

CORPORATE GOVERNANCE STATEMENT 2010 GRONTMIJ N.V.

This is a statement concerning corporate governance as referred to in article 2a of the decree on additional requirements for annual reports (Vaststellingsbesluit nadere voorschriften inhoud jaarverslag) as applicable to annual reports for bookyears starting on or after 1 January 2009 (the “Decree”). The information required to be included in this corporate governance statement as described in articles 3, 3a and 3b of the Decree can be found below and in several sections of the Annual Report of Grontmij N.V. 2010. The Dutch corporate governance code can be found on www.commissiecorporategovernance.nl.

1. Information concerning compliance with the Dutch Corporate Governance Code, as required by article 3 of the Decree:

- Grontmij applies the principles and best practices guidelines of the revised Code, except for the following principles and best practice guidelines below that are not or not fully applied.
- **II.1.1:** Members of the Executive Board appointed before January 1, 2004 are appointed for an indefinite term. These contracts will be honoured. Members of the Executive Board appointed after that date are appointed for a four year period. Mr. D.M. Zuydam who was appointed in 2009 is up for reappointment in 2013.
- **II.2.10 & II.2.11:** The Supervisory Board retains the option of a so-called fairness review only on the variable remuneration related to individual targets. All other parts of the remuneration are fixed or related to predetermined and assessable targets and based on Dutch labour law and the applicable labour contracts not subject to a discretionary review by the SB.
- **II.2.13f, g & h.:** Performance criteria are described in general terms but not fully disclosed as they contain competition-sensitive information. For the same reason, individual targets (relating to the discretionary component of variable remuneration) are not fully disclosed but described in general terms. Furthermore, they could contain information of an otherwise confidential nature that Grontmij may not want to disclose.
- **III.3.1** The Supervisory Board has a profile that includes aspects of diversity. There are no specific diversity objectives. We will await the implementation of proposed legislation and, if considered necessary, present a revised profile at the 2012 AGM.
- **III.5.11** The chairman of the appointment and remuneration committee also chairs the Supervisory Board. Usually the chairman of the Supervisory Board is also chairman of the appointment committee. At Grontmij the appointment committee is combined with the remuneration committee. Given the leading role of the chairman of the appointment committee in the selecting and nomination process of members of the Executive and Supervisory Boards, it is decided that the Chairman of the Supervisory Board also chairs the combined Appointment and Remuneration committee.

Each year, the Executive Board in consultation with the Supervisory Board reviews the above deviations and determines, also in view of general market practice, whether any changes need to be made.

2. The information concerning Grontmij’s risk management and control frameworks relating to the financial reporting process, as required by article 3a sub a of the Decree

The Executive Board is committed to ensuring that the risk management processes embedded in the overall Group Assurance framework are as effective as possible in enabling management to effectively mitigate risks that can adversely affect the return to shareholders and to safeguard the interests of customers, employees, suppliers and other stakeholders. Risk management processes involve both the continual identification of current and new risks, and mitigating actions at business operational and financial level and an effective and frequent cascade and review of this information embedded in the Group Assurance framework.

The business and financial risk registers are reviewed and discussed each month, at individual business unit level, country level, business line level, Executive Board and Supervisory Board

level. There is an effective cascade mechanism to ensure that where necessary, issues can be escalated immediately.

In 2011, we will further improve our pragmatic approach to risk management and will further incorporate it into our business operations and we plan to roll out strategic risk management workshops. The Grontmij Groupwide internal audit function is fully embedded in the business, and directly involved with the strategic risk management workshops, as well as the overall risk management processes described above.

We have identified the following categories of risks and have listed the most relevant risks in those categories:

- strategic and operational risks;
- compliance risks;
- financial risks.

We give the most relevant risks for each category. The overview is not exhaustive. In view of the great diversity of our markets, clients and regions and our broad spectrum of operations, there may be other risks that are not mentioned here but may have an impact on our business.

Strategic and operational risks

Main strategic risks

The most important risks that could pose a threat to a consultancy and engineering firm are:

- a significant change in demand from both our public sector and private sector client base;
- shortage of available professionals with high calibre skills.

The influence of positive and negative cyclical effects is tempered by:

- the continual strengthening and cohesion of the Group's cross border operations;
- our broad geographical distribution;
- the diversity of our client base and market sectors;
- our strong market position and size;
- our ability to innovate when providing client solutions.

In addition to these mitigating actions, we continued to build on the actions already taken in 2009, as discussed above, to remove surplus indirect and direct resource, and increase the transparency and responsiveness of the business.

Contract risks

Thanks to our decentralised network of offices, we generate a considerable portion of our revenue from a large number of contracts of a relatively limited size with correspondingly limited risks. The largest project in our portfolio accounts for less than 2% of our revenue. Where risks are suspected, they are covered, where possible, by appropriate insurance (for projects and otherwise). Some contracts are awarded to Grontmij on the basis of long-term agreements stipulating that it is the preferred supplier. The majority of our projects is carried out by Grontmij companies acting as the chief contractor for clients, and usually involve a fixed contract fee.

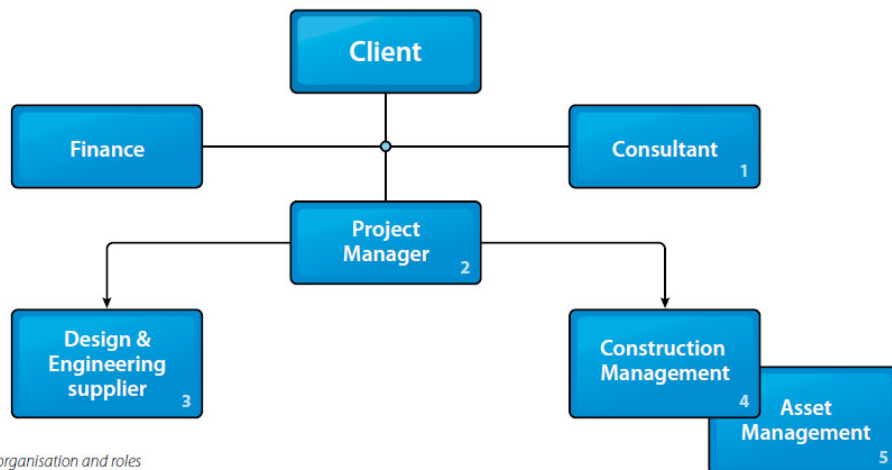
Project risks

Given the nature and complexity of the engineering consultancy business, Grontmij has developed a robust risk-management policy for its business operations: an alternating contract portfolio provides the protection required against contract losses, thorough disciplinary controls have been embedded and funds are actively managed on a daily basis.

Grontmij systematically (ISO-9001 and ISO-14001) adopts a bottom-up approach to its business operations. Risks are identified at project level, which means it is possible to oversee the risk profiles of all projects by business line and/ or client categories in each region. This enables us to assess the conditions and risks involved in individual projects and spread the risk adequately.

Grontmij executes its knowledge in projects for clients via several types of contracts. Dependent on size, scope, complexity and risk profile Grontmij delivers services as consultant (1), project manager (2), designer/engineer (3) or in the construction stage as construction manager (4).

During the operation and maintenance of a project Grontmij acts as asset manager on long-term framework contracts (5). Roles can be combined or integrated by Grontmij on its own as full-service provider or delivered via consortia with other consultants, architects, construction companies and real estate developers. The selected contract type for Grontmij can vary from no design and no performance guarantees to design and performance liabilities. In order to mitigate risks Grontmij selects the right organisational and legal structure to carry out a project. Larger more complex projects for example in the Trans-European Network Transport are executed by Grontmij via joint ventures and associates with other consulting engineers (role 3) or with construction companies (role 4 and 5). In these joint ventures and associates Grontmij usually holds a minority interest and is delivering services on fixed fee basis via the joint venture company to the client.



Standard project organisation and roles

Grontmij will continue to secure its position in larger complex projects and mitigate risks through the use of joint ventures and associates (EAI's.)

Projects are evaluated against their financial projections at least once per month based on the PCM-method so that necessary amendments can be made promptly if and when necessary.

Risks related to systems

IT systems are a core enabler of business operations at Grontmij. Therefore, it is crucial to have appropriate information security in place. During 2009, a formal corporate information security policy in line with the ISO-27001 Code of Practice was developed and approved by the Executive Board. This policy is underpinned by a risk-analysis framework that stress tests the availability, integrity and confidentiality of information and other operating assets against specific threats to Grontmij's business processes and supporting information systems and IT infrastructure. No key issues have taken place during the past year.

Labour market risks

Our ability to grow our revenue base is driven to a large extent by the number of qualified staff we are able to recruit and retain. Our position in the labour market is vitally important for our business operations. Grontmij strives to have a balanced workforce. In general our objective is that 85% of our people is employed under an employment contract for indefinite term and the remaining 15% is hired for a particular project or on a flexible basis. Sharing manpower between the various business units can produce a higher utilisation rate. In addition to labour market risks, we continuously monitor variable remuneration risk which is low.

Compliance risks

Insurance and legal risks

Grontmij is insured against a number of risks, such as professional and general liability and project risk. These risks are insured at Group and local (national) level. Appropriate cover is arranged at local level for those aspects of normal ongoing business. At Group level, Grontmij has a directors' and officers' liability insurance in place. From time to time, Grontmij N.V. and its subsidiaries are involved in legal disputes. Based on legal advice, the Executive Board is of the opinion that the outcome of current disputes will have no significant effect on the Group's financial position. Appropriate provision has been made in so far as there are grounds for doing so. Should the final outcome differ, it will be accounted for in the income statement.

Tax risks

As Grontmij has operating companies in a number of countries, its results depend on the taxes levied in the various jurisdictions. It is our policy to comply with tax laws in each jurisdiction while striving to mitigate tax costs. Changes in tax law in these jurisdictions, however, may lead to higher tax costs.

Financial risks

Balance sheet and access to capital

Grontmij pursues an active policy to optimise its balance sheet ratios to limit its financial risks and ensure that it is financially solvent in the long term. Public listing makes a particularly valuable contribution in the achievement of Grontmij's objectives (financial and otherwise). It enables the Group to access a variety of funding sources so that when considering an acquisition, for example, we can opt for the best possible available funding mix.

Off-balance sheet constructions are avoided. Purchased or internally developed software is not capitalised in the balance sheet, with the exception of substantial external expenditure on programmes for administrative and technical use. The costs involved in research are debited directly to the results. Part of this expenditure is expressed as project related cost of sales. Grontmij has valued the carrying amount of its assets within the framework of its normal balance sheet assessment.

Interest rates

Grontmij seeks to safeguard its results and cash flow against interest-rate fluctuations by securing fixed interest loans or variable interest loans in combination with derivative financial instruments (interest rate swaps).

Currency translation

Although Grontmij limits its sensitivity to foreign-exchange rate variations, it is not insensitive to such variations. Grontmij has activities in countries outside the euro-zone. When converted into euros, the income may be influenced by fluctuations in exchange rates against the euro. Local currency income is largely used to fund local payments; consequently, foreign exchange rate variations play a limited role at local level. Foreign exchange rate variations can also affect the balance sheet and the income statement partly because of the interval between the submission of a tender, the award of a project contract and the time of payment. Forward contracts are concluded where advisable and possible.

Pensions

Grontmij has established pension plans for its people in accordance with the relevant regulations and practice in each of its home markets. In the Netherlands, the company has a separate pension fund. Despite the downturn of the financial markets, Stichting Pensioenfonds Grontmij complies with the guidelines of the Dutch Central Bank in terms of its cover ratio (113% preliminary figure) as per the end of 2010 (2009: 115%). On 1 January 2006, Grontmij introduced a so-called hybrid plan in the Netherlands, which entails a final-pay scheme up to a gross salary of € 65,448, combined with a defined contribution scheme for the salary above that amount. As a result of the final-pay scheme, Grontmij is still sensitive to the fund's performance. The Group can mitigate this risk by adjusting the contributions payable by its employees. The company runs no risk in relation to the defined contribution scheme. Changes are expected to the pension plan in 2011.

A combination of a final-pay and a defined-contribution plan applies in Germany, Belgium, Denmark and the United Kingdom have defined-contribution schemes (the United Kingdom also has small defined benefit scheme). Sweden has a final-pay scheme involving multiple employers – the ITP plan. However, there is no consistent, reliable basis to allocate assets or liabilities to the entities participating in the ITP pension insurance scheme, with the result that it is treated as a defined-contribution plan.

Financial reporting risks

Timely, accurate, transparent and quality financial reporting is a top priority for the Group. At an operational level it enables management to take the correct decisions quickly and at a strategic level it facilitates a true and fair view of the Group's financial performance so that strategy can be developed and shareholders and other stakeholders can be assured of continuity.

To guarantee the quality of our financial reporting, we use the following risk management and internal control systems:

- a high quality monthly reporting framework incorporating key financial, demand, productivity and resource indicators;
- a standard annual-planning and reporting cycle, comprising an annual operational plan at operating company level;
- annual phased budgeting and monthly forecasting;
- periodic/regular business assessments, at which the management teams of the various operating companies discuss with the Executive Board progress made on their operational plans and any measures designed to limit their business risks;
- standard procedures and guidelines, including regulations governing insider trading, an integrity code, an accounting manual and a whistleblower's procedure;
- policy for the recruitment and retention of high-calibre financial professionals in all business units.

The Group is constantly improving its risk-management and internal-control systems. In the years ahead we will continue to give top priority to improving the design and effectiveness of these systems and their further integration into our day-to-day business operations

3. The information regarding the functioning of Grontmij's general meeting of shareholders, and the authority and rights of Grontmij's shareholders, as required by article 3a sub b of the Decree:

An Annual General Meeting of Shareholders (AGM) is organised within six months of the end of the financial year. Further shareholders' meetings may be held at the request of the Executive or Supervisory Boards, without prejudice to the provisions of Sections 110–112 of the Dutch Civil Code. Shareholders or holders of depositary receipts who, on their own or together, represent no less than 1% of the company's issued share capital or whose shares or depositary receipts have a market value of at least €2 million, are entitled to request the Executive or Supervisory Boards to put items on the agenda of a general meeting of shareholders.

The AGM appoints, suspends and dismisses members of both the Supervisory and Executive Boards, usually following a non-binding nomination from the Supervisory Board. If no such nomination has been submitted or if the AGM wishes to deviate from such recommendation, the decision must be taken by an absolute majority of the votes cast, representing at least one-third of the Grontmij's issued share capital. When appointing a member of the Executive Board or Supervisory Board, votes may only be cast for candidates whose names are stated in the agenda or notes thereto.

The AGM may only decide to amend the company's Articles of Association based on a proposal presented by the Executive Board that has been approved by the Supervisory Board. Amendments require an absolute majority.

The procedure for appointing and suspending and dismissing members of the Executive and Supervisory Boards, and the rules governing amendments to the Articles of Association, are set out in Grontmij's Articles of Association, which can be found on

www.grontmij.com/investorrelations/ShareholderInformation/Pages/ShareholderInformation.aspx

4. The information regarding the composition and functioning of Grontmij's Executive Board, the Supervisory Board and its committees, as required by article 3a sub c of the Decree:

The role of the Executive Board

The Executive Board (EB) is responsible for managing determining and realising the Group's objectives, strategy, financing and policy, and its results. The EB bears collective responsibility for managing the company. The specific roles and responsibilities of the CEO and CFO are laid down in the EB charter which can be found on our website

www.grontmij.com/investorrelations/corporategovernance/Pages/ExecutiveBoard.aspx.

The Executive Board consists of two members, Mr. S. Thijsen (CEO) and Mr. D.M. Zuydam (CFO).

The role of the Supervisory Board

Grontmij's Supervisory Board (SB) has the duty to monitor the policy pursued by the Executive Board and the general situation prevailing in the company and its associated companies, to oversee all our activities and provide guidance and advice to the Executive Board. Supervision focuses on the realisation of strategy, proper execution of internal risk management and control structures, adequate financial reporting and legal and regulatory compliance. In pursuing these tasks, the SB takes the interest of all stakeholders into account. The Supervisory Board has two permanent committees that report directly to it, the Audit and the Appointment and Remuneration Committees. For a detailed description of the tasks and responsibilities see our website

www.grontmij.com/investorrelations/corporategovernance/Pages/SupervisoryBoard.aspx.

The Supervisory Board consists of 6 members, Mr F.L.V. Meysman (Chairman), Mr S.E. Eisma (Vice Chairman), Mr R.J.A. van der Bruggen, Mr P.E. Lindquist, Mr. P. Montagner and Mr J.H.J. Zegering Hadders.

Committees

The Supervisory Board has two committees. Each committee reports in depth to the subsequent full Supervisory Board meeting.

Audit committee.

As from 1 January 2011, the Audit Committee is made up of Mr Zegering Hadders (Chairman), Mr. P.E.L. Lindquist and Mr. P. Montagner. Meetings may be attended by all Supervisory Board members. Our external auditor attends the meetings where the full-year results are discussed. The auditor also meets at least once with the Audit Committee without the presence of the Executive Board.

The following matters, among others, are usually discussed in the audit committee meetings:

- the annual figures and the quarterly and half year figures
- budget and quarterly comparison of actual figures against budgets;
- the auditor's management letter and Board report;
- treasury and working-capital management;
- financing position, including repayment schedules and loan covenants;
- key risks and legal claims;
- structure & performance of the Group's internal risk-management and control systems;
- the role and performance of the external auditor;
- findings of the internal auditor;

Appointment and remuneration committee

As from 1 January 2011, the appointment and remuneration committee, consists of Mr Meysman (Chairman), Mr R.J.A. van der Bruggen and Mr Eisma. Main points at these meetings are usually the individual performance of Executive Board members and their remuneration, the

achievement of targets and related performance- and value dependent bonus for Executive Board members' the remuneration policy, the Supervisory Board profile and proposed appointments of EB members and SB members.

5. The information concerning the inclusion of the information required by the decree Article 10 EU Takeover Directive, as required by article 3b of the Decree:

This information is included in the Annual Report 2010 in the sections shareholder information, corporate governance, declarations and remuneration report.