for a client in California. The facility would feature a greenhouse powered by excess heat, enabling food production and benefiting the local community.



Energy efficiency and security

Decarbonization, energy security and transition are market growth areas across all our GBAs, as our clients respond to growing pressures. This includes the need to reduce greenhouse gas emissions to meet internal targets and net zero goals, the requirement to comply with new emissions regulations, and the desire to cut energy consumption as energy costs go up.

A notable example of our work in this area is the progress we've made on the Rhein-Main-Link in Germany this year. This 500 km energy route will transport electricity from offshore wind farms in the North Sea to the Rhein-Main region as part of the country's energy grid expansion plan.

We also won a major contract with Heineken, who we'll be supporting with a long-term decarbonization strategy. I've been particularly impressed to see all the different parts of our business coming together on this project to contribute innovative, intelligent and resilient solutions.

"We're entering a critical decade, and I believe that our industry will see more change in the next 10 years than we've seen in the last 50."

On asset management, we're finding that clients want to know how their assets – or even how cities as a whole – can operate more efficiently and generate fewer emissions. Data is critical to this, and clients come to us now for our digital tools and expertise. Our portfolio of digital products, such as Enterprise Decision Analytics (EDA), has been increasingly popular in 2024, with significant wins in the US and Canada.

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Mobility and transport

Our Mobility GBA had a particularly strong 2024, with significant multi-year project wins like the Hudson Tunnel in New York and Zuidasdok in Amsterdam. What we have seen is major cities seriously considering how to meet the population's transportation needs, in a way that encourages public transport use, walking and cycling, while also improving auto drivers' experiences by simplifying parking and reducing congestion.

Sometimes this requires new infrastructure, as with the Melbourne Metro in Australia where we've been chosen to provide support on a new rail line. Or in Canada, where we were named lead designer on the Fraser Tunnel project, which will help cut pollution by reducing traffic congestion while providing safe and convenient options for transit, cycling and walking.

In other cases, it's more about making the most of existing infrastructure, with digital tools such as CurbIQ. Our clients know, and we know, that communities appreciate mobile-based tools as they navigate the city whatever their mode of transport.

Looking ahead

We're entering a critical decade, and I believe that our industry will see more change in the next 10 years than we've seen in the last 50. The world is changing fast, with a growing population, increasing urbanization, and technological advances. And we're already facing challenges such as extreme heat, rising sea levels, floods and hurricanes – challenges that unfortunately will increase. In the coming years, an enormous amount of infrastructure investment will also be needed to maintain and renew critical assets such as bridges, water systems, flood defences, highways and railways.

But, as our 2024 Sustainable Cities Index shows, many cities are already confronting these challenges, with policies and actions to improve connectivity, energy consumption, and resilience to natural disaster. So much is possible. At Arcadis, we have the talent and expertise and are ready to find meaningful solutions – and accelerate a planet positive future for our clients and the communities where we operate.

Alan Brookes, CEO
On behalf of the Executive Board

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Our business, our passion

We are our clients' global sustainable transformation partner, dedicated to improving quality of life for people around the world.

What we do

Arcadis is a global leader in sustainable transformation. We deliver intelligent products and solutions to the challenges of climate, energy affordability and livable cities. We are purpose-led and passionate about improving quality of life.

Arcadis goes beyond traditional design, engineering, architecture and consultancy. From strategy and advisory, through to planning, implementation and delivery, we use data-driven insights to develop tailored solutions in the environments we co-create.

From reducing flood risks in the Netherlands to strengthening New York City's coastlines against hurricane damage. From creating a citywide sustainable legacy during and after the Paris Olympics to revolutionizing urban transit with the Sydney Metro, our world-changing solutions leave a positive and lasting impact.

How we do it

2024 was the first year of our new three-year business strategy, Accelerating a Planet Positive Future. It sets out a clear path for speeding up our growth in markets with the greatest client need, pursuing sustainable project choices in line with our purpose and values.

This strategy builds on the achievements of our previous 2021-2023 strategy cycle, Maximizing Impact, which saw the introduction of a global operating model, replacing a corporate structure focused on individual countries.

In 2022 we established our Global Business Areas (GBAs): Resilience, Places, and Mobility. Our GBAs collaborate to support clients as needed, each focusing on their areas of expertise and drawing on the skills and capabilities of Arcadians around the world.

A fourth GBA, Intelligence, was created the following year as a way to supercharge how we provide clients with innovative, technology-enabled solutions. It works closely with Resilience, Places and Mobility, co-creating services and products to support new and existing clients.

Across a global workforce of 36,000, Arcadis brings together the best minds to deliver tailored, intelligent products and solutions that address the challenges of today and create a blueprint for a more sustainable future. All our GBAs can draw on our Global Excellence Centers (GECs), which contribute the additional capacity, capability and technical expertise we need to better serve our clients and support future growth.

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Who we work with

Our relationships span public, regulated and private sector clients, from multinationals like Pfizer and Heineken to major government agencies including Amtrak in the US and Rijkswaterstaat in the Netherlands. We are a well-diversified business, not dependent on one type of client or geography.

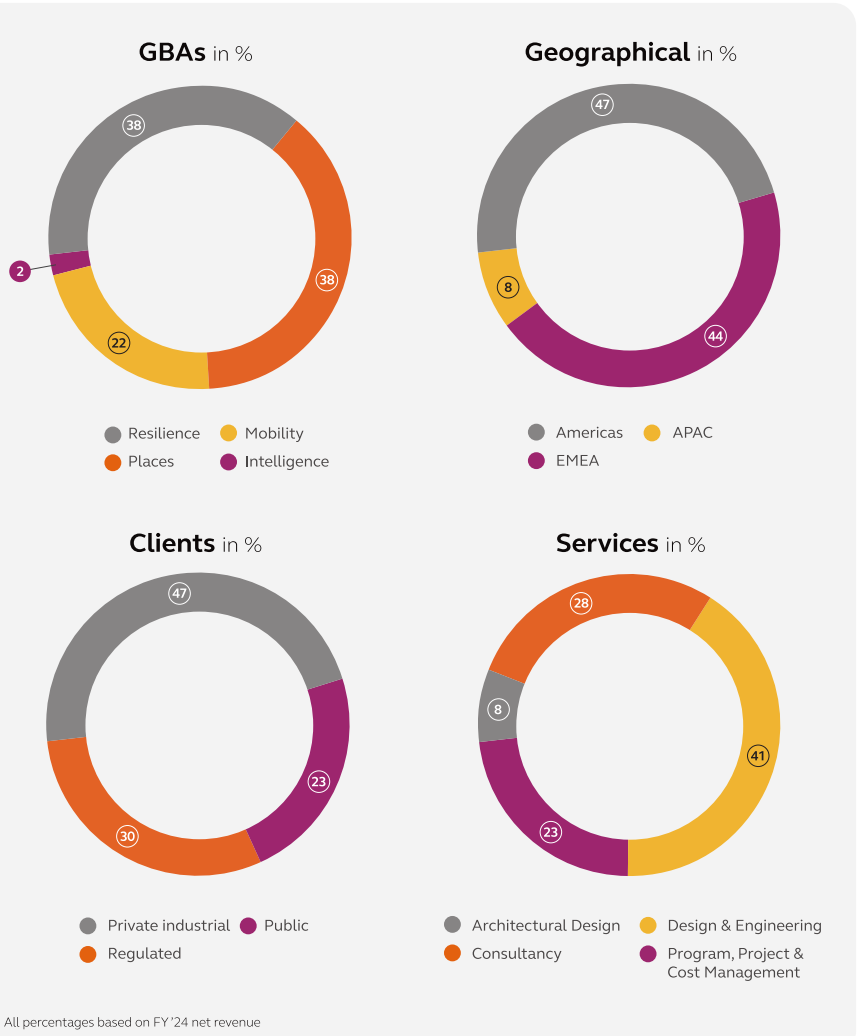
We have strong and enduring client relationships, working as trusted partners to our clients by thinking along with them and anticipating their needs. In fact, 95% of our revenues in 2024 came from clients that we served in 2023, a testament to the value we bring our clients.

Among the thousands of clients we serve at Arcadis, we have identified several strategic clients who present the largest opportunities for Arcadis. During the previous strategy cycle, we worked with those clients to establish our Key Client Program, tailored towards better supporting their needs. This is an important element of our 2024-2026 strategy. In 2024, we have grown the program from 161 to 251 Key Clients, broadening and deepening our relationships to support increased profit margin, greater cross-selling and enhanced client focus.

How we got here

In 1888, Arcadis was founded as the Nederlandsche Heidemaatschappij (Association for Wasteland Redevelopment), a land reclamation business enabling agricultural productivity in the Netherlands. We grew and expanded from these strong roots, branching out into urban development and becoming “Heidemij” in the 1970s. A series of international expansions, mergers and acquisitions enabled us to build strong capabilities in a range of industries and regions of the world, ultimately under one name and brand: Arcadis.

We’re now a company with a truly global footprint. But we’re proud to trace our journey back to our beginning in the Dutch heather lands. One hundred and thirty-six years ago, we were creating forests and managing the landscape to recover soil fertility, address drift sands, and boost agricultural productivity. Today, we continue to work in areas including water management and environmental remediation – among many other capabilities related to sustainable transformation and improving quality of life. That’s why we can truly say that sustainability is in the Arcadis DNA.



All percentages based on FY ‘24 net revenue

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Our values, our behaviors

We are passionate about improving quality of life. We have five core values that inform our five keystone behaviors as Arcadians.

Our values

People first
We care for each other and create a safe and respectful working environment where our people can grow, perform, and succeed, placing people and their experience at the center of our solutions.

Client success
We are passionate about our clients' success and bring insights, agility, and innovation to co-create value working collaboratively to learn and recognizing our successes are mutual.

Integrity
We always work to the highest professional and ethical standards and establish trust by being open, honest and responsible. We are accountable to ourselves, our clients, the communities we serve and our commitment to sustainable outcomes for future generations.

Sustainability
We base our actions for clients and communities on environmental responsibility and social and economic advancement, ensuring our solutions enhance community inclusion for now, and into the future.

Collaboration
We value the power of diversity and our global capabilities and deliver excellence, bringing the very best of our people and solutions for our clients by working as One Arcadis.

Our behaviors

We value each other
We create an inclusive environment where everyone feels fairly treated and listened to, respecting the principles of equality and diversity at all times.

We deliver on our promises
We do what we say we are going to do when we say we are going to do it.

We always bring our best
We operate to the best of our abilities. We continue to learn and improve to ensure we have all the skills needed for the future.

We work as one team
We collaborate to bring the right people and knowledge together to achieve the best result. We recognize each other's strengths and work together to bring out the best in one another.

We dare to shape the future
We focus on innovation and growth to improve quality of life and create a sustainable future.

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Accelerating a planet positive future.

Our 2024-2026 Strategy:



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Our current strategic context

We serve a global growth market that is outpacing inflation. As such, our 2024-2026 strategy is built around the market and client dynamics we have identified as being most critical to our business.

Market dynamics

- **Climate change and decarbonization**
  A major global pressure across all our markets.
- **Urbanization and social communities**
  Fast-paced urban growth creates challenges and opportunities.
- **Evolving supply chains**
  Inflation and geopolitics drive pressure to ensure supply chain security.
- **Infrastructure investment**
  Widespread need to renew and invest in key infrastructure.

Client dynamics

- **Increased cost of capital**
  Speed to market is a key delivery requirement.
- **Higher energy cost and decarbonization**
  Optimizing assets' performance and resilience is a priority.
- **Increasing project complexity**
  Clients need a trusted advisor and partner.

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Strategy progress update

The first year of our 2024-2026 strategy has been about laying the groundwork to accelerate a planet positive future for our clients and the communities where we operate. We're directing our efforts across three strategic focus areas:



Making sustainable project choices



Digital and human innovation



Powered by our people

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Making sustainable project choices

In 2024 we doubled down on making planet-positive, sustainable choices in our project pursuits and in how we work with our clients. We focused on expanding our Key Client Program and becoming our clients' partner of choice for their most important projects.

Our clients' sustainable project choices

One of the most powerful ways Arcadis can accelerate a planet positive future is by supporting our clients in making and executing value-adding sustainable choices. This starts right from the beginning of a project: we now carry out a carbon footprint assessment on major projects during the pursuit process, and – where relevant – we assess any potential impacts on biodiversity and water supply, so we can start the dialog with the client ahead of the project planning stage. As demonstrated through the work of our Global Business Areas (GBAs) in 2024, clients consider our focus on sustainability – and how we leverage that focus to optimize asset cost and performance – as a major benefit and differentiator in the market.

Key Client Program 2.0

In 2024 we invested in our Key Client Program by increasing the number of client accounts in the program by 50%, redefining our value proposition, and strengthening our coverage teams. Among Arcadis' 9,000+ clients, those identified to join this program are clients that bring in a high volume of work and, crucially, clients that offer the most potential for the future. Investing in our client relationships and positioning ourselves as a trusted advisor will help our account and sales leads address client challenges across multiple areas. In this way, we can increasingly partner with our Key Clients to create maximum value for both them and Arcadis, seizing opportunities to support Key Clients with a wider range and number of solutions.

Optimizing our pursuit process

Arcadis is increasingly incorporating technology and digital tools to streamline and strengthen the pursuit process. In terms of decision-making, making our pursuit process more robust is giving us the ability to make better decisions on project selection and resourcing, thanks to improved visibility on profitability. And, in terms of creating a project proposal, automation and AI have an important role to play – for example, we can use AI to quickly identify and synthesize relevant material we have prepared for previous pitches, creating a more compelling proposal in a shorter amount of time. In this way, we can ensure Arcadians spend as much time as possible on billable project work, using their skills effectively and creating maximum value for clients. In 2024 we put a project team in place to explore how to optimize our pursuit process – and in 2025 we should see the first rollout of elements of that already coming through. By using all the tools at our disposal to further improve our operational efficiency, we can boost the sustainability of our business.



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Digital and human innovation

We have made progress on embedding our digital capabilities throughout our business, enabling us to leverage them externally for client delivery as well as internally to improve efficiency.

Digital products, digital innovation

Arcadis has a diverse portfolio of digital products. Some, such as Enterprise Decision Analytics (EDA) and Arcadis Enterprise Asset Management (EAM) Core, are tools that can be used across a variety of sectors – including by clients in the water, energy, transport and property industries. Others, such as Bridge Health and CurbIQ, are designed for a specific but critical purpose – whether that's helping infrastructure owners to ensure safe and long-lasting bridges through AI-enhanced predictive maintenance, or helping cities to understand how their curb sides are currently being utilized.

We also have products to support clients in their sustainability journey, such as Net Zero Catalyst, which helps clients prioritize and act on their sustainability goals, and Climate Risk Nexus, which enables long-term resilience planning by modeling climate impacts on infrastructure. Thanks to our digital products and innovations, Fast Company highlighted Arcadis as one of the World's Most Innovative Companies of 2024.

In several of our major project wins in 2024, the way we embedded our digital products and advisory services as part of our proposal was critical to our success – whether in the Fraser River tunnel bid, or in our multi-year contract with Heineken to facilitate the company's net zero journey. Overall, we are increasingly able to embed our digital offerings within our go-to-market approach by demonstrating compelling use cases and showcasing how we can tackle clients' challenges using our digital capabilities. We also began to look at our portfolio more holistically over the course of 2024. This involved considering which products have the most potential, how to capitalize on that potential, and how we can further innovate to meet evolving client needs.

In 2024 we also made the strategic decision to bring our Intelligence GBA closer to our Growth organization, with our Chief Growth Officer (CGO) now taking the role of Global President for Growth, Digital Intelligence and Advisory. This will reinforce our efforts to embed human and digital innovation across the business and in our client offerings, including via our strong portfolio of digital products. Our internal Growth organization and Intelligence GBA is now working even more closely with colleagues in our Mobility, Places and Resilience GBAs to identify opportunities for collaboration.

Using digital tools in asset management

Across all our GBAs, we have increased our focus on supporting clients in managing their assets sustainably, including via deployment of digital solutions. Owners and managers of critical infrastructure – railways, water systems, bridges, power grids, buildings and more – are seeking to improve the user experience, maximize efficiency, and get the most out of assets across their lifecycles. At the same time, they seek to reduce greenhouse gas (GHG) emissions and negative environmental impacts. By investing in our digital tools such as Bridge Health and Intelligent Asset Insights, we are further expanding our work in asset management and supporting clients with their operational expenditure (OpEx) over the course of multi-year contracts, unlocking sustainable revenue streams for our business.

Leveraging automation and AI

We are constantly considering opportunities to harness digital capabilities in ways that will improve the efficiency of our operations and, directly or indirectly, contribute value to our clients. We have now successfully automated some of our more standardized design tasks: for example, we can create an initial design for a substation through an automated process and then tailor that design to meet local requirements. This new way of working has proven to be cost-effective for us and our clients.

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In 2024 a select group of Arcadians began testing our in-house generative AI, ArcadisGPT. We are excited by the potential of AI both to create internal efficiencies and assist with external delivery. We are also looking at streamlining and automating several of the activities our support functions perform. By using bots and other digital tools we are able to be more efficient and enable our people to focus on activities that contribute most value to clients.

Safeguarding information

The Arcadis Information Security Strategy supports Arcadis' overall strategy for 2024-2026. The mission of information security is to safeguard Arcadis and enable our business by dealing with the challenges of ever-increasing cyber threats, increasing client requirements, growing regulatory landscape and evolving technology.

We are achieving this by continuously improving our resilience to cyber threats and keeping our security posture in line with technological developments such as AI. Our resilience approach consists of a combination of technical, organizational and procedural measures, combined with security awareness campaigns. It also consists of complying with international security standards including ISO27001 and Cyber Essentials Plus.

We are sharing our knowledge and approach with our clients and industry, and utilizing security best practices.

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Powered by our people

We are investing in creating a workforce that is ready for the future, and that is equipped with the skills needed to meet the evolving needs of our clients. We want to make sure we can attract and retain the best talent for our business by offering career development and work that aligns with our mission: Improving Quality of Life.

The role of the Lovinklaan Foundation

The Lovinklaan Foundation is Arcadis' largest shareholder. The entire Board of the Foundation consists of Arcadians from diverse backgrounds and countries. To fulfil its purpose of empowering Arcadians to reach their full potential and drive meaningful change, the Foundation reinvests its dividends into programs that empower Arcadians to develop their skills and contribute meaningfully to the company's success. A range of Arcadis' programs and initiatives are powered and supported by the Lovinklaan Foundation, including the Energy Transition Academy, Imagine, Quest, Skills Powered Organization, Sustain Abilities, and Ignite.

The Lovinklaan Foundation also supports and facilitates Local Sparks. This social impact program empowers Arcadians to create impactful community projects that improve quality of life and promote sustainability, whether through mangrove reforestation near Manila, or public transit projects in Tanzania, or providing access to clean water in Brazil. The program, which celebrated its fifth anniversary in 2024, has now impacted more than 81,000 people with more than 100 ongoing or completed projects.

Our Skills Powered Organization journey

We have always had exceptional people at Arcadis. Now we are a truly global company we need to understand where in the world our skills are, and what skills we need to build for the future of our people and our business. Becoming a Skills Powered Organization (SPO) allows us to maximize our people's potential and align their skills to our global business needs.

An SPO is an organization that prioritizes a skills-based approach to support project resourcing and career development. By transforming ourselves into an SPO, we're giving Arcadians more control over their career progression based on their skills and ambitions, empowering them to adapt, innovate, and thrive in an ever-evolving world of work. In 2024, our AI-assisted SPO platform was rolled out for the first time, helping 15,000 Arcadians identify and match their skills to job openings and project assignments from around Arcadis, in addition to offering personalized career pathways, learning modules and networking opportunities within the business.

The changes we're putting in place will drive Arcadis' growth as we offer our clients the best skills from the Arcadis network globally, all while optimizing our productivity levels. That's why, in 2025, we plan to increase the opportunities to involve more of our people and focus on increasing the promotion and take-up of short-term project assignments that employees can apply to and complete alongside their day-to-day jobs.

As Arcadis' leaders and managers gain better visibility of skills that exist in our business globally, we will start to better align talent to project and client needs. We're carrying this out in a data-driven, equitable and transparent way. A greater understanding of the skills and capabilities of our workforce will also enable us to invest in the right skills for the future to become more competitive and attract talent to meet our evolving client needs.

Transitioning to an SPO is also a key enabler for us in fostering a more diverse, equitable, and inclusive culture that benefits all Arcadians. In 2024, Arcadis achieved its target of maintaining an employee Net Promoter Score (eNPS) in the top 25% in the professional services sector, and we believe we will further boost employee satisfaction as we continue to place skills at the heart of our strategy.

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Broadening the scope of DEIB at Arcadis

Our target is to increase female representation to at least 40% by 2026. At the end of 2024, women made up 39.3% of our workforce; a 2% increase year-on-year. However, our diversity, equity, inclusion and belonging (DEIB) initiatives go far beyond gender representation. We are creating a more inclusive culture, fostering opportunities at every level and creating an environment where all employees feel empowered and supported, regardless of their background or identity.

Our five global Affinity Groups - Gender, Access & Neurodiversity, Ethnicity & Heritage, Age, and Pride - play a pivotal role. These groups provide vital platforms for advocacy, education, and connection, addressing unique needs while promoting awareness and understanding across our organization. They also actively shape strategic business decisions, ensuring our values are embedded at every level.

For example, our Global Sponsorship Program and our Global Women of Colour Program are key initiatives designed to bridge the representation gap and promote equity at all levels. We also have guides including Neurodiversity in the Workplace and Transitioning at Work, allowing us to continue breaking down barriers and building a culture of belonging. These efforts, coupled with targeted recruitment strategies and leadership development programs, enrich our talent pipeline, enhance employee satisfaction, and enable us to serve clients with diverse perspectives and expertise.

At Arcadis, DEIB is not just a goal - it's a fundamental part of who we are.

Developing skills for the future

We are actively investing in the skills needed for today and tomorrow – and a prime example of how we're doing this is our Energy Transition Academy, which has been established to further equip Arcadians with the skills needed to support clients in decarbonization, grid modernization, alternative energy infrastructure projects, and other aspects of energy security and transition. In a world where the demand for energy transition professionals far outweighs the current supply, our ambition is to train or recruit 2,500+ Arcadian energy experts by 2027 through a combination of foundational and technical training. This will ensure Arcadis has the capacity and capability to remain at the forefront of the global energy shift.

The Academy's activities are tailored to a range of audiences, inside Arcadis and out. In our in-house online learning environment, ETA@Home, Arcadians have access to curated content and modules to build their energy transition skills. Meanwhile, at the Academy's technical training workshops, Arcadians from different parts of the business are brought together with participants from client organizations and the industry to share their knowledge with each other.

The Academy has also established partnerships with 10 universities across India, the UK, the US, Australia and Europe to support cohorts of students studying energy transition-related topics while co-developing future course and learning material – ensuring a pipeline of talented potential employees. A major milestone in December was the launch of our cutting-edge Simulation Lab in Bangalore, India, in collaboration with RVCE and UVCE universities, focusing on Transmission, Distribution and Storage. This offers a hands-on opportunity for students to gain practical training and knowledge, with expert guidance from Arcadians. By upskilling and empowering ourselves and others in the field of energy transition, we are not only investing in our own growth but also in the collective future of our industry.

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Delivering superior client outcomes through our Global Excellence Centers

Our Global Excellence Centers (GECs) in the Philippines, India, and Romania serve as key hubs to support our global project delivery for clients, enabling us to complete projects with agility and efficiency. Leveraging and building our talent pool to support our business globally is essential to Arcadis' strategy, success and growth. The GEC teams support the key GBA market priorities and improve our client offerings with the best skillsets to deliver data-driven client services and support faster progress towards our industry's decarbonization goals.

We set a target in our strategy to double the number of billable hours carried out via our GECs. We made solid progress towards this target in 2024, including by expanding our GEC workforce to 4,976 employees (+17%) and enhancing our capacity, connectivity and capabilities, unlocking benefits for clients across all GBAs and in all the countries where we operate.



The impact of the GEC teams' expertise in data science, visualization and design automation – among other advanced capabilities – is evident in projects such as gigafactories, data centers and major rail projects, where they ensure seamless delivery, knowledge sharing and superior outcomes for our clients around the world. In 2025, we plan to continue enhancing these capabilities and delivering greater value to our clients from our GECs, reinforcing their pivotal role in our global strategy and position as Arcadis' global knowledge and data hub. As the GECs handle a greater proportion of project execution, they will continue to amass a wealth of data and act as a knowledge hub, providing us with analysis and insights to effectively advise our clients and solve their complex problems.

Note: The pages 24, 25, 26, 34, and 35 show business cases that contain project specific calculations for emission reduction. These calculations are not made yet across all services delivered in 2024. This is something we aim to expand during 2025 and further years.

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Transforming Castellana 66

Sustainable, high-performance future for an ageing office complex

GBA: **Places** | Country: **Spain**

In Madrid's bustling business district, the seven-story complex at Castellana 66 was no longer meeting the needs of its owners and tenants as it aged – with energy and carbon inefficiencies stemming from subpar windows and inadequate thermal insulation. Rather than demolish and rebuild, we worked with the client to sustainably upgrade and future-proof the existing structure.

Arcadis proposed a renovation of the complex based on bioclimatic principles to improve noise protection, energy efficiency, and thermal insulation. By integrating photovoltaics (PV) and high-performance materials, the design minimized additional embodied carbon while enhancing daylight, comfort, and wellness for occupants. This careful redesign retained the existing structure, negating the carbon impact of demolition and reconstruction. As a result, an estimated 10,800t of CO_2e will be avoided. On-site energy generation will be higher than consumption, paving the way towards future climate neutrality.

55%
reduction in **annual energy use**

177MWh p/yr
electricity generated **from solar PV**

10,800t
expected CO_2e **avoided**

"Castellana 66 is now one of the most energy-efficient buildings in Europe. This project showcases our commitment to innovative solutions that reimagine existing buildings in inventive and sustainable ways."

Pablo La Roche, Director - Sustainable Design Services, Arcadis



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The Sydney Metro West project

Connecting Sydney's major business districts with an underground railway

GBA: **Mobility** | Country: **Australia**

The Sydney Metro West project aimed to create a new underground railway line between Sydney's two main business hubs: Parramatta and Sydney CBD. Plans were drawn up for twin 9km tunnels, excavations of two new metro stations, and a set of advanced maintenance facilities – all to be constructed as sustainably as possible.

Arcadis worked with our client GLC (Gamuda Australia and Laing O'Rourke Consortium) to identify ways of using its resources efficiently across each stage of the project, as well as optimizing infrastructure design. From integrating 100% renewable power across all operations, to using concrete mixes with up to 60% recycled content, to reducing overall material and energy useage, we played a pivotal role in minimizing environmental footprint.

Achieving a 96-point ISC 'Leading' rating demonstrates the sustainable merit of our work. By reducing energy emissions by 43% and cutting embodied carbon emissions from materials by 25%, our collaboration helped shape a more well-connected and eco-friendly urban space.

9 km twin **tunnels**

100% **green power** integration

43% **reduction** in energy emissions

"Good consultants are hard to find, but brilliant ones, now that's a rarity! Arcadis did an amazing job with the resource use credits and I hope to work with the team again in the future."

Theo Snyman, Senior Sustainability Advisor, GLC



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Optimizing traffic flow

A safe and efficient new junction on the M5

GBA: **Mobility, Resilience** | Country: **United Kingdom**

As design consultant on behalf of Galliford Try, the Design and Build Contractor, Arcadis has been involved in the design of a new “all-movements” junction on the M5 motorway in the UK which will safely and efficiently optimize traffic flow. More than just a road improvement project, this represents an opportunity to catalyze housing and economic development in the surrounding communities.

The project is projected to reduce carbon emissions by 30% compared to the project baseline, and to avoid approximately 26,700 tons of potential CO_2e emissions compared to a conventional design. We followed a Whole Life Carbon approach to embed sustainable practices from the outset, using innovative tools such One Click LCA and 3D BIM modeling to forecast impactful and measurable results. Through proactive engagement in sustainability workshops, early collaboration with experts, and continuous enhancements to the preliminary design, the project is being steered towards a more sustainable path.

13 %
improvement in **biodiversity net gain**

26,700 t
expected CO_2e **avoided**

“As the project progresses, we remain committed to meeting and exceeding our sustainability targets, delivering meaningful benefits for our client, the local community, and the wider environment.”

Nick Henderson, Technical Director



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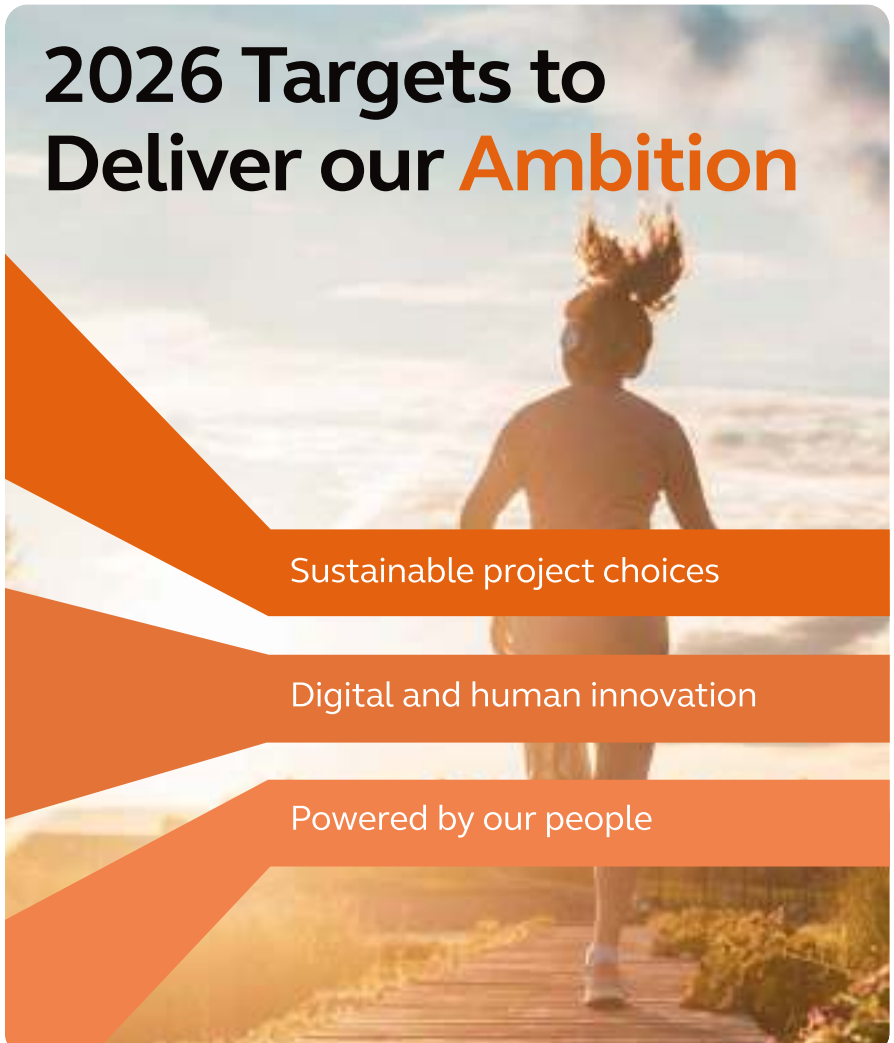
2026 Targets to Deliver our Ambition



Financial targets

Organic net revenue growth
Mid-high single digit over the cycle

Operating EBITA margin
12.5% in 2026

Net debt / Operating EBITDA
1.5 - 2.5x Investment grade rating

Shareholder returns
Dividend : 30 - 40% of NIfO

Non-financial targets

Net Zero objective
Scope 1 and 2 reduction of 70% GHG emissions by 2026 versus base year 2019

Net Zero objective
Scope 3 reduction of 45% GHG emissions by 2029 versus base year 2019

Employee satisfaction
eNPS to remain in top 25% of professional services sector

Gender diversity
>40% Women in workforce

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The Global Business Areas

Each of our Global Business Areas (GBAs) has a distinct focus. Yet, as seen in the case studies and examples on the following pages, the GBAs often come together on projects, working collaboratively to ensure the best experience and outcome for our clients.



Resilience

Protecting our environment and water resources and powering our world for future generations.

What we do:

- Energy security and transition
- Environmental restoration
- Water optimization
- Climate adaptation
- Sustainable operations and advisory

READ MORE



Places

Designing and creating the places that shape our lives, our economies, and our industries.

What we do:

- Advanced industrial facilities
- Social infrastructure
- Optimized asset portfolios
- Urbanism
- Smart sustainable buildings

READ MORE



Mobility

Developing sustainable and innovative solutions to create thriving and connected cities and communities.

What we do:

- New mobility and airport hubs
- Connected highways
- Intelligent rail and transit
- Resilient ports and maritime transportation

READ MORE



Intelligence

Helping our clients make smart, data-driven decisions that bridge the gap between human intelligence and technology.

What we do:

- Smart asset and building analytics
- Digital transportation technologies
- Intelligent operations

READ MORE

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Resilience

Summary highlights of our performance in 2024

This was a transformational year for Resilience, as we made significant progress in scaling operations in key growth markets including the US, UK, Germany and the Netherlands. We've seen strong revenue, a step up in profitability, and organic growth across energy transition, water optimization and PFAS remediation. Collaborative wins with other GBAs have strengthened our ability to deliver integrated, cross-disciplinary solutions that meet client demand.

Total headcount
in 2024

11,402

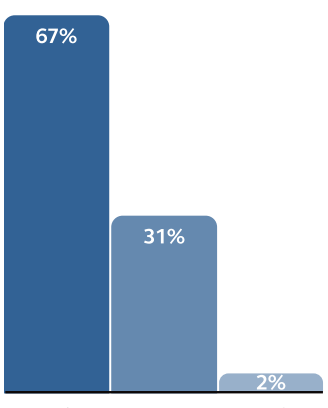
2023: 11,368

Total net revenue
in millions of euros

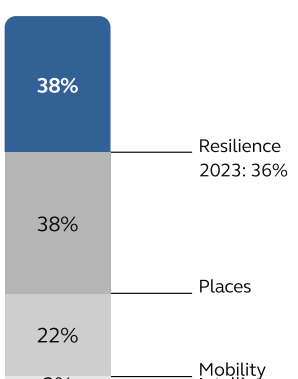
1,448

2023: 1,343

Geographical
Net revenues 2024 / Full Year in %



Total revenue
as % of total Arcadis



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Bringing the Resilience perspective

The projects we work on – complex projects that call for our deep expertise – increasingly require an integration of digital capabilities, advanced analytics, and advisory services, helping clients meet evolving demands, navigate regulatory frameworks and develop effective decarbonization roadmaps. We are working closely with the other GBAs to integrate Resilience solutions within our projects and proposals. For example, in the Zuidasdok program – one of the largest infrastructure projects in the Netherlands – we are working with Mobility and Places to support sustainable urban development. This includes permitting and planning expertise, ecological assessments, and integrating green infrastructure to enhance urban livability and create a more resilient and connected neighborhood.

Energy security and transition

Driven by the accelerating demand for energy, paired with investment in grid modernization, generation capacity, and operational efficiency, this area saw rapid growth in 2024. Arcadis is at the forefront of supporting clients in transforming energy systems to ensure affordability, security and equitable access. Our expertise spans the entire value chain, including advisory services; grid expansion and modernization; transmission, distribution and storage (TDS); decarbonization; and the integration of renewable energy.

Our strong portfolio in Germany, the Netherlands and the UK sets a foundation for further growth, particularly in the US, where we are building a multi-disciplinary team of energy experts. In the UK, we are helping the National Grid with advisory services to navigate the complexities of energy transition and expansion. In the Netherlands, we are partnering with PostNL to investigate whether their 29 postal distribution centers can double as energy hubs.

We had a strong year in Germany, where we continue to support transformative projects like the Rhein-Main-Link and Fulda-Main powerline expansions that are critical to meeting Europe's renewable energy targets. Our growth plans in this area are underpinned by the Arcadis Energy Transition Academy, which continues to equip our people and clients with foundational and technical knowledge. Through the Academy, we're upskilling Arcadians in areas such as TDS, offshore wind, and industrial decarbonization.

Water management and optimization

In 2024, we expanded our work with clients – including local governments, pharmaceutical companies and data center owners – to optimize consumption and improve operational efficiency.

In Southern California, we implemented an AI-powered predictive modeling system that integrates machine learning with an advanced water quality model to monitor harmful byproducts of disinfection. This enabled prediction of potential spikes, allowing for real time adjustments. Also in the US, we partnered with a major utility to design and implement a comprehensive Lead and Copper Rule compliance program. Aimed at proactively identifying and replacing lead service lines, this initiative entails extensive water quality and lead testing in schools and childcare facilities. Using our Lead Insights end-to-end solution, we were able to improve communications, transparency and documentation.

OpEx-focused solutions are another key client need, and we have expanded our role in asset management. For example, we helped a leading global snack producer lower water consumption. Our industrial water experts, in partnership with Places' advanced industry team, designed a Zero Liquid Discharge treatment system, solidifying Arcadis as a reliable partner for water efficiency and wastewater solutions.

In the UK, we secured multiple framework contracts with key water utilities as part of the AMP8 (Asset Management Period) program, including partnerships with South West Water and United Utilities to deliver new capital investment programs and upgrade water infrastructure to be more sustainable, resilient and efficient. With the AMP8 cycle running from 2025-2030, these wins provide excellent long-term visibility for the future.

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Globally, we are addressing water scarcity through innovative reuse strategies, such as a 'One Water' approach which integrates circular water systems and advanced desalination, building on our leading position in Engineering News Record's 2024 rankings. Our digital solutions, such as Water Finder, a digital twin platform, are helping clients optimize asset performance, extend infrastructure lifespans and achieve cost savings of up to 30%. In New Jersey, we are supporting a large water utility where over 60% of its assets will be over 100 years old by 2030. Digital products allow for efficient identification, evaluation and design of asset replacement and renewal. Arcadis' Asset Generator is key, allowing for rapid prototyping and design of replacement water storage and pumping facilities.

Artificial intelligence (AI) has great potential and can help identify lead service lines or leaks, enabling clients to fix the problem efficiently, minimize disruption and enhance predictive maintenance. While there are regulatory hurdles, we have the knowledge to address these and have already been hired by several clients to integrate AI into their systems and infrastructure management strategies.

Flood management

With climate change impacts increasing, flood resilience is vital. In the US, we are incorporating flood-proofing measures into San Francisco's pier restoration plans, ensuring resilience against coastal flooding while revitalizing the waterfront. And in the Netherlands, we are providing operations and maintenance services for five storm surge barriers – including the largest in the world - bolstering the country's flood defences against sea level rise.

In the UK, we're collaborating with Places to maintain and restore canal infrastructure for the Canal & River Trust. And in China, we're spearheading a new initiative to enhance biodiversity, water management and flood resilience in Fuding City – including via a nature-based intervention: mangrove restoration.

PFAS assessment and remediation

Regulatory pressure continues to drive demand for our industry-leading PFAS management solutions. These synthetic chemical compounds, widely used in manufacturing, are an area of rising concern.

In the US, the Environmental Protection Agency (EPA) has introduced new standards for PFAS in drinking water, requiring public providers to begin compliance measures by 2027. Additionally, manufacturers are now required to disclose PFAS use in products and report releases to the environment. In Europe, the European Chemicals Agency is evaluating restrictions on the entire PFAS group, with bans – notably involving firefighting foam – already implemented under the REACH regulation.

This evolving regulatory landscape highlights the urgent need for PFAS management strategies and remediation solutions. Arcadis plays a key role in helping clients navigate increasingly stringent standards. Our bespoke digital solutions help clients assess regulations and vulnerabilities in real time, to anticipate potential issues and direct funding towards sites that pose the greatest risk. Another example is our Fluoro Fighter™ cleaning agent, which removes PFAS from fire suppression systems and industrial facilities. We have completed more than 260 foam transition projects in six countries to date.

Globally, we are winning large contracts for investigation and remediation of military bases in Canada, the UK, Netherlands and Germany, as well as various manufacturing facilities. By combining cutting-edge technologies with human innovation, Arcadis is enabling clients to mitigate risks, and stay ahead of regulations.

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Market dynamics and opportunities

Across industries, public and private sector organizations are prioritizing resilience in infrastructure and assets. This includes optimizing operational efficiency, meeting regulatory requirements and adapting to a changing environment.

Economic and regulatory drivers

As the world faces an escalating climate crisis, we are seeing a focus on future-proofing assets, infrastructure and operations as a priority, as clients seek to address vulnerabilities across cities, economies and industries. Increasingly, companies and organizations are responding to climate events and disruptions as a strategic risk, incorporating factors into their decision-making such as rising insurance costs and coverage, asset resilience, and extreme weather preparedness.

The regulatory landscape is driving companies to address specific issues related to their assets, such as PFAS contamination (see box-out). In the US, the EPA's strengthened Lead and Copper Rule requires significant upgrades to water systems to ensure safe drinking water – an area where Arcadis can offer compliance solutions.

Regulatory frameworks such as the EU Green Deal and the US Inflation Reduction Act are further shaping investment priorities, especially in the energy sector. In Europe, reliability and efficiency will mean doubling annual grid investments to €584 billion by 2030, with public funds alone insufficient. Private sector participation is crucial to bridge the gap. Similarly, in the US, rising demand from data centers and transport electrification is accelerating the need for grid enhancements to guarantee a stable and secure energy supply. These frameworks create opportunities for sustainable growth and emphasize the need for public and private sector collaboration around resilient infrastructure.

Trends in energy security and transition

Concerns around energy security and affordability are intensifying, driving governments and business to rethink their energy strategies, prioritizing decarbonization and more resilient strategies. Transmission, Distribution and Storage is an area where significant investment is being made. A secure, reliable and less carbon-intensive electricity supply is vital for economic growth and the transition to net zero.

"Resilience is integral to Arcadis – it's at the core of who we are, and a major driving force in how we help clients and communities thrive. We are uniquely positioned to help future-proof critical infrastructure, accelerate decarbonization, and deliver smart, sustainable solutions that address today's needs."

Heather Polinksy, GBA President, Resilience



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Arcadis is well positioned to support this, with expertise in solar and wind energy, energy storage solutions, urban energy systems, and energy infrastructure and strategy. Innovations in energy storage and hydrogen infrastructure will drive opportunities, particularly as countries seek to balance renewable intermittency with stable power supply.

Capacity expansion projects, such as those in Germany, are part of a broader push to create resilient, interconnected grids capable of handling increased demand from electric vehicles, industry electrification and renewable energy. Investments in TDS infrastructure are expected to exceed USD 300 billion by 2030, with significant growth anticipated in Europe and North America. By integrating strategic advisory expertise with advanced technical solutions, we are enabling clients to modernize energy systems, expand capacity, and accelerate the transition to a net-zero future.

Optimizing aging assets and infrastructure

Water systems are under increasing pressure, and 70% of water utilities are operating with systems more than 50 years old. Meanwhile, aging energy grids are increasingly under strain due to rapid urbanization, electrification and renewable energy demands. The scale and cost of upgrades can be challenging, as can the operational complexities of managing aging pipelines and treatment facilities. These dynamics make the use and management of water a major consideration for many clients, creating opportunities for Arcadis.

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Net-zero carbon emissions by 2030

A more sustainable future for the University of Leeds

GBA: **Resilience** | Country: **United Kingdom**

The University of Leeds has entrusted Arcadis to manage, commercialize, and execute its comprehensive Net Zero Carbon initiative. Our approach supports the client in making strategic investment decisions across its portfolio. To reduce the university's carbon footprint and help meet the ambitious target of net zero by 2030, we're focused on overhauling how energy is generated, consumed, and conserved – including via electrification of heat, procurement of renewables, and energy efficiency improvements.

As we address critical environmental concerns and enhance sustainability for future generations, we've put students, scholars, and local residents at the core of the initiative. The result should be a vibrant, forward-thinking campus that promotes healthy and sustainable living for all.

35,000 t

CO_2e annual emissions **reduction by 2030**

"Arcadis has continued to provide agile and robust project and program management to the university to address and overcome a wide range of challenges to meet our net zero carbon ambitions."

Brian Ford, Head of Capital Development Estate Services, University of Leeds



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Our Net Zero Catalyst solution

Empowering organizations to cut their carbon emissions

GBA: **Resilience** | Country: **Global application**

Achieving net-zero targets requires a fundamental shift in the way organizations operate. That's why our sustainability advisory experts from around the globe joined forces to develop a powerful digital solution that translates ambitious climate goals into concrete, actionable strategies. Paired with our advisory services, Net Zero Catalyst – launched at the end of 2024 – provides organizations with a clear, step-by-step path to achieving net zero by integrating a unique blend of cost-benefit analysis, data visualization, and measurable impact scoring.

The solution was designed through close collaboration with our clients and drew on real-world experience from our projects. For example, we helped a European real estate developer design an end-to-end, actionable net-zero plan – from quantifying carbon emissions, to setting a reduction target, to implementing strategies across its portfolio. For another client, a prominent US transportation provider, we conducted a robust climate risk assessment and developed key performance indicators to integrate climate strategy into overall business risk management. These projects helped us shape Net Zero Catalyst's features, ensuring the tool's metrics are robust and aligned with real-world client needs.

60-90%
potential reduction in GHG emissions

100+
decarbonization **recommendations available**

"Our vision is to enable more organizations to act on climate, accelerating the transition to net zero and improving quality of life for all."

Kealy Herman, Global Technical Director, Net Zero Strategy



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Solutions to Cartagena's water challenges

Planning for a resilient future in Colombia's port city

GBA: **Resilience** | Country: **Colombia**

In its culture, economy, and urban layout, water is central to the Colombian city of Cartagena. However, a range of challenges – from climate change to fast-paced urban growth and socio-economic inequality – threaten the health and sustainability of Cartagena's waterways. The Water as Leverage (WaL) project is about finding solutions that work for the city's people and for the environment.

Our consortium of Colombian and Dutch experts developed concept designs to address Cartagena's water-related challenges. During 2024, we advanced three of these designs to the pre-feasibility stage. Sustainable solutions integrated into our designs include mangrove restoration, circular water management solutions, water transport initiatives to benefit locals and tourists, and collecting and processing waste to prevent clogging of water bodies. With ongoing community engagement through workshops, we have reached out to hundreds of community members to ensure that the designs align closely with local needs. The next phase will see one final design detailed to the feasibility stage, focusing on bankability to support future investment.

500 km²
water body included in the **La Bocana WaL project**

50,000
estimated **population in flood zone**

"By combining local input with our own technical expertise in water management, we've set out a path to a more resilient future for Cartagena."

Jeroen Klooster, Senior Economist



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Places

Summary highlights of our performance in 2024

There have been many bright spots in 2024, despite challenging market dynamics. Highlights include our successes in designing and delivering data centers, meeting the growing demand for semiconductor technologies, and shaping the urban environment across residential and government projects.

Total headcount
in 2024

12,006

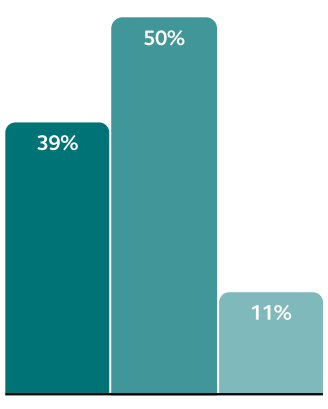
2023: 12,505

Total net revenue
in millions of euros

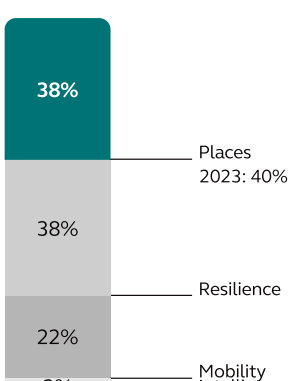
1,478

2023: 1,509

Geographical
Net revenues 2024 / Full Year in %



Total revenue
as % of total Arcadis



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Agility and collaboration with our clients

This year, we have continued to evolve to meet the changing needs of our clients. As they have met with market and regulatory challenges, we have been with them every step of the way. Our people continue to be a differentiator for us, with our market-leading talent bringing valuable perspectives and experience to benefit clients. Further integration of our acquired entities has opened the door to exciting new projects, recognizing the breadth of capability and skills that we have within our business.

Of course, this is not only about agility within Places, but also about collaboration across the GBAs. Our partnership with brewing company Heineken is an example of this, won with the help of our colleagues from Resilience and Intelligence. This project will see different parts of the Arcadis business come together to help Heineken reduce energy demand at its production and logistics sites and support the company's transition to renewable energy.

Partnering for success

Decarbonization is a huge challenge for our clients and is not something one company can solve alone. So, whilst we have world-renowned expertise and a proud heritage in this area, it is important that we continue to differentiate and make it easier for clients to get the help they need.

Arcadis' partnerships with like-minded companies and organizations can enable us to create complementary solutions that further serve our clients. As mentioned, we're partnering with technology pioneers Honeywell on the Heineken project, who will help implement the solutions we propose and ultimately ensure an end-to-end approach to decarbonization.

Another example of an exciting partnership is our Mission Zero solution, formed through a strategic alliance between Arcadis and CoolPlanet, which enables clients with complex and large-scale industrial manufacturing facilities to move from strategy to delivery using a single contract model. This collaboration won the 'Excellence in Sustainability' category at the Irish Construction Industry Awards 2024, and we're excited to take it forward on a global scale.

Focusing on facilities

The integration of DPS Group since its 2022 acquisition has enabled us to present an even stronger offering to clients through synergistic opportunities in process engineering and advanced manufacturing facilities.

In this space, our capabilities have grown from facilitating construction, to facilitating production. We can help a client to design the physical building – but we can also go a step further by meeting the client's more complex needs in terms of process engineering, equipment, infrastructure, workflows, use of space, and energy consumption. Our clients in advanced technology, industrial manufacturing, life sciences and logistics require cutting-edge technologies and processes – including state-of-the-art machinery, automation systems, specialized controlled environments and digital technologies – in order to ensure the highest levels of safety, productivity, efficiency, and product quality. The capabilities we now bring in this area enable Arcadis to contribute significantly more value to these clients as a project partner.

In life sciences, our 'blue chip' pharmaceutical clients have continued to invest in new advanced facilities. We have also seen demand for support in the design and delivery of new facilities from semiconductor manufacturers, particularly across the US and in Europe. With government-backed incentives such as the US Chips and Science Act, we expect to see future opportunities being realized in this space.

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The data center sector has emerged as a strong growth area, as demand for computing power rises globally. As we scale-up our work in this area, we have looked for ways to facilitate sustainable practices within these projects. This has seen our architectural experts create ground-breaking facility designs that could help clients to achieve near net-zero operations, incorporating impressive advances in carbon sequestration and use of alternative fuel sources.

"This is an exciting moment for Places. Across our sectors we see many opportunities for us to go further with our clients. There are few companies like ours. We offer a unique blend of capabilities to meet challenges head-on, and are well-placed for future growth."

Juud Tempelman, GBA President, Places



Market dynamics and opportunities

Inflation and high interest rates have impacted the property sector, affecting spending among our clients around the world. Decision-making and investing has been slow. However, we are well positioned in 2025 to capitalize on opportunities as market growth returns.

Government stimulus programs

The infrastructure investment programs previously announced by various governments have been slower to get off the ground than hoped. This includes the US Chips and Science Act, intended to revitalize America's manufacturing industries, and the European Chips Act, intended to encourage semiconductor production in the European Union.

Awaiting this funding, our clients have been reluctant to make quick decisions around when and where they will spend. This has already begun to change as governments operationalize the promised investment.

Building on our existing client work, we also see more opportunities to support national governments in the management of their defense estates, particularly around repurposing former military bases and creating new homes and sustainable communities on surplus land.

Energy security and transition, and gigafactories

In last year's annual report, we highlighted opportunities for Arcadis in creating new battery manufacturing facilities – known as 'gigafactories' – to meet rising demand for battery technologies in support of the energy transition, and we have built a very strong proposition in this area.

In 2024, Electric Vehicle (EV) demand slowed, but while we have adjusted our short-term expectations, legislative imperatives signal that EV-related opportunities are likely to grow in the longer-term, alongside ongoing investment in technologies to support the energy transition.

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Our clients in this space are already benefitting from the agility and collaboration mentioned earlier as we continue to expand our offer to include process engineering and architectural expertise, alongside environmental expertise from our teams in Resilience.

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University of Toronto student housing

Designing a sustainable, energy efficient residence

GBA: **Places** | Country: **Canada**

Student housing, community spaces, conference services, and commercial facilities come together in Harmony Commons, a mixed-use residence on the University of Toronto's Scarborough campus. As Architect of Record, we were instrumental in the design, which balances the need for new student housing with the university's sustainability commitments and the need for healthy, social environments that enhance student experiences.

The design prioritizes heat retention and airtightness to improve the building's sustainability and protect inhabitants during harsh Canadian winters. Key elements include insulated steel studs, mineral wool insulation, and airtight construction. A decentralized HVAC system with variable refrigerant flow units and heat recovery strategies also ensures excellent indoor air quality. Plus, the building's cooking, heating, hot water, and cooling systems are all electric, eliminating dependence on fossil fuels.

Harmony Commons has successfully achieved Passive House status – a globally recognized certification system for energy-efficient building projects. The building's TEDI score is 13.2kwh/m^2, lower than the 15kwh/m^2 required to qualify as a Passive House.

746 beds
for first-year **students**

261,400 sq ft
space available

13.2 kWh/m²
TEDI score

"This state-of-the-art, innovative residence facility will provide an outstanding environment for living and learning, a place where friendships are forged and memories are made."

Meric Gertler, President, University of Toronto



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A sustainable post-Olympics legacy

Pioneering reversible design in Paris

GBA: **Places** | Country: **France**

The legacy of the 2024 Olympic Games is about more than just sporting inspiration. In fact, the residents of the Paris suburb of Île-Saint-Denis are now enjoying an eco-friendly community hub formerly used as a temporary residence for athletes during the summer games. With its pioneering reversible design, this project was France's first to operate under a dual use building permit. The feat was made possible through Arcadis' close collaboration with our architecture and development partners. Together, we co-developed adaptable structural solutions, including elevators, technical ducts, and even cable trays which were strategically designed to serve both athletes and, later, the local community.

To reduce the site's carbon footprint, we selected low-carbon materials, including decarbonized concrete and wood. Plus, using adaptable materials allowed the facilities to be transformed more easily once the athletes departed. Residents can now enjoy a mix of housing, a student residence, shops, a nautical base, and an arts center, all within a sustainably designed community hub. This 'eco-district' will welcome its first permanent residents in mid-2025, embodying a lasting achievement in sustainable, community-centered urban planning.

47,000 m²
space

2,700
athletes **stayed for the Olympics**

320
available **housing units**

"We were able to identify innovative ways to reduce the project's carbon footprint and implement reversible design, bringing in expertise from teams across Arcadis."

Mohammed Bounab, Project Manager



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Groundbreaking data center design

Designing one of the world's most sustainable data centers

GBA: **Places** | Country: **United States**

For data center owners, and for the communities in which they operate, energy consumption and water usage are major concerns. But what if we could create a data center with minimal carbon emissions? That was the question behind our project for our client Terra Ventures, who are building a data center in San Jose, California.

The prototype design we developed will bring the site close to net-zero carbon emissions. It includes power structures, a three-storey data center, and a greenhouse that would leverage CO_2 and H_2O byproducts to grow fresh produce. A self-sufficient microgrid powered by natural gas fuel cells would eliminate the need for backup generators while reusing waste heat to meet up to 50% of the center's cooling needs. Any surplus power would also be returned to the utility grid, creating an additional revenue stream for the site. Arcadis' innovative design combines sustainability and cost savings with significant long-term benefits to local communities.

241,050 sq ft
cutting-edge **data center**

50%
forecasted reduction in **energy for cooling**

Three-story
greenhouse designed **to sequester carbon**

"We are pushing the boundaries of sustainable design, finding bold alternatives to the norm and taking cues from nature."

Jeff Gyzen, Global Practice Group Director, Mission Critical & Industrial Facilities, Arcadis



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Mobility

Summary highlights of our performance in 2024

2024 was a successful year for Mobility, as we continued to deliver strongly for our key clients and won major new multi-year projects which set us up for success in 2025 and beyond. We've also made progress on diversifying our project portfolio to include more asset and operational management work, incorporating leading digital and artificial intelligence (AI)-driven software solutions.

Total headcount
in 2024

6,549

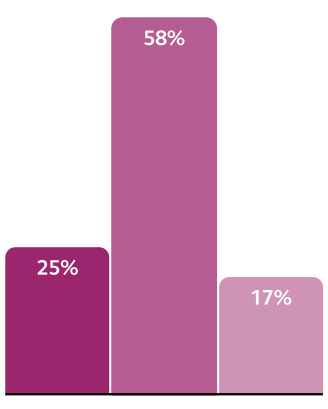
2023: 7,018

Total net revenue
in millions of euros

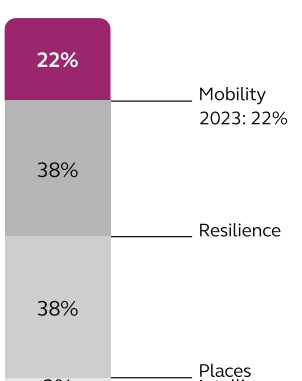
861

2023: 814

Geographical
Net revenues 2024 / Full Year in %



Total revenue
as % of total Arcadis



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Three major multi-year project wins

Across our pursuits in 2024 we demonstrated strong credentials and expertise in decarbonization and sustainability, presenting ideas to minimize carbon and looking holistically at whole-of-life costs. Arcadis' teams in different countries came together to win three major multi-year projects through a truly global, collaborative effort – and our success highlights positive results from our global work sharing and major projects initiative.

Enhancing resilience and efficiency with digital solutions

Our clients are increasingly looking for data driven insights to improve the efficiency of their programs and assets.

Synergistic opportunities across the GBA's, in particular with Intelligence, continue to drive growth. By the end of 2024, our Intelligent Asset Insights (IAI) product was being implemented in the Netherlands, Canada, and across six US states. IAI uses automated data collection and advanced data analytics methods with AI to monitor and track assets and generate insights to optimize the asset life cycle and its maintenance.

For bridges, one of the most complex assets to inspect with accuracy, we offer Bridge Health – a detailed bridge inspection service using AI and machine learning. Bridge Health was the winner of the Innovation of Bridge Inspections Award at the 2024 NCE Bridges Awards. In 2024 we worked with National Highways UK who have approximately 22,000 structural Assets in their remit. Using our Bridge Health Service we implemented drone technology, acoustic monitoring combined with AI to identify defects in the structure. The outcome of using this technology is a smarter, safer and more efficient method to manage assets.

In rail, we also have technology that can help us detect signal failures and overhead power issues before they occur, significantly reducing delays. This is deployed through Asset Rail – a joint venture in the Netherlands delivering performance-based asset maintenance.

- **Hudson River Tunnel, New York, US.** As part of the joint venture Mace-Parsons-Arcadis (MPA Delivery Partners), we've been selected as the delivery partner for this USD $16 billion project. We will help improve the capacity, reliability, and resiliency of commuter and intercity rail transit on the busiest section of the Northeast Corridor, which serves 800,000 daily passengers from Washington DC to New York, New Jersey, and New England. Sustainability and community engagement are strong themes for our client, Gateway Development Corporation, with environmental, social, and economic sustainability woven throughout every phase of their project packages for the Hudson Tunnel Project.

- **Fraser River Tunnel, Vancouver, Canada.** Arcadis will help deliver the CAD $4.15 billion Fraser River Tunnel Project as Design and Engineering Consultant to the Cross Fraser Partnership consortium. The new eight-lane, immersed-tube tunnel will replace the existing George Massey Tunnel on Highway 99 and promote more sustainable travel by featuring a dedicated public transit lane in each direction and a separate multi-use path for pedestrians and cyclists. To realize this project, we are bringing together the best of Arcadis from across the business. Mobility Canada is working in partnership with Mobility colleagues in the Netherlands, where Arcadis has significant immersed-tube tunnelling expertise, and we're also bringing in contributions from across all GBAs, spanning ten countries. The project will ultimately improve travel times, alleviate congestion, enhance safety, and support local economic growth by increasing connections in the region.

- **Torrens to Darlington (T2D), Adelaide, Australia**. As part of the T2D Alliance, we will deliver this AUD $15.4 billion project with 10.5km of non-stop motorway between the River Torrens and Darlington, completing the 78km North-South Corridor. The project will provide safe and efficient journeys for motorists, pedestrians and cyclists, connect open spaces and recreational facilities, and unlock economic opportunities and growth for South Australia.

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Our pioneering platform for data collaboration, DynDash™ , has also transformed key European Rail Traffic Management System (ERTMS) projects in the Netherlands by integrating the various complex dimensions of rail design – making data visualization, manipulation and verification fast, effortless and accessible.

These solutions bring together digital and human innovation, with our talented Arcadians working closely with clients to meet their goals. That includes net zero and sustainability goals, as these solutions can help minimize carbon emissions, improve efficiency and enhance asset lifecycles.

"Our big project wins in 2024 are testament to how we're coming together as a global team and making the most of the huge talent and digital capability we have within Mobility."

Greg Steele, GBA President, Mobility



Market dynamics and opportunities

This is an exciting time in the transport and mobility sector, as countries and cities look to the future while tackling the challenges of the present – including decarbonization, network reliability, ageing infrastructure, and the complexities of modern cities. Amid many uncertainties, there are a multitude of opportunities Mobility can seize by being agile and leveraging our global workforce and skills.

Decarbonization of the transport sector

The economic drivers behind decarbonization remain intact, continuing to drive investment and reinforcing the momentum towards a low-carbon future. Notably, there has been a significant swing into transit such as rail and trams, and active mobility including walking and cycling, in order to reduce carbon emissions and improve quality of life in urban areas.

In the highway space, there is a notable trend towards using technology and intelligent transport systems to maximize efficiency, increase safety and improve the overall user experience. Different countries and cities are at very different stages in rolling out electric vehicle (EV) infrastructure and incentivizing EV uptake, but in some regions we're now seeing these two areas coming together. More futuristically, some cities are really getting ready not just for autonomous vehicles, but also for advanced air mobility (AAM). That's something we're already involved with in San Diego, where we are developing the city's policy for AAM and Electric Vertical Take-Off and Landing (eVTOL), helping the client think through all of the potential implications of these new mobility modes and their interfaces with other systems.

In the ports and maritime sector, we are seeing a particularly strong – and collaborative – move towards decarbonization, with the whole shipping industry in support, even if the financial costs of the transition are enormous. We're already working with clients including DP World to dramatically cut their energy consumption, improve efficiencies, and reach their sustainability ambitions.

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Political change, regional dynamics

Elections and changes of government in the US, UK, Belgium, France and the Netherlands led to a period of uncertainty in 2024, leading to some delays in decision making on public sector projects. As a result, we've seen weaker markets in some countries (including the UK and Australia) and stronger growth markets in others (such as Canada).

Different countries are also at different stages with their infrastructure renewal needs. In Australia the last two decades have brought a lot of new transport infrastructure, so the need for further projects is not as strong. By contrast, the US and Germany are on an upswing, because they're having to invest in addressing their aging assets. The UK also has aging transit infrastructure that urgently needs investment to make it fit for purpose, and we are cautiously hopeful for an uplift in that market in 2025. In the Netherlands, the slowdown in infrastructure projects is more related to restrictions on nitrogen emissions, a situation we continue to monitor as it develops – while in Canada, demand is driven partly by the needs of a growing population.

With these dynamics in mind, we see an opportunity for Mobility to strengthen its business in North America, being agile about how we use our global workforce. Secondly, as new governments come in, we can open conversations to help them understand their infrastructure challenges and potential solutions.

Shifting to asset and operations management

Many countries are grappling with how to get the most out of their existing transportation infrastructure. Cities are facing complex challenges as urban populations grow and place greater strains on their transit systems. Public sector bodies seek ways to manage their mobility infrastructure more efficiently and cost-effectively, and more sustainably – minimizing negative environmental impacts such as emissions and air pollution. From 2025 the Yarra Journey Makers joint venture (comprising Transdev and John Holland) will be using our Enterprise Decision Analytics (EDA) software - a cross-GBA product in collaboration with Intelligence - to optimize maintenance and operational spend on the Yarra Trams network in Melbourne.

Considering these dynamics together, we see a large-scale, long-term opportunity to shift our portfolio towards clients' operating expenditure (OpEx) rather than capital expenditure (CapEx). Not only will this meet the needs of our clients – current and future – but it will also ensure a steady stream of revenue for our business. Many of the solutions we can offer our clients include smart deployment of digital products and services, for this, thanks to our new operational organization, we will work in full integration with our colleagues from the Intelligence GBA in our new Intelligent Mobility Services (IMS) business, to ensure digital solutions are natively embedded in our approach, alongside our strategic advisory services and our technical offering.

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Smarter traffic management in the Netherlands

Providing Noord-Holland with Traffic Management as a Service

GBA: **Mobility** | Country: **The Netherlands**

The province of Noord-Holland has switched to a Traffic Management as a Service (TMaaS) solution that efficiently and effectively handles traffic monitoring, data analysis, and real-time interventions. Developed by Arcadis, Trigion and Equans (as ATEam), this solution enables smarter, cleaner, and more sustainable use of Noord-Holland's extensive road network. ATEam crowd sources and collates data from more than three million users of the Dutch mobile traffic app Flitsmeister, and uses advanced tools such as intelligent traffic lights and smart cameras to quickly respond to traffic issues, for instance by managing traffic jams or prioritizing public transport.

With our ten-year agreement in place, the province's road transport authority can now focus its efforts on infrastructure policy implementation and direction, leaving ATEam to manage day-to-day operations of complex technical systems. This strategic shift to TMaaS not only addresses a shortage of available traffic management experts, but has also led to a reduction in operating costs. Moving forward, our client will always have access to the latest, most innovative and safest technologies as we continuously improve our offering.

500
dispatches of **emergency services** per month

750
connected **traffic management systems**

5,100
crowdsourced app triggers processed per month

"Traffic Management as a Service is accessible to all infrastructure asset owners, and an especially good fit for those with specific goals for maintaining traffic control, safety, sustainability and accessibility."

Gerben Quirijns, ATEam Project Director



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Measuring HS2's impact

Demonstrating the economic effects of HS2 on the West Midlands

GBA: **Mobility** | Country: **United Kingdom**

Since the HS2 project received Royal Assent in 2017, the areas surrounding the planned HS2 stations in the West Midlands – such as Birmingham Curzon Street – have witnessed a wave of regeneration and investment. Yet, the potential economic impact of the rail project was unmeasured, based primarily on anecdotal evidence and individual case studies. Arcadis played a pivotal role in quantifying this impact, delivering the first comprehensive study to capture the economic benefits HS2 has brought – and will bring – to the region.

Drawing on 13 years' worth of planning application data from every local authority within 10 miles of the new HS2 stations, we compared development trends from before and after Royal Assent. Our analysis revealed that HS2 has catalyzed a strong increase in planned residential units, commercial floorspace, and overall investment, far outpacing growth in areas outside HS2's influence zones. The additional development linked to HS2 is set to deliver 704,000 square meters of new commercial space where local and small businesses can flourish, as well as tens of thousands of new homes and jobs – contributing £10 billion in economic uplift over the next decade.

41 k
additional homes

30.9 k
new jobs

£10 billion
added to the West Midlands economy over the next 10 years

"Arcadis' study provides definitive proof that investment and regeneration activity close to HS2's regional assets has surged since 2017, when HS2 from London to the West Midlands gained Royal Assent."

Iain Andrews, Head of Campaigns, Creative and Events, HS2 Ltd



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Enhancing Victoria's road networks

The Smarter Roads program

GBA: **Mobility** | Country: **Australia**

The Victorian Government's Smarter Roads program, a five-year AUD 340 million investment, was designed to enhance the efficiency, safety, and sustainability of Victoria's arterial road network. In response to Melbourne's growing population and rising demand for transport infrastructure, the program introduced 730 new traffic cameras, 260 travel time sensors, 42 electronic message signs, and 75 dynamic pedestrian sensors. These features have streamlined road operations, enhanced incident responses, and improved real-time traffic management.

Throughout the ambitious project, we provided critical expertise, offering rapid-response specialist support services and a proactive operating model for the Department of Transport and Planning (DTP). By implementing our global design solutions, the DTP gained real-time situational awareness and could execute more effective, data-driven decisions.

Our collaboration has enhanced the DTP's ability to forecast congestion and proactively manage road network demand. Furthermore, we supported the DTP's deployment of air quality roadside stations across Melbourne, monitoring greenhouse gases and noise pollution for a cleaner, healthier urban environment – and improving the quality of life for residents.

11
areas in metropolitan **Melbourne catering to pedestrian and vehicle demand**

260
travel time **sensors**

75
dynamic pedestrian **sensors**

"Arcadis has exceptional depth of knowledge in civil and transport engineering... The team's knowledge of our industry is second to none and they are always willing to help and go further than expected."

David Eales, Director of Road Operations and Transformation



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Intelligence

Summary highlights of our performance in 2024

This was a year in which we collaborated closely with Resilience, Places, and Mobility, increasingly integrating our capabilities and solutions within client offerings throughout the entire business.

Total headcount
in 2024

1,022

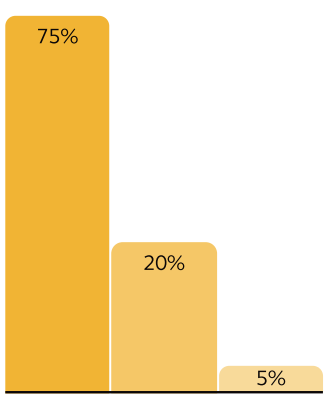
2023: 1,063

Total net revenue
in millions of euros

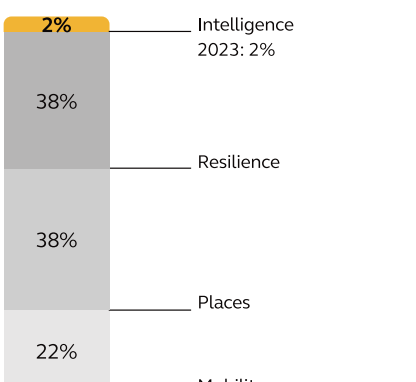
93

2023: 94

Geographical
Net revenues 2024 / Full Year in %



Total revenue
as % of total Arcadis



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Enterprise Decision Analytics

One of our flagship products that has seen significant growth is Enterprise Decision Analytics (EDA), which is a platform that companies and organizations can implement to better understand their asset portfolios so they can make data-driven decisions about investment and maintenance.

In the transport sector, one of our biggest wins in 2024 was a five-year digital asset management contract with the Ministry of Transportation (MTO) in Ontario, Canada. Arcadis will spearhead the transformation of MTO's legacy systems, consolidating disparate assets into a centralized transportation asset management system and boosting sustainability. Another big achievement in the municipal sector, where we won a contract with the City of Henderson in Nevada, US to implement EDA for water and wastewater asset lifecycle planning and optimization.

When included as part of wider projects, EDA is also a product that can differentiate Arcadis in the marketplace. The Mobility GBA's proposition for the Fraser River Tunnel included EDA as part of the overall solution, which was a major contributor to the success of our bid.

Transit, traffic and urban mobility

Intelligence's portfolio of scalable digital products can be deployed to clients across a range of different industries, and in a variety of businesses and organizations. A range of successes from 2024 are highlighted on the right.

On the services side, we now have long-term fare payment, systems integration and systems management roles with four of the largest transit agencies in North America: Metrolinx Presto (Ontario), Clipper (San Francisco), MARTA (Atlanta) and – as of 2024 – MBTA (Boston).

Using digital products to unlock benefits for clients

- Our Enterprise Asset Management (EAM) solution, Arcadis EAM Core, remains an integral part of our portfolio, with many ongoing projects with rail clients in the UK, North America, and Australia
- HotSpot, our parking management digital solution, is increasingly breaking into larger urban centers in Canada and the US.
- CurbIQ, our digital tool to help cities better understand how their curbs are working today and improve operations in the future, also had a good year – with project wins in the City of West Hollywood, California; the City of Kirkland, Washington; and Los Angeles, California, which you can read more about here.
- Our Intelligent Asset Insights (IAI) product is being used to manage pavement health across road networks in the Netherlands, US, UK, Belgium, and France, where our clients can analyze video data to assess the condition and deterioration of pavements.

Advanced industrial manufacturing and tailor-made solutions

Our Intelligence portfolio is especially focused on the mobility sector, where we had a strong year both in terms of rolling out existing projects and securing new agreements. That said, we are investing in bringing our products and services to asset management in other sectors, including the property sector. Here, we can help clients efficiently and sustainably manage their built assets – including commercial buildings, public facilities, and infrastructure assets such as water and wastewater systems.

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Embedding Intelligence's capabilities across Arcadis

Since the foundation of Intelligence, we have been making good progress in embedding our portfolio of digital products and services much more deeply into Arcadis' core business. Instilling a 'digital mindset' across Arcadis remains a priority, ensuring that digital technology and solutions are seamlessly integrated into everything we do for our clients. We continue to identify synergies between Intelligence and the other GBAs; learning what works well and enhancing our offerings to our clients by making Intelligence solutions a fundamental part of our go-to-market strategy and approach.

Through Intelligence, Arcadis is differentiating itself as a leader, offering smart, sustainable transformation solutions and products - for example in asset management, integrated mobility, smart buildings and future proof factories.

Looking ahead, we are focused not only on integrating Intelligence within client solutions across all the GBAs but also on embedding it into the way Arcadis operates globally. While we have established a strong presence in Canada, the US, and the UK, we are now expanding our pipeline of Intelligence consultancy and software product implementations across various sectors in other geographies.

By combining capabilities across multiple GBAs, products, and services, we can scale our digital solutions more effectively - harnessing the power of data to drive innovation and efficiency. Our deep understanding of markets, sectors, and clients informs our product development, ensuring we continuously enhance our offerings. With this 'One Arcadis' approach, we can deliver greater value and impact for our clients, strengthening our position as a digital leader.

- **Ontario Ministry of Transportation, Canada (Mobility/Intelligence).** We are implementing our Enterprise Decision Analytics solution to optimize investments in transportation infrastructure, consolidating disparate assets into a centralized asset management system. The scope extends beyond highways and bridges to encompass assets including lighting, traffic signals, overhead signs, airports, and intelligent transportation systems. By integrating these into a single system, we can streamline and optimize investment planning, enhance data sharing, and improve operational efficiencies.
- **Nevada Department of Transportation, US (Mobility/Intelligence).** In 2024 we were awarded multiple contracts to support Nevada's Highway Safety Improvement Program and its Multi-Application Geographic Information Center. The scope of work includes modernization of the statewide freeway management software by replacing the legacy Advanced Transportation Management System (ATMS) with our inSIGHT ATMS software. This enhances safety and reduces congestion by providing real-time situational awareness through video camera integration, traffic sensors, weather sensors, and other interfaces.
- **South West Water, UK (Resilience/Intelligence).** We secured a strategic design role with South West Water to support delivery of its capital investment program for AMP8. Our role encompasses technical advisory, feasibility studies, and outline and detailed design for capital schemes. Using digital design solutions - such as our Asset Generator software - we have been able to rapidly generate visual and data driven solutions – for example around carbon reduction strategies – early in the design process. Digital tools also play a role in our detailed process modelling, allowing us to assess and optimize the performance of both existing and new assets across multiple scenarios. This advanced modelling capability enhances our understanding of cause-and-effect relationships, so we can adapt designs swiftly and efficiently.

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- **Confidential Financial Institution, US (Places/Resilience/Intelligence).** We have been appointed to create an actionable net zero roadmap by modeling 400+ buildings (offices, retail outlets, data centers) then translating results across our clients' entire portfolio. By reviewing and assessing existing data, we are validating current net zero targets and establishing a baseline for future reductions. Our digital carbon assessment tool, known as 'COSIS', is key in identifying and prioritizing potential reduction projects, enabling us to develop a tactical roadmap that will outline short-, mid-, and long-term steps to achieve net zero.

Market dynamics and opportunities

There are potential applications for intelligent solutions across a variety of industries and sectors. Asset management is a particular priority for our clients, and we are well positioned to support them by integrating digital solutions to assist in efficient, effective and sustainable operations.

Across Arcadis, we work in many fast-evolving industries, where technological innovations are unlocking new possibilities. At the same time, public bodies and private sector companies are facing increasingly complex challenges. This includes the challenges involved in managing ageing physical assets and infrastructure in a cost-efficient and sustainable manner. Similarly, there is also demand for ways to better manage the use of shared spaces in cities – such as roads and curbsides – as urbanization accelerates and the variety of transit options expands. Such challenges drive market dynamics as clients look for partners who can help them with efficient, intelligent, smart solutions, which is where we identify significant opportunities for our business.

"Our Intelligence business is integral to unlocking opportunities across Arcadis, enabling us to maintain and improve our growth strategy. With all the capabilities that we have, and by working in collaboration with the other GBAs, we can grow even louder and prouder in the market and make a bigger impact for our clients."

Edel Christie, Chief Growth, Digital Intelligence & Advisory Officer



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An augmented mobile mapping solution

Enabling efficient urban mobility in Los Angeles

GBA: **Intelligence** | Country: **United States**

Curbside space has become more sought after than ever, with ride-shares, delivery trucks, and bike-share programs all competing for limited space alongside private vehicles. To help public authorities respond to this challenge, we partnered with Urban Movement Labs in Los Angeles to pilot an innovative, budget-friendly mapping solution. Using our specialized CurbIQ tool, we used a smartphone-based, augmented mobile mapping (AMM) solution to capture curb data across the densely populated neighborhoods of Hollywood, South Park, Warner Center, and Maywood.

Normally, mapping is a complex surveying process where operators collect street-level data using multiple cameras. However, this pilot project leveraged smartphone technology to collect imagery, reducing costs. By using a more economical data-collection method, we created a digital curbside inventory that offers a clear view of assets like parking zones and signs – making this AMM option accessible to smaller cities on tighter budgets. The mapping solution gives drivers access to a digital map showing safe parking and regulations, while city officials can use parking and curbside data to assess street redesigns, optimize transport routes, and create safe bike lanes, enhancing public services and urban mobility.

90%
signage detection **accuracy**

83 miles
analyzed

8x
faster to use AMM versus mapping **by foot**

"As a leading end-to-end curbside management solution, CurbIQ provides an innovative, efficient approach to meet the goals and objectives of cities worldwide."

Peter Richards, Product Bundle Director



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Washington DC's public property

Optimizing decision making and asset management

GBA: **Intelligence** | Country: **United States**

Washington DC and its municipalities were grappling with how to manage their assets and decide which future investment projects to prioritize based on available budgets. With more than USD 14 billion worth in assets – ranging from roads and bridges to schools and public buildings – the district needed a streamlined, accurate record of the condition of public property to maintain high standards of public services.

We introduced our Enterprise Decision Analytics (EDA) tool to create a reliable inventory of all district-owned assets, evaluating their condition and forecasting future requirements. The district gained clear insights into its assets' health and reliability, using EDA's predictive capabilities to prevent failures, cut down on maintenance backlogs, and enable informed investment planning. Our approach delivered significant results: the district achieved one of the highest bond ratings in the country for state and local governments, allowing for lower-cost borrowing. The comprehensive asset inventory analysis provides leaders with actionable data to prioritize projects, ensuring funds are directed where they're needed most.

>14$ billion

value of **Washington DC's public assets**

"With our support, Washington DC can now strategically plan for growth, improve the resilience of its assets, and elevate the quality of life for its residents."

Rob Corazzola, Global Sales Director for Enterprise Decision Analytics, Arcadis



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The UK's largest railway franchise

Helping Govia improve operational efficiency

GBA: **Intelligence** | Country: **United Kingdom**

Govia Thameslink Railway (GTR)'s fragmented legacy systems were hampering fleet reliability and timetable efficiency. Searching for a way to unlock the potential of its data, and to make its IT systems more integrated and compatible with each other, the company asked Arcadis to implement its digital solution – Arcadis Enterprise Asset Management (EAM) – across all four of its brands: Gatwick Express, Great Northern, Southern, and Thameslink.

To implement the EAM solution and unify the brands' legacy systems under one comprehensive platform, our team worked on-site with GTR's engineering, IT, procurement, and maintenance depot teams. We established asset hierarchies, a mature suite of smart mobile applications to improve the productivity of GTR's services, and hundreds of predefined reports to enable more informed decision making. GTR's key decision-makers now have swift access to insights that help improve schedule reliability and fleet management. Beyond the initial implementation, we continue to support GTR's digital infrastructure, laying the foundation for world-class engineering and asset management that will serve the railway franchise and its passengers for years to come.

50%
of UK rail fleet **managed by EAM**

20%
reduction in maintenance costs

15%
increase in productivity

"By consolidating asset data and processes, Arcadis EAM has delivered long-lasting improvements to Govia's service quality and reliability."

Matt Goram, Enterprise Asset Management Delivery Director, Aracadis



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Financial performance

We executed successfully in the first year of our strategic plan, expanding our Key Client program, automating our processes, training our people for the skills of tomorrow and increasing utilization of our Global Excellence Centers. This has driven margin expansion and strengthened our leading market positions globally. In a year marked by geopolitical uncertainty and major elections, we have continued to grow while remaining selective in the projects we pursue, improving backlog quality and further aligning our portfolio with solutions for the future of the planet. Our record backlog and pipeline provide multi-year visibility and position us well for 2025 and beyond.

Financial Highlights for the year:

- Record backlog of €3.7 billion, organic growth of 16%, from large multi-year project wins driving visibility
- Record net revenues of €3.9 billion, organic growth of 4.5%
- Strong Operating EBITA margin improvement to 11.5% (2023: 10.4%)
- Net debt / Operating EBITDA of 1.3x
- Record EPS of €2.70, proposed dividend increased by 18% to €1.00 per share (2023: €0.85)
- On track to deliver strategic targets set for 2024-2026 strategy cycle “Accelerating a Planet Positive Future”

Profit & Loss Items and Backlog

Net revenues totaled €3,880 million with an organic growth of 5%, reflecting good growth in Energy Transition, Climate Adaptation and Intelligent Highway solutions while being offset by the impact of increased selectivity in project pursuits. The operating EBITA margin increased to 11.5% (2023: 10.4%) driven by continued focus on sustainable project choices, a higher GEC contribution and internal efficiencies from standardization and automation efforts. Non-operating costs were €29 million driven by portfolio optimizations and merging of our offices.

Net financing expenses were €53 million (2023: €65 million), decreasing year on year as a result of an increased net derivative asset position. Net Income increased by 52% to €243 million (2023: €160 million) leading to a record EPS of €2.70. Net Income from Operations (NIfO) increased by 20% to €270 million (2023: €226 million), or €3.00 per share (2023: €2.51), as a result of improved performance.

Backlog Net Revenues ended at a record €3.7 billion resulting in an organic growth of 16%. A record order intake of €4.4 billion was driven by projects for clients in Mobility, Technology, Energy Transition and Climate Adaptation, and resulted in a Book-to-Bill of 1.14x for the year. Our strong backlog position and growing project pipeline are providing significant visibility on future performance.

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Balance Sheet and Cash Flow Items

We achieved Net Working Capital as percentage of annualized quarterly gross revenues of 10.8% (2023: 9.3%). As a result, Days Sales Outstanding (DSO) was 61 days (2023: 56 days). Free cash flow was €183 million for the quarter resulting in €228 million for the full year (2023: €190 million), driven by improved performance and disciplined net working capital management. The strong cash performance resulted in further deleveraging from 1.7x Net debt / operating EBITDA in 2023 to 1.3x for 2024, below the strategic target range of 1.5 – 2.5x. Net debt decreased to €739 million (2023: €873 million) and includes a €51 million share buyback program for long term incentive purposes.

Investor Relations Policy

Arcadis has an active investor relations policy aimed at supporting the company's long-term plans by keeping existing and potential shareholders fully abreast of its strategy and latest operational and financial developments. To emphasize its focus on the long term, Arcadis releases a trading update for the first and third quarters of the year, and a full set of financial results for the full and half-year. Four times a year, at the presentation of its results, Arcadis hosts an analyst call, which is broadcasted live.

In 2024, Arcadis held investor roadshows and participated in (virtual) investor conferences in the world's major financial centers including Boston, Brussels, Chicago, Copenhagen, Frankfurt, London, New York, Paris, Stockholm and Toronto. Approximately 236 investors' meetings were held in the year.

Arcadis shares in general

Arcadis shares are listed on Euronext Amsterdam under the symbol ARCAD, where it is a constituent of the Amsterdam Midkap Index (AMX). The average daily trading volume in Arcadis shares on Euronext Amsterdam in 2024 was 262,379 shares, an increase of 36% versus 2023. Of the total volume traded, 70% of the shares were traded via Euronext, 29% via BATS, and 1% via Equiduct.

The largest shareholders in Arcadis

Lovinklaan Foundation	19%
APG Asset Management N.V.	6%
Amundi Asset Management	5%
Katalys[1]	4%
Capital World Investors	4%

[1] Arcadis has a long-standing and close co-operation with Katalys (formerly named Koninklijke Nederlandsche Heidemaatschappij) with respect to realising Arcadis' corporate social responsibility initiatives.

Share Price Development and Equity Research

Over 2024 Arcadis' share price increased by 20% to €58.80, outperforming its peer group, that increased by 13% over the year and the AMX index with a -10% result for the year. Arcadis equity research coverage increased from 11 to 12 active analysts over the year, with UBS onboarded. For a list of our current analysts' coverage please refer to: https://www.arcadis.com/en/investors/research-coverage

Arcadis' Peer Group

The peer group consisted of the following publicly listed companies in the consulting and engineering industry with activities and size comparable to those of Arcadis:

Aecom (New York Stock Exchange)	Spie (Euronext Paris)
AFRY (The Nordic Exchange, Stockholm)	Stantec (Toronto Stock Exchange)
Alten (Euronext Paris)	Sweco (The Nordic Exchange, Stockholm)
Atkins Realis (Toronto Stock Exchange)	Tetra Tech (NASDAQ)
Fugro (Euronext Amsterdam	Worley (Australian Securities Exchange)
Jacobs (New York Stock Exchange)	WSP (Toronto Stock Exchange)

Investor Relations Calendar

7 May 2025	2025 Q1 Trading update
16 May 2025	Annual General Meeting of Shareholders
31 July 2025	2025 Q2 & Half Year Results
30 October 2025	2025 Q3 Trading Update

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Sustainability statement

Introduction and General Disclosures
Environment
Social
Governance
Sustainability statement annex
Glossary definitions and (estimation) methodologies



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Introduction and General Disclosures

Sustainability strategy

We are delighted to present Arcadis' first Sustainability Statement. We start this statement by outlining our ESG ambitions.

Our 2024-2026 Strategy - Accelerating a Planet Positive Future - sets our course to further excel in sustainability by integrating sustainability into how we run our own operations and into how we approach the projects we undertake for our clients. This strategy provides our people and our business with a clear purpose, as well as guiding us towards achieving our commitment to investors.

Based upon our company mission, 'improving quality of life', we find solutions to today's most pressing challenges, from the impact of climate change to increasing urbanization and digital transformation – all with the ultimate goal of improving quality of life for people around the world. This can be seen in the work we do for our clients, the opportunities we create for our people, and in our efforts to enhance the communities in which we live and work. The new strategy was defined with our core values – People First, Client success, Integrity, Collaboration and Sustainability – as strong foundation.

Increasingly, sustainability is key to getting projects funded, to securing acceptance by society and to winning work. Incorporating sustainability into our work can bring benefits like pricing power, cost reductions, a stronger labor market position, business opportunities for new products and services, as well as a reduction in risk and better access to capital. Sustainability is a key design principle when we work with our clients. Through our solutions, we are committed to contributing to the sustainable development agenda and having a positive impact on society, the people, and communities where we operate.

In support of mitigating climate change and improving equity, we intend that our Sustainability Statement provides relevant information that enables investors to make informed sustainability-related investment choices. Overall, the Sustainability Statement will serve to inform and involve them in our stakeholders in our ESG implementation journey.

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Arcadis will partner with clients on sustainable project choices that benefit their business and communities, and that support the Paris Agreement ambitions to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels by 2050. To this end, we will sharpen our pursuits and business selection criteria to deliberately focus on projects that accelerate a planet positive future and add the most value. We commit to achieving net zero across Arcadis' global operations by 2035.

Our commitment for 2024-2026 is to empower our people to shape their own future and advance their careers. We want them to develop new opportunities, to help them make choices based on their capabilities. This will allow us to continuously upskill and align expertise to the needs of our clients and their projects around the world. In 2024, we became a Skills Powered Organization, aiming to expand towards over 2,500 skilled energy transition professionals in our teams, and grow numerous capabilities in our GECs. These investments will ensure the long-term resilience of our people while enabling us to future-proof our business.

Sustainable Development Goals as strategic guiding principles

In previous years, the United Nations (UN) Sustainable Development Goals (SDGs) served as strategic guiding principles for Arcadis. With the introduction of CSRD, we have reviewed the selection of our 'focus SDGs' and 'special impact SDGs'. This review was based on the double materiality analysis (DMA) we carried out in preparation for CSRD implementation and compliance. Following this review, we have connected and integrated several SDGs into our CSRD implementation approach. Arcadis had previously developed five key sustainability lenses based on the UN SDGs. These lenses are: Energy & Carbon, Circularity, Nature & Biodiversity, Water Stewardship, and Societal Impact. Below, we have outlined how each of these key sustainability lenses relates to the European Sustainability Reporting Standards (ESRS), which form the backbone of our Sustainability Statement.

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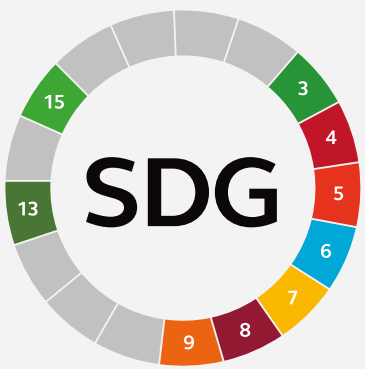
SDG Framework



SDG 3 Good health and wellbeing

Ensure healthy lives and promote wellbeing for all at all ages.

What we do:
- Proactive risk mitigation for health and safety for all staff activity
- Integrate wellbeing into all aspects of our people's work

SDG 4 Quality education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

What we do:
- Life time learning for our people
- Promote technical education for women and children

SDG 5 Gender equality

Achieve gender equality and empower all women and girls.

What we do:
- Top company for women according to Forbes, Bloomberg and Financial Times
- Working with women-owned small businesses

SDG 6 Clean water and sanitation

Ensure availability and sustainable management of water and sanitation for all.

What we do:
- Water supply and waste water treatment design
- Water network optimization, leakage prevention

SDG 7 Affordable and clean energy

Ensure access to affordable, reliable, sustainable and modern energy for all.

What we do:
- Energy transition consulting
- Assist clients in decarbonization programs

SDG 8 Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

What we do:
- Make *sustainable project choices* when engaging with clients
- Create a skills powered organization

SDG 9 Industry, innovation and infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

What we do:
- Climate adaptation consultancy
- Industry 4.0 – Facilities of the Future

SDG 13 Climate action

Take urgent action to combat climate change and its impacts.

What we do:
- Climate adaptation solutions
- Set SBTi approved net zero target for 2035
- Help optimize the energy transition pathway for companies

SDG 15 Life on land

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

What we do:
- Assist clients in soil and water remediation projects
- Design nature positive solutions

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Energy & Carbon

Our effort to mitigate future climate change impacts by taking the whole life approach to reduce carbon and cost in client projects through more sustainable design, construction and use. This lens reflects SDG 7 (Affordable and Clean Energy), as well as SDG 13 (Climate Action). All detailed information on these topics can be found in our ESRS E1 Climate change chapter.

Water Stewardship

A holistic approach to water resources that engages stakeholders comprehensively to achieve environmentally sustainable, socially equitable and economically beneficial water use for all, while ensuring the long-term health of water resources and the communities that depend on them. SDG 6 (Clean Water and Sanitation) aligns with this lens, and via ESRS E3 Water and marine resources chapter we report our detailed approach to this topic.

Circularity

A whole lifecycle approach to resource planning and efficiency with an aim to reduce waste, recycle, and move towards biobased and circular materials. Although the focus is on how materials can be reused or repurposed at the end of their initial useful life, planning for this starts at the earliest phases of a project. This lens is connected to SDG 9 (Industry, Innovation and Infrastructure). Detailed reporting is found within ESRS E5 Resource use and circular economy chapter.

Nature & Biodiversity

A project approach that recognizes the financial and non-financial values that can be delivered by incorporating nature and biodiversity positive elements into designs and aims to maximize the benefit to the project owners and habitats/ecosystems. This lens connects to SDG 15 (Life on Land) and reporting can be found via the chapters ESRS E2 Pollution and ESRS E4 Biodiversity and ecosystems.

Societal Impact

Recognition that the projects we deliver have an impact that extends far beyond the project owner. An effort to ensure that all stakeholders are considered and the impact of our projects is positive and just, while respecting human rights and promoting health and wellbeing. SDG 3 (Good health and well-being), 4 (Quality education), 5 (Gender equality) and 8 (Decent work and economic growth) fall within the scope of this lens, and reporting can be found in the ESRS S1 Own workforce and ESRS S2 Workers in the value Chain chapters, as well as the social impact program “Local Sparks”, covered in our strategy update.

For further details on Arcadis’ products offering, headcount details and revenues per each of the areas in which Arcadis is active, see also the Executive Board Report, within the updates on our Global Business Areas and the ‘At a glance’ pages.

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Benchmarks

Arcadis measures, monitors, and communicates its sustainability performance in a manner that is transparent and responsive to the needs of stakeholders. Our ESG performance is reflected in several third party assessed ESG performance benchmarks and assessments, including Sustainalytics, CDP, MSCI, ISS and EcoVadis. We take a pro-active approach in disclosing our policies, programs, actions, and results. We welcome feedback from these ESG rating agencies on our journey to continuously improve and maximize our positive impact to society, through the projects we undertake for our clients, in our own business operations and through the way we engage with people and communities.

The table below shows our scores for several key ESG-related rating agencies over the last two years.

	Score		Rank	
	2024	2023	2024	2023
Sustainalytics (Lower ESG Risk Rating score = lower risk)	ESG Risk Rating: 15.5	ESG Risk Rating: 15.3	Top 2% (3rd place) in industry Top 14% of all companies (15,000+ companies)	Top 2% (3rd place) in industry Top 12% of all companies (15,000+ companies)
EcoVadis	Overall score: 84/100 points Platinum medal	Overall score: 77/100 points Platinum medal	Top 1% of industry Top 1% of companies globally	Top 1% of industry Top 1% of companies globally
MSCI	AA 'Leader'	AA 'Leader'	N/A	N/A
ISS ESG Corporate Rating	C+ 'Prime status' (designated status for industry leaders)	C+ 'Prime' status	Within top 10% (1st decile) of industry	Within top 10% (1st decile) of industry
CDP Climate change questionnaire	B	A-	Management category	Leadership category

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CSRD - General disclosures

Statement of compliance

The Sustainability Statement for the financial year ended 31 December 2024 has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and is compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation). We draw your attention to the fact that this Directive has not yet been transposed to the Dutch national law, which might lead to different interpretations in future.

In line with the requirement in ESRS 1, we have included the prescribed disclosures pursuant to the EU Taxonomy regulation (Article 8 of Regulation (EU) 2020/852 and the accompanying delegated acts) as a separately identifiable chapter within the Sustainability Statement. The publication of the detailed tables required by the Taxonomy Regulation can be found in the annex.

Arcadis remains committed to the Sustainable Development Goals (SDGs) and the Task Force on Nature-related Financial Disclosures (TNFD), albeit with a lighter emphasis than in previous years. The Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), and United Nations Global Compact (UNGC) are fully incorporated into the ESRS.

Regarding the reporting framework, Arcadis seeks compliance with the ESRS and utilizes the EFRAG GRI-ESRS interoperability index for cross-referencing with the GRI standards. ESRS E1 fully incorporates the TCFD guidelines according to the EFRAG reconciliation. Lastly, Arcadis has been a member of the United Nations Global Compact (UNGC) since 2009 and supports the Ten Principles regarding four areas: human rights, labor standards, environmental stewardship and anti-corruption. Our operations and strategy reflect the UNGC principles and our membership of UNGC is a testament to our commitment and our ambition to be a sustainability leader. Our UNGC Communication of Progress (CoP) is available on our website.

Basis of preparation

Scope

The Sustainability Statement incorporates information about Arcadis N.V., encompassing its controlled entities in scope of consolidation in the Consolidated Financial Statements (as included in Note 1 to the Consolidated Financial Statements). Where applicable, information presented contains information about own operations and value chain, including products, services in business relationships and its supply chain. This Sustainability Statement represents the consolidated sustainability statement of the Group. Henceforth, any reference to a sustainability statement will pertain to the consolidated sustainability statement. Arcadis is applying the option to omit specific information related to intellectual property, know-how, or innovation results.

Arcadis has a global business model, which is applied throughout all our departments and the countries and jurisdictions we work in; no exceptions are made to this global approach. Similarly, the implementation of CSRD has one approach without differentiations: we have global standards, global policies, global targets and a global way of working. Potential regional differences in Impacts, Risks and Opportunities are addressed in this global approach. For illustrative purposes some local examples have been added into the Sustainability Statement.

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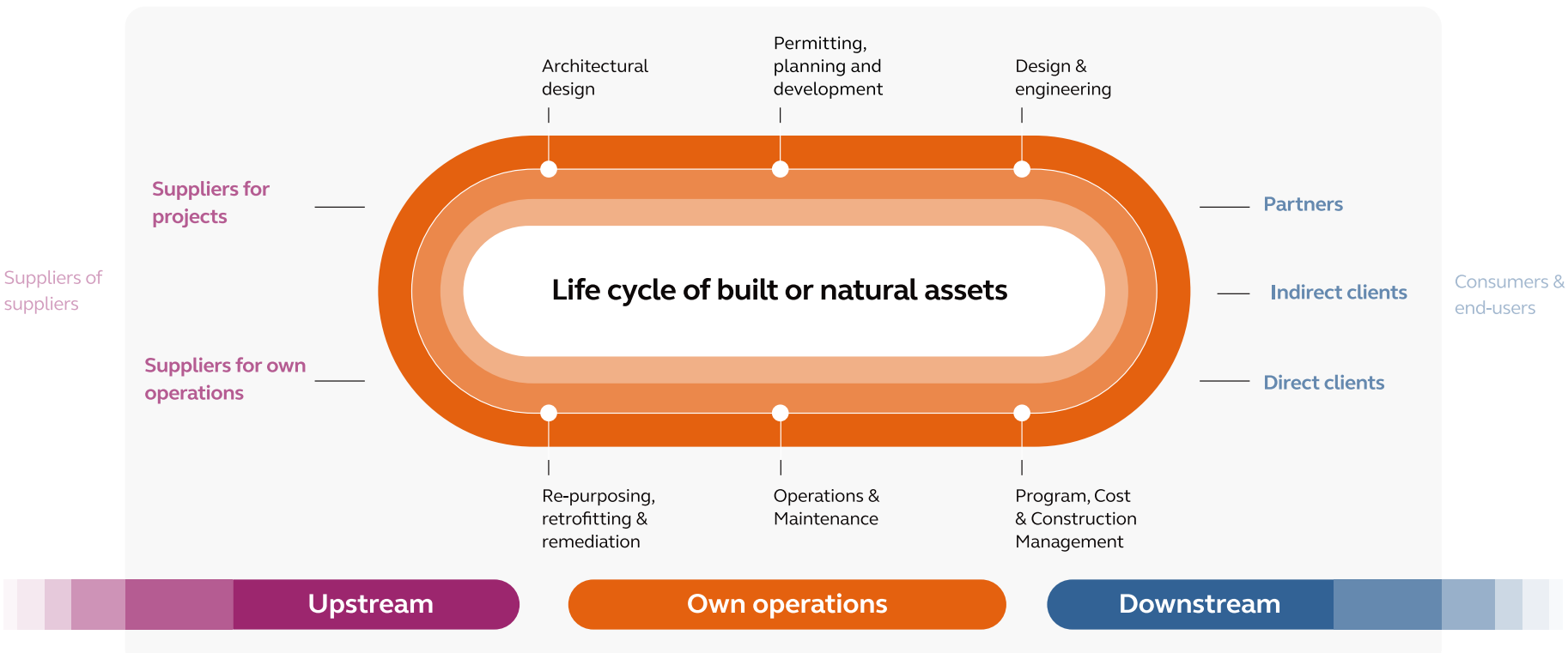
Value chain

The term “own operations” refers to our workforce, and the elements of our operations over which we have direct operational control.

In our upstream and downstream value chain, we recognize participants as follows:

- Upstream: The actors in our upstream that provide products or services that are used in the development of Arcadis products or services, including procurement activities linked to our project execution and ongoing business operations.
- Downstream: The actors that receive products or services from Arcadis, including clients and the assessment of (outcomes from) our projects. We report on certain aspects of the value chain by presenting detailed strategic information in a qualitative manner rather than quantitative, due to the sensitivity of this market information. This approach is primarily reflected in the required quantifications when addressing value chain-related risks and opportunities.



From a value chain perspective, we expect our suppliers to conduct their operations in an environmentally, socially, and economically responsible way and to use their influence to help ensure the same happens within their own supply chains. We also carefully select the clients we want to work with, and we subsequently vet the projects we want to engage in. This is enacted via client due diligence as well as via "making sustainable project choices", one of the three strategic focus areas of our 2024-2026 Strategy, as outlined in our Executive Board Report. Within our service delivery we adhere to the applicable standards as defined by local legislation and regulation and align with standards set by our clients, as applicable. When a project is closed out, Arcadis hands over responsibility for the project to the client. Upon acceptance by the client, our involvement stops. If a product or service provided by Arcadis proves defective, we may become re-involved in a project. Reporting on value chain-related matters will be established throughout the allowed phase-in period of three years. These three years of extra time are granted by the European Commission to prepare reporting on the most challenging and hard-to-obtain data.

Double Materiality Analysis

An important cornerstone of ESRS disclosures is the double materiality assessment (DMA). This assessment determines the material sustainability matters (and their associated impacts, risks and opportunities) about which a company must disclose. The double materiality process and outcomes are described in the "impact, risk and opportunity management" section of this chapter, with additional details provided in each ESRS chapter. Based on the material topics and the identification of material IROs, we have determined which data points are considered material and fall within the scope of this Sustainability Statement. The data point list was formed in accordance with EFRAG's Implementation Guidance 3 – List of ESRS Data Points. We then assessed each data point at the data point level to confirm its materiality. The outcome of the DMA serves as the starting point for our topical disclosures, as outlined in the Environmental, Social, and Governance chapters. Where applicable, Arcadis makes use of the possibility to phase-in certain disclosure requirements during the transitional period.

The double materiality assessment process may be impacted in time by sector-specific standards to be adopted. The sustainability statement may therefore not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder may consider important in its own assessment.

Time horizons

In general, Arcadis assesses material impacts, risks and opportunities (IROs) over the short, medium and long term. For forward-looking information on Arcadis' material IROs in the Sustainability Statement, Arcadis defines:

- One year as short term;
- Between one year and three years as medium term; and
- More than three years as long term.

The time horizons are aligned with the annual financial reporting period and the three-year strategic cycle adopted at Arcadis. An exception is made for the climate-related risks and opportunities identified under ESRS E1, which were aligned with the time horizons applied for Arcadis' TCFD 2023 submission and which have therefore not been updated for 2024. For these disclosures, the time horizons are: short term (0-3 years, from 2023 to 2026), medium term (3-8 years, from 2023 to 2031), and long term (10-30 years, from 2023 to 2050).

Sources of estimation, outcome uncertainty and comparative data

The preparation of the Sustainability Statement requires management to make judgements, estimates and assumptions that may affect the reported information. The estimates and assumptions are based on industry standards, experience and various other factors that are believed to be reasonable under the circumstances. The use of estimates as well as the use of indirect sources such as sector-average data or proxies is explained in each topical standard chapter where applied, and is detailed in the Glossary. The most significant estimations are made within the carbon footprint measurement and within the calculations of the metrics regarding payment practices, followed by calculations for metrics in the Water and Waste paragraph. Indirect sources of data are used in the carbon emission scope 3 category 1 reporting, for which we used inputs from CDP (see the E1 chapter and Glossary comments on Estimates). Where feasible, the quantitative data in this report is presented alongside comparative data from the previous financial year for context and clarity. In case of changed definitions, we have restated the comparative data if the change is greater than our threshold of 5% change in the total corporate-wide GHG emission inventory relative to the previously reported value.

Changes in preparation or presentation of sustainability information and prior period errors

Arcadis' GHG inventory has been adjusted for the year 2023 due to an update in our calculation methodology for the estimated part of our purchased goods and services. The published value for the year 2019 doesn't change because the calculation methodology resulted in a difference that is below our threshold of 5% change in the total corporate-wide GHG emission inventory relative to the previously reported value. The 2023 reported value for scope 3 category 1 changed from 181,000 to 202,000 (tCO_2eq). Additional details are presented in chapter E1.

EU taxonomy results have been adjusted retrospectively for the year of 2023 after additional analysis in 2024. Eligibility for 2023 went up from originally reported 17.7% to 34.8% following the addition of the revenues of most of the Environmental Restauration solution. Alignment went down from 13% to 0% as the ongoing effectiveness tracking of our adherence to UN Global Principles on Human Rights is on several ways already in place, but not yet on all aspects, and by that is not meeting all alignment criteria. Any other changes in underlying calculation methodologies are explained in each topical standard chapter where applied.

Incorporation by reference

Some ESRS are closely linked to requirements that Arcadis is already subject to, for example the requirements prescribed in the Dutch Corporate Governance Code to describe our governance structure. These requirements are therefore not included in the Sustainability Statement, but in other relevant chapters of the Arcadis Annual Integrated Report, and we incorporate information by reference to those chapters.

- Information of strategy, business model, headcount and revenue per GBA, and the relevance of material sustainability matters: as included in Executive Board Report (Accelerating a planet positive future, Our current strategic context, Strategy progress update, The Global Business Areas).
- Information related to the administrative, management, and supervisory bodies: as included in Governance & Compliance Chapter (Introduction to the Executive Board and the Executive Leadership Team, Composition of the Executive Board, Composition of the Executive Leadership Team, Introduction to the Supervisory Board, Composition of the Supervisory Board, Supervisory Board Report, Other Governance information).
- Sustainability-related performance in incentive schemes: as included in Remuneration report (Short-term Variable Remuneration, Long-term variable remuneration: performance shared).
- Information related to the Arcadis Risk and Control framework: as included in the Enterprise Risk Management chapter.
- Information on compliance and governance regarding business conduct in supplier relationships and payment practices as included in the Governance section within the Business Ethics chapter.
- Specific monitoring details of AGBP and the Grievance System as included in the Business Ethics chapter under Monitoring and Accountability, Integrity Line, Seek Advice, and Speak Up.
- Information related to current financial effects of the entity's material risks on its financial position as included in Enterprise Risk Management section in the Governance and Compliance chapter.

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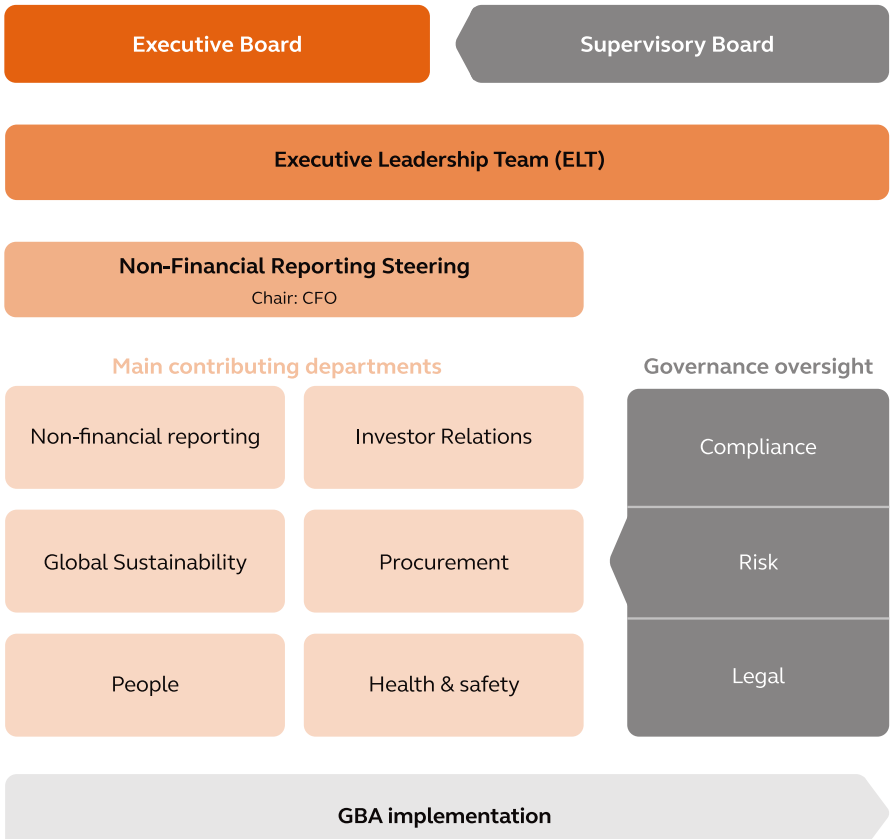
Governance of sustainability matters

Below, we set out the governance structure and processes, controls and procedures put in place to monitor and manage sustainability or ESG matters, focusing primarily on the Executive Board and the Supervisory Board. The composition of these management bodies is listed in the respective chapters of the Arcadis Annual Integrated Report (Composition of the Executive Board, Composition of the Executive Leadership Team, Composition of the Supervisory Board).

Roles and responsibilities

For the governance on CSRD implementation, the roles are defined as follows:

- The Supervisory Board Sustainability Committee (SusCo): assists and advises the Supervisory Board on sustainability matters. The SusCo prepares plenary discussion and decision-making for the Supervisory Board on items within the remit of sustainability. The SusCo composition is further specified in the Supervisory Board Report.
- Executive Leadership Team (ELT), including Executive Board members: responsible for the final review and approval of progress and direction, facilitating leadership endorsement and accountability, and enabling the integration of internal stakeholders' views into strategic decisions. The ELT receives consolidated inputs on a quarterly base to evaluate, and gives final approval on the solutions' design effectiveness. Where required, further implementation across the business, along with performance monitoring, is assigned to Global Business Areas (GBAs) and respective departments to ensure operational effectiveness.
- NFR Steering Committee: monthly discusses the progress overview, delivers strategic guidance, approves methodologies, and creates alignment with the company's goals. The Steering Committee also discussed the identification of relevant metrics and guided target setting where applicable. The Steerco consists of the Chief Financial Officer, Chief Growth Officer, Global General Counsel, Global Accounting Officer, one of the two Global Sustainability Directors, the ESG Relations & Public Affairs Director and the Global Managing Director of Sustainability Advisory.
- NFR Team: manages the coordination of the various work streams, creates and shares monthly reports on the implementation of all CSRD requirements. The team aligns with all contributing departments as well as with those that also have an oversight.



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While the NFR team and NFR Steering Committee focus on the specific reporting requirements from CSRD, the content and implementation side of sustainability is driven by other teams. The Arcadis Global Sustainability team is responsible for the global Sustainability Program, and its Global Sustainability Directors report directly to the ELT member accountable for Sustainability, while ELT and the SusCo provide guidance and direction.

Employee representation in governance

Besides the direct governance around sustainability, it is important to stress the valuable role of our employees.
As the largest shareholder of Arcadis, with 18% of the company's shares, the Lovinklaan Foundation holds a significant role in shaping Arcadis' future. What sets Lovinklaan Foundation apart is its composition: the entire Board of the Lovinklaan Foundation consists of Arcadis employees from diverse backgrounds and countries across the globe. Guided by the Articles of Association established in 1981, the Foundation's purpose is to promote the continuity of Arcadis and advance the interests of Arcadis workforce worldwide. It achieves this by reinvesting its dividends directly into Arcadis' people, funding programs that empower employees of Arcadis to develop their skills and contribute meaningfully to Arcadis' success.

Employee representation in governance can also be seen via the Bellevue Foundation, which consists of ten Arcadis employees, and is the holder of 600 priority shares in the capital of Arcadis. Members of the Bellevue Foundation form half of the members of the Board of the Priority Foundation. The remaining members of the Priority Foundation Board consist of representatives from the Arcadis Supervisory Board, the Executive Board, and one member from the ELT. All priority shares that have been issued since 1987 are held by the Priority Foundation Board.

Employee feedback on ESG-related matters is actively sought through a variety of informal channels. These include engaging platforms such as Communities of Practice , interactive webcasts, specialized training sessions, regular dialogues between employees and managers, and Your Voice surveys. This diverse range of channels not only provides continuous feedback collection but also demonstrates a deep commitment to valuing and integrating employee perspectives on essential ESG issues.

Integration of sustainability-related performance in incentive schemes

Goals related to ESG aspects are included in the long-term incentive (LTI) performance targets for the Executive Board and ELT. These goals are also cascaded down to the senior leadership levels. A detailed breakdown of the targets, including the 2024 performance, is also included in the Remuneration report (Short-term Variable Remuneration, Long-term variable remuneration: performance shares). The remuneration of Supervisory Board members is not dependent on company results.

Due diligence statement

In 2024, we established the design of our due diligence processes by integrating human rights and environmental due diligence into both our overarching Sustainability Policy and our Third-Party Due Diligence Policy . As part of our continuous improvement process, our near-term objective is to develop procedures that further operationalize these policies. In the annex a table is added with all required references to due diligence.

Risk management and internal controls over sustainability reporting

Arcadis has implemented a system of risk management and internal control to mitigate and manage risks around sustainability reporting. The main risks identified are listed below, with the mitigating strategy for these risks represented by the system of risk management and internal control over sustainability reporting:

- The risk of material misstatement due to omissions, errors or incomplete data in our sustainability reporting.
- The risk of non-compliance with regulatory requirements and standards.

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Our system of risk management and internal control over sustainability reporting is aligned to the proven principles of the Committee Of Sponsoring Organizations (COSO) Integrated Framework. The key features and components are described in the table below:

Component	Description
Control Environment	Our company values, strategy, AGBP and sustainability policies provide the pervasive environment for controls over sustainability reporting. The Supervisory Board Sustainability Committee, EB, ELT and Non-Financial Reporting (NFR) Steering Committee provide oversight of sustainability reporting.
Risk Assessment	We have performed both a Double Materiality assessment and Impact, Risk and Opportunity assessments of all applicable aspects of ESG. Sustainability is embedded within the specific risk categories of the ARC framework (more details of which can be found in the Enterprise Risk Management chapter of this report). Multiple functions, including the NFR, Global Sustainability, Human Rights and Compliance teams continuously assess laws and regulations that impact ESG topics.
Control Activities	The majority of the data used for Sustainability reporting is prepared by GBAs and the Finance, Workplace, Health and Safety, Procurement, Global Sustainability and People teams and business processes therein.
Information and Communication	A broad range of ESG training is provided, including Sustain Abilities which aims to help all Arcadis employees to have a common language and understanding of sustainability. We have collated the relevant data from our business information systems, which are supported by our internal control and monitoring systems (including IT General Controls), and from suppliers and other sources. This is centrally consolidated by our NFR function and ultimately reviewed by our Finance function.
Monitoring Activities	Risk Management provide second line assurance as part of the annual Risk Assurance Program. In 2024, Internal Audit have also provided assurance over compliance with CSRD. Any deficiencies are reported as described in the Enterprise Risk Management chapter of this report.

Developments in sustainability reporting will be monitored going forward and our system of risk management and internal control will evolve accordingly.

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Integrating sustainability in our way of working and culture

Training and development

Acquiring and maintaining knowledge on sustainability matters is of critical importance to Arcadis. Our commitment to sustainability has enabled us to develop expertise among our employees and board members. Arcadis is determined to share and leverage this knowledge on behalf of our clients and to continuously improve our sustainability-related knowledge and capabilities. Through training programs, Arcadis seeks to further equip its people with tools to address the sustainability needs of its clients.

Arcadis developed an online training program, Sustain Abilities, supported by the Lovinklaan Foundation. Sustain Abilities consists of a series of e-learning modules developed by Arcadis experts for all Arcadis employees. Since the way we understand and talk about sustainability is different across the globe, our first objective was to create a common language and understanding of sustainability and basic sustainability concepts.

SUSTAIN ABILITIES

Basic
Sustainability Knowledge

Module 1
What is sustainability?
- What is sustainability?
- The challenge of sustainability
- The levers of climate action

Module 2
Arcadis' sustainability strategy
- Our sustainability strategy and ambition
- Net zero, 5 sustainability lenses, and our projects
- Sustainability for our clients

Module 3
Understanding (y) our impact
- Understanding stakeholders
- Engaging stakeholders
- Stakeholder impact

Module 4
Greenwashing risks & lessons
- What is greenwashing
- Best & worst practices
- Getting it right at Arcadis

Module 5
Applying sustainability in projects
- What sustainability means to our clients
- Six opportunities for sustainable outcomes
- Sustainability ambition levels and KPI's

Module 6a
Understanding the Carbon Challenge
- Carbon basics explained
- Carbon in our projects
- Organizational carbon (footprint)

Module 6b
Addressing the Carbon Challenge
- Standards and tools
- Carbon removal and offset
- Decarbonization strategies

Module 7
Sustainable Design
- Principles and Benefits of Sustainable Design
- 5 Sustainability Lenses and Sustainable Design
- Design Guides per GBA

Module 8
Nature & Biodiversity
- Nature basics explained
- Biodiversity focus
- Nature based solutions

Module 9a
Understanding Energy Transition
- Energy transition defined
- Core goals of energy transition
- Challenges in energy transition

Module 9b
Energy Transition - Solutions
- Arcadis' perspective on energy transition
- Client Challenges
- Solutions for Energy Transition

Module 10
Water Stewardship
- Water stewardship defined
- Global challenges to sustainable water management
- Water and Climate Connection
- Water resource management frameworks

Module 11
Sustainable Procurement
- What is sustainable procurement?
- Potential benefits of sustainable procurement
- Sustainable Procurement at Arcadis

Module 12
Circularity
- An overview of Circularity and Circular Economy
- Circular Principles and Practice

Module 13
Societal Impact
- Understanding social value
- What is societal impact?
- Societal impact legislation
- Embedding social value into projects and programs

SUSTAIN ABILITIES

Focused
Sustainability Knowledge

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Sustain Abilities has significantly grown in scope since its 2023 launch. New modules have been added, covering topics such as low-carbon energy transition, water resource management amid climate change, sustainable procurement, circular economy integration, and societal value creation in Arcadis projects. To broaden the program's reach, we have made the initial five modules available in six additional languages. Further, we have increased the frequency of live training sessions for four of the modules fostering global engagement and knowledge sharing among employees. More live sessions in English and local languages are planned for 2025.

All ELT and Supervisory Board members are expected to have a sufficient level of knowledge and understanding of sustainability. When assessing candidates to join the ELT or Supervisory Board, we consider each candidate's knowledge and experience of ESG matters, so that the ELT and Supervisory Board will be equipped with the appropriate ESG-related skills and expertise, on both an individual and collective level, in order to understand and steer on the relevant ESG related matters.

Interests and views from stakeholders

In line with the Dutch Corporate Governance Code 2022, we have published an Arcadis Stakeholder Engagement Policy on Sustainable Topics. As detailed in the policy, we engage with a broad range of stakeholders, including employees, shareholders and potential investors, clients, suppliers and subcontractors, business partners and non-governmental organizations as well as – where necessary – with people impacted by the projects Arcadis undertakes on behalf of its clients. By following this Stakeholder Engagement Policy, we aim to build trust, foster collaboration, and integrate stakeholder perspectives into our decision-making processes and strategy. Throughout the year, the Executive board and Supervisory board are regularly updated with insights from our client experience program, employee engagement initiatives, and investor feedback. As part of our DMA, we also consulted with representatives from these key stakeholder groups to assess the materiality of sustainability topics. The outcomes, representing all stakeholder perspectives, were reviewed and approved by the ELT and Executive Board, and were shared with the Supervisory Board.

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Stakeholder channels

See below a table of the key stakeholders, engagement methods and considerations:

	Engagement method	Key interests	Outcome consideration
Employees	• Quarterly survey Your Voice to understand what influences employee experience and engagement • Virtual global and country Town Hall meetings to inform our people on organization's decisions • 5 Affinity Groups on diversity themes • Training and development programs	• Experience as an Arcadian – talent engagement, and personal development, diversity representation, inclusion and belonging • Business strategy progress and implementation • Health and safety issues	• Feedback informs strategic decisions and workplace improvements • Open and inspirational environment, sense of ownership and belonging • Actions that demonstrate that the business cares for people's wellbeing
Shareholders & investors	• Publication of trading updates (quarterly, HY and FY figures) and other press releases • Direct contact with investors and shareholders (e.g. online meetings and face to face roadshows and conferences) • Responding to Investor and Rating Agencies questionnaires	• Financial returns, growth strategy, risk management • ESG-performance	• Enhanced shareholder return • Expansion of shareholder base
Clients	• Annual Client Experience Surveys • Targeted interviews	• Project outcomes and satisfaction • Sustainability strategy and net zero commitment	• Client feedback drives service improvements and business strategy
Suppliers & subcontractors	• Ongoing interactions focused on project delivery and sustainability	• Fair practices, sustainability, timely execution	• Supplier input informs procurement strategies and sustainability efforts
NGOs	• Collaboration on sustainability projects • Direct contacts	• Environmental impact, social equity	• NGO contributions influence sustainability initiatives and practices • Progress on our human rights program

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Material IRO's and their interaction with strategy and business model

As part of our DMA, we assessed the impacts, risks, and opportunities (IROs) related to ESG issues and how they align with our strategy and business model. This evaluation involved engaging with internal and external stakeholders to assess both impact and financial materiality across the topics identified as material for Arcadis. The outcome is an outline of the material potential and actual IROs across our own operations and value chain.

We actively embed sustainability in our strategy, business model and decision making (see also the Strategy section of this Annual Integrated Report). We are in the process of progressively building the ability to evaluate when appropriate the current and expected financial effects of sustainability-related topics. Our 2024-2026 strategy, Accelerating a Planet Positive Future, has been designed with sustainability at its core, and its underlying financial framework is resilient to incorporate the identified sustainability related financial risks and opportunities. Continuous tracking of the overarching progress of the CSRD implementation will be continued by the NFR team and others, and deviations of the plans to address the material IROs will be reported via the monthly Steering committee sessions to ELT and others.

Material IROs have been identified and included in the 2025 planning process in accordance with the guidance/regulation provided by CSRD. Regarding the material IROs related to our own operations, we are now defining roadmaps that integrate our policies, actions and targets where required, which will be then implemented in day-to-day management processes. Tracking of the effectiveness of these policies, actions and targets, as well as the identification of any new risks and opportunities via the annual process of the DMA update, will follow throughout 2025 and later years. The NFR team will organize this and revert the findings to the NFR Steering Committee, and if necessary other governance bodies. For the material IROs that are related to impact within the value chain, Arcadis will take a phased approach and disclose progress at a later date.

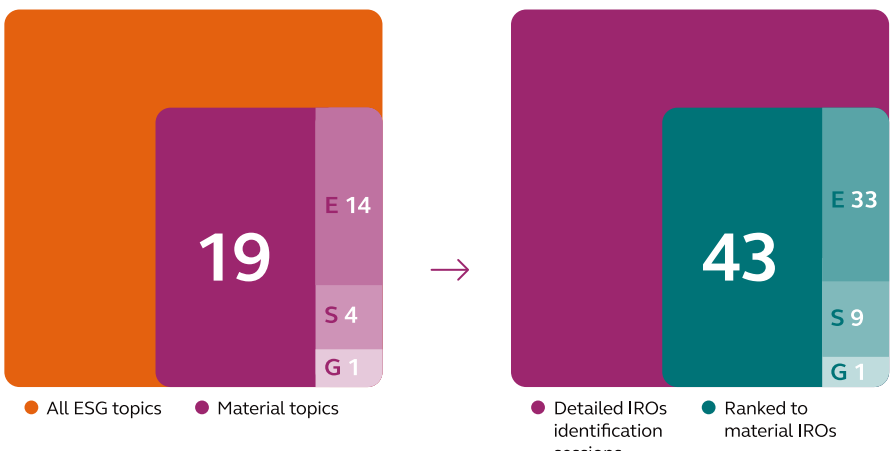
For more detailed information on the identified material IROs, please see the dedicated disclosures in the Environmental, Social, and Governance chapters. Further details on the steps taken in the DMA are provided in the following paragraph.

Process to identify and assess material impacts, risks and opportunities

We adopted a two-phase approach to identify the materiality of topics (phase 1) and further material IROs (phase 2) , based on the thresholds that were defined. Four steps are outlined in the following visual to illustrate our process as well as the resulting material topics and IROs across Environment, Social, and Governance.

Phase 1:
Material topics identification

Phase 2:
IROs identification



Understand the organizational context	Internal expert & external stakeholder engagements to identify topic materiality	Assess detailed impacts, risks, opportunities on material topics	Management assessment	**Final reporting scope**

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Phase 1

During the initial stage of the DMA, we conducted background research on potentially material topics for Arcadis. This involved examining various sources, including:

- ESG rating agencies for insights on material topics within our broader and specific sectors, along with those of our suppliers and their industries;
- Sustainability reports from peers;
- Impact materiality assessments from previous years;
- Sustainability matters listed in ESRS.

This information shaped our understanding of potentially material ESG topics for Arcadis.

We conducted stakeholder engagement sessions, both internally and externally, to assess the material topics for Arcadis. Internally, we engaged with various departments, including Growth, People, Compliance, Sustainable Procurement, Global Sustainability, Risk, and the client-facing Sustainability Advisory group. A random selection of employees was also invited to represent employees' views. Externally, we obtained input from clients, NGOs, experts, investors and suppliers using a consistent virtual format consisting of a presentation and discussion.

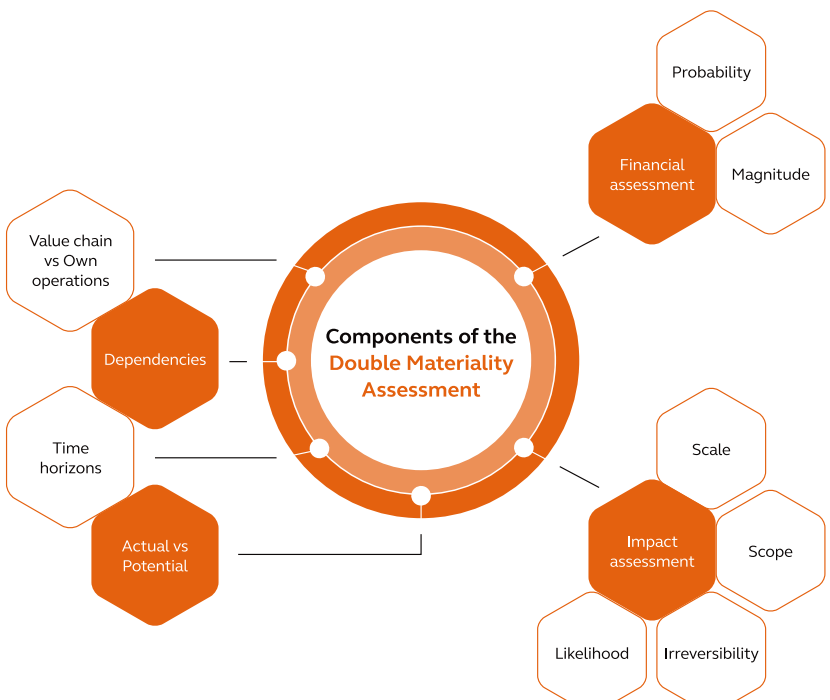
Phase 2

We conducted a series of workshops involving internal subject matter experts to evaluate and calibrate both potential and actual IROs across all identified material topics. These workshops assessed IROs based on CSRD requirements and Arcadis' thresholds, considering factors such as severity (scale, scope, and irreversibility) and likelihood. This evaluation was segmented by value chain area (upstream, own operations, downstream). Impact was considered from an individual project perspective, as well as from framework contracts and overarching client perspectives. Impact was identified as either global or local, and we identified which GBA(s) could be impacted.

Financial materiality scaling was internally determined based on relevant financial metrics and in close cooperation with senior financial management. The dependencies Arcadis has on natural and human resources, and how these dependencies result in both risks and opportunities, were considered. Arcadis' business primarily relies on human capital, with dependencies on our staff, contractors, value chain workers in terms of our ability to serve our clients. Such considerations are reflected in the financial materiality assessment.

For all IROs, both financial (risk and opportunity) and environmental and social impact (positive and negative) were evaluated using five-point scales from 1 (very low) to 5 (very high). Items with a very high score were classified as material based on the materiality thresholds. If no material IRO was identified for a topic, that topic was removed from the shortlist of material topics.

Within the DMA, a global approach was adopted where participants were requested to consider both global perspectives and potential local and/or entity-specific perspectives.



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Finally, we generated a shortlist of material topics and their associated IROs. This was informed by the outcomes of the workshops.

The shortlist underwent validation by internal stakeholders, specifically the NFR Steering Committee, the internal audit team, and management teams of subject matter experts who had been involved in the DMA process. The ELT endorsed the results after a final management review.

We commit to an annual review of the DMA so that we can update our material IROs, starting in 2025. Once every three years, we will carry out a more extensive review, and in other years we will take a lighter approach. This will enable us to maintain continuation and multi-year focus on our goals.

Double materiality results

The results of the scoring indicated that the most material impacts are found within our value chain, specifically in our projects and with our clients. These impacts are more positive than negative. The combined stakeholder view is that the developments in many of these areas create opportunities not only for Arcadis, but also for our clients and value chain partners to realize positive social and environmental impacts.

Most of the material impacts are captured and monitored at the global level, in line with our global business model. However, we have not yet established a comprehensive view and process to monitor material risks and opportunities that have or may have financial effects on material sustainability matters. We will ascertain this via detailed future investigations. For each of the ESRS the main material topics are explained in short.

E1 – Climate change: All three sub-topics in this standard - 'climate adaptation', 'climate mitigation', and 'energy' - offer opportunities for Arcadis for positive financial and environmental impact. As key provider of climate adaptation and resilience services, we are well-positioned to support clients' adaptation to current and future climate change risks. Arcadis supports clients and communities in enhancing climate resilience and nature-positive services around climate adaptation, water optimization, smart sustainable buildings, sustainable operations, new mobility and transportation hubs, architecture and urbanism, among other aspects. Our own role also includes efforts to reduce GHG emissions across our own operations and value chain partners in pursuit of our 'net zero by 2035' target, by e.g. purchasing renewable energy for our offices, reduce business travel and transition the Arcadis fleet to electric vehicles. Risks were also identified on e.g. carbon credit price developments and the impact of purchased goods and services on our carbon footprint.

E2 – Pollution: Only the sub-topic 'pollution of soil' was identified as material within this standard, given the positive financial and environmental impacts we can generate from our environmental restoration and PFAS consulting activities. Across the markets in which we operate, we see growing demand for soil restoration projects, soil remediation, PFAS consulting activities, among other aspects.

E3 – Water and marine: The material sub-topics in this standard are 'water withdrawal', 'water consumption' and 'discharges in water'. They stem from the opportunities we have identified to support clients with water management, water supply and wastewater treatment solutions. Many possibilities for positive financial and environmental impacts were identified during the IRO sessions, alongside risks of missing market opportunities due to a potentially too slow pace of internal innovation. Additionally, potentially high water consumption in areas facing shortages could hinder project development.

E4 – Biodiversity and ecosystems: 'Climate change', 'land use change', 'pollution', 'biodiversity loss', 'land degradation' and 'desertification' have been identified as material due to the positive financial and environmental impact Arcadis may bring through our biodiversity consulting, environmental impact assessments and environmental restauration. These topics were specified to a wide range of positive environmental impacts and financial opportunities via our project delivery to clients. The potential positive impacts go hand in hand with potential negative impacts stemming from ineffective execution of projects, which could potentially lead to negative environmental impact, including e.g., habitat destruction and pollution due to ineffective waste management.

E5 – Resource use and circular economy: Materiality for this standard relates to the sub-topic 'waste'. Arcadis assists clients with responsible management of assets and with identifying opportunities to increase the circularity of material and resource choices, and waste disposal after product end of life . Also, optimization of waste management in Arcadis' own operations was identified with material positive impact to the environment.

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S1 Own workforce and S2 Workers in the value chain: As the own workforce is our most important asset, many S1 topics were deemed relevant, but the IRO scoring led to the following material topics: 'health and & Safety' (for both S1 and S2), 'worklife balance' and 'training and skills development'. Both the potential positive social impact connected to these topics in case of successful steering on these topics, as well the potential negative side of them if not given sufficient attention, were scored high.

G1 – Business conduct: Corporate culture, whistleblower treatment, lobbying, and bribery and corruption touch our basic principles of doing business, and Arcadis has an established governance framework for these areas, supported by policies, processes, and compliance with the Dutch Corporate Governance Code. The materiality within G1 was set on the sub-topic 'management of relationships with suppliers and payment practices', given the significant role of third-party suppliers and contingent workers in our project delivery and in our value chain. We seek to further improve these relationships and the way we conduct business with these partners.

The table on the next page presents the materiality of each ESRS sub-topic and sub-sub-topic identified as material through our DMA. It also shows the number of material IROs received, split between our own operations and the value chain. The five-point scale used here reflects the assessment of these IROs. Material IROs are those that received the highest score (5 out of 5). For more information on material IROs, see the respective topical chapters.

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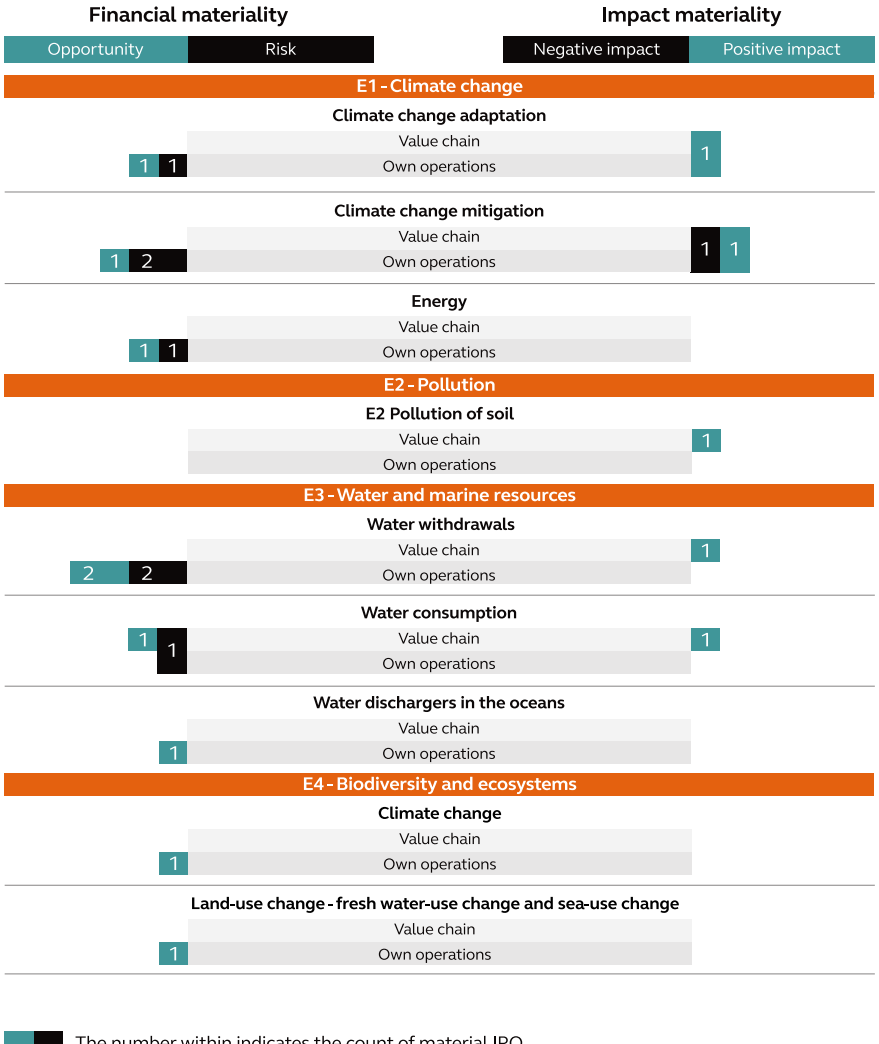

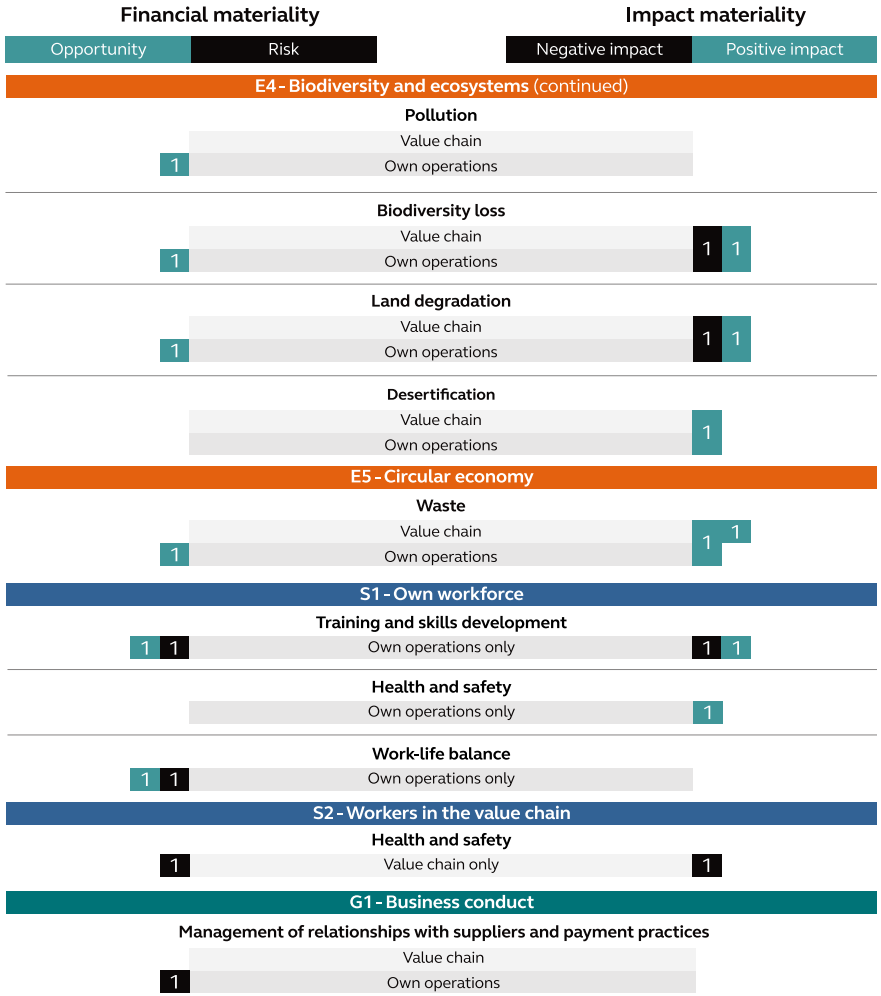

The number within indicates the count of material IRO

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Design effectiveness and operational effectiveness

Arcadis has approached CSRD conformance at two levels: design effectiveness, which focuses on establishing policies and governance frameworks for material topics; and operational effectiveness, where implementation, including action plans, metrics, and target setting, is carried out and monitored to meet objectives.

Policies adopted to manage material sustainability matters

In adherence to ESRS, Arcadis has formulated and updated a series of policies to address material topics, outlining actions and establishing measurable metrics and targets. These policies were approved by the Executive Board before being internally disseminated through our intranet and global website. Unless otherwise specified in the topical standards, all policies are available on our website for relevant stakeholders and on our intranet, where they are accessible to Arcadis employees responsible for their implementation. Crafted in a standardized format, these policies encompass all essential information to ensure CSRD compliance.

These policies, collectively termed ‘design effectiveness’, are accompanied by an implementation roadmap delineating the trajectory from policy creation to the installation of tracking and tracing mechanisms, as well as assigning ownership and defining processes, procedures, and responsibilities. Notably, for some IROs affecting own operations, both design and operational effectiveness have already been reached. As we progress in planning for operational effectiveness in our full value chain, we will update the relevant policies to include additional information on actions and targets specific to our full value chain.

For ease of reference to stakeholders, Arcadis has developed an overarching Global Sustainability Policy, which outlines how Arcadis governs its material environmental, social and governance (ESG) topics, aimed at minimizing or remediating the negative impacts of our business, and maximizing our positive contributions to the improvement of environmental and social conditions touched by our business and volunteering activities. This policy establishes the framework for our ESG efforts moving forward and serves as an overarching policy for topical ESG policies. Activities covered by this policy framework include, but are not limited to reporting, disclosures, business practices, policies, procedures, investments, board activities, stakeholder engagement, and investor relations, in alignment with the CSRD. Final responsibility of the implementation of this policy is with the Chief Growth officer.

Through this approach to policy development, action planning, and target setting Arcadis, is positioned to meet CSRD requirements and drive sustainable practices and long-term compliance in the realm of sustainability management.

Resources and actions

Current CSRD implementation is supported by a small, dedicated core team, supplemented by contributions from subject matter experts across various specialist teams and active engagement from senior management, representing both business operations and enabling functions. Additionally, targeted internal and external consultancy is utilized for specific CSRD topics and quality assurance. It is important to note that most individuals referenced in this paragraph are not exclusively allocated to CSRD activities. Resources specifically linked to material sustainability matters, where relevant, are outlined within the respective ESRS chapters.

In the 2025 business planning process, resources are considered through the implementation plans developed to facilitate the integration of new policies. These plans outline actions, expected outcomes, alignment with policies and targets, pertinent scope considerations, and specific timeframes for completion. Long-term action plans are set up for the value chain related material topics in the Environmental remit with the focus on setting up consistent methodology for measuring the impacts that our projects deliver. An example of this is Project Carbon, which is our program to measure carbon in our client projects, thus providing information about a portion of Arcadis’ value chain impacts. The action plans also detail the resource requirements for each initiative. Arcadis annual budget planning is carried out on a higher level and only implicitly includes the requirements for each action plan and initiative. Through day-to-day business steering prioritization and realization of the actions is carried out. Value chain-linked (financial) prospects are considered in the planning; in some cases, value chain elements are indirectly incorporated and will be refined gradually.

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Metrics and targets

Policies will be integrated into daily operations. In 2024, Arcadis focused on achieving design effectiveness for IROs impacting the value chain. Where readiness is not yet attained, the allowed three-year transition period will be utilized to attain operational effectiveness and further establish monitoring performance.

Our primary formal ESG targets, announced during Capital Markets Day, focus on material sustainability matters and include:

- Related to E1 Climate change: reducing our carbon footprint by achieving a 70% decrease in scope 1 and 2 GHG emissions by 2026 from the 2019 baseline, as well as a 45% reduction in scope 3 GHG emissions by 2029 compared to 2019 levels.
- Related to S1 Own workforce: in terms of employee engagement, we aim to maintain our eNPS ranking in the top 25% of the professional services.

For E4 (Biodiversity), Although not part of the 3-year strategic targets, a biodiversity commitment has been set for our own operations.

No additional targets are disclosed in this Statement for other material sustainability matters. In 2024, Arcadis focused on design effectiveness and undertook efforts to investigate and better understand the broader landscape of material topics. This included collecting data and assessing IROs. For material IROs impacting value chain, Arcadis has adopted a three-year phase-in. Once that assessment is completed, Arcadis can further establish measures to track policy effectiveness and consider setting relevant targets. The Executive board, Executive Leadership team and Supervisory Board will be involved in any decision-making about the target setting via the NFR Steering Committee and the Supervisory Board SusCo.

Arcadis has set a range of metrics to monitor progress. For detailed information on performance monitoring, please refer to each ESRS chapter and the Glossary for methodologies. It is important to note that these metrics have not been externally validated except for the limited assurance provided to this Statement.

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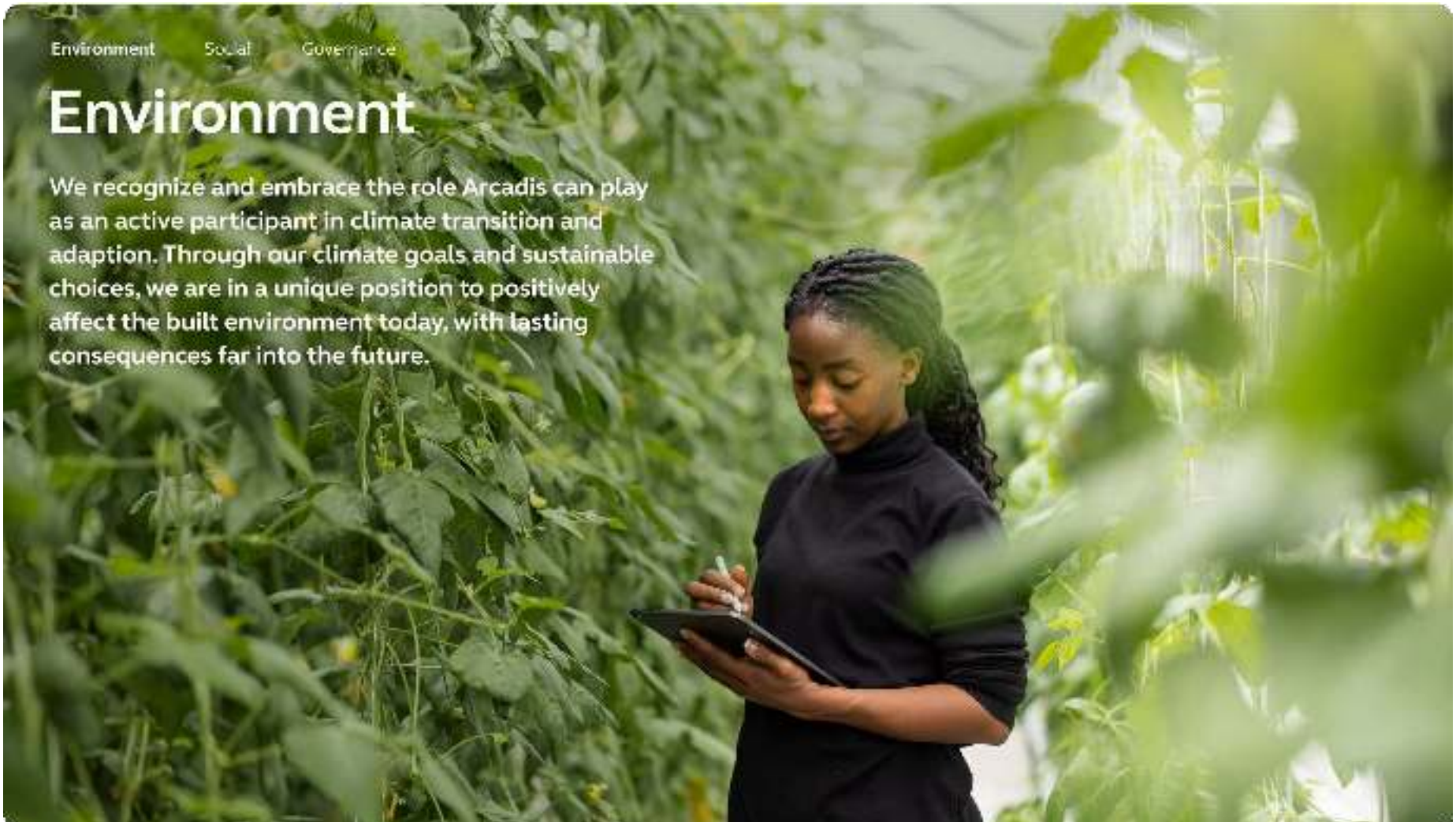

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E1 Climate change

Transition plan for climate change mitigation

Addressing climate change is the paramount challenge of our era – and driving change in the built environment is particularly critical, because the construction and operation of buildings accounts for almost 40% of energy use-related carbon emissions worldwide. This underlines the need to pursue climate change mitigation and adaptation across the sector, such as by decarbonizing and fortifying against extreme environmental events.

At Arcadis, we recognize and embrace the role we can play as active participants in the climate transition, both today and in the future. This encompasses how we work with our clients to mitigate their climate change impacts and help them adapt to the challenges of a changing climate. Our role also includes efforts to reduce greenhouse gas (GHG) emissions across our value chain in pursuit of our 'net zero by 2035' target, and efforts to meet interim targets approved in 2024 by the Science-Based Targets initiative (SBTi).

As a major player in this industry, we are well-placed to positively affect the built environment today and help drive sustainable progress for tomorrow.

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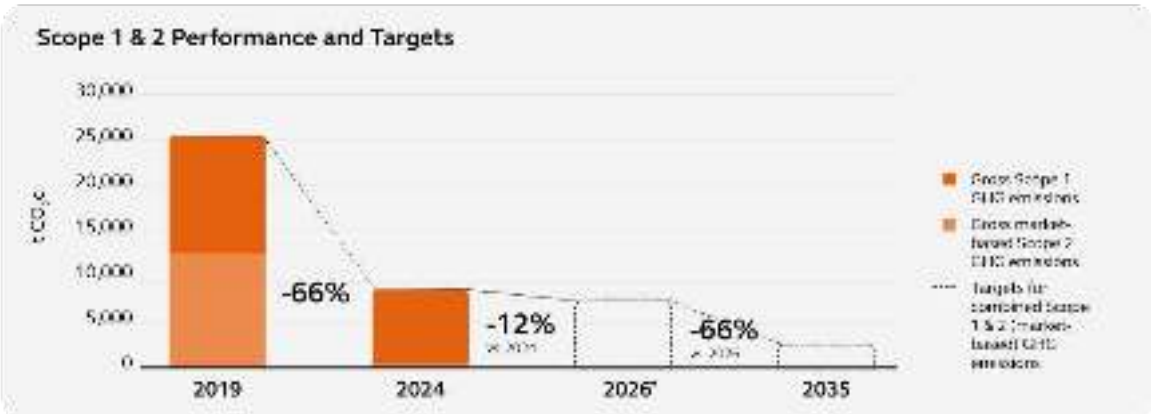
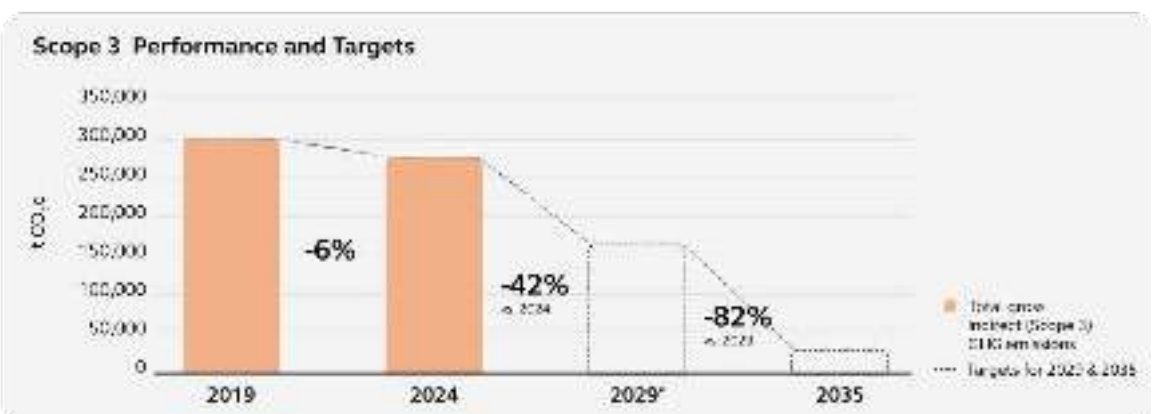
Emissions sources, key reduction measures, and performance

Emissions category	Actions
SCOPE 1 **Fleet vehicles, stationary energy, and refrigerants**	• Transition to EVs • Reduce & replace natural gas for heating
SCOPE 2 **Purchased electricity**	• Reduce electricity • Purchase renewable electricity
SCOPE 3 **Supply chain and business travel**	• Reduce business travel • Collaborate with suppliers to reduce purchased goods & services emissions





* For our interim targets, we show two different target years. For Scope 1+2 emissions, we have a target for the year 2026 to align with our strategy cycle and Capital Markets Day target. For Scope 3, we show our SBTi approved target for 2029.

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Our Climate Transition Plan (CTP) demonstrates our commitment and plan for action and outlines our approach to meeting the climate goals we have set to accelerate a planet positive future supported by sustainable project choices. The plan was reviewed and approved by the Executive Leadership Team member responsible for Sustainability and by the Chief Executive Officer, in accordance with Arcadis' internal policy approval process. No additional approvals of the CTP by administrative, management, or supervisory bodies are required by Arcadis' policy approval processes.

Arcadis published its CTP due to evolving market demands, stakeholder interests, and the current regulatory landscape, including the European Union Corporate Sustainability Reporting Directive (CSRD). To develop this plan, we conducted a maturity assessment based on the CDP technical guidance on Climate Transition Plans and the Assessing low-Carbon Transition (ACT) guidance. We are also aware of the European Financial Reporting Advisory Group's (EFRAG) transition plan guidance published in November 2024 and plan to incorporate any new elements or information from that guidance in future iterations of the CTP. Connections with EU taxonomy insights are made on several places to enrich our Climate Transition Plan, via e.g. performing a joint Climate risk assessment and a joint adherence of the minimum safeguards, amongst others.

As part of our CTP, we will continue to reduce our emissions through initiatives such as renewable energy procurement, fleet electrification, purposeful business travel policies, and employee commuting initiatives. We also commit to serving our clients by helping them combat their carbon reduction challenges through the adoption of digital innovation and other cutting-edge technology. We do this by continuously improving our capabilities and proprietary tools.

Quick facts: Arcadis' 2024 carbon footprint

8,970 t

Scope 1 and 2 (market-based) CO_2e emissions

2026 target: 70% reduction compared to 2019 baseline

275,800 t

Scope 3 CO_2e emissions

2029 target: 45% reduction compared to 2019 baseline

8.3 t

Total CO_2e emissions intensity per FTE

0.000076 t

Total market-based CO_2e emissions intensity per €m revenue

t = metric tonnes

Note that our Capital Markets Day target for 2026 for scope 1+2 emissions is a 70% reduction compared to 2019, while our SBTi-approved target for 2029 is a 71% reduction compared to 2019.

In 2022, we conducted a qualitative and quantitative assessment of the potential impacts on Arcadis from four climate-related transition risks and opportunities under two climate scenarios and three time horizons to align with the Task Force for Climate-Related Financial Disclosure (TCFD) guidance. Following this analysis, we also evaluated physical climate risks that could potentially impact our business. This analysis included the largest Arcadis offices by number of full-time equivalents (FTEs) (124 offices), the then recently acquired IBI offices

(44 offices) as well as 86 of the largest project sites by net revenue generated. In 2023, we expanded the assessment to include the offices of newly acquired companies DPS and Giftge. These analyses were previously described in our Annual Integrated Reports for the year in which they were performed. In 2024, Arcadis analysed another 82 of its office sites and performed a physical climate risk check on 75 of its largest active project sites.

To explore potential transition risks and opportunities from climate change we used two scenarios, "Net Zero 2050" and "Current Policies", from the Network for Greening the Financial System (NGFS) climate scenarios framework. The NGFS framework provides a set of harmonized transition pathways and includes metrics that provided us with greater understanding of the prolonged impacts of climate change on Arcadis' regions of operation.

In this analysis, Arcadis picked two scenarios: Net Zero 2050 from the Orderly category, and Current Policies from the Hot house world category. The Orderly scenarios assume that climate policies are introduced early and become gradually more stringent, and that both physical and transition risks are relatively subdued. The Hot house world scenarios assume that some climate policies are implemented in some jurisdictions, but that global efforts are insufficient to halt significant global warming. The Hot house scenarios result in severe physical risk impacts, including irreversible impacts such as sea-level rise.

We identified three main risks related to climate change. The first risk concerns the price of energy and carbon. Implementing external carbon pricing policies – such as taxes on aviation, energy, or fuel suppliers to drive the low-carbon transition, or the elimination of fuel subsidies – could impact Arcadis' expenses. Quantifying these risks helps Arcadis make better informed investment decisions and enhances our management of financial and regulatory risks. The potential financial impact is associated with the costs of carbon price exposure and a shift in energy prices. Outside of energy-intensive sectors, economies are not directly exposed to carbon tax or market-based carbon prices. This analysis assumes all emitters become subject to the same exposure to carbon taxes or market-based carbon prices as energy-intensive sectors are presently.

The second risk concerns growth drivers. Given current and prospective clients' increased focused on projects and solutions with clear sustainability benefits, sustainability is integrated into client pursuits through our five sustainability lenses: carbon and energy, social value, water stewardship, nature and biodiversity, and circularity. This includes our solutions that support growth in both technical advisory and digitally empowered management. Potential client loss risk is possible due to client association with high-emitting sectors, client inability to adapt to a rapid transition associated with a net zero scenario, and client infrastructure facing harmful impacts from acute and chronic physical risks.

The third and final risk concerns brand reputation. Reputational risks related to not achieving our climate actions and commitments could impact our relationship with clients, investors, shareholders, communities, and employees and affect our ability to attract talent. As our ability to deliver our sustainability and climate services depends on attracting the right talent, failure to do so will result in further operational costs to our business. This connection underscores the interplay between brand reputational risk and the growth driver risk, as a strong, positive brand reputation is essential for attracting and retaining the talented employees needed to support clients in their transition to a low-carbon economy.

Our strategy has been influenced by the climate scenario analysis, which played an integral part in shaping our CTP. The insights drawn from this process influence our business in the following ways:

- Products and services: Opportunities for revenue growth from increased demand for services that support a low carbon economy and climate resilience. This focuses on the impact on revenue from a shift in demand for products and services. We are growing our global Sustainability Advisory and Energy Transition practices to accelerate our clients' ambitions and cater to clients' needs resulting from climate change. To accelerate a planet positive future, our Sustainable Project Choices strategic focus area embodies:
  - A deliberate focus on projects that contribute to our strategic ambition. We have committed to increasing the robustness of our project selection process by selecting projects that align with planet positive, sustainability, and economic criteria.

  - An enhanced, next-generation Key Client Program. By growing our share of wallet within key clients, we're aiming to increase cross collaboration between GBAs. Arcadis also intends to expand this program to target a broader group of clients and drive success in our growth markets, which anchor our sustainable project choice ambitions. As we introduce a more tailored and target-driven approach, we can address the needs of our clients more effectively, including through increased advisory-led client engagements.
  - An evolution of our commercial models. We are committed to helping our clients achieve their sustainability goals and making their assets more resilient against climate change risks. By embracing value-based pricing and incentive-based models, we aim to provide advisory services that support our clients' sustainability ambitions. Our approach includes developing solutions that engage our Intelligence GBA, our Resilience GBA (which regularly conducts climate risk assessments for clients), our Places GBA (which works on Net Zero buildings, and our Mobility GBA (which focuses on lower carbon means of transportation).
- Supply chain and/or value chain: Responsible and sustainable procurement has been recognized as a key area for further development for Arcadis. We are incrementally growing our Sustainable Procurement Program and building an impact-based approach while continuing to assess our operational readiness from a supply chain perspective to address our scope 3 emissions reduction target. Core principles that guide Arcadis' sustainable procurement practices are represented in our publicly available Arcadis Global Procurement Policy Statement and the Arcadis Global Supplier Code of Conduct, which outline the collaborative approach we aim to facilitate with our supply base. These also detail Arcadis' expectations that suppliers need to meet regarding ESG topics.
- Investment in R&D: To drive sustainability innovation in the services we deliver, we have invested in market research, client interviews, industry-wide network organizations, internal teams and capability development, business development, and digital and innovation. One way that we encourage R&D is though the Imagine Awards, an annual opportunity for individual employees and teams of employees to submit their innovative ideas and win an opportunity to develop these into reality, making use of prize money awarded by the Lovinklaan Foundation. Seven out of eight of our finalists in the 2024 Imagine Awards are developing solutions focused on climate risks, climate mitigation, renewable energy, and ESG due diligence. Furthermore, in partnership with the Lovinklaan Foundation, Arcadis launched a program, Ignite, that is dedicated to enhancing the skills of both seasoned innovators as well as budding talents within Arcadis. This program includes a virtual training experience focused on developing value propositions, designing business models, and testing business ideas. A smaller group of employees who complete the virtual training will be invited to an in-person innovation masterclass experience, facilitated by Arcadis' Global Innovation and Ecosystems team.
- Operations: Climate-related risk management is embedded in our Environmental Management System (EMS) Policy. The EMS monitors and tracks identified environmental risks or opportunities. In particular, physical risks identified through physical climate risk assessment have been incorporated into our Business Continuity Plans, as appropriate, at the country level.

The main uncertainties associated with our scenario analysis, which informs our strategy and business model, include:

- Regional conflicts in Europe and elsewhere leading to market uncertainty and supply chain disruption
- Changing political dynamics and governmental policy directions, which also lead to market uncertainty and, potentially, supply chain disruption
- The use of third-party supplied data in calculating our scope 3 emissions, which although is the recommended method per the GHG Protocol and is widely adopted, does have inherent limitations

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Impacts, risks and opportunities

Topic	O	R	I+	I-	VC	OO	IRO description
Climate change adaptation			●		●	●	We have identified one actual material positive impact under the sub-topic 'climate change adaptation'. Arcadis provides climate adaptation and resilience services to clients, contributing to making communities more resilient to the effects of climate change.
Climate change adaptation		●				●	In terms of climate change adaptation, we have identified actual risks to our value chain from climate-related hazards, impacting both our own supply chain and our clients. This can affect the delivery of client projects.
Climate change adaptation	●					●	With regard to climate change adaptation, we anticipate demand growth for climate resilience solutions.
Climate change mitigation			●		●	●	Under the sub-topic 'climate change mitigation', we have identified one actual material positive impact and one actual material negative impact. In terms of the positive impact, Arcadis provides climate mitigation services to clients, contributing to reducing global GHG emissions.
Climate change mitigation				●	●	●	In terms of the negative impact, Arcadis contributes to GHG emissions generated via its involvement in client projects.
Climate change mitigation		●				●	In terms of climate change mitigation, firstly we have identified an actual risk of scope 3 GHG emissions associated with purchased goods and services related to our projects.
Climate change mitigation		●				●	Secondly, we have identified volatile carbon credit pricing as a potential risk, as we anticipate relying on carbon credits to address residual emissions once we reach net zero. We also considered whether there was a material risk related to locked-in GHG emissions. However, because we lease our office spaces and vehicles and do not produce products, we have very limited locked-in GHG emissions, thus locked-in GHG emissions are not expected to jeopardize Arcadis' GHG emission reduction targets or drive transition risk.
Climate change mitigation	●					●	With regard to climate change mitigation, we anticipate demand growth for decarbonization services across our GBAs (Resilience, Mobility, Places and Intelligence).
Energy		●				●	Related to the sub-topic 'Energy', we have identified an actual risk that power grid limitations may affect client project implementation.
Energy	●					●	With regard to energy, we anticipate growth in demand for consulting services related to energy transition.

O Opportunity R Risk I+ Positive impact I- Negative impact VC Value chain OO Own operations

Processes to identify and assess material climate-related impacts, risks and opportunities

In 2022, we conducted a qualitative and quantitative assessment of the potential impacts on Arcadis from four climate-related transition risks and opportunities under two climate scenarios and three time horizons to align with the TCFD guidance.

Key risks and opportunities were assessed based on their estimated financial impact on Earnings Before Interest, Taxes, and Amortization (EBITA) from 2021. The scope of this analysis included Arcadis' operations in Germany, the United States, the Netherlands, the United Kingdom, and Australia, our top five earning countries at the time of the analysis. Impact ratings were then combined with probability assessments for each risk or opportunity to derive probability-adjusted estimated impacts, which were used to prioritize key risks and mitigation strategies.

In 2024, we again reviewed Arcadis' impacts, risks, and opportunities. The step-by-step process applied for this review is detailed in the Impact, Risk and Opportunity management section of the ESRS 2 General Disclosures chapter in this Sustainability Statement.

Policies related to climate change mitigation and adaptation

Arcadis has a dedicated policy for Climate Change Mitigation and Adaptation which outlines our approach to climate change. This policy establishes design effectiveness across Arcadis' value chain. Our double materiality assessment identified all three sub-topics within ESRS E1 – climate change adaptation, climate change mitigation, and energy – as material. These issues are addressed in our Climate Change Mitigation and Adaptation Policy.

Arcadis' goals regarding climate change adaptation and mitigation, as per this policy, are to:

- Identify how Arcadis affects climate change, in terms of material positive and negative actual and potential impacts.
- Describe Arcadis' current and future mitigation efforts to stakeholders in our annual Sustainability Statement, sharing how these efforts are in line with the Paris Agreement and compatible with limiting global warming to 1.5°C.

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- Outline our plans and capacity to adapt our strategy and business model in line with the transition to a sustainable economy, and our plans and capacity to contribute to limiting global warming to 1.5°C.
- Describe in our Sustainability Statement any other actions taken by Arcadis, and the result of such actions to prevent, mitigate or remediate actual or potential negative impacts, and to address risks and opportunities.
- Explain to stakeholders the nature, type and extent of Arcadis' material risks and opportunities arising from our impacts and dependencies on climate change, and how we manage them.
- Provide stakeholders within insight into the financial effects on Arcadis, over the short-, medium- and long-term, of the risks and opportunities arising from our impacts and dependencies related to climate change.

We will track the effectiveness of our policies and actions in relation to our material impacts on climate change through the further implementation of our Environmental Management System Policy, our procurement processes, and the Climate Transition Plan itself. Our defined level of ambition is to achieve operational effectiveness for our full value chain by the year 2027. Quantitative indicators to evaluate progress will be the reduction of our absolute market-based carbon footprint.

Stakeholders affected by our Climate Transition Plan include our employees, suppliers, clients and investors.

The Chief Growth Officer is the member of the Executive Leadership Team who is responsible for sustainability, including accountability for the implementation of the Climate Change Mitigation and Adaptation Policy.

The Climate Change Mitigation and Adaptation Policy's scope applies to Arcadis' office-based activities globally, including the spaces leased by Arcadis in multi-tenant buildings with shared common facilities. It also applies to our project-related activities for our clients and with suppliers in our upstream and downstream value chain.

Climate change actions and resources

Arcadis commits to reaching net-zero greenhouse gas emissions across the value chain by 2035. We are actively reducing our carbon footprint through a series of strategic emissions reduction initiatives based on our climate-related risks and opportunities.

Because our scope 3 emissions make up the majority of our total global carbon footprint, a significant portion of our emissions reduction initiatives are focused on reducing scope 3 emissions. To enable our net zero transition, we are prioritizing our approach to target the key sources of emissions within areas such as purchased goods and services, enabled by improving data quality.

For each emissions scope, Arcadis is implementing specific emissions reduction levers. For scope 1 and 2 emissions, this includes transitioning our fleet to electric vehicles; incorporating energy sources, consumption, and availability of electric vehicle charging infrastructure in our leasing decisions; and purchasing renewable electricity for our operations globally. We incorporate sustainability-related clauses in our leases and, where possible, we give preference to sustainably rated office properties accredited by third parties (e.g., LEED, BREAM). These levers will contribute to achieving our 2035 net zero target to varying degrees. The three primary levers for scope 1 and 2 emissions are as follows:

1. Transitioning our fleet to electric vehicles is expected to significantly reduce our current fleet emissions, bringing them close to zero. This transition alone will result in a reduction of approximately 6,400 tCO_2e, which accounts for around 71% of our combined scope 1 and scope 2 (market-based) emissions.
2. Shifting from natural gas to electricity or biogas for heating purposes will further help in reducing emissions. This transition is estimated to decrease our emissions by approximately 2,200 tCO_2e, which currently represents about 25% of our combined scope 1 and scope 2 (market-based) emissions.
3. We will continue to purchase Renewable Energy Certificates (RECs) to cover 100% of the electricity consumed by our offices and electric vehicle fleet. This proactive approach will enable us to maintain our progress in reducing scope 2 emissions. Currently, this strategy already leads to a reduction of approximately 9,000 tCO_2e in our 2024 market-based scope 2 emissions. Continuing this measure will help us keep our scope 1 and scope 2 (market-based) emissions 97% lower than scope 1 and scope 2 (location-based) emissions (based on 2024 emissions).

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For scope 3 emissions, we have deployed travel carbon budgets and are implementing more globally consistent waste reduction and recycling measures, as well as working with suppliers via a third-party supply chain program to report emissions.

One initiative that has been key to reducing our scope 3 emissions is in the business travel category. In May 2021, we implemented a travel policy with a “virtual first” approach. Covid restrictions on travel taught us that virtual working and collaborative technology can be effective and are a very time- and cost-efficient solution for us and those with whom we are meeting. We want to use this experience to reduce emissions in the long term, as we work toward our net zero target. The policy states: “Employees are advised to take a ‘virtual first’ approach to travel planning. Start with an assumption that all meetings will be virtual requiring no travel and then challenge yourself to justify which types of meetings need to be or should be in-person necessitating travel.”

An overview of Arcadis’ decarbonization measures, as described in our Climate Transition Plan, is presented on the next page.

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Arcadis' decarbonization measures

Project name	Emissions impact	Time frame	Responsible business unit	Description
				Scope 1 – Direct emissions from combustion
				Stationary energy
Transition to electrified offices wherever possible	Medium impact	Medium and short-term	Workplace	As office relocations and consolidations occur, transition from non-electric heated buildings to electric heating wherever possible.
				Transportation
Switch to electric leased vehicles	Medium impact	Medium and short-term	Global Business Areas and People	Transition Arcadis fleet to electric vehicles by 2030. Currently at 35% electric vehicles.
				Scope 2 – Purchased electricity emissions
				Low carbon energy
Renewable electricity purchase	High impact	Long-term	Workplace & Global Sustainability	Through the purchase of 100% renewable electricity for our offices, we have substantially reduced our market-based Scope 2 emissions.
Energy efficiency in buildings	Low impact	Short-term	Workplace	Through workplace energy efficiency efforts in our offices, we aim to reduce the electricity consumption per employee in all our offices.
Office consolidation/ Work from home	Medium impact	Long-term	Workplace	Arcadis is leveraging hybrid working in combination with office space reduction at multiple office locations.
Solar PV on offices	Medium impact	Medium-term	Arcadis Netherlands	Four Arcadis offices in the Netherlands have solar panels installed on their roofs and one office is energy positive because the PV system generates more than it consumes.
				Scope 3 - Value chain
				Purchased goods & services
Procurement operational readiness	High impact	Medium and long-term	Procurement	Professionalize procurement to enable responsible and sustainable procurement by growing our Sustainable Procurement Program and progressing our impact-based approach.
Category management strategies	Medium impact	Short and medium-term	Procurement	Development of category management strategies targeted at emissions reduction in higher emitting categories.
Targeted supplier engagement	Medium impact	Medium and long-term	Procurement	Joined third-party supply chain program to encourage reporting emissions. Continue to engage key suppliers regarding emissions reduction and net zero targets.
				Business travel
Carbon travel budgets	High impact	Short-term	Global Travel & Sustainability	Implemented carbon travel budgets for each business unit in 2024. Budgets aligned with target to reduce business travel by 35% by 2025.
Consolidated travel management provider	Medium impact	Short and medium-term	Global Travel	Switched to single travel management provider with user interface that includes carbon emissions information.
Use of remote site visit technology (drones, 360° imagery,...)	Low Impact	Medium-term	Global Business Area and People	Offer and push the use of these remote technologies for virtual site visit.

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Project name	Emissions impact	Time frame	Responsible business unit	Description
Sustainable Aviation Fuel (SAF) program KLM - Air France	Low impact	Long-term	Global Sustainability	Since 2017, we have been purchasing SAF credits through the KLM-Air France partnership. SAF credits are used to offset part of the air travel emissions of Arcadis flights on KLM-Air France operated flights.
Personalized traveler emissions reports	Low impact	Short-term	Global Travel	Provide travelers with personalized quarterly emissions updates and overall Arcadis travel emissions information.
Updated travel policy	Low impact	Medium-term	Global Travel	Deployed updated travel policy in 2024 focused on virtual first, then purposeful travel with objective stacking. Travel policy includes guidance on air vs. rail travel based on distance and use of business class during travel.
				Employee commuting
Cycling to work	Low impact	Short-term	Arcadis Netherlands	Employees are encouraged through various awareness raising activities to come to the office by bike if they live within a realistic radius of an Arcadis office.
Mobility week campaigns	Low impact	Short-term	Global Sustainability	Host awareness-raising weeks in various locations that promote more sustainable ways of commuting (e.g., public transit, eBikes, etc.)
Provide public transit cards/ allowances	Medium impact	Short-term	People	Employees in some geographies are supplied with transit cards or allowances to promote use of public transit for work.
Limited office parking	Low impact	Medium-term	Workplace	Offices located near public transit offer limited or no parking to encourage use of public transit.
				Waste
Reduce office waste generation	Low impact	Medium-term	Workplace	We are in the process of standardizing office waste collection and disposal, offering recycling and composting in as many locations as possible. We continue to raise employee awareness regarding proper recycling and waste disposal.

Our activities related to addressing climate change are part of our business-as-usual operations and resources to carry out these activities are included in our annual business plan. As we are a consultancy firm, the resources needed to carry out these activities do not require significant CapEx and the associated OpEx is also not significant since our activities are integrated into our business-as-usual expenses and procurement decisions.

Targets related to climate change

Our climate change targets align with our policy ambition to support the Paris Agreement and Glasgow Accords, including the target to limit global warming to beneath the 1.5°C threshold. In our 2024-2026 strategy we shared our updated near-term and long-term targets which were developed per the Science Based Targets initiative (SBTi) Net-Zero Framework. These targets were validated by SBTi in August 2024. Senior management was involved in the target setting process as a stakeholder as we developed our Climate Transition Plan. Our absolute targets cover scope 1 and scope 2 (market-based) GHG emissions combined, and scope 3 GHG emissions separately.

The detail of our SBTi-approved targets are as follows:

- Near-term: Arcadis commits to reduce absolute scope 1 and 2 GHG emissions 71% by 2029 from a 2019 base year. Arcadis also commits to reduce absolute scope 3 GHG emissions 45% within the same timeframe.
- Long-term: Arcadis commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2035 from a 2019 base year. Arcadis also commits to reduce absolute scope 3 GHG emissions 90% within the same timeframe.

Our targets are based on our 2019 baseline GHG emissions. We kept our baseline year as 2019, before the COVID-19 pandemic, to avoid pandemic travel restriction effects from influencing our carbon footprint baseline. We have chosen to set and disclose 2029 targets to align with our next company strategy cycle which will be 2027-2029 and have therefore aligned our SBT-approved targets to 2029 as well. Because we have set our net zero target for 2035, we are able to extrapolate target values for 2030. Our 2030 extrapolated target values are:

- A reduction in scope 1 and 2 GHG emissions of 74% by 2030 from a 2019 base year.
- A reduction in scope 3 GHG emissions of 52% by 2030 from a 2019 base year.

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Between 2035 and 2050, our goal is to maintain our 2035 emissions level every year.

Calculating our emissions requires us to make professional judgements and use estimates and assumptions that are critical for the data we report. When disclosing our targets, we acknowledge there are inherent uncertainties and indicate that our information is subject to change, as actual data may differ from previous estimations. We disclose the assumptions and approximations we have used to provide context for and support understanding of the information we present. Further details regarding specific estimates used in calculating our emissions are available in the Glossary.

To support our net zero goal, by the end of 2024, we had transitioned 35% of our fleet to electric vehicles. To reduce electricity-related emissions, we have been purchasing renewable electricity certificates for each office that does not yet have direct green electricity contracts. We purchase renewable electricity certificates approximately equivalent to 100% of our office electricity consumption and the electricity consumption of our electric company-owned/leased vehicles, electric private vehicles used for business travel and commuting, as well as for the electricity for working from home (workstations and lighting). Arcadis also joined a third-party supply chain management platform in 2023 to begin collecting and using supplier emissions data in our scope 3 emissions calculations. In 2024, we expanded the number of our suppliers whose emissions are captured in that platform.

Energy consumption

Arcadis does not have operations in high climate impact sectors. The table below presents Arcadis' energy consumption and mix in 2024. To calculate our energy mix, we collected primary data from all our offices (electricity consumption and production, natural gas, district heating) and fuel consumptions of our fleet vehicles in our NFR reporting platform. See more details on our methodology and assumptions in the Glossary.

Energy consumption and mix

	2024
Total energy consumption related to own operations (MWh)	**69,400**
Total energy consumption from fossil sources (MWh)	40,919
Total energy consumption from nuclear sources (MWh)	0
Total energy consumption from renewable sources (MWh)	28,481
Fuel consumption from renewable sources including biofuels (bioethanol) and biogas (MWh)	889
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	27,203
Consumption of self-generated non-fuel renewable energy (electricity from solar energy) (MWh)*	389
Percentage of renewable sources in total energy consumption (%)	41%
Percentage of fossil sources in total energy consumption (%)	59%
Non-renewable energy production (MWh)	**0**
Renewable energy production (MWh)	**389**
Share of energy from contractual instruments (Renewable electricity certificates, Guarantee of origin, etc.) used for the purchase of energy (% of total energy consumption)	**83%**

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Total GHG emissions

Arcadis' global carbon footprint numbers presented in Table gross scopes 1, 2, 3 and total GHG emissions contain some estimates which would be replaced with actual data if the changes are greater than our threshold of 5% of our total GHG emissions. Additional details regarding our carbon footprint methodology are available in the Glossary.

Arcadis has determined that emissions from scope 3 categories 8 to 15 are not relevant or not material and are therefore excluded from our footprint, see more details in the Glossary. Emissions from cloud computing and data center services are immaterial, hence are not disclosed separately.

Our combined scope 1 and 2 emissions (own operations) were 17% lower compared to the previous year, and 66% lower when compared to our base year, 2019. This was due, in part, to reducing our company fleet emissions. We also decreased the use of natural gas for heating, in part due to consolidation of offices and closure of some that used natural gas. The reduction of fleet emissions is mainly an effect of the progress of our transition to electric vehicles (EVs), which at the end of 2024 made up 35% of our company-owned vehicles versus 23% at the end of 2023.

Biogenic scope 1 emissions of CO_2 from the combustion of biofuels which are not included in scope 1 are disclosed but not material (around 1 tCO_2e).

Scope 2 (location-based) emissions decreased slightly (-3%) compared to 2023 and are 46% lower than our base year. Scope 2 (market-based) emissions decreased significantly when compared to 2023 and to our base year (-98%). This can be attributed to our purchase of unbundled contracted renewable electricity certificates (I-RECs, US-RECs, GOs, REGOs and TIGRs) for 100% of our offices' and fleet vehicles' electricity consumption.

Our total scope 3 emissions (upstream relevant categories) were 8% higher than in 2023, but remained approximately 6% lower than our base year. The increase versus last year is mostly due to an increase in our category 1 emissions (purchased goods and services) of 11% due to an increase in spend on purchased goods and services. Our employee commuting emissions decreased slightly due to less employees in certain geographies, consolidating offices in the US and some German offices which were temporarily closed during renovation. We updated our methodology for calculating our business travel emissions (see Glossary); however, the resulting change to our 2019 and 2023 values was less than our 5% threshold for total GHG emissions and therefore did not trigger a restatement of prior year values. As a result, our business travel emissions did not change significantly compared to last year. The decrease in category 5 (waste generated in operations) is due to a methodology change: since 2024 we were able to collect actual waste data (see Glossary) and therefore have improved the data quality of the emissions calculations. The resulting change to our 2019 and 2023 numbers was less than our 5% threshold in total emission and therefore didn't trigger a restatement of prior year values.

Outside of the scope of our science-based net zero target, we also report the estimated emissions related to colleagues working from home as we think this is an important aspect to monitor. We also have measures in place to reduce these emissions, such as purchasing renewable electricity certificates for the estimated electricity consumption associated with working from home.

To make the baseline value against which the progress towards the target is measured is as representative in terms of the activities covered as possible, we use the same scope and apply the same methodology of data collection where possible. For example, we are collecting data from the same software systems (e.g. Oracle) for the same scope of activities. In cases where e.g., invoices haven't been available for the baseline year, we've used our approved estimation methodologies (see glossary for more details). SBTi reviewed and approved our baseline year emissions in 2024. Since SBTi's approval, we have adjusted our emissions for scope 3 purchased goods and services. This adjustment was <5% for 2019 and did not trigger a need to update our SBTi net zero target.

Gross scopes 1, 2, 3 and total GHG emissions

In the 2024 reporting, scope 1 and 2 values are rounded to the nearest 10, while scope 3 values are rounded to the nearest 100. The rounding for 2019 and 2023 remains unchanged.

	Retrospective				Milestones and target years		
	2019	2023	2024	% 2024/2023	2029[4]	2035[5]	Annual % target/ Base year
Scope 1 GHG emissions (tCO_2eq)							
Gross scope 1 GHG emissions	13,290	10,140	8,690	-14%			
Percentage of scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	0%	0%			
Biogenic scope 1 emissions of CO_2 from the combustion of biofuels not included in scope 1	0.61	0.74	1.19	61%			
Scope 2 GHG emissions (tCO_2eq)							
Gross location-based scope 2 GHG emissions	17,320	9,680	9,370	-3%			
Gross market-based scope 2 GHG emissions	12,900	710	280	-61%			
Scope 1 + 2 GHG emissions (market-based)	**26,190**	**10,850**	**8,970**	**-17%**	**7,600**	**2,600**	**6%**
Our science-based net zero targets for combined scope 1+2					**-71%**	**-90%**	**N.a.**
Significant scope 3 GHG emissions (tCO_2eq)							
Our science-based net zero targets for total scope 3					**-45%**	**-90%**	**N.a.**
Total gross indirect (scope 3) GHG emissions[1]	**292,000**	**256,000**	**275,800**	**8%**	**161,000**	**29,000**	**6%**
1 Purchased goods and services	222,000	202,000	223,400	11%			
2 Capital goods	incl. In cat 1	3,000	3,900	30%			
3 Fuel and energy-related activities (not included in scope 1 or scope 2)	4,000	3,000	3,500	17%			
4 Upstream transportation and distribution[2]	incl. In cat 1	1	1,100	N.a.			
5 Waste generated in operations	3,000	3,000	200	-93%			
6 Business traveling	46,000	32,000	32,300	1%			
7 Employee commuting	17,000	13,000	11,400	-12%			
Total GHG emissions (tCO_2eq)[3]							
Total GHG emissions (location-based)	**323,000**	**276,000**	**293,860**	**6%**			
Total GHG emissions (market-based)	**318,000**	**267,000**	**284,770**	**7%**			
Scope 3 (other): Working from home (WFH)[3]	3,000	13,000	15,900	22%			

[1] Scope 3 categories 8-15 are not relevant or not material for Arcadis. Category 15 emissions are excluded as they're not part of Arcadis' target boundary (first reporting year for this category is 2024: 6 tCO2e).

[2] Upstream transportation and distribution was included within scope 3 category 1 prior to 2024, therefore no comparison can be made between 2023 and 2024.

[3] We keep WFH-related emissions separate from our total GHG emissions to align with the requirement for our SBTi net zero targets.

[4] We have chosen to set and disclose 2029 targets to align with our next company strategy cycle which will be 2027-2029 and have therefore aligned our SBT-approved targets to 2029 as well. As we've also set 2035 targets, our extrapolated targets for 2030 are: for scope 1+2: -74% vs. 2019 and for scope 3: -52% vs. 2019.

[5] Between 2035 and 2050, our goal is to maintain our 2035 emissions level every year.

[6] Our 2023 values for scope 3 category 1 have been adjusted following updated DPS emissions estimates. We changed our FTE-based intensity estimation method to a revenue-based estimate approach. The value for 2019 stays the same as the change due to this method update is below our threshold of 5% change in the total corporate-wide GHG emission inventory relative to our previously reported value.

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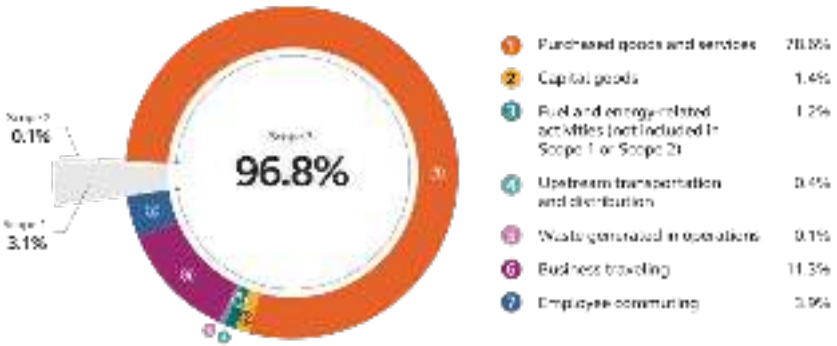
Scope 3 emissions categories



GHG emissions intensity per net revenue

	2024
Arcadis global net revenue (million EUR)	3,880
Total GHG emissions (location-based) per net revenue (tCO_2eq/EUR)	0.000076
Total GHG emissions (market-based) per net revenue (tCO_2eq/EUR)	**0.000073**

Beyond value chain

Beyond our value chain, we purchase carbon offsetting credits for our scope 1, scope 2 and select scope 3 categories (category 2 to 7). The majority of the credits we purchased and retired in 2024 came from the “Nii Kaniti” project in Peru, which is a forest conservation (REDD) project. The project is located in seven communities belonging to the Shipibo Conibo and Cacataibo ethnicity, which, when grouped, occupy an area of 127,004 hectares of forest. Our offsets purchase supports a portion of this project. The purpose of the project is to conserve the forests of these communities against the advance of deforestation and degradation. The project reduces the pressure to change land use in the project area by four means: proper use of communal land, capacity building for the management of natural resources, project finance and market linkages, and finally, strategic alliances. The project has been verified under the VERRA standards VCS and CCB by AENOR. More information and assumptions made can be found on the Verra Search Page for project number 1360.

The carbon offsetting credits listed below in the table Purchased carbon credits are not used to claim lower emissions, meaning that these GHG emission reductions are not subtracted from our published GHG emissions in Table gross scopes 1, 2, 3 and total GHG emissions. For the carbon credits planned to be cancelled in 2025 (for our 2024 emissions), we have an existing contract with our partner Fair Climate Fund. We purchase these credits to help accelerate a planet positive future and improve quality of life for people around the world.

Purchased carbon credits

	2025[1]	2024[2]
GHG emission reductions from climate change mitigation projects outside value chain (tCO_2e)	62,000	75,077
Share of credits from reduction projects (%)	100	100
Share of credits from projects under quality standard Verra (VCS & CCB) (%)	100	100
Share of credits issued from projects in the EU (%)	0	0
Share of credits that qualify as a corresponding adjustment under Article. 6 of the Paris Agreement (%)	0	0

[1] Approximate amount of carbon credits planned to be cancelled in the future (within 2025) for our 2024 emissions.
[2] Carbon credits cancelled during the reporting period (2024) for our 2023 emissions.

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To reach our net zero target in 2035, we plan to neutralize our residual GHG emissions (after an approximately 90-95% GHG emissions reduction) and therefore in early 2023 started investing in and supporting a reforestation project in India that will generate carbon removal credits with our partners from Fair Climate Fund and Prasari.

The carbon credits will be verified under the PLAN VIVO framework and its methodologies are described in their publicly available standard, “Methodology Requirements, Version 1.0”.

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E2 Pollution

The sub-topic determined to be material for the standard E2 Pollution is ‘pollution of soil’, which refers to a company or organization’s emissions to soil as well as the prevention, control, and reduction of such emissions. It is important to note that, through our mostly office-based design and consultancy activities, we do not contribute to soil pollution in our own operations. In our own operations, we do not emit to soil any of the 91 substances listed in the European Pollutant Release and Transfer Register.

Arcadis does, however, contribute to the reduction of soil pollution through our environmental restoration activities. Our Resilience Global Business Area offers environmental solutions consultancy, including soil remediation services. The purpose of remediation services is to remove pollution. We use analytical testing of the soil to detect pollutants prior to treating it, as well as after treating it where appropriate (i.e., if it wasn't removed and transported to an appropriate disposal facility). This demonstrates our contribution to the reduction of soil pollution.

Impacts, risks and opportunities

Topic	O	R	I+	I-	VC	OO	IRO description
Pollution of soil			●		●		An actual material positive impact on soil pollution is the implementation of soil remediation in projects. Pollutants that are remediated by Arcadis on behalf of clients may include some of the 91 substances listed in the European Pollutant Release and Transfer Register, in addition to hydrocarbons and substances which are subject to Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) of the European Union, per- and polyfluoroalkyl substances (PFAS) and other pollutants. Arcadis’ soil remediation projects lead to environmental improvement by restoration of contaminated sites, contributing to the reduction of pollution which in turn can lead to improved environmental quality; a reduction of health risks to humans and wildlife; promoting a safer living environment; increasing the value of properties; and reducing costs incurred by clients, e.g., no need for remediation based on analyses conducted by Arcadis. Arcadis continuously screens the market for opportunities to contribute to the reduction of soil pollution, working across a broad range of sectors and geographies to identify soil remediation projects.

O Opportunity R Risk I+ Positive impact I- Negative impact VC Value chain OO Own operations

Policies related to pollution

Arcadis has a specific policy related to pollution. Our Pollution Policy outlines our commitment and approach to minimizing pollution to soil and potential environmental harms resulting from our activities. This policy establishes design effectiveness by addressing material IROs in our value chain. We strive to protect the environment and contribute to a cleaner and healthier planet.