

TAX INFORMATION SUPPLEMENT 2016 ISLE OF MAN



GLOBAL SHARE PLAN
Powered by Lovinklaan



This supplement has been prepared to provide you with a summary of the tax consequences of the Global Share Plan ("Plan"). The description of the tax consequences is not decisive when completing your personal income tax return.

All capitalized terms used herein are used as they are defined or used in the Plan.

This supplement is based on tax laws in effect in the Isle of Man as of January 1, 2016. It does not necessarily address all local tax laws that may apply to you. Such laws are often complex and can change frequently. As a result, the information contained in this summary may be out of date at the time you participate into the Plan, acquire shares, receive dividends or sell shares acquired under the Plan.

Please note that this supplement is general in nature and does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and Arcadis NV is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax laws in your country apply to your specific situation.**

This supplement assumes that you are and will remain a resident Isle of Man taxpayer. If you are a citizen or resident of another country, the information contained in this supplement may not be applicable to you.

TAX INFORMATION

1 ENROLMENT IN THE PLAN

On the date you enroll in the Plan and you are granted a purchase right to purchase shares in Arcadis NV against a discounted purchase price, you are not subject to income tax or National Insurance contributions ("NICs").

2 ACQUISITION OF SHARES

Your savings will be taken from your net pay.

On the date your accumulated post-tax savings are used to purchase whole or fractional shares in Arcadis NV against a discounted purchase price, you will be subject to a further charge to income tax but no NICs liability will arise in the normal course as the shares will not be regarded as readily convertible assets for the purposes of relevant Isle of Man legislation.

As a condition of your participation in the Plan and to ensure that there is no further income tax or NICs due at the end of the one year "blocking period", you will need to enter into a standard "section 431 election" with your employer (which is provided as Schedule 5 to the Participation Agreement). As a result, when you acquire your Arcadis NV shares, you will then be subject to income tax and NICs on the difference between the full unrestricted value of the Arcadis NV shares and the discounted purchase price.

The amount of income tax due on the 20% discount against the market value of the shares will depend on your marginal rate and will be either 10% (standard rate) or 20% (higher rate).

You will need to pay to your employer the amount of the income tax due up front. Please see the section on Tax Withholding and Reporting further hereafter.

EXAMPLE TAX CALCULATION ON ACQUISITION OF ARCADIS NV SHARES (assuming a 20% tax payer)

| | | |
|---------------------------------------------------------|---|-----|
| Monthly contribution (post tax) | £ | 100 |
| Closing trading price at purchase | £ | 25 |
| Amount paid per share (£25 – 20% discount) | £ | 20 |
| Shares purchased (£100 / £20) | | 5 |
| | | |
| Total monthly (gross) fiscal benefit 5 x (£25 – £20) | £ | 25 |
| Income tax (20% x £25) | £ | 5 |
| Employee National Insurance | £ | nil |
| Total income tax and employee NICs | £ | 5 |
| | | |
| Paid (£100 + £5) | £ | 105 |
| Value received (5 x £25) | £ | 125 |
| Net benefit at purchase | £ | 20 |

3 EXPIRY OF THE ONE-YEAR "BLOCKING PERIOD"

You will not be subject to income tax or employee NICs when the one-year "blocking period" expires. Technically, a liability for NICs may arise if you leave before the expiry of the one year blocking period. Your employer may, voluntarily, and in its absolute discretion, agree to meet this liability on your behalf, but this should not be assumed. Under the Participation Agreement, it remains the case that you are liable for all taxes and employee social security contributions associated with the Plan and to indemnify and/or reimburse your employer/relevant group company accordingly unless such liability is specifically waived or assumed on your behalf.

4 TAX WITHHOLDING AND REPORTING

Your employer will be required to withhold and account for the income tax and employee NICs (if applicable) under the Income Tax Instalment Payments ("ITIP") withholding system. Under the ITIP system, each time you are paid your employing company deducts some income tax and employee NICs from your pay, and pays these amounts over to the Isle of Man Treasury (the "Treasury"). The objective is that the total of the amounts deducted over the course of the tax year will equal your actual tax and NICs liability for that tax year.

If income tax or NICs are due under, or as a consequence of your participation in, the Plan, the amounts due must also be withheld under the ITIP system. Any withholding obligation may be satisfied by withholding the income tax and employee NICs

from your salary or any other payments due to you, including from any bonus payable to you. Arcadis NV also reserves the right to ask you for the amounts due directly.

If, for any reason, the local entity does not withhold the income tax under the ITIP system or by another permitted method, you must reimburse the local entity for the tax paid within 90 days of the end of the tax year in which the event giving rise to the tax liability occurred (the "Due Date"). If you do not reimburse the local entity for the income tax paid on your behalf within 90 days of the Due Date, you will be deemed to have received a loan from your employer in the amount of the income tax due, effective on the Due Date. The loan will bear interest at the then current Treasury official rate on overdue tax and it will be immediately due and repayable and your employer may recover it at any time by any of the means set forth in the Participation Agreement.

Provided all income tax due on any income recognised for the purposes of the Plan is withheld via the ITIP system, you do not need specifically to report this on your annual self-assessment tax return. However, if any amounts of income tax are not withheld via the ITIP system, you are responsible for reporting these on your annual self-assessment tax return. You are also responsible for reporting and paying any tax resulting from the receipt of any dividends.

5 SALE OF SHARES

No income tax or national insurance contributions are due on the sale or disposal of Arcadis NV shares.

6 DIVIDENDS

You will be subject to income tax at the applicable rates (up to 20% based on current rates, depending on your total income) on any dividends paid to you on Arcadis NV shares you acquire under the Plan. You will not be liable to pay employee NICs in respect of dividends.

Please note that Arcadis NV might statutorily be obliged to withhold Dutch dividend tax on any dividends paid to you. You cannot offset and/or reclaim those dividend withholding taxes.

You will be personally responsible for reporting any dividends received by you through your annual self assessment tax return and for paying the applicable tax directly to the Treasury.

7 EXCHANGE CONTROL INFORMATION

In general, you should not be subject to any foreign exchange requirements in connection with the Plan.

8 MISCELLANEOUS

Your Arcadis NV shares are registered at the following account: 0230-122409.S1.