

TAX INFORMATION SUPPLEMENT 2016 SINGAPORE



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 expected to be in effect in Singapore as of 1 January 2016, and assumes that you are a Singapore tax resident. 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 As a result, the information contained in this summary may be out of date at the time you participate in the Plan, acquire shares, receive dividends or sell shares acquired under the Plan.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.

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 DATE OF GRANT

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 taxation.

2 PURCHASE DATE

On the date your accumulated savings are used to purchase Arcadis NV shares against a discounted purchase price, you will generally be subject to taxation on the difference between the open market value ("OMV") of the purchased Arcadis NV shares and the discounted purchase price paid, against progressive tax rates of up to 20% (or 22% for income earned in calendar year 2016 and onwards). However, as the

Arcadis NV shares will be subject to a blocking-period of one (1) year, Singapore tax will only be payable when the blocking period is lifted (see hereafter).

3 LIFTING OF BLOCKING-PERIOD

After the blocking-period is lifted, you will be subject to tax on the difference between the OMV of the Arcadis NV shares at the time the blocking-period is lifted and the purchase price paid. You will be subject to income tax at progressive rates of up to 20% (or 22% for income earned in calendar year 2016 and onwards) on this amount. You will need to report this income in your personal tax return for the year when the blocking-period is lifted. For example, if the Arcadis NV shares are purchased in July 2016, but the blocking period is lifted on July 2017, you will have to report the income as being earned in 2017 (i.e. in your tax returns for Year of Assessment 2018).

EXAMPLE TAX CALCULATION

Monthly contribution (approximately EUR 100)	SGD	166
OMV of the shares at date of purchase (approximately EUR 20)	SGD	33
Discounted purchase price 80% of SGD 33	SGD	26
Shares purchased (SGD 166 / SGD 26)		6
OMV of the shares at date of lifting of blocking period (approximately EUR 30)	SGD	50
Total gross benefit of the participant 6 x (SGD 50 – SGD 26)	SGD	144
Assuming a 22% marginal income tax rate	SGD	32
Net gain SGD 144 – SGD 32	SGD	112

4 TAX REPORTING

The local employer in Singapore will be required to report the difference between the OMV of the acquired Arcadis NV shares (after the one-year blocking period has expired) and the (discounted) purchase price paid in SGD ("Taxable Spread") as taxable wages to the Inland Revenue Authority of Singapore ("IRAS"). The Taxable Spread will be determined by way of converting the OMV and the purchase price paid in EUR into SGD upon de-blocking of the Arcadis NV shares. For this conversion, the last available exchange rate as at close of business of the day the Arcadis NV shares become freely transferable will be used. These exchange rates are published at the following website:
<https://secure.mas.gov.sg/msb/ExchangeRates.aspx>.

As the local employer in Singapore is under the Auto-Inclusion Scheme for Employment Income, the employer will submit an annual return of remuneration directly to IRAS electronically. However, you will still have to complete and submit your annual tax return to IRAS.

The annual return will state the salary or benefits paid to you by your employer during the preceding calendar year, whether in cash or in kind, and will include the amount of the discount you have realized under the Plan.

5 GAINS REALIZED ON SALE OF ARCADIS NV SHARES

No tax in Singapore would be imposed on gains from the sale of Arcadis NV shares where such gains are capital in nature.

6 DIVIDENDS

Dividends paid in respect of your Arcadis NV shares are not subject to any tax in Singapore. This is because foreign-sourced dividends received by individuals in Singapore are exempt from taxation in Singapore.

However, dividends received on your Arcadis NV shares are generally subject to an automatic 15% dividend withholding income tax at source in the Netherlands. Under certain statutory conditions, Arcadis NV may decide to declare a dividend which will not be subject to dividend withholding income tax at source in the Netherlands. You will be informed about the amount of dividend tax actually withheld, if any.

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.