

**Refine.**

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## **REVIEW AID**

- This 2017 Sustainability Report covers Stantec's worldwide Consulting Services but not our Construction Services
- This report was prepared in accordance with the GRI Standards
- All financial information is reported in Canadian dollars, unless otherwise stated

## **OTHER RESOURCES**

The following reports and website will provide you with additional information about Stantec:

- [Annual Report](#)
- [Management Information Circular](#)
- [Annual Information Form](#)
- [stantec.com](http://stantec.com)





**Sustainability at Stantec is built on the premise that positive economic results are possible when we effectively manage our environmental, social, and governance affairs.**

We are committed to sustainability leadership in our operations and project work. In our markets, for our clients, and throughout our Company, we advance initiatives that support a more sustainable world. And we do business in a way that meets the needs of the present while contributing to an environmentally, socially, and economically sustainable future.

**SUSTAINABILITY IN OUR OPERATIONS**

At Stantec, we take responsibility for the impacts of our internal operations by

- Choosing approaches that are least likely to impact the environment
- Providing an inclusive and equitable workplace for our employees
- Actively volunteering in our communities, and annually donating up to 1% of our pre-tax earnings to charity
- Committing to ethical business behavior

**SUSTAINABILITY FOR OUR CLIENTS**

For our clients, Stantec's sustainability professionals are leading the way by

- Designing high-performing, energy-efficient, and energy-positive buildings
- Helping clients meet their carbon goals by managing emissions and leading emission reduction programs
- Engineering renewable energy and storage systems
- Maximizing water conservation, reuse, treatment, and access to clean water
- Engineering and constructing sustainable infrastructure
- Positioning communities to be resilient so they can withstand and recover rapidly from disruptions
- Improving human rights conditions and responsible sourcing practices
- Supporting social equity and facilitating community partnerships
- Advising clients on developing sustainability goals and programs

We take our commitment to sustainability seriously; we are proud to operate our Company in a sustainable manner and to be recognized for providing sustainable client solutions.

## Sustainability: It's Who We Are, It's What We Do

At Stantec, we design with community in mind. Together, we're creating innovative, sustainable, resilient, and livable communities around the world. Stantec's actions are guided by four values: we put people first, we do what is right, we are better together, and we are driven to achieve. Each value connects us and our Company to sustainability. Effectively addressing environmental, social, and governance (ESG) concerns is good business—and the right thing to do.

### **Why We Care about Sustainability**

Our services help communities and clients reduce their environmental impacts while improving quality of life. Our people understand and apply sustainability principles and techniques to their projects, while our sustainability strategy—threaded through all business operating units—

helps clients achieve social, environmental, and economic benefits, and gain business advantages.

People worldwide are increasingly concerned about the state of the environment. Client demand for sustainable solutions is on the rise. For these and other reasons, Stantec signed on to the United Nations Global Compact. We support its foundational principles that affirm the importance of human rights, ethical labor, the environment, and anti-corruption, and we support the Sustainable Development Goals.

### **Sustainability at Stantec**

In 2017, we achieved our long-standing business objective of becoming a top 10 global design firm—while retaining our focus on sustainability. We expanded our carbon reporting and set a new baseline that includes our geographically expanded Consulting Services business.

And our new LEED® Gold headquarters, Stantec Tower, will reduce carbon emissions by consolidating three older office spaces into one much more efficient space.

In 2017, we established an Executive ESG Committee to provide strategic leadership and guidance on internal sustainability. The committee, chaired by our chief operating officer, comprises senior managers from teams that set and achieve our sustainability goals.

We give up to 1% per year of our pre-tax earnings to charity—about \$3 million in 2017. We also support various volunteer activities of our employees; for instance, in 2017, more than 5,000 of us participated in Stantec in the Community Week, working with over 400 community organizations across 6 continents.

**An Ongoing Commitment**

Witnessing firsthand the way employees live our values makes me proud to lead Stantec. Our employees care deeply about our communities and our impact, and our business depends on attracting and retaining the industry's best and brightest. Our employees foster a workplace that values diversity and inclusiveness, and they follow ethical business practices. The people of Stantec are showcasing a sustainability mindset in our work with clients and in how we operate our business.

These are some of the ways we continue to embrace our commitment and responsibility to sustainability. Thank you for taking the time to review this 2017 Sustainability Report.



**Gord Johnston**  
President and CEO







Old Cutler Road  
Cutler Bay, Florida



## About Stantec

Communities are fundamental. Whether around the corner or across the globe, they provide a foundation, a sense of place and of belonging. That's why at Stantec, we always **design with community in mind**.

We care about the communities we serve—because they're our communities too. This allows us to assess what's needed and connect our expertise; to appreciate nuances and envision what's never been considered; to bring together diverse perspectives so we can collaborate toward a shared success.

We're designers, engineers, scientists, and project managers, innovating together at the intersection of community, creativity, and client relationships. Balancing these priorities results in projects that advance the quality of life in communities across the globe.

Stantec trades on the TSX and the NYSE under the symbol STN. Visit us at [stantec.com](http://stantec.com) or find us on social media.

### → Our Purpose

*How we make a difference in the world*

Creating communities

### → Our Promise

*What we stand for*

Design with community in mind

### → Our Values

*How we act*

We put people first  
We do what is right  
We are better together  
We are driven to achieve

### → Our Business Objective

*What drives us to do better*

We will be a top-tier global design and delivery firm

## Strategic Elements

*What we will work to achieve in 2018*

Build an inspiring, inclusive work environment that attracts, supports, and develops world-class talent.

Pursue and win work that transforms our communities and inspires our employees.

Execute projects exceptionally for our clients.

Combine what we know succeeded in the past with curiosity, creativity, and investment into what will succeed tomorrow.

Embrace and continue to enhance our Collaborative Business Model and integrated platform for competitive and operational advantage.

Make strategic acquisitions that strengthen our ability to improve the communities, sectors, and geographies we serve.

## Stantec 2017 Snapshot

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### Total Company

**\$5.1B**      **22,000**  
GROSS REVENUE      EMPLOYEES

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### Service Offerings

#### Consulting Services

We provide professional consulting services in engineering, architecture, interior design, landscape architecture, surveying, environmental services, project management, and project economics. Consulting Services derives its revenue from five business operating units.

**\$4.0B**      **20,000**  
GROSS REVENUE      EMPLOYEES

#### Construction Services

We provide construction and construction management services mainly on water-related projects for key long-term clients.

**\$1.1B**      **2,000**  
GROSS REVENUE      EMPLOYEES

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### Acquisitions

- Inventrix Engineering, Inc.
  - North State Resources, Inc.
  - RNL Facilities Corporation
- 

### Supply Chain

- Upstream – leased buildings, fleet, purchased goods and services
- Stantec operations – employees, future employees, subcontractors, business travel
- Downstream – clients, project partners, communities



## 2017 Gross Revenue

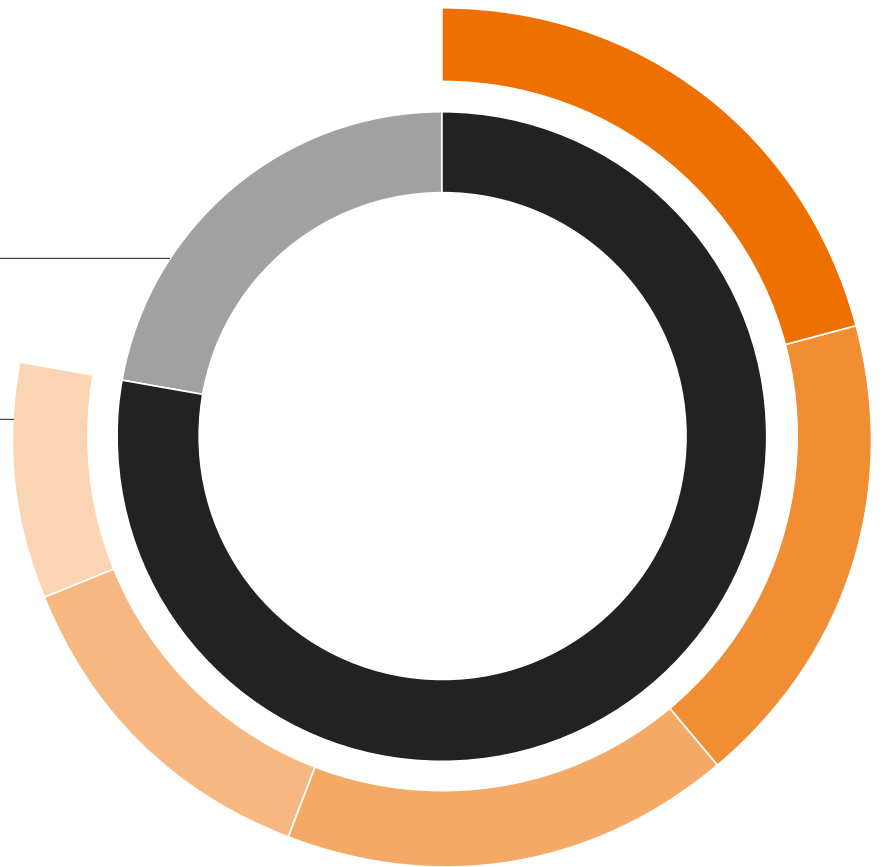
### SERVICE OFFERINGS

- Consulting Services: 78%
- Construction Services: 22%

### BUSINESS OPERATING UNITS

#### Consulting Services

- Infrastructure: 27%
- Buildings: 22%
- Water: 22%
- Environmental Services: 17%
- Energy & Resources: 12%



## Geographical Reach

- 6 continents
- 23 countries
- 400 offices



## IN THIS SECTION

Stakeholder Engagement

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Material Topics

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Sustainable Development Goals



 Filsinger Park  
Kitchener, Ontario





# Sustainability Is Good Business

**SUSTAINABILITY IS CRITICAL TO ENSURE STANTEC'S LONG-TERM COMPETITIVENESS.** It helped us achieve our position as a top 10 global design firm and remain profitable every year since our founding in 1954. Our Sustainability Program, in place since 2006, is built on the premise that positive economic results are enabled by effective environmental, social, and governance (ESG) practices. We manage and monitor these practices at both the corporate and office levels.

Our long-term success comes from treating our employees fairly and supporting the communities where we work and live. And managing our business with a triple-bottom-line focus benefits our people, clients, investors, and planet. ESG initiatives save money by introducing efficiencies; provide a foundation for effective decision-making, risk management, and transparency; drive innovation; support our brand; and improve recruiting and retention.

Stantec's comprehensive [Sustainability Policy](#) and certified management systems guide us when implementing best practices that meet the letter and spirit of the laws and regulations in locations where we do business and encourage us to improve our ESG impacts.

During our strategic planning and enterprise risk management processes, we consider ESG risks and opportunities. Because of our dedication to the environment, ethical labor, human rights, and anti-corruption, we participate in the United Nations (UN) Global Compact and support the UN Sustainable Development Goals.

Our sustainability commitments are embedded throughout our Company's goals—internally for our Company and externally for our clients. Plus, they are reflected in our Company's values: we put people first, we do what is right, we are better together, and we are driven to achieve.

## Stakeholder Engagement

Our stakeholders' contributions help us build our Sustainability Program and guide us as we improve our business. Stantec engages with stakeholders in many ways:

### EMPLOYEES

- Employee engagement surveys
- Focus groups
- One-on-one meetings
- Integrity Hotline (third party)
- Post-acquisition surveys
- Diversity and Inclusion councils
- Career Development Performance Reviews
- Employee Resource Groups

### CLIENTS

- Regular meetings with account managers
- Ad-hoc meetings and calls with account and project managers and senior leaders
- Brown-bag get-togethers to share lessons learned and best practices
- Client surveys, questionnaires, and requests for proposals
- Debriefs and bidder conferences for proposed projects
- Informal discussions at industry and professional association events
- Joint participation on technical committees

### INVESTORS

- Annual General Meetings
- Earnings conference calls
- Investor conference presentations
- Ad-hoc meetings and calls with Investor Relations and Finance teams
- Investor disclosure requests
- Industry research and publications
- Informal discussions at industry and professional association events

### COMMUNITIES

- Stantec in the Community Week (across our Company)
- Locally driven engagement initiatives (varies by region and locale)



### SUBCONTRACTORS AND BUSINESS PARTNERS

- Subcontractor prequalifications
- Joint project work
- Ad-hoc meetings with project managers and senior leaders

### VENDORS

- Contract negotiations
- Quarterly business reviews
- Ad-hoc meetings with Procurement team

### REGULATORS

- Interactions during project work
- Informal discussions at industry and professional association events
- Joint participation on technical committees

### INDUSTRY

- Informal discussions at industry and professional association events
- Joint participation on technical committees



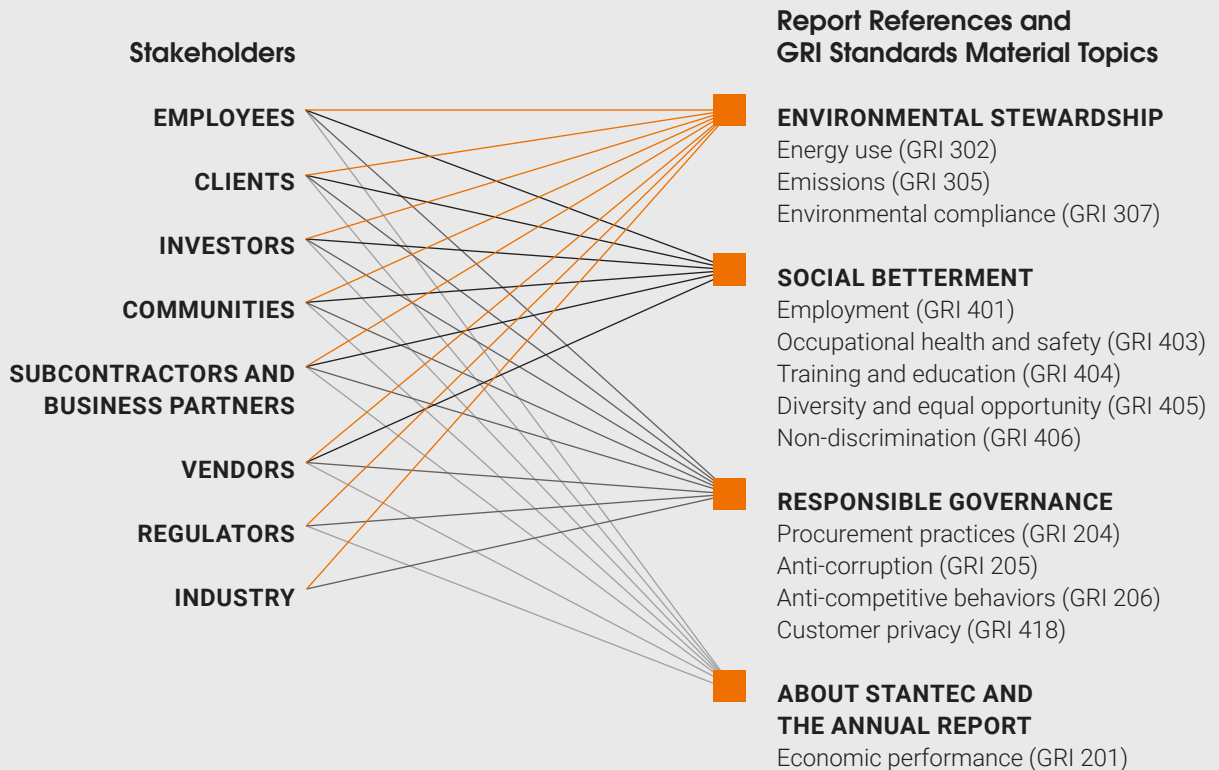


## Material Topics

Stantec's materiality process was last defined in 2015. Using various tools and processes, we asked our key stakeholders to focus on their relationship with Stantec and to identify what sustainability issues matter most to them. We analyzed the impact of the significance of stakeholder responses to identify material topics.

In 2017, we made minor adjustments to our material topics to reflect additional input from stakeholders and align them with the GRI (Global Reporting Initiative) Standards. In 2018, we will thoroughly review and update our materiality process so it better reflects our expanding geographic footprint and supply chain.

This report provides information on the progress against Stantec's identified material topics.





Panama Canal  
Panama City, Panama

## Sustainable Development Goals

In 2015, governments worldwide officially adopted the UN Sustainable Development Goals intended to end poverty, fight inequalities, and tackle climate change. In our 2016 Sustainability Report, we referred to the six goals that most closely related to Stantec's business. In this 2017 report, we show how Stantec supported all 17 goals through internal and client-facing actions.

For each of the Sustainable Development Goals below, we show two examples of Stantec's positive impact in creating a sustainable world.

### 1 NO POVERTY

Supported communities to avoid poverty during the aftermath of disasters by volunteering and financially assisting with RedR UK recovery efforts in Ebola-hit West Africa and drought conditions in the Sudan.

In east Africa, supported Djibouti's adaptation to climate change by treating urban wastewater to irrigate agricultural land, establishing an energy-sector institutional framework, and providing community capacity building.<sup>1</sup>

### 2 ZERO HUNGER

Volunteers sorted 7,350 kilograms (16,204 pounds) of food at Canada's Surrey Food Bank and Argentina's Banco de Alimentos; we also collected 2,352 cans of food during the CANstruction challenge in New York, US.

Designed an innovative irrigation program to support sustainable food production on 48,300 hectares (119,000 acres) of New Zealand's Canterbury Plains, reduce groundwater use by 75%, and protect habitats.

### 3 GOOD HEALTH AND WELL-BEING

Designed a 260-unit multifamily building project in Denver, US, that focused on personal and community health and well-being; included onsite food production, cooking classes, and health instruction; incorporated healthy materials and superior air filtration; and maximized daylight and lake, park, and mountain views.

Active in Steps for Life, donated \$15,000 and raised \$7,034 through walks in 15 Canadian locales; these programs support families suffering after workplace tragedies.

### 4 QUALITY EDUCATION

Partnered with the Grande Prairie Catholic School District in Alberta, Canada, to build a Grade 7 to 12 school that is socially sustainable through arts programs and provided community access to an art gallery and commercial theatre.

Funded more than \$213,000 for scholarships and other educational activities. For instance: Stantec's Diversity Scholarship in Practice increases diversity in the urban planning field; and Soaring: Indigenous Youth Career Conference and Students on Ice aid Indigenous students by unlocking educational prospects.

### 5 GENDER EQUALITY

As a STEM<sup>2</sup> advocate, co-created and annually sponsor Girls in Science at the US Denver Museum of Nature and Science, reaching 7,000+ participants each year.

Supported gender equality through our 26 Women@Stantec Employee Resource Groups and the annual Celebrating Women at Stantec campaign for International Women's Day.

<sup>1</sup>Capacity building: "The process of developing and strengthening the skills, instincts, abilities, processes, and resources that organizations and communities need to survive, adapt, and thrive in a fast-changing world" (United Nations).

<sup>2</sup>STEM: Science, technology, engineering, and math.



 Salt Lake City  
Pretreatment Support  
Salt Lake City, Utah

## **6 CLEAN WATER AND SANITATION**

Provided wastewater treatment to the City of Arequipa, Peru, through their Cerro Verde copper mine partnership. Reclaiming municipal effluent (previously discharged into a local river) reduces health risks, recovers aquatic ecosystems, improves recreational river use, and allows local agricultural products to be sold in international markets.

Provided technical and advisory services for fecal sludge management projects funded by the Bill & Melinda Gates Foundation. Activities included updating an industry planning process and design book; coordinating mentoring programs in Asia; and defining parameters for fecal sludge treatment plants in India.

## **7 AFFORDABLE AND CLEAN ENERGY**

Provided engineering, surveying, and permitting in Ontario, Canada, for the 250 MW Samsung Grand Renewable Energy Park, combining wind and solar power with capacity to power 70,000 homes.

Supported the renewable energy goals of American Municipal Power; designed hydroelectric generation facilities for four existing Ohio River dams to provide 300 MW of dependable, cost-effective energy—enough to power 200,000 homes.

## **8 DECENT WORK AND ECONOMIC GROWTH**

Through our Aboriginal Partnerships, supported economic growth by generating \$16.8 million in gross revenue and provided Canadian Indigenous community members with employment, training, hands-on skills development, and direct investment.

Contracted US\$85.4 million with small and diverse businesses for US government projects.

## **9 INDUSTRY, INNOVATION, AND INFRASTRUCTURE**

Designed improvements for the award-winning Iqaluit International Airport, North America's first public-private partnership airport and one of the first LEED® buildings in Nunavut, Canada.

Designed improvements for Los Angeles Metro's 14.8 acre (5.9 hectare) Willowbrook/Rosa Parks Station in California, US; addressed community resilience and social equity by improving access to quality transit and increasing personal mobility options.

## **10 REDUCED INEQUALITIES**

Organized a consortium to redevelop a historic black neighborhood in downtown Charlotte, North Carolina. The Brooklyn Village will have an extensive art and cultural plan, 12% affordable housing, 10% retail space dedicated to start-ups and minority retailers, 35% project costs dedicated to women and minority firms, and a park designed to be inclusive across cultures.

Helped restore a contaminated carriage factory (circa 1900). Vacant for 20 years, this dilapidated building in Rochester, New York, US, was transformed into apartments for people with special needs.

## **11 SUSTAINABLE CITIES AND COMMUNITIES**

Designed an award-winning composting facility in Calgary (largest of its kind in Canada), which annually diverts 85 million kilograms (187 million pounds) of food and yard waste and saves 40 million litres (10.6 million gallons) of potable water. Includes an energy- and water-efficient annex, the first LEED v4 commercial building registered in Alberta.

Designed the award-winning Sheikh Shakhboub Medical City in the United Arab Emirates using solar energy, sustainable landscaping, and water conservation and harvesting.



## 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Conducted audits for more than 1,000 supplier factories in Asia, Europe, and Latin America for a global media and entertainment company, which resulted in improved working conditions, capacity building, and a safe and healthy manufacturing culture.

Assessed source water vulnerability for a global brewery to determine the availability and quantity of water, infrastructure conditions and requirements, and governing policies.

## 13 CLIMATE ACTION

Improved Pacific Island access to Green Climate Fund financing to increase climate change resilience through flood management, drainage and water supply design, coastal and marine protection, ecosystem-based adaptation, and access to meteorological equipment.

Led a consortium working on the Turkey Sustainable Energy Financing Facility Program, which has supported financing for about 1,000 private and public resource efficiency and renewable energy projects since 2010. Yearly emission reductions equate to removing 840,000 cars from the roads, and energy reductions equate to electricity used by 3.5 million people.

## 14 LIFE BELOW WATER

Researched habitats and ecosystems to support sustainable resource development in Alaska, US. Tracked marine mammals, habitat use, and ice cover and movement; collected oceanographic and benthic data; and worked with Inupiat and Inuvialuit communities. (Part of the Marine Arctic Ecosystem Study through the US National Ocean Partnership Program; partnered with the US Bureau of Ocean Energy Management.)

Across North America, restored creeks like Hatchery Creek in Kentucky, US—designs mimicked a self-sustaining wild stream and created natural trout habitat; and the award-winning Kitchener's Filsinger Park—successfully naturalized a concrete-lined channel (the test case for 20 similar projects throughout the city) and established the first municipal fish habitat bank in Canada.

## 15 LIFE ON LAND

Managed and implemented prairie preservation and restoration on 80+ hectares (200+ acres) of right-of-way for a US Midwestern electric company. Activities included ecological assessments, site restoration plans, invasive species control, seedbed preparation, native plant seeding, general stewardship, shrub removal, mowing, and prescribed burning.

Protected the Miami Beach shoreline in Florida, US, by participating in the resilient planning and design of 40 new stormwater pumping stations, 60 miles (96 kilometres) of sea wall and tidal control, and 4,000 feet (1,219 metres) of living shoreline. Also provided environmental impact evaluations and environmental permitting.

## 16 PEACE, JUSTICE, AND STRONG INSTITUTIONS

Shared Stantec's ethics and compliance best practices with our supply chain (vendors, subcontractors, and partners) through our [Partner Code of Business Conduct](#).

Led a consortium to manage the OPEN Neighborhood Programme, a European Union—(EU—) funded four-year program supporting reforms and democratic consolidation in 10 southern EU countries. Ran campaigns to promote peace, security, stability, economic prosperity, and good governance.

## 17 PARTNERSHIP FOR THE GOALS

Partnered with the Rockefeller Foundation under the 100 Resilient Cities program, providing financial and technical assistance to cities worldwide. Integrated urban resilience strategies to help cities adapt to physical, social, and economic challenges.

Promoted the stable, peaceful sustainable development of Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan) by supporting climate change dialogue with the EU, enhancing regional cooperation, and providing training and policy advice.



## IN THIS SECTION

Environmental Management

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Carbon Footprint

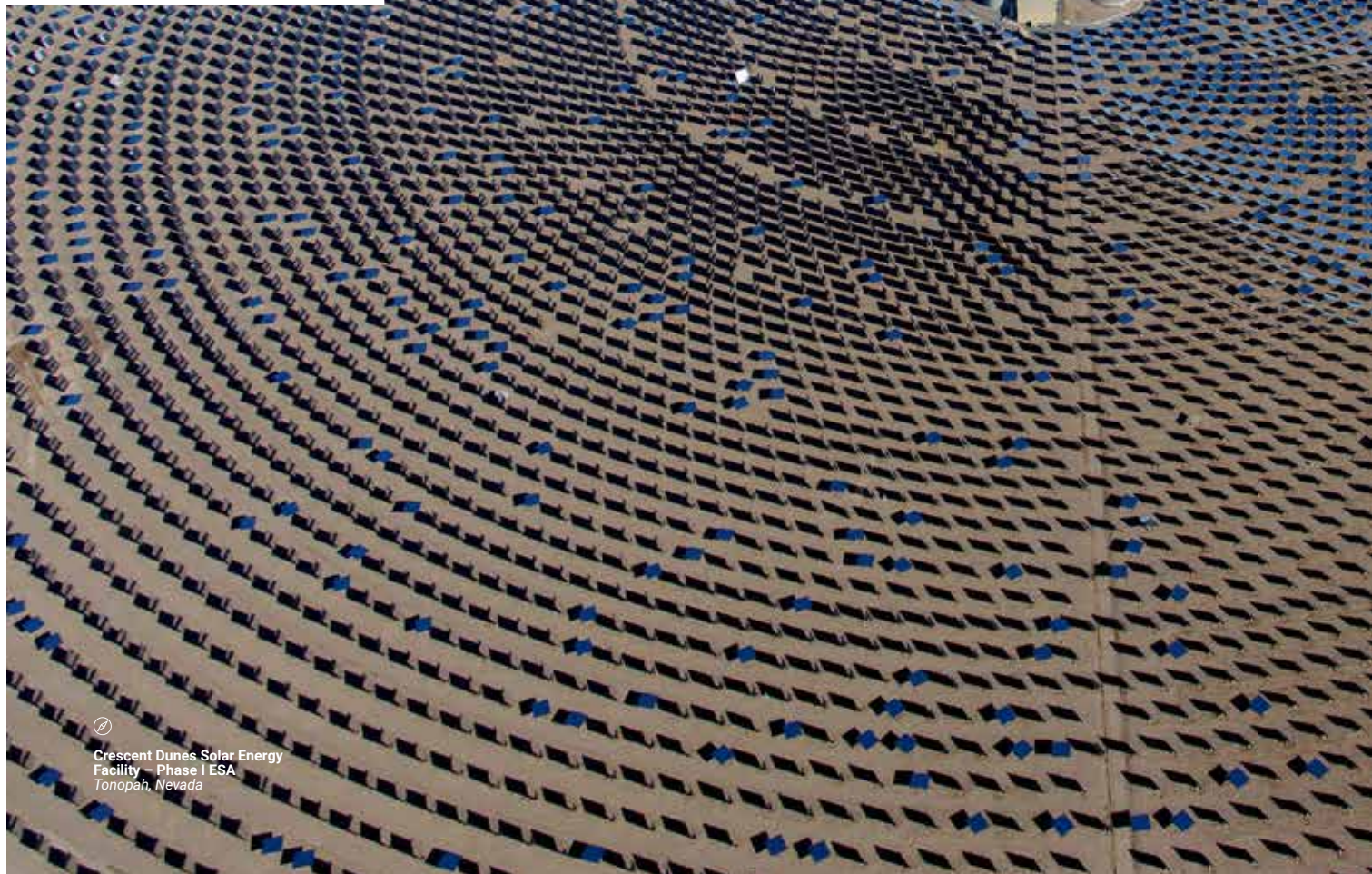
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Resource Conservation

### Our Value

#### WE DO WHAT IS RIGHT

We choose approaches of least impact to the environment and are accountable for our day-to-day choices, from the products we buy and the vendors we retain to the way we manage resources in our offices. We also protect the environment through the work we provide to clients.



©  
Crescent Dunes Solar Energy  
Facility – Phase I ESA  
Tonopah, Nevada





## Environmental Stewardship

STANTEC ACTIVELY MINIMIZES THE ENVIRONMENTAL IMPACT OF OUR OPERATIONS WHENEVER WE CAN.

We apply the precautionary principle<sup>1</sup> to our environment management; this approach diminishes our environmental risk.

As a growing global company, we know our footprint is expanding, so we use strategies and practices to gain operational efficiencies, thereby reducing energy consumption, emissions, and waste.

We conserve resources on projects for clients and in our corporate programs, and in our day-to-day work, we incorporate environmentally friendly practices that engage and motivate employees.

<sup>1</sup> Precautionary Principle: "Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a rationale for postponing cost-effective measures to prevent environmental degradation" (Rio Declaration).

On Earth Hour, we shut off lights and power down office equipment at our head office, ask other offices around the globe to do the same, and encourage employees to participate at home.

We celebrate Earth Day around the world through activities coordinated by volunteer Green teams.

For example,

- The team in Pune, India, held an Earth Day quiz to create awareness, then gave sapling trees to all who carpooled to the office
- The Taiwan office cleaned up along the Keelung River
- In Buenos Aires, Argentina, the team released a video promoting bicycle use as healthy and sustainable

## Environmental Management

We foster an understanding of personal and professional environmental impacts in the following ways:

- **Environmental Policies:** Stantec's pledge to protect the environment is reflected in our [Sustainability Policy](#) and [Health, Safety, Security, and Environment Policy](#). They commit the Company to monitoring compliance with environmental regulations, reducing environmental impacts of our operations, and advancing environmental performance.
- **Environmental Management System:** We manage, monitor, and improve our environmental performance with a formal ISO 14001:2015-certified Environmental Management System (EMS) (part of our Integrated Management System). Stantec has country-specific ISO 14001-certified systems in Canada, the United States, the United Kingdom, Australia, New Zealand, Italy, and the Netherlands.

Our enterprise-wide EMS sets environmental objectives and monitors and measures environmental targets, regulatory compliance, orders and citations, and improvement plans. We also require a documented emergency response plan for every office and a spill response plan for every laboratory.

All offices are internally audited for compliance, and a sampling of our offices are externally audited. Results are shared with executive leadership.

- **Project Management Framework:** Project managers and field staff incorporate environmental considerations into their client project work to comply with our Health, Safety, Security, and Environment Program.

Because Stantec is a professional services firm operating in leased office space, the direct environmental impact of our Consulting Services business relates primarily to office energy consumption, business travel, and office supplies. Our formal corporate environmental targets relate to reducing energy, greenhouse gas (GHG) emissions, and

paper. Though we do not track water use, we take efforts to conserve water in our offices.

Our operational business strategy includes looking for environmental efficiencies that mitigate risk and reduce costs. In 2017, we created an ecofootprint data management system to better track and analyze office-level energy and waste data as well as progress against reduction goals.

## Carbon Footprint

Stantec has measured, managed, and analyzed our carbon footprint since 2010. We follow the Climate Registry Protocol, covering GHG emissions and energy use for various activities. And each year, we disclose our performance on carbon management to CDP (the Climate Disclosure Project). We continue to invest in reduction efforts and improve data collection and reporting accuracy.

In 2017, we set a new baseline for emissions relating to our Global Consulting Services business and had the results externally verified. In 2018, we will set new reduction targets and, if feasible, will implement a science-based target.<sup>1</sup>

### METHODOLOGY

During 2017, we calculated new baselines for our emissions and energy use to incorporate the locations gained from the MWH acquisition in 2016.

At year end, Stantec Consulting Services occupied about 400 offices (in 23 countries) that cover more than 530,000 square metres (5.7 million square feet). Because most offices are leased in multi-tenant buildings, separate metering is rarely available: utility costs are wrapped into lease costs, so activity data is difficult to access. To mitigate this, we collect utility usage data from landlords of our largest offices and use industry-recognized intensity factors in our calculations.

<sup>1</sup> Science-based targets: An initiative to set emission reduction targets against what is needed to keep the global temperature increase below 2°C as agreed in the Paris Climate Accord of 2015. Methods for applying these science-based targets to professional service firms are still being developed.



Our Company's strategy of growth through acquisition means we regularly add new staff and offices to our footprint; therefore, absolute emissions and energy consumption will continually increase. To measure the success of our conservation measures, we normalize emissions and energy consumption use by employee.

**RESULTS**

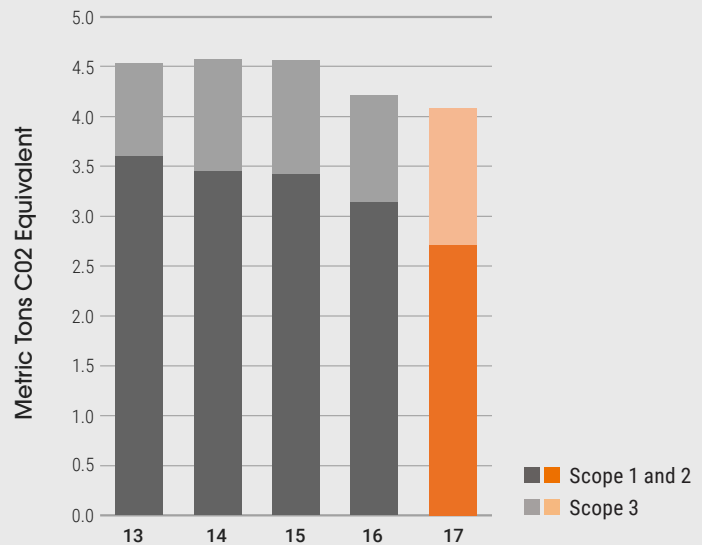
Stantec calculates emissions and energy use for

- **Scope 1:** Direct energy sources (gasoline and diesel for fleet fuel and Stantec-controlled natural gas, fuel oil, and propane for office energy)
- **Scope 2:** Indirect energy sources (electricity and landlord-controlled natural gas, fuel oil, and propane for office energy)
- **Scope 3:** Other emission sources (air travel, rental car use, work-related personal car use, line loss,<sup>1</sup> and paper use)

Stantec's total emissions (Scope 1, 2, and 3) per employee decreased by more than 4% in 2017, and direct and indirect emissions (Scope 1 and 2) per employee decreased by more than 14%. Reasons for the reductions include the following:

- **Canada and US Efficiencies:** We were able to reduce per-employee direct and indirect emissions by almost 8% in our Canada and US offices. We increased efficiency mainly by combining offices (described in the Resource Conservation section).
- **Global Inclusion:** The energy mix and associated direct and indirect emissions were about 46% lower per employee in our new global locations than in our Canada and US locations.
- **Enhanced Data Management:** By creating the new ecofootprint data management system (described in the Environmental Management section), we could collect activity data across our global real estate more effectively, thereby improving overall accuracy, providing additional consistency, and reducing the need to extrapolate.

**Annual GHG Emissions per Employee**



Although we lowered our per-employee direct and indirect GHG emissions (Scope 1 and 2), our per-employee emissions from other sources (Scope 3) increased for a few reasons:

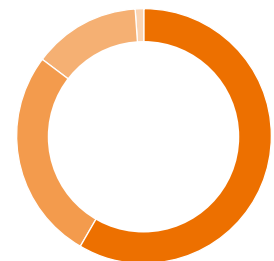
- Legacy MWH employees tend to travel more than legacy Stantec employees
- We have more global locations so we travel further than we once did
- We now track the use of personal cars for business purposes

Efforts are underway to reduce overall travel (described in the Resource Conservation section).

To keep reducing total GHG emissions per employee, we will continue evaluating ways to improve activity data collection, advance energy efficiency in our leased real estate, and reduce business travel.

<sup>1</sup> Line loss: A loss of electricity in transmission between the sources of supply and points of distribution to the consumer.

**2017 EMISSIONS BY CATEGORY**



- Office energy: 58%
- Cars (fleet, rental cars, work-related personal car use): 27%
- Flights: 14%
- Paper: 1%

Stantec designs and occupies buildings that apply energy efficiency best practices, but we also focus on buildings and spaces that are intended to have a positive impact on occupant health and well-being.

In 2017, we became a Fitwel<sup>1</sup> Champion to support and promote active lifestyles, healthy food choices, and the use of alternative transit to and from our own offices and our clients' projects.

Our Fitwel journey began by certifying three of our offices: Boston, Denver, and Toronto. These offices feature easily accessible stairs, sit-to-stand desks, free bike storage, shower rooms, ample daylight, multipurpose spaces, and nursing mothers' rooms. The office environments encourage healthy behaviors.

<sup>1</sup> Fitwel: A building design and operation certification that supports personal and community health.

## Resource Conservation

Stantec minimizes the resources used in our operations, bringing direct environmental benefits, increasing efficiencies, and reducing costs.

### REAL ESTATE

Because Stantec is an office-based professional services firm, buildings are our most significant user of energy and account for large quantities of reported emissions. More than half of the emissions come from energy used in our offices.

Reducing energy using traditional approaches is difficult since most offices are leased in multi-tenant buildings where the landlords control the interactions with utility companies and make decisions about building renewable and efficiency features. To work around this challenge, Stantec implemented strategies to reduce energy use. For example:

- **Office Consolidation:** Our most effective strategy is to consolidate our offices into fewer locations so we use less space and therefore less energy. With every acquisition, our Corporate Real Estate team analyzes local markets where we have a number of office spaces and makes plans to "co-locate."
- **New Office Selection:** Whether co-locating or adding new space, we use a real estate scorecard to make balanced business decisions, considering sustainability features and wellness criteria and weighing factors such as costs, proximity to clients, security, employee commutes, access to public transportation, and walkability.

- **Certifications and Features:** We progressively incorporate sustainability certifications and renewable energy features into our offices. At the end of 2017, Stantec occupied 54 buildings with sustainability certifications<sup>1</sup> and 16 buildings that have renewable energy features<sup>2</sup> or use green tariffs.<sup>3</sup>
- **Floor Plans:** Once a location is selected, we consider ways to improve floor plan efficiency and incorporate health and well-being into the design. For example, we consider access to daylight, clean drinking water, acoustic control, indoor air quality, opportunities for active workdays and collaboration, and the impact on operational energy efficiency.
- **Landlord Coordination:** We continue to work with landlords of existing offices to reduce operational energy use and encourage upgrades like energy-efficient lighting, lighting controls, and programmable thermostats.

We are demonstrating our loyalty to sustainable buildings by relocating three offices in Edmonton, Alberta, to a new LEED Gold corporate headquarters that uses energy and water efficiently, purchases renewable energy, and encourages sustainable commuting (see page 24).

<sup>1</sup> Certifications: LEED, BOMA Best, BREAM, Energy Star, Energy Label A, Fitwel, Green Star, and NABERS

<sup>2</sup> Renewable energy features: Solar, wind, and geothermal

<sup>3</sup> Green tariffs: In the United Kingdom, Stantec participates in renewable energy purchasing programs where 100% of our electricity comes from renewable sources.





Stantec's most significant paper reduction results have come from a print management solution in the United States provided by ARC (American Reprographics Company) Document Solutions. This program, piloted in our Western US offices, encourages employees to print less by implementing print controls that remind them of the impacts of each print job.

Stantec operations using this system experienced a 30% reduction in paper costs and a significant reduction in paper use.

Besides reducing paper, this program reduces the number of print devices needed, decreases the supply inventory, mandates the use of recycled paper, and consistently recycles toner, ink, and unused equipment.

We are exploring options to expand this program to other US locations and to other countries.

## PAPER

Paper is our main source of waste, so Stantec employs various measures to reduce paper used:

- Our Records Management Policy encourages electronic markup of documents and drawings as well as electronic management of employee files, where permitted.
- IT sets printer defaults to double-sided, black-and-white printing.
- Where allowable, we promote electronic distribution, including of client invoices and reports, proposals, field reports, Company communications, and marketing materials.
- We avoid the environmental impacts of hardcopy libraries. In-house researchers stay at the forefront of their fields by using Stantec's eLibrary, which provides online access to subscriptions for 6,200 technical journals; we had about 210,000 pages of paperless downloads in 2017.
- Our Procurement team continues to move us toward purchasing paper from centralized vendors to standardize the recycled content of the paper we buy, better track what is used, and negotiate discounts.

A variety of behavior-based programs reduce paper use, including the ARC Document Solutions (United States), secure print programs (United Kingdom, Australia, New Zealand, Chile, Argentina, Peru), the carbon-neutral paper program (Australia, New Zealand), the Project 0 Paper program (Italy), and the Zero Waste program (Netherlands).

We also have a strategic print partnership with Rileys (Canada) and Ricoh (United States): they staff and manage print centers in some larger offices, thereby streamlining the printing process, minimizing print waste, and using paper with 100% post-consumer recycled content.

## FLEET

Our Fleet Management team understands the environmental impacts of our fleet and makes consistent improvements to decrease vehicle emissions. The team works with our business centers to replace older vehicles with those that have more efficient options. Our 2017 fleet now includes trucks with a rating of 26 highway miles per gallon (mpg) and next year will include trucks with a rating of 30 mpg. In Canada and the United States, over 100 vehicles were replaced in 2017 to modernize the fleet with the latest in safety design and take advantage of reduced maintenance and repair expenses.

## GREEN IT

At Stantec, we implement energy-saving and recycling measures as well as new technologies that improve IT practices and minimize environmental impacts.

To save power, we automatically hibernate workstations and laptops when they are not in use. New network technologies reduce duplicated services and minimize equipment needed. We are moving our IT data centers and disaster recovery site to co-located sites with more efficient technology and energy specifications. And we are switching to higher-density servers and disk configurations that use smaller spaces and less energy.

We standardized our Dell, Microsoft, and Apple hardware; one selection criterion was life-cycle environmental management. All standard workstation and laptop equipment is EPEAT- (Electronic Product Environmental Assessment Tool-) certified and Energy Star-rated.

In Canada and the United States, Stantec has a comprehensive program to recycle and reuse computers and other devices. We use Dell's Asset Resale and Recovery Services to securely recycle computer e-waste and Firefly Asset Management to recycle mobile devices. In 2017, Stantec recycled 57,985 kilograms (127,834 pounds) of equipment and 3,016 cellphones.



New Croton Dam  
Putnam County, New York

### **VIRTUAL WORK OPTIONS**

We provide employees with eco-friendly virtual work options that enable work-life balance and support business continuity. Employees can work from home, which supports family commitments and enables volunteering. Virtual work options keep our projects progressing and our people safe when employees cannot drive to the office because of extreme weather.

### **GREEN PROCUREMENT**

Stantec strives to award business to vendors who demonstrate a strong commitment to sustainability through their environmental, ethical labor, and health and safety principles. As we integrate our recently acquired global operations into Stantec's corporate systems, we will consolidate our vendors and, as a result, expand our green procurement approaches. When choosing new vendors, our Procurement team evaluates their sustainability features and requires they measure and report their environmental impact.

### **TRAVEL**

Because we provide professional services, we must travel to respond to clients' needs. But we can travel more efficiently and reduce nonessential business travel. In 2017, Skype was enabled for all employees; increased online collaboration means less travel. Management has initiated other measures—like increased scrutiny of travel requests and budget restrictions—that also reduce overall travel and costs.

### **RECYCLING**

Through established recycling programs, employees are reducing the amount of office materials—for example: paper, glass, cans, bottles, batteries, e-waste, printer ink, and plastic dishware—that enter waste streams. And many Stantec offices now offer organic composting. Information from our new ecofootprint data management system and EMS audits helps us identify what to focus on and which programs to implement.







## Sustainability: Built into the Foundation of Stantec's New Headquarters

At 66 stories in the heart of downtown Edmonton, Stantec Tower, when completed, will be the tallest building in Canada west of Toronto and the most prominent feature of Edmonton's new and evolving ICE District, Canada's largest sports and entertainment hub. Stantec Tower is our new headquarters, designed by us to showcase the sustainability best practices that we regularly provide to clients.

### A GREEN BUILDING

We envisioned Stantec Tower as a green building:

- The building's core and outer shell are targeting LEED Gold 2009; the interior office space that will be occupied by Stantec is targeting LEED Silver v4.
- The efficient design minimizes energy use, and Stantec's landlord has committed to purchasing renewable energy, offsetting at least 35% of the building's electricity for the first two years of operation.
- Sustainability is built into our interiors through flexible workspaces that can grow, change, and adapt with Stantec over time.
- Fixtures will reduce water used by 35%, and cisterns will capture rainwater runoff from the roof to provide 100% of the Tower's irrigation needs.
- While constructing Stantec's tenant space, we are diverting 75% of the construction and demolition material from the landfill.

### SUSTAINABLE COMMUTING

About two-thirds of Edmonton's Stantec employees are expected to take advantage of sustainable commuting options:

- Edmonton Transit Service's ETS@Work Program saves Stantec Tower employees 24% on transit passes. Payments are deducted from their paycheck, and passes are delivered to them at work.

- Stantec will assist employees who want a shared parking stall to connect with each other to make arrangements.
- For cyclists, Stantec Tower offers nearly 200 bike racks and full shower and locker facilities.

Once employees are at work, they can take part in our car-share program, which gives access to a small fleet of energy-efficient cars to be used for short-distance business trips like client and site visits. Bicycles and safety gear are also available to give employees another option for errands and offsite meetings.

Stantec Tower will also have walkable access to desirable services: transit, dining, entertainment, public services, child care, and more.

### SUSTAINABLE SPIRIT, MIND, AND BODY

Stantec Tower will promote cultural and spiritual inclusion for Stantec employees and visitors by providing a multi-faith prayer room with an adjoining *wudu* (ritual purification) area and gathering spaces for secular celebrations and meditation.

The building has been designed to help employees and visitors lead healthier, more active lives. To ease stress and promote the health and well-being of our employees, the Tower will offer collaboration spaces, daycare, a nursing mother's room, gender-neutral washrooms, quiet areas for individual work, outside views and natural light, internal staircases, sit-to-stand desks, access to fitness facilities, and rooftop gardens that connect people to nature.

### STANTEC'S COMMITMENT TO SUSTAINABILITY

The care and thought devoted to making Stantec Tower as sustainable as possible reflects the Company's commitment to lead by example. When Stantec's Edmonton employees move in, they'll enter a building with sustainability built right into its foundation.

## IN THIS SECTION

People-Centered Workplace

Professional Development

Diversity and Inclusion

Health, Safety, and Security

Creativity and Innovation

Community Engagement

Indigenous Connections

## Our Values

**WE PUT PEOPLE FIRST**

**WE ARE BETTER TOGETHER**

We commit to competitive compensation for employees and a diverse, inclusive, safe, and healthy workplace. Plus, we actively engage with the communities where we live and work and help our clients do this too.







## Social Betterment

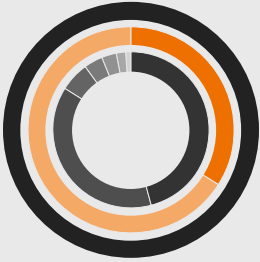
**PEOPLE ARE AT THE HEART OF EVERYTHING WE DO; THEY GIVE OUR WORK PURPOSE.** This is why we provide fulfilling careers for our own people, helping them set and then surpass their individual goals; why we value the safety of everyone our work touches; and why we listen to and design for the distinct needs of our clients—and those who live and work in the communities we serve.

Talented, smart people; highly technical staff; and an engaged, innovative, and diverse workforce: all come to Stantec to build their skills, share their knowledge, do exciting work, and serve clients around the globe.

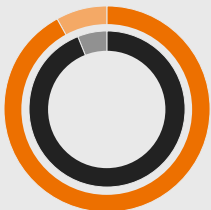
Our employees are motivated to support their communities through their project work and volunteer efforts. We purposefully connect with Indigenous Peoples around the world based on mutual respect and common goals.



**2017 CONSULTING SERVICES WORKFORCE**



- Employees: 19,716
- Females: 34%
- Males: 66%
- United States: 46%
- Canada: 38%
- Europe Africa: 6%
- Asia Pacific: 4%
- Latin America: 3%
- India: 2%
- Middle East: 1%



- Full Time: 92%
- Part Time: 8%
- Permanent: 94%
- Temporary: 6%

## People-Centered Workplace

We work hard to motivate, develop, and retain our people. And we strive to create a work environment that is social, supportive, and collaborative—where staff members feel valued and inspired.

### RECRUITMENT, RETENTION, AND SUCCESSION PLANNING

By following our recruitment and retention strategy, we build a culture that reflects our Company’s values, the goals and ambitions of our team members, and the diversity of the communities we serve. Stantec’s multifaceted Talent Acquisition team understands the talent required for our industry, for each business line, and for our global business.

Because Stantec’s talent acquisition process focuses on the overall experience of our candidates and our clients, we recruit employees using various approaches:

- Internal opportunities so existing employees can grow their careers
- Participation by employees in industry and local community practice-related events to benefit their work and careers and to network and bring in referrals
- Co-ops, internships, apprenticeships, sponsorships, and graduate programs to leverage talent that exists within universities and colleges
- Employer brand messaging, targeted campaigns, and social media to attract talent
- Outsourced support to supplement recruitment efforts when bottlenecks or emergency needs arise

Stantec offers many employment options: full-time and part-time, long-term and interim, traditional and nontraditional.

Stantec leaders participate in succession planning by identifying potential candidates for leadership positions and developing plans to prepare those candidates for

advanced roles and duties. Our CEO and board of directors work together on executive succession planning.

### COMPENSATION AND BENEFITS

We value our employees, so we offer employee compensation and benefits that meet—and often exceed—industry standards. Stantec’s cost-sustainable benefits are designed to attract and retain the right talent.

Our competitive benefits program for eligible full-time and part-time employees is designed to enhance their financial, emotional, and physical well-being. Because we are a global firm, our programs vary based on country of operation, local markets, social benefits, and tax impacts. Benefits may include health care, life insurance, disability insurance, leave (e.g., parental, medical), a retirement plan, and an employee stock purchase plan.

Our compensation reflects industry-specific, fair-market conditions. We review employees’ salaries yearly and provide short term incentives to eligible employees based on their level of experience, performance, and location. Each year, we review local market standards and competitive third-party salary survey data while considering unconscious bias and the gender pay gap.

### COLLABORATION, FLEXIBILITY, AND RECOGNITION

We work hard to earn and maintain the loyalty of our team members.

Stantec offers a global experience: employees can build a network of colleagues and work on projects from around the world. This creates more opportunities and better serves our clients. Many employees take advantage of the virtual collaboration, travel, and relocation options we offer. Plus, our market position means employees can build impressive personal careers by working on challenging, iconic projects.

We encourage our employees to maintain a healthy work-life balance and manage their workdays based on the needs of their families and clients. In many locations and depending on the role, employees can work flexible schedules.

Stantec's service recognition program celebrates the successes of our employees and projects by acknowledging length of service and career milestones.

### CAREER SUPPORT

Employees at every level are encouraged to anticipate new trends, adapt to change, and develop strong leadership and technical skills. We provide processes, tools, and other resources so employees can determine their strengths, interests, values, and skills, as well as identify career options, set goals, and create a career development plan.

- **New Hires:** Our Company-specific programs for new hire onboarding cover information about benefits; Company systems; business compliance; health, safety, security, and the environment; harassment prevention; and ethics in the workplace.
- **Career Path:** We want our employees to manage their careers and improve their employability (both internally and externally). Not all employees have the same career goals, so Stantec's career streams—business, discipline, project management, and functional services—give employees a choice based on their skills and preferences. Each stream has a distinct focus, is equally valued, and has leadership opportunities.
- **Acquired Employees:** Many employees join us through acquisitions, and retaining acquired staff, integrating them quickly, and helping them thrive is critical to our success. Our specialized programs support employees during their transition to Stantec.
- **Legacy Careers:** At Stantec, we understand that the employment life cycle is changing because people are living and working longer. As we engage with employees at the end of their careers, we consider ways they can transition to part-time or on-call work to carry out specialized assignments that make the most of their expertise and career passions.

### EMPLOYEE ENGAGEMENT

Engaged employees give more, work harder, and unleash creativity. So every two years, Stantec invites them to share their perspectives on ways to improve the organization through a formal employee engagement survey.

Based on areas identified in our 2016 survey, in 2017, we focused primarily on improving compensation, recognition, learning and development, and performance management. We also reviewed survey results from employees of our acquired companies and reviewed best practices from engagement programs developed for our Europe Africa, Asia Pacific, and Latin America geographies.

In 2018, we will invite all global employees to provide feedback through the survey, review our total rewards strategy, then create opportunities to reinforce Stantec's culture and values.

In the United Kingdom, Stantec was named "Best Place to Work" (for the second year) and "Talent Champion" for the *New Civil Engineer* 100 Companies of the Year Awards.

Sustainability is a core competency of the Asia Pacific Graduate Training Program, which helps new university graduates develop foundational business skills and competencies and gain professional status.

To learn about sustainability and ways to incorporate it into every project, graduates meet with senior experts from Stantec to explore relevant legislation, personal interpretations, and best practices applicable to Stantec and our clients.

## Professional Development

Our people drive our business. By fortifying our talent pool, we gain an advantage over our competition; help employees grow, develop, and reach their full potential; reduce voluntary turnover; and increase employee engagement. Plus, investing in our teams improves motivation, teamwork, and effectiveness.

### LEARNING

Stantec provides internal training (e.g., leadership development, project management, commercial acumen) and external training (e.g., job-specific skills, technical skills development, graduate programs, conferences). We provide opportunities to be coached or mentored. We offer knowledge communities and experiential learning like new initiatives, challenging work, and stretch assignments.<sup>1</sup> Virtual learning options give employees flexibility when scheduling learning opportunities and minimize our carbon footprint by reducing business travel.

Stantec's Learning and Development team designs courses and workshops and delivers them to our global workforce. Accredited as an IACET (International Association for Continuing Education and Training) provider, Stantec offers high-quality instructor-led learning opportunities that follow industry-recognized instructional design principles. Content is measurable and based on learning outcomes and objectives. This rigor means we can provide professional development hours or CEUs (continuing education units) to support employees' professional licensing requirements.

In 2017, Stantec provided integration-focused learning opportunities for nearly 1,400 Canada and US employees from recently acquired companies as well as leadership, technical, and business skills learning programs in our Europe Africa, Asia Pacific, and Latin America geographies.

In 2018, we will deliver new and updated courses focused on compliance, leadership (team and technical), management and supervision, project management, and account management.

### MENTORING

Stantec believes in learning through exposure. We have a mentor-protégé framework that connects mentors with employees at various stages in their development.

The mentor-protégé relationship is designed to meet the personal and professional needs of the protégé. The framework provides best practices, advice, and hands-on worksheets so the mentor and protégé can build a relationship that meets their individual goals.

### PROFESSIONAL ASSOCIATIONS

Stantec encourages employee participation in professional and technical associations and societies. Employees are encouraged to obtain their professional registrations as soon as they are eligible. Financial assistance is often provided for memberships and required exams.

### TUITION REIMBURSEMENT

In many geographies, employees seeking degrees in relevant fields of study can get their tuition reimbursed.

### PERFORMANCE FEEDBACK

Our annual multidimensional performance appraisals help employees evaluate successes of the previous year and set clearly defined goals and objectives for the coming year. Through assessments, reviews, and coaching from supervisors, employees measure achievements, review their contributions, identify career development and training opportunities, and establish strategic performance objectives. These discussions continue throughout the year.

<sup>1</sup> Stretch assignments: Projects beyond an employee's current knowledge or comfort zone that are intended to "stretch" them developmentally.





Stantec participates in activities that encourage diversity and inclusion.

New Zealand: We improved our cultural understanding by receiving training in the Māori language and learning about the Māori's cultural connections to the land, to their ancestors, and to their *iwi* (kinship group).

Canada: We celebrated people being able to be who they are and to love whomever they want by participating in Calgary Pride and the Edmonton Pride Parade.

Peru: We supported underprivileged children by painting schools, providing educational supplies, and sponsoring holiday celebrations.

## Diversity and Inclusion

Diversity and inclusion facilitates innovation, increases employee engagement, connects us with clients, and creates opportunities.

Ways we promote diversity follow:

- **Strategic Plan:** Diversity and inclusion is directly referenced in Stantec's Strategic Plan and is key to achieving our growth.
- **Diversity and Inclusion Program:** Our Diversity and Inclusion Program was developed based on employee input and industry best practices, including consultations with the Canadian Institute of Diversity and Inclusion. Our Program director moves our program and objectives forward and increases accountability.
- **Diversity and Inclusion Councils:** Stantec's three Diversity and Inclusion Councils (Canada, United States, and Asia Pacific) manage diversity and inclusion initiatives and report their progress to the CEO and board. We will set up a council in the United Kingdom next.
- **Corporate Leadership Scorecard:** Executive Leadership Team members are accountable for reducing inclusion gaps between identified groups (as measured in our employee engagement survey).

### INCLUSION FIRST

Long-term improvements in diversity are possible only when diverse employees feel included and comfortable at work. Stantec is creating a work environment where people are treated fairly and respectfully and have equal access to opportunities. This fosters new perspectives and various views. By focusing on inclusion first, we can have and retain a more diverse employee base.

In 2016, Stantec's most senior leadership participated in unconscious bias training. In 2017, we piloted a program to expand this training to employees. And in 2018, using local resources, we will provide this training to employees at all organizational levels.

### DIVERSE LEADERSHIP

At Stantec, we create opportunities by inviting, embracing, and celebrating differences. We actively pursue and develop leaders from a broad range of backgrounds and with a wide array of skills, expertise, and perspectives.

A diverse leadership team can navigate issues that impact Stantec's diverse stakeholders and make more effective decisions for our organization.

Stantec is focused on creating gender diversity. We intend to increase the number of women in our talent pool and leadership roles. Stantec's Board Diversity Policy states our commitment to creating opportunities on the board and in management. In 2017, our three female board members held a panel discussion in Colorado to discuss their personal experiences and share ways that sponsorship and networking can support career growth.

Our Women's Leadership Development Subcommittee of the Diversity and Inclusion Councils focuses on the following:

- Raising awareness about and providing training on unconscious bias across the Company and at all levels
- Determining actions for inclusive corporate policies and practices
- Implementing a sponsorship program so women can partner with strong advocates for their advancement and development at Stantec
- Facilitating and supporting the formation of Women@Stantec Employee Resource Groups (ERGs) across the Company to inspire and empower women at Stantec to be strong leaders

### EMPLOYEE RESOURCE GROUPS

ERGs are grassroots employee-driven teams organized around shared interests. Members volunteer their time to advance diversity and inclusion across our business, support professional networking, provide education and development opportunities, address business challenges, and offer suggestions for improving corporate policies and practices.

In 2017, the number of ERGs grew from 17 to 33 in North America. Groups include Women@Stantec, Latinos@Stantec, IndividualswithDisabilities@Stantec, and Pride@Stantec. We are now introducing ERGs to our global employees and offering virtual participation in ERGs to all employees.

### COMMUNITY AND NEXT GENERATION

We celebrate and support diversity in the communities where we live and work, and we get involved in activities that promote inclusion in the broader marketplace.

Stantec actively participates in community partnerships and promotes opportunities for engaging with and recruiting women, members of visible minorities, Indigenous Peoples, people of diverse ethnic origins, and people with disabilities.

In 2017, we funded more than \$213,000 in scholarships and other educational support, including Stantec's Diversity Scholarship in Practice, a combined scholarship and internship program at the University of North Carolina's School of Architecture, designed to increase diversity in the urban planning field.

In the United States, Stantec tracks the opportunities provided to small and diverse businesses on work we do for federal, state, and municipal clients. In 2017, our overall spend on small and disadvantaged businesses increased by US\$12.6 million to US\$85.4 million, which is 20% of our total subcontracting costs.

We expect our supply chain to respect diversity and inclusion, as specified in our new [Partner Code of Business Conduct](#) (described in the Responsible Governance section).



©  
Pride Parade  
Edmonton, Alberta



In 2017, Stantec implemented Safer Together™, a program that supports the philosophy that we can make safe choices when we address the hidden norms and assumptions that undermine safe behaviors and that gives us a platform to speak about safety and our safety culture consistently across our Company.

With training facilitated by operational leadership, 8,700 employees in North America were introduced to Safer Together. Training for the rest of the organization, including global offices, will continue in 2018.

## Health, Safety, and Security

Stantec's safety culture encourages each of us to make safe choices for ourselves, colleagues, partners, and clients so we all return home safely each day.

Our proactive health, safety, security, and environment (HSSE) programs and systems focus on identifying, assessing, and managing hazards. When an incident occurs, we share lessons learned through investigation with employees and improve our practices, tools, training, and communication. We also conduct regular audits and inspections.

Our Executive HSSE Committee—comprising senior leaders across business lines and geographies—provides executive HSSE sponsorship, oversight, and support.

We deeply regret the 2017 incident that claimed the life of our colleague and friend, Kathleen (Katie) Young. Katie, an archaeologist, was fatally injured in a worksite incident in British Columbia, Canada. The Company took extensive measures to support Katie's family, friends, and colleagues as we grieved the loss, and we created lessons-learned communications that were used to inform and connect leadership, supervisors, and employees.

## PROCESSES AND PROGRAMS

Stantec applies health and safety principles when planning and executing projects, sharing best practices and lessons learned, and managing our continuous improvement cycle. The following processes and programs improve our safety culture:

- **Health, Safety, Security, and Environment Policy:** Our [HSSE Policy](#) sets the Company's expectation: everyone working for Stantec is responsible and accountable for our HSSE performance.
- **Occupational Health and Safety Management System:** Stantec maintains an OHSAS 18001:2007-certified management system that forms part of our Integrated Management System. By grouping our work environments by office operations, field work, lab operations, industrial/construction settings, and transportation, we can identify hazards associated with each and then implement proper control measures.
- **In Case of Crisis Application:** In 2017, we introduced the In Case of Crisis application to North America, a smartphone application that provides Stantec-specific HSSE and emergency response information to employees and subcontractors. Employees can quickly find relevant HSSE information, easily report issues, complete simple forms, access security support, and receive information about an emergency or a pandemic. Evaluations are underway for expanding this application to other geographies.
- **Training:** We train our employees on our corporate HSSE expectations, critical risks, and workplace best practices so they can take action to keep themselves and others safe.



- **Preventive Measures:** To identify issues before they happen, we conduct ergonomic assessments, hazard identification, and planned job observations. Safety Moments—held at the start of meetings—provide safety information that increases awareness and encourages discussion.

HSSE statistics tracking was expanded in 2017 to include our MWH operations, resulting in a 31% increase in work hours. Although the number of exposure hours and countries of operation increased significantly, our 2017 total recordable incident rate (TRIR) of 0.54 increased only slightly from our 2016 TRIR of 0.52.

In 2017, we improved our Leading Indicator Safety Index by 43%. The Index was introduced in 2016 to measure proactive and preventive activities performed by our employees.

#### SECURE WORKPLACES AND TRAVEL

To provide secure workplaces, we take preventive measures like locating offices in safe areas and providing appropriate office security. In 2017, the Security team evaluated security in our North American offices, examining local crime rates, past security incidents, and existing security measures to determine which offices required additional security systems and protocols.

To reduce risks to employees when they travel and work on projects, we

- Track global security trends and advise on project-related threats
- Hold travel safety briefings
- Prepare mitigation plans and standards
- Support individual travelers who experience problems while traveling
- Develop and implement measures to mitigate risk

Due to vigilance and planning, Stantec employees logged more than 63,000 airline trips in 2017—with no security incidents.

Innovation is woven into Stantec's business through monetary investment, executive leadership, and guidance from Innovation Leaders—senior managers in each business operating unit and functional services area. Our programs identify innovative people throughout the business and provide them with tools, technology, support, and inspiration to enable success.

## Creativity and Innovation

Our inventive and collaborative approach to problem-solving brings big ideas to life. In 2017, Stantec invested \$3 million to promote innovation and facilitate collaboration through project grants, research, and speaking opportunities.

### INVESTMENT IN IDEAS

Stantec invested \$1.5 million in our Greenlight Program, providing project grants to fund innovative ideas and research proposed by employees and project teams. In 2017, about 60% of the grants funded sustainability-related projects like investigating thermal mitigation of urban runoff, designing for green roof survivability, planning for coastal climate resilience, and facilitating resilient river systems.

### THOUGHT LEADERSHIP

Stantec employees regularly present at conferences and publish research papers, journal articles, and reports about scientific advances achieved or attempted while working on client projects. Our Publish & Speak Program awarded employees \$1,500 to \$3,000 each to cover time developing manuscripts for publication or presentation at conferences. In 2017, Stantec-affiliated authors wrote 20 papers that were published in peer-reviewed technical journals.

Stantec also partners with academic researchers to access federal funding for research. In 2017, these partnerships attracted \$500,000 in federal funding.

### COLLABORATIVE WORK ENVIRONMENT

Our Company accesses talent from around the world and understands that great achievements come from collaboration. We foster and support a high-performing culture and a stimulating work environment where we can learn from each other.

Stantec's technology approach enables us to collaborate through connected networks, cloud storage, and Skype. Employees can easily work from any Stantec office or home and can communicate in real time, share screens, and participate in conference calls.

A highlight of Stantec's commitment to collaboration is our Breckenridge Forum, an event that celebrates innovative projects and global networks. Representatives from around the Company come together to share best practices. And the conference is webcast live so all employees can hear presentations, receive strategy updates from senior executives, and interact with presenters in real time through Yammer, our internal social media platform.





The Breckenridge Forum  
Broomfield, Colorado

## AN EVOLVING TRADITION OF CREATIVITY AND INNOVATION

In 2017, Stantec held its first Breckenridge Forum to recognize and celebrate our most innovative projects and the people behind them. MWH, acquired in 2016, had held the Breckenridge Conference for 20 years. To honor this legacy, we used “Breckenridge” when naming our Forum and will continue meeting annually to connect our Company’s innovators and help bring their projects to market.

In total, 38 employees from 10 countries gathered in Colorado. Our 2017 theme—Resilience, Smart Cities, and Urban Places—emphasized our multidisciplinary approach to designing with community in mind.

The Breckenridge Forum shared best practices and explored commercial applications for spotlighted projects. Nearly 90% of the topics chosen for the conference related to ESG. Energy use, ecosystem preservation, sustainable urban design, water conservation, diversity, community engagement, and resiliency were some of the topics presented.

## Highlighted projects included

- Partnering with the Navajo Nation to jointly investigate abandoned uranium mines
- Developing land-use guidelines for natural disaster resilience planning in Australia
- Designing Canada’s first tried and tested net zero institutional building for Quebec’s Varennes Library
- Implementing ecological best practices along HS2, the UK’s flagship high-speed rail system, and providing ethical care for rare and protected species (particularly hedgehogs)
- Supporting the advancement of smart city innovations through program management of the GoMentum Station in California, US—a designated proving ground for automated car testing
- Providing training for site teams with language barriers in Indonesia using 3D video to aid design, safe construction, and operations





## Community Engagement

Stantec's commitment to people extends to the communities where we work and live. We look for strategic partnerships that leverage and empower entire communities while recognizing that each community has unique needs and opportunities.

Our employees donate their time and expertise to support communities. Stantec offers flexible workdays to encourage volunteering, as well as various Company-sponsored ways for employees to support their communities and causes. Not only do these community engagement activities emotionally connect employees to Stantec, but they also help employees have fun and demonstrate teamwork.

In 2017, we expanded our signature Company-sponsored volunteer event from a day-long to a week-long celebration of community. Stantec in the Community Week brought #stantecttogether on a larger scale by engaging dozens of new global offices. The result? More than 5,000 employees supported over 400 community organizations across 6 continents.

Community engagement efforts are not isolated to a week; our employees are encouraged to help communities all year. Through Dollars for Doers, Stantec rewards employees who volunteer personal time or money to local charities—we provide a charitable donation for every 25 hours of personal volunteer time or a matching donation if a team of four or more Stantec employees raises money for a qualified local charitable event.

## STANTEC'S PILLARS OF GIVING

Throughout 2017, we directed funding of \$3.1 million to organizations around the globe to support our four pillars of community—arts, education, environment, and health and wellness.

Examples of our philanthropic initiatives follow:

### Arts

Our Spokane, Washington, team donned parkas, hats, and gloves to celebrate the opening of Riverfront Park's ice ribbon—designed by Stantec architects and engineers and the first of its kind in the western United States. Proudly, our team members joined the community for an evening of figure skating and ice sculptures.

### Education

We know children are the future of our communities, so we inspire youth to develop a love of science, technology, engineering, and math (STEM). In 2017, for example, we partnered with the Kentucky Science Center in Louisville in the United States to support National Engineers Week for the fourth consecutive year and provided role models for Grade 8 girls through Operation Minerva in Calgary, Alberta, Canada; the girls learned about specific jobs by shadowing professionals at work.

### Environment

World Water Day on March 22 had a prominent place on our calendar—especially since Water is one of our five business operating units. In 2017, with Oxfam New Zealand as our partner, we donated \$5,000 and challenged employees not to turn on the water tap for the entire day. In the Walk for Water campaign, employees walked 8,000 steps, the distance that people in developing countries walk to get clean water each day.

### Health and Wellness

In the United Kingdom, a Dollars for Doers employee raised awareness and funds for health through his efforts for the Bury Cancer Support Centre in Greater Manchester, England—a cause close to his heart after his wife's breast cancer diagnosis and subsequent recovery.

## EMPOWERING COMMUNITIES

Stantec is a leading corporate partner of Engineers without Borders USA (EWB-USA), which provides skills-based volunteering for engineering projects that empower communities to meet people's basic needs.

In 2017, Stantec announced a US\$75,000 donation to strengthen the capacity and effectiveness of EWB-USA's mission and to support Stantec employees volunteering for international projects under EWB-USA's International Community Program and domestic communities under EWB-USA's Community Engineering Corps.

Under EWB-USA's International Community Program, Stantec volunteers are

- Designing and implementing a water supply project in Villa America, Peru, home to about 300 Indigenous Yanasha residents who depend on subsistence farming, fishing, and hunting. Activities include technical support, capacity building, water and health committee development, and public health education.
- Implementing a chlorination and distribution system to provide potable water to a 500-student school in Don Juan, Dominican Republic, and providing ongoing technical support as well as community education to support sustainability and system maintenance.

For EWB-USA's Community Engineering Corps, we bring our expertise in water and community development to three low-income communities in Arizona and California. Employees are

- Developing a community park to provide recreation options for an underserved community where many residents live below the poverty line
- Supporting a local economy by designing drainage services that minimize the impact of storms on the city's rodeo grounds
- Enabling environmental justice by designing wastewater disposal systems to address groundwater contamination in neighborhoods largely populated by farm workers

By volunteering their time and talents, Stantec employees help our Company create healthy, strong, and resilient communities and make a real difference in the world.





Piqqussilirivik Inuit Cultural  
Learning Facility  
Clyde River, Nunavut



## Indigenous Connections

At Stantec, we look for ways to build stronger connections with communities, including Indigenous communities. Meaningfully engaging with Indigenous Peoples and businesses and committing to helping them prosper are two essential ways that we fulfill our promise to design with community in mind.

### ABORIGINAL PARTNERSHIPS

Successful partnerships are built on mutual respect and common goals. For 18 years, Stantec has been the minority partner in and legal operator of numerous Aboriginal Partnerships. In 2017, seven Aboriginal Partnerships generated \$16.8 million in gross revenue for Stantec and partners.

Stantec's Aboriginal Partnerships create shared value for our partners, our clients, and Stantec that extends beyond revenue. We connect clients to local resources and provide local Indigenous community members with employment, training, hands-on skills development, and direct investment to support economic growth. Through our projects, Indigenous sub-contractors and employees were able to take on increased responsibility as crew leads, attend post-secondary education, and, in one case, establish an Indigenous-owned environmental monitoring business.

Stantec participated in community engagement initiatives—valued at \$35,000—directly to the communities of our Aboriginal Partnerships. We supported programs like Students on Ice, Polar Bike, Food First, Aboriginal Sport Circle—Youth Traditional Games, and the Aboriginal HIPPI reading program.

### INDIGENOUS RELATIONS

Stantec's Indigenous Relations Program fosters positive, productive relationships with Indigenous communities and businesses, supports diversity and inclusion, raises awareness and mutual respect, and guides planning, procurement, project pursuits, and project execution.

Stantec is a member of the Canadian Council of Aboriginal Business (CCAB), which promotes Indigenous relationships and an economy based on shared prosperity. In 2017, our vice president of Indigenous Relations joined the CCAB's board of directors.

We are committed to receiving certification in CCAB's Progressive Aboriginal Relations (PAR) program. This federally recognized program supports Indigenous employment, community relations, leadership, and business development. PAR certification signals to communities that a company is a good business partner, supports a workplace that is inclusive of Indigenous Peoples, and is committed to playing a role in the growing prosperity of Indigenous communities.

In 2017, Stantec proudly supported Indigenous educational programs in Canada as follows:

- Sponsored the University of Alberta's Indigenous Partnership Development Program and the Indspire Youth Career Fair (an ongoing annual sponsorship)
- Sponsored the Aboriginal Day Live initiative for the Aboriginal Peoples Television Network
- Observed National Indigenous Peoples Day
- Participated in Orange Shirt Day to honor people who survived abuse in Canadian residential schools
- Volunteered for Reconciliation Week
- Sponsored 20 Indigenous students in our Edmonton office during Take Our Kids to Work Day, providing a full day of presentations and workshops

In Canada, Stantec works closely with Indigenous communities. Globally, we work with the following communities:

- Navajo Nation, California Tribal Advisory Committee, Alaska Native tribes, and Alaska Native Corporations in the United States
- Māori of New Zealand
- Aboriginal Peoples of Australia
- Comunidad capesina de Pallancata and Chocñihuaqui of Peru
- Colla, Quechua, and Aymara Peoples of Chile
- Ethnic minorities of the People's Republic of China

## IN THIS SECTION

Ethical Business Practices

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Board Governance

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Sustainability Governance

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Strategic Planning

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Risk Management

---

Integrated Management

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Data Privacy

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Partner Code of Business Conduct

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Protection of Human Rights

### Our Value

#### WE DO WHAT IS RIGHT

Working with integrity is a promise we make to our clients, colleagues, and shareholders. This core value reflects our commitment to good governance. Our business's high standards guide our strategic planning, Project Management Framework, Code of Business Conduct, and policies and practices.







## Responsible Governance

### GOOD GOVERNANCE IS ESSENTIAL.

Our governance structures and management systems help us monitor and maintain an ethical, effective corporate culture with the goals of providing value for stakeholders and enabling sustainable growth.

Stantec has demonstrated—and will continue to demonstrate—its commitment to ethics, integrity, safety, and security.

Our own operations must be sustainable for us to contribute to our communities. So as Stantec promotes the best solutions for communities through the work we do for our clients, we will optimize social, environmental, and affordability factors.

Executive-level responsibility for environmental, social, and governance topics comes from Stantec's Executive ESG Committee.

Committee members ensure that sustainability is integrated into our Strategic Plan and operations and that associated impacts, risks, and opportunities are communicated to the board.

## Ethical Business Practices

Our ethical business practices demonstrate our Company's values. We ask employees, partners, subcontractors, and vendors to live our values and take personal responsibility for their behaviors.

### **ETHICS AND CODE OF BUSINESS CONDUCT**

The [Code of Business Conduct Policy](#) explains our Company's expectations for employee behavior and sets global standards to follow in our day-to-day work. All employees, officers, directors, and contractors must take Ethics and Code of Business Conduct training annually. Topics include ethical behavior, code of conduct, conflicts of interest, global anti-bribery and anti-corruption, government contracting, harassment and discrimination, privacy, political activities, political and charitable contributions, sponsorships, and social responsibility.

### **INTEGRITY HOTLINE**

We encourage employees to speak up if they become aware of unethical or unlawful behaviors. They can report concerns confidentially and anonymously through our Company's toll-free Integrity Hotline (managed by a third party). Stantec does not tolerate retaliation against employees who voice concerns.

### **CONFLICTS OF INTEREST, ANTI-CORRUPTION, AND ANTI-BRIBERY**

Stantec employees must avoid conflicts of interest at all times when dealing with current or potential clients, subconsultants, vendors, contractors, and competitors. To reduce the risk of corruption, we employ appropriate mitigation strategies: all operations are assessed regularly for conflicts of interest and corruption risk, and the economic and political conditions of the markets we serve are closely monitored.

### **CHARITABLE AND POLITICAL CONTRIBUTIONS**

Stantec's policies on charitable contributions and sponsorships are covered in our employee training. Requests for contributions and sponsorships go through a formal approval process with legal counsel oversight if required. We do not make political contributions to individual politicians, nor do we reimburse employees who choose to make them.

## Board Governance

To conduct our affairs at the highest standards of integrity, honesty, and professionalism, we continually strengthen our governance practices, targeting priorities such as board diversity, board expertise, and executive compensation.

Our board is responsible for the stewardship of our Company. Board members participate in Stantec's strategic planning process with senior management, work with executive leadership to set Stantec's strategic and operational objectives, and periodically review management's performance in meeting those objectives.

Stantec's Board Diversity Policy guides us in creating opportunities. In 2017, Stantec's board had three women and six men, each with a wide variety of experience relating to business, community, and ESG (environmental, social, and governance).

See our [Management Information Circular](#) for more information about Stantec's model of corporate governance.

## Sustainability Governance

The Executive ESG Committee—chaired by our chief operating officer and coordinated by our Sustainability Program manager—is accountable for our sustainability performance and responsible for communicating critical ESG concerns to the board. The committee ensures that sustainability is aligned with stakeholders' priorities and integrated into our Company's strategies.

Many groups fulfill our ESG commitments: Finance, Human Resources, HSSE, Legal, Practice Services, Procurement and Real Estate, Strategy, Integrated Management, Investor Relations, Risk Management, Community Engagement, Indigenous Relations, Business Development, Communications, and Subcontractor Management. Numerous senior leaders from these groups sit on the Executive ESG Committee.



East Village Community Park & Gardens  
Calgary, Alberta

## Strategic Planning

As part of the strategic planning process, we identify, analyze, and monitor changes and trends in the marketplace to recognize opportunities and guard against risk.

In 2017, we created a more dynamic strategic planning process: we now forecast three to five years ahead, and we will frequently review the plan as the market conditions, the environment, and our internal imperatives change. We also appointed a chief strategy officer with extensive global expertise and created a dedicated strategic planning team to track and evaluate key changes and megatrends.

Stantec is a professional services firm working with industrial and government clients around the world, so we can influence our clients' technical decisions to improve sustainability. We partner with our clients to improve the resiliency of communities, to increase the use of renewable energy, and to help people adapt to climate change and rising sea levels worldwide. This strategy can help our clients thrive in a low-carbon economy.

## Risk Management

Responsibility for risk management and compliance is shared across the organization, from senior executives to frontline employees.

Stantec systematically identifies and manages risks through a comprehensive Enterprise Risk Management Program that includes policies, practices, and systems that address our principal risks—project, supply chain, human capital, finance, currency volatility, global politics, and legislative. We recognize that actions taken to mitigate one risk may impact other areas of the organization and may create other risks.

To mitigate climate change risks, we have carbon management and reduction programs in place and incorporate weather-related risk reviews when we look at new office space. We also comply with legal requirements and monitor upcoming requirements.

See our [Annual Report](#) for more information about our Enterprise Risk Management Program and risk factors.

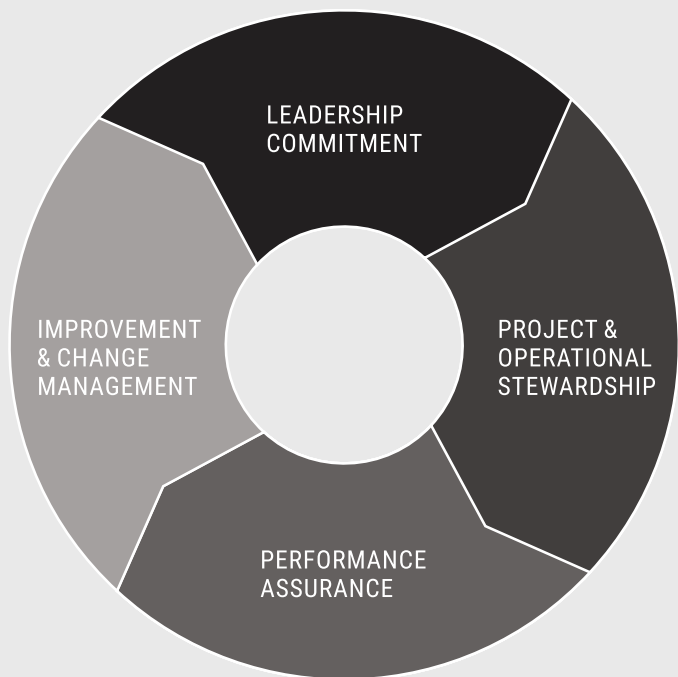
While developing our Strategic Plan for 2018, we focused on five significant megatrends:

- Demographic, social, and urbanization changes
- Climate change and resource scarcity
- Geopolitics and international relations
- Incremental and breakthrough technology
- Economic cycles and market shifts



**CERTIFIED MANAGEMENT SYSTEMS**

Stantec's Integrated Management System covers our business processes and is certified to internationally recognized standards.



**ISO 14001:2015 Environmental Management System:**

Mitigates environmental risk, manages and monitors environmental performance, and is accountable for meeting emission reduction targets.

**OHSAS 18001:2007 Occupational Health and Safety Management System:**

Aligns work processes, systems, and behaviors to protect employees from injury and prevent property loss and environmental damage.

**ISO 9001:2015 Quality Management System:**

Identifies and promotes consistent practices for our project teams, thereby improving productivity and efficiency, managing project risks, and promoting client satisfaction.

**ISO/IEC 20000-1:2011 IT Service Management System:**

Maintains data confidentiality, integrity, and availability.

**Integrated Management**

Our certified Integrated Management System (IMS) provides a disciplined and accountable framework that defines Company procedures, monitors risks and hazards, reduces inefficiencies, maximizes Company resources, and enables Sustainability Program implementation. We have certified country-specific management systems in Canada, the United States, the United Kingdom, Australia, New Zealand, Italy, the Netherlands, the Middle East, and Chile.

While reviewing the IMS each quarter, executive leaders consider business performance, leading and lagging health and safety indicators, progress against environmental goals, client feedback, and claims statistics. A quarterly IMS report is shared with the board's Audit and Risk Committee.

**BUSINESS CONTINUITY**

Our IMS incorporates planning for business continuity to minimize the impacts of events that could prevent us from delivering services to our clients. For example, in 2017, many Stantec employees in Texas, Louisiana, and Florida were directly affected by the hurricanes that hit those states, and employees in Wellington, New Zealand, were impacted by earthquakes. Thankfully, all employees were safe. Teams quickly activated disaster recovery programs and kept the business functioning during these challenging events.

**FEEDBACK AND AUDITS**

To assess critical business processes and identify opportunities for improvement and corrective action, Stantec solicits client feedback, performs internal and external audits, and conducts surveys to assess performance, identify improvement areas, and prioritize efforts.

Our Practice Services team conducts internal practice audits annually that cover all regions and business lines (for compliance with ISO 14001, OHSAS 18001, ISO 9001, and IMS requirements). Plus, our operations are audited by an external third party.

## CHANGE MANAGEMENT

Stantec has a formal process to encourage suggestions for improvement, address nonconformances with the IMS, promote root-cause analyses, and document follow-up actions and responsibilities. Impacts of changes in practices are identified, reviewed, approved, communicated, and documented, and change management procedures are put into action.

## Data Privacy

Stantec protects the people who entrust us with their personal information in various ways:

- **Privacy Policy:** The [Privacy Policy](#) limits the collection and use of data to only what is needed to operate our business. In accordance with applicable legislation, our programs ensure the accuracy, confidentiality, and security of information and provide the right to request and correct data.
- **IT Service Management System:** An IT Service Management System improves system security, reduces the number of incidents, improves incident management, and diminishes interruptions to IT service. Stantec is one of the only architectural, engineering, and construction firms that maintains an ISO/IEC 20000-1:2011-certified IT Service Management System.
- **Training:** Employees get information about our privacy practices during Ethics and Code of Business Conduct training.
- **IT Security Programs and Systems:** Our IT security programs and systems help maintain data confidentiality, integrity, and availability (whether data is stored on our premises or in the cloud). Comprehensive systems include web filtering, intrusion protection, cloud-based email filtering, advanced threat protection systems, and next-generation Palo Alto firewalls. As well, we have stringent requirements for external access to our systems and wireless network.

## Partner Code of Business Conduct

Doing business with vendors, subcontractors, and partners who share our values not only reduces our costs and risks but also enhances our Company's commitments to the environment and community.

In 2017, Stantec implemented a new Partner Code of Business Conduct program to minimize the potential for problems within our supply chain. Vendors, subcontractors, and partners are asked to apply business practices consistent with Stantec's standards. Before being awarded work, they must agree to comply with our [Partner Code of Business Conduct](#), which covers employment practices, health and safety, environment, human rights, discrimination, anti-bribery, intellectual property, privacy, and more.

## Protection of Human Rights

Protection of human rights is embedded into Stantec's corporate systems and policies, including our [Code of Business Conduct Policy](#), [Human Trafficking and Modern Slavery Policy](#), Equal Employment Opportunity Practices, Harassment and Discrimination Policy, Accommodation Practice (Canada and the United States), and Americans with Disabilities Act (the United States). Stantec has systems and processes in place to comply with the UK's Modern Slavery Act of 2015. As a signatory to the UN Global Compact, we commit to its human rights and labor principles.

Stantec respects the rights of our employees to freedom of association. As noted in the Diversity and Inclusion section, we also encourage Employment Resource Groups that support diversity in gender, race, ethnicity, veteran status, sexual orientation, and gender identity.

Stantec has a corporate responsibility to respect human rights.

We support the principles in the Universal Declaration of Human Rights, International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and UN Guiding Principles on Business and Human Rights.



## IN THIS SECTION

[Stantec Sustainability Services](#)

[About This Report](#)

[GRI Content Index](#)

[UN Global Compact Communication on Progress](#)



 Santa Clara Valley Medical Center  
Bed Building One (Sobrato Pavilion)  
and Bed Building Two  
San Jose, California





Appendixes

## Stantec Sustainability Services

Through the services Stantec provides to clients, we have a noteworthy impact on sustainability. Our various sustainability services are integral to each of our business operating units and worldwide locations.

### TYPES OF SERVICES

Our industrial and government clients deal with escalating temperatures, water scarcity, unprecedented storms, social protests, and biodiversity loss. We help them respond to these significant challenges, promote sustainable development, and protect human rights.

### ENVIRONMENTAL

Our commitment to the environment goes beyond meeting client requirements and complying with environmental rules and regulations: we innovate and deliver solutions that preserve ecosystems and conserve resources and energy. We also help steer the direction of policy, standards, and rating systems in the public and private sectors.

Stantec professionals support client efforts to be environmentally responsible by

- Designing and engineering net zero and net positive energy buildings, designing renewable energy generation and storage systems, developing GHG inventories and energy action plans, designing waste-to-energy systems, and providing carbon sequestration services, which all reduce our clients' carbon footprints
- Protecting and conserving water resources, maximizing water use through integrated water planning and water and wastewater treatment, and delivering water reuse and recycling solutions
- Applying the Envision™ Rating System and incorporating resiliency into urban and disaster planning to feature sustainability practices in infrastructure design
- Preserving the environment and restoring habitat to protect ecosystems
- Remediating contaminated land and developing brownfield sites
- Planning, designing, and constructing walkable communities that are served by quality transit to improve access to healthy food options and employment centers
- Working on multimodal transportation and shared automated vehicles to support personal mobility and transportation

### SOCIAL

At Stantec, we consider the social impacts of decisions made when managing projects throughout their life cycle and help clients understand the norms of local communities so they can address local priorities and build lasting positive relationships.

Stantec partners with clients and communities to create shared value by

- Creating and maintaining mutually beneficial relationships with Indigenous Peoples, communities, and businesses through employment, training, hands-on skills development, direct investment, and Aboriginal Partnerships.
- Applying new technologies to cultural resource management to find and protect archeological treasures
- Designing buildings and spaces that incorporate the strategies covered by certifications (e.g., WELL Building Standard, Fitwel) to advance health and well-being
- Designing social workspaces that facilitate collaboration
- Designing small or shared living spaces to provide affordable housing
- Incorporating considerations of social equity and justice for campuses, urban areas, and more
- Supporting suppliers in their efforts to be socially responsible and comply with labor and human rights
- Protecting the future of affected communities during mine closure planning







## SUSTAINABILITY LEADERSHIP RECOGNITION

Our business operating units are recognized for sustainability expertise and leadership:

### BUILDINGS

- #1 *Building Design+Construction (BD+C)* Top 100 Architecture/Engineering Firms
- #1 *BD+C* Top 90 K-12 Architecture Firms
- #1 *Engineering News-Record (ENR)* Top 5 Green Design Firms by Sector – Educational Facilities
- Designed Canada's first post-secondary education facility targeting Passive House certification
- Designed Canada's first commercial net positive energy building

### ENERGY & RESOURCES

- #2 *ENR* Top International Design Firms in Power-Hydro Plants
- 175,000+ MW of total renewable energy produced by our designs
  - 150,000+ MW of hydropower
  - 15,000+ MW of wind
  - 10,000+ MW of solar

### ENVIRONMENTAL SERVICES

- 11,000+ active environmental projects
- 5,100+ atmospheric science projects
- 1,600+ kilometres (1,000+ miles) of rivers restored
- 1,200+ supplier sustainability assessments
- 80+ greenhouse gas and energy action plans

### INFRASTRUCTURE

- Charter member of the Institute for Sustainable Infrastructure's Envision program
- Designed the first Envision-verified wastewater treatment project
- Designed the first Envision-verified transportation project
- Designed Canada's largest biofuel energy facility and the first closed-loop, fully integrated organics waste management system in North America

### WATER

- #1 *ENR* Top 10 International Design Firms by Market – Water and Sewer/Waste
- #1 *ENR* Top 50 International Design Firms by Market – Water
- 38+ billion litres (10+ billion gallons) of water and wastewater cleaned per day at Stantec-designed treatment plants



## Sustainability Project Examples

Our professionals regularly apply sustainability principles and techniques in their areas of expertise in each geography where Stantec operates. Some 2017 projects follow:

### NORTH AMERICA

#### 1 Canada

Demonstrating the commercial feasibility of leasable net positive buildings—net positive energy, net zero water, net positive air quality, net zero waste, and carbon neutral—through design and construction management of the LEED Platinum evol1 Centre in Ontario.

Provided design, engineering, and construction services for 40+ sites in the rollout of the Canadian network of Tesla electric vehicle superchargers and will continue to support other sites during the expansion.

#### 2 United States

Transformed a waterfront lot in Portland, Maine, into a public landscape, setting a standard for resilience across Casco Bay.

Provided cost-effective and energy-efficient design upgrades to the City of Dixon, California's Envision Silver wastewater treatment facility, minimizing water lost to the atmosphere and salinity impacts to groundwater.

### LATIN AMERICA AND THE CARIBBEAN

#### 3 Latin America

Designing Represas Patagonia—a hydro-electric project in southern Argentina that will provide 2.4 million people with reliable, renewable energy through its 1,310 MW combined capacity; the project focuses on protecting downstream ecosystems and upper-basin glaciers.

Providing technical assistance to the European Commission for EUROCLIMA+ efforts across Latin America that will enhance environmental sustainability and climate resiliency.

#### 4 Caribbean

Characterized Barbados' solid waste disposal stream to identify improvements in existing programs and enable planning for a waste-to-energy development.

Supported planning for the design of a solar photovoltaic plant for Monserrat in the British West Indies to help stabilize energy prices, minimize dependency on imported fossil fuels, reduce pollution, and mitigate the impacts of climate change.





**EUROPE AFRICA****5 United Kingdom**

Embraced circular economy concepts for the eight20 Capital Delivery Program (for Thames Water) by targeting a 25% reduction in carbon emissions, 90% use of recycled aggregates, zero waste to landfill, and 98% reuse of construction and demolition waste. Also assisting with deploying other sustainable solutions that reduce leakage, drain surface water, and improve flooding resilience, while working closely with local communities and protecting biodiversity.

Developed a holistic energy management approach for water utilities that integrates energy efficiency and distributed generation programs (measures and responses) into their organizational energy demand profiles, thereby minimizing costs, increasing asset resilience, and improving expenditure control.

**6 Continental Europe**

Developed a guideline to apply the Envision protocol to the Italian railway system, the first adaptation of Envision outside North America, to address mobility needs while preserving cultural, historical, and environmental heritage.

Optimized waste-reduction programs in the Netherlands for Dutch Railways to reduce waste by 25% and recycle 75% of materials.

**7 Africa**

Provided technical advisory services to the Millennium Challenge Corporation on key water and sanitation projects, including overseeing sustainable urban water infrastructure in Zambia, supporting water sector reform in Sierra Leone, and consulting on irrigation infrastructure for climate-resilient communities in Niger.

To address the impacts of climate change for the Seychelles Public Utilities Corporation, implemented an integrated water resources management strategy that relies on energy efficiency, demand management, and rainwater harvesting.

**ASIA PACIFIC****8 Australia**

Developed a regulator-approved closure plan for a gold mine client in Western Australia's arid interior, the state's largest ever mine closure plan. Partnered with the local community to identify land-use needs and ensure adequate financing was available for the closure.

Designed a water-recycling plant for one of Australia's first purpose-designed, large-scale, water-efficient communities at the Googong Township; residents use 60% less water than residents in traditional housing developments.

**9 New Zealand**

Planned and designed the Te Ara Ki Uta Ki Tai, a shared cycling and walking path, for Auckland's Urban Cycleways Programme to provide safe alternate transportation access to the eastern suburbs, address flooding issues from stormwater discharge, and restore habitat.

As collaborative partners, worked closely with Watercare Services Ltd, Māori *tangata whenua*, and other stakeholders to obtain resource consents for the Pukekohe Wastewater Treatment Plant's discharge, which maintains and enhances the Waikato River's quality and ecology.

**10 Asia**

Designed a state-of-the-art pig-raising park in Taiwan to increase productivity and profitability, produce renewable energy, and reduce the industry's environmental impact.

Provided technical advice to lenders for geothermal projects in multiple cities of northern China; these projects will reduce carbon emissions and air pollution by using renewable energy for space heating.

**MIDDLE EAST****11 Middle East**

Designed a sewage treatment plant for the Al Madina Al Shamaliya islands in Bahrain that will produce enough clean, high-quality effluent to meet their irrigation needs.

Designed a new hub for energy research in Dubai at the Sheikh Mohammad Bin Rashid Al Maktoum Solar Park, a laboratory for research and testing of solar energy, smart grid data analytics and integration, energy efficiency, and water management.

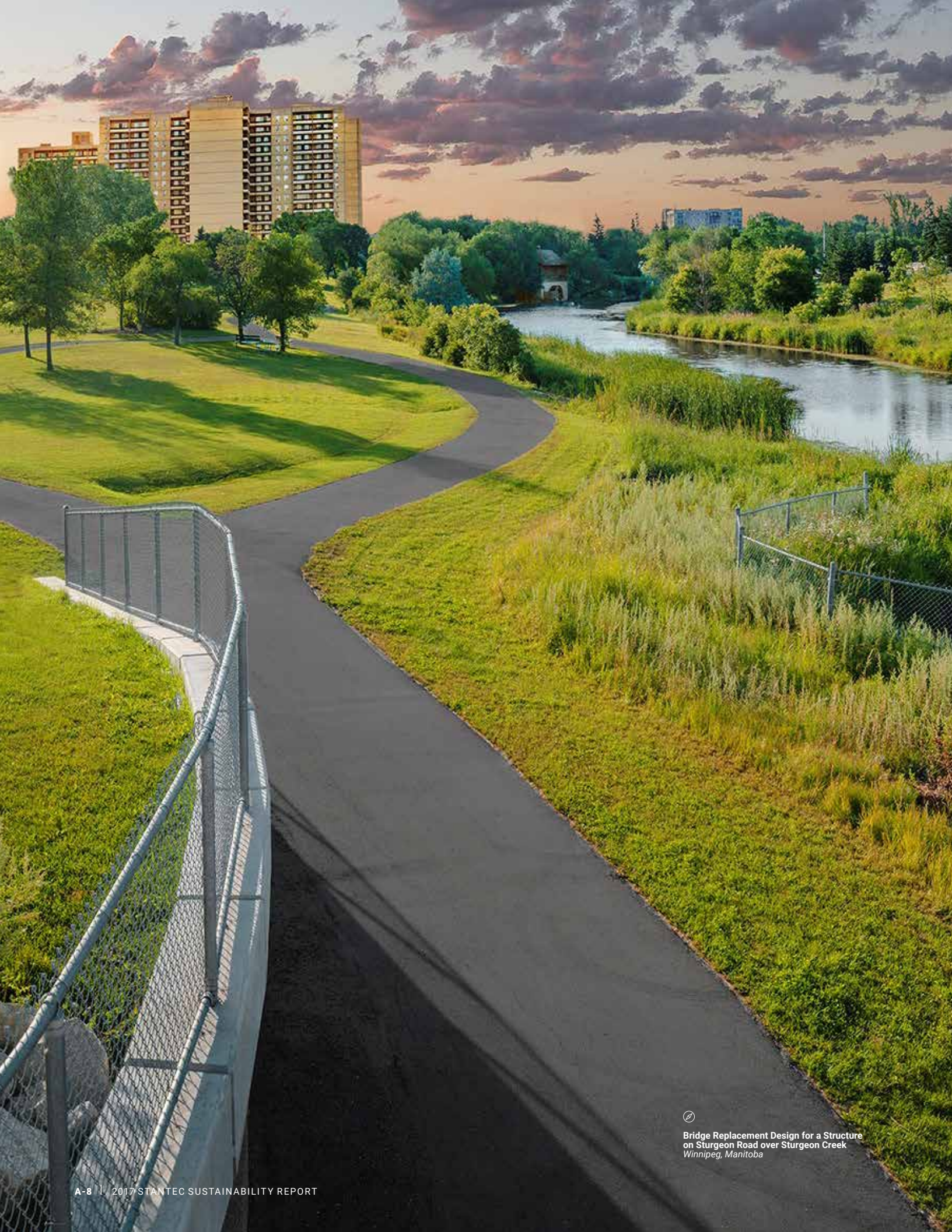
**EMPLOYEE CERTIFICATIONS**

- 880+ LEED-certified professionals
- 240+ Envision-certified sustainability professionals (3 trainers, 3 verifiers)
- 12 Passive House-certified designers
- 12 Green Globes professionals
- 4 Pearl-qualified professionals
- 3 Greenroads sustainable transportation professionals

**PROJECT CERTIFICATIONS**

- 620+ LEED-certified
- 40 net zero-registered
- 26 projects applying Envision
- 6 WELL-registered
- 5 Envision-certified
- 3 Fitwel-registered
- 2 Passive House-registered
- 1 Fitwel-certified
- 1 LEED Neighborhood Development-certified





Bridge Replacement Design for a Structure  
on Sturgeon Road over Sturgeon Creek  
Winnipeg, Manitoba



## About This Report

This report, Stantec's eleventh annual, has been prepared in accordance with the GRI Standards: Comprehensive option. It provides information about Stantec's material issues and impacts for our 2017 fiscal year ending December 31. All financial information is reported in Canadian dollars (unless otherwise stated).

### GEOGRAPHICAL COVERAGE

Due to the 2016 acquisition of MWH Global, Inc. (MWH), Stantec's significant operations include Canada, the United States, the United Kingdom, Australia, and New Zealand. Plus, we have a growing presence in India, Continental Europe, Latin America, the Middle East, Asia, the Caribbean, and Africa.

In 2017, Stantec made noteworthy progress integrating MWH onto corporate systems and processes. Our Canada and US Consulting Services (includes all companies acquired in 2017) are now integrated; non-North American Consulting Services are currently being integrated onto our corporate systems. Construction Services (in the United States and United Kingdom only) still operates independently.

### REPORT BOUNDARIES

This 2017 Sustainability Report reflects all Consulting Services operations, even geographies not yet fully integrated. This report does not include Construction Services.

### REVIEW AND APPROVALS

External assurance was not sought for this Sustainability Report, but our disclosures and data underwent internal quality checks and are factual to the best of our knowledge at the time of reporting. The report underwent a formal review process, including reviews by our Executive ESG Committee and senior management in each functional area and final review and approval by members of our Executive Leadership Team.

Our carbon footprint has been externally verified by Bureau Veritas North America, Inc. and is reported to CDP (Carbon Disclosure Project). Our consolidated financial statements, referenced in this report, were audited by Ernst & Young LLP Chartered Professional Accountants.

### MORE INFORMATION

Additional pertinent information is available in our [Annual Report](#), [Management Information Circular](#), and [Annual Information Form](#), and on [stantec.com](#). Combined, these resources provide transparency to Stantec's ESG performance.

This report and future updates can be accessed at [stantec.com/sustainability](#). Contact [sustainability@stantec.com](mailto:sustainability@stantec.com) with any questions about this report.



## GRI Content Index

This appendix outlines the GRI Content Index information relating to Stantec. It is organized into three tables: General Disclosures, Material Topics, and Non-Material Topics.

The tables reference sections in this Sustainability Report (SR) and reference pages of the Annual Report (AR), the Management Information Circular (MIC), the Annual Information Form (AIF), and our website, [stantec.com](http://stantec.com). Also consider these points when reviewing the appendix:

- **Boundaries:** Each material topic noted in the GRI Content Index covers Stantec's global Consulting Services operations (including operations from acquisitions not yet integrated onto Stantec's systems and processes). Stantec's Construction Services operations are not included.
- **Employees:** The tables include both full-time and part-time employees. Because nonemployees perform a nominal portion of Stantec's activities, they are not reported.
- **Countries of Significant Operations** (represent 92% of global Consulting Services employees): Canada, United States, United Kingdom, Australia, and New Zealand.
- **Regions (and associated countries):** Canada, United States, Europe Africa (United Kingdom, Belgium, Italy, Netherlands, Turkey, Ethiopia), Asia Pacific (Australia, New Zealand, China, Taiwan), and remaining geographies (India, Argentina, Chile, Peru, Bahrain, Kuwait, Qatar, Saudi Arabia, United Arab Emirates).
- **GRI Version:** Each GRI disclosure below references GRI Standards version 2016.

### GENERAL DISCLOSURES

GRI Disclosures		Public Report References, Direct Answers, Additional Details, and/or Omissions
<b>GRI 102: General Disclosures</b>		
<b>Organizational Profile</b>		
102-1	Name of the organization	Stantec Inc. AIF, page 3 (corporate structure information).
102-2	Activities, brands, products, services	SR, About Stantec. AR, pages 6-9 and M14-M16.
102-3	Location of headquarters	SR, back cover. AIF, page 3.
102-4	Locations of operation	SR, About Stantec. AR, pages M13-M14. AIF, page 12.
102-5	Ownership and legal form	AIF, page 3.
102-6	Markets served	SR, About Stantec. AR, pages 7-9, M2, and M30-M31. AIF, pages 8 and 12.
102-7	Scale of the organization	SR, About Stantec. AR, pages M13-M18.
102-8	Employee numbers and demographics	SR, People-Centered Workplace. The number and percentage of employees by employment type (full time and part time), gender, and region follows. For non-North America operations: Employment contract details (permanent and temporary) are not consistently tracked in global HR systems. We can provide percentages for our global workforce (94% permanent and 6% temporary) but cannot break them down by gender and region. We will report the details once all Consulting Services geographies are on the same corporate HR system.

	Total	% Total	Female	% Female	Male	% Male
Total Company	19,716	100%	6,694	34%	13,022	66%
Total Company Full Time	18,143	92%	5,831	32%	12,312	68%
Total Company Part Time	1,573	8%	863	55%	710	45%
Canada	7,531	38%	2,710	36%	4,821	64%
United States	8,980	46%	2,982	33%	5,998	67%
Europe Africa	1,214	6%	397	33%	817	67%
Asia Pacific	865	4%	305	35%	560	65%
Remaining Geographies	1,126	6%	300	27%	826	73%

102-9	Supply chain	SR, About Stantec.
102-10	Significant changes to the organization and its supply chain	In 2017, Stantec integrated large parts of MWH (acquired in 2016), expanding our operations and supply chain to a global footprint (35 countries in total).
102-11	Precautionary principle	SR, Environmental Stewardship.
102-12	External initiatives	SR, Sustainability Is Good Business and GRI Content Index 102-13.
102-13	Memberships in associations	Examples of Stantec's awards and memberships follow.

#### Select Awards

##### *Engineering News-Record*

- #1 International Design Firms by Market – Water
- #1 International Design Firms by Market – Sewer/Waste
- #1 Top Green Design Firms by Sector – Educational Facilities
- #2 International Design Firms in Power – Hydro Plants
- #2 Top Design Firms in General Building – Education
- #3 Top North American Design Firms
- #3 International Contractor for Sewer/Waste
- #4 Green Design for Retail; Design Firms in Power-Wind Power; Design Firms in Environmental Science, Environment – Water Supply, Environment – Dams & Reservoirs, and Environment – Sanitary & Storm Sewers

##### *Building Design+Construction*

- #1 Architecture/Engineering Firms
  - #1 Top 90 K-12 Architecture Firms
  - #2 Green Architecture Firms
- Country-specific
- #1 Best Place to Work (UK's *New Civil Engineer*)
  - #1 Talent Champion (UK's *New Civil Engineer*)
  - #1 Best Consulting Engineering Firm (*The Australian Financial Review*)
  - International Safety Distinction (UK British Safety Council)
  - Research and Consultancy Team of the Year (NZ Royal Institution of Chartered Surveyors)

#### Select Memberships

- Aboriginal Environmental Leadership Circle
- American Institute of Architects (AIA)
- American Water Works Association (AWWA)
- Australian Water Association (AWA)
- British Standards Institution (BSI)
- Board of Certified Safety Professionals (CSP)
- Building Owners and Managers Association (BOMA)
- Business in the Community
- Canadian Council of Aboriginal Business (CCAB)
- Canadian Society of Civil Engineers
- Chartered Institution of Water and Environmental Management (CIWEM)
- Engineers Australia

- Global Reporting Initiative (GRI)
- Green Building Councils
- Institute for Sustainable Infrastructure (ISI)
- Institute of Environmental Management and Assessments (IEMA)
- International Hydropower Association
- International Water Association (IWA)
- WasteMINZ
- Water Design-Build Council
- Water NZ
- Water Research Foundation
- Water UK

### Select Subscriptions and Endorsements of External Initiatives

Businesses for Social Responsibility (BSR)	International Standards Organization (ISO)
Catalyst – Workplaces that Work for Women	Leadership in Energy and Environmental Design (LEED)
CDP (formerly Carbon Disclosure Project)	The Climate Registry (TCR)
Environmental Protection Agency (EPA) Energy Star	UN Global Compact (UNGC)
Engineers without Borders (EWB)	UN Guiding Principles on Business and Human Rights
Fitwel Certification System (Fitwel)	WELL Building Standard (WELL)

Strategy		
102-14	Statement from senior decision maker	SR, A Message from Our President and CEO.
102-15	Key impacts, risks, and opportunities	SR, Strategic Planning and Risk Management. AR, pages M17-M21 and M59-M67.
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	SR, About Stantec and Ethical Business Practices. AR, page 5.
102-17	Mechanisms for advice and concerns about ethics	SR, Ethical Business Practices. AR, page M19.
Governance		
102-18	Governance structure	SR, Board Governance and Sustainability Governance. AR, pages 16-17. Website, About > Corporate Governance
102-19	Delegating ESG authority	SR, Sustainability Governance.
102-20	Executive-level ESG responsibility	SR, Sustainability Governance.
102-21	Consulting stakeholders on ESG topics	SR, Stakeholder Engagement and Sustainability Governance.
102-22	Composition of the highest governance body and its committees	SR, Board Governance. AR, pages 16-17 and M69-M70. MIC, pages 16-21 and 27-37.
102-23	Chair of the highest governance body	MIC, page 19. Website, About > Corporate Governance
102-24	Nominating and selecting the highest governance body	MIC, pages 13-21, 27-33, and 63-66.
102-25	Conflicts of interests	MIC, pages 30-33. Identifying and managing conflicts of interest are covered in depth during each director's orientation and addressed in the continuing education provided to directors. Stantec also implements guidelines on director overboarding.
102-26	Role of highest governance body in setting purpose, values, and strategies	SR, Board Governance. MIC, page 30.
102-27	Collective ESG knowledge of the highest governance body	Stantec's Executive ESG Committee provides information to the board to enhance their collective knowledge of economic, environmental, and social topics.
102-28	Evaluating the highest governance body's ESG performance	The Executive ESG Committee provides direct input to the board on economic, environmental, and social topics and provides analysis on our ESG performance against our peers and our performance from previous years.



102-29	Identifying and managing ESG impacts	The Executive ESG Committee and Sustainability team identify and manage ESG impacts and provide information to the board. Through various mediums, the board also receives regular input from stakeholder groups.												
102-30	Effectiveness of risk management processes	SR, Risk Management. AR, pages M65-M67. MIC, pages 30-31 and 34-35. AIF, page 12.												
102-31	Review of ESG topics	SR, Sustainability Governance. AIF, pages 11-12.												
102-32	Highest governance body role in sustainability reporting	SR, About This Report.												
102-33	Communicating critical ESG concerns	SR, Sustainability Governance.												
102-34	Nature and number of critical ESG concerns	No critical concerns regarding economic, environmental, and social topics were reported to the board in 2017.												
102-35	Remuneration policies	MIC, pages 22-25 and 41-60.												
102-36	Process for determining remuneration	MIC, pages 36-60.												
102-37	Stakeholder involvement in remuneration	MIC, page 40.												
102-38	Annual total compensation ratio	<p>The annual total compensation ratio for our highest-paid employee to the median annual total compensation for remaining employees in each country of significant operations follows.</p> <table border="1"> <thead> <tr> <th>Country</th> <th>Annual Total Compensation Ratio: Highest to Median</th> </tr> </thead> <tbody> <tr> <td>Canada</td> <td>20.1</td> </tr> <tr> <td>United States</td> <td>7.6</td> </tr> <tr> <td>United Kingdom</td> <td>8.5</td> </tr> <tr> <td>Australia</td> <td>4.4</td> </tr> <tr> <td>New Zealand</td> <td>3.1</td> </tr> </tbody> </table> <p>Note: Total compensation includes base salary and annual bonus but does not include long-term incentives.</p>	Country	Annual Total Compensation Ratio: Highest to Median	Canada	20.1	United States	7.6	United Kingdom	8.5	Australia	4.4	New Zealand	3.1
Country	Annual Total Compensation Ratio: Highest to Median													
Canada	20.1													
United States	7.6													
United Kingdom	8.5													
Australia	4.4													
New Zealand	3.1													
102-39	Percentage increase in annual total compensation ratio	<p>The ratio of the percentage increase in annual total compensation for our highest-paid employee to the median percentage increase in annual total compensation for remaining employees in each country of significant operations follows.</p> <table border="1"> <thead> <tr> <th>Country</th> <th>Percentage Increase in Annual Total Compensation Ratio: Highest to Median</th> </tr> </thead> <tbody> <tr> <td>Canada</td> <td>0.0</td> </tr> <tr> <td>United States</td> <td>-3.4</td> </tr> <tr> <td>United Kingdom</td> <td>-2.9</td> </tr> </tbody> </table> <p>Note: Total compensation includes base salary and annual bonus but does not include long-term incentives. Australia and New Zealand 2016 compensation information is not available.</p>	Country	Percentage Increase in Annual Total Compensation Ratio: Highest to Median	Canada	0.0	United States	-3.4	United Kingdom	-2.9				
Country	Percentage Increase in Annual Total Compensation Ratio: Highest to Median													
Canada	0.0													
United States	-3.4													
United Kingdom	-2.9													

Stakeholder Engagement		
102-40	List of stakeholder groups	SR, Stakeholder Engagement.
102-41	Collective bargaining agreements	SR, Protection of Human Rights. Stantec is not in a business that commonly has employees participating in collective bargaining agreements. Thirty US employees belong to the International Union of Operating Engineers Local 12 and have maintained a collective agreement for over 10 years, without interference from Stantec.
102-42	Identifying and selecting stakeholders	SR, Stakeholder Engagement.
102-43	Approach to stakeholder engagement	SR, Stakeholder Engagement.
102-44	Key topics and concerns raised	SR, Stakeholder Engagement.
Reporting Practice		
102-45	Entities included in the consolidated financial statements	AR, pages F40 and F61-64. Stantec's Annual Report covers all legal entities and services.
102-46	Define report content and topic boundaries	SR, About This Report. This Sustainability Report content and the boundary of all associated material topics is Stantec's worldwide Consulting Services.
102-47	List of material topics	SR, Material Topics.
102-48	Restatements of information	There are no restatements of information.
102-49	Changes in reporting	SR, About This Report.
102-50	Reporting period	SR, About This Report.
102-51	Date of most recent report	Stantec publishes the Sustainability Report annually. Our 2016 Sustainability Report was published in May 2017.
102-52	Reporting cycle	SR, About This Report.
102-53	Contact point for questions about the report	SR, About This Report.
102-54	Claims of reporting in accordance with GRI Standards	SR, About This Report.
102-55	GRI Content Index	SR, GRI Content Index.
102-56	External assurance	SR, About This Report.
GRI 103: Management Approach		
103-1, 103-2, 103-3	Explanation of material topics and boundaries; management approach and its components	SR, Material Topics. See the relevant material topic section of this report for a description of the associated management approach. This report covers material topics for Stantec's worldwide Consulting Services but not our Construction Services.

## MATERIAL TOPICS

GRI Disclosures		Public Report References, Direct Answers, Additional Details, and/or Omissions
<b>Economic</b>		
<b>GRI 201: Economic Performance</b>		
201-1	Direct economic value generated and distributed	SR, About Stantec. AR, pages 12, M3-M12, and M22-M24. 2017 gross revenue follows: <ul style="list-style-type: none"> <li>• Total – \$5.1 billion</li> <li>• Consulting Services (covered within the boundaries of this report) – \$4.0 billion</li> <li>• Construction Services – \$1.1 billion.</li> </ul>
201-2	Financial implications and other risks and opportunities due to climate change	SR, Sustainable Development Goals, Strategic Planning, Risk Management, and Stantec Sustainability Services. AR, pages M17-M21 and M63.
201-3	Benefit and retirement obligations	AR, pages M9, M65, F20, F24, F44, and F57.
201-4	Government financial assistance	AR, page F67.
<b>GRI 204: Procurement Practices</b>		
204-1	Spending on local suppliers	SR, Resource Conservation and Diversity and Inclusion. Our procurement spending supports office activities. We centralize vendors when possible to control costs and ESG performance. Project subcontractors are often local businesses. We track our diversity spending for US government contracts.
<b>GRI 205: Anti-Corruption</b>		
205-1	Operational risk assessment	SR, Ethical Business Practices.
205-2	Communication and training	SR, Ethical Business Practices.
205-3	Confirmed incidents	None.
<b>GRI 206: Anti-Competitive Behaviors</b>		
206-1	Legal actions for practices	None.
<b>Environmental</b>		
<b>GRI 302: Energy</b>		
302-1	Energy consumption within the organization	Stantec's Public CDP Climate Change Response. Scope 1 and 2 energy consumption was 577,792 GJ (160,498 MWh).
302-2	Energy consumption outside the organization	SR, Sustainable Development Goals and Sustainability Services. Stantec is a professional services firm, so we do not track energy consumption outside our organization. We do work with customers to reduce their energy use for the projects we design.
302-3	Energy intensity	Stantec's Public CDP Climate Change Response. Stantec normalizes energy consumption by employee. Scope 1 and 2 energy intensity was 29.3 GJ (8.14 MWh) per employee.
302-4	Reductions in energy consumption	SR, Carbon Footprint and Resource Conservation. Stantec's Public CDP Climate Change Response.
302-5	Reductions in energy requirements of products and services	SR, Sustainable Development Goals and Sustainability Services. Stantec works with customers to reduce their energy use.



**GRI 305: Emissions**

305-1, 305-2, 305-3	Direct (Scope 1) GHG emissions; energy indirect (Scope 2) GHG emissions; other indirect (Scope 3) GHG emissions	SR, Carbon Footprint. Stantec's Public CDP Climate Change Response. Absolute emissions follow: <ul style="list-style-type: none"> <li>• Scope 1 – 9,585 metric tons of CO2 equivalent (mtCO2e)</li> <li>• Scope 2 – 43,228 mtCO2e</li> <li>• Scope 3 – 26,800 mtCO2e</li> </ul> Our Scope 1, 2, and 3 emissions have received external assurance.
305-4	GHG emissions intensity	SR, Carbon Footprint. Stantec's Public CDP Climate Change Response. Stantec normalizes our GHG emissions by employee. GHG emissions intensity follows: <ul style="list-style-type: none"> <li>• Scope 1 and 2 per employee – 2.68 mtCO2e</li> <li>• Scope 3 per employee – 1.36 mtCO2e</li> </ul>
305-5	Reduction of GHG emissions	SR, Carbon Footprint and Resource Conservation. Stantec's Public CDP Climate Change Response. Stantec met previous GHG emission reduction goals for our legacy Stantec operations. This is our baseline year for reduction goals relating to our global Consulting Services GHG emissions.
305-6, 305-7	Emissions of ozone-depleting substances (ODS), nitrogen oxides (NOx), sulfur oxides (SOx)	This does not apply since Stantec is a professional services firm. We do not emit ODS and do not have significant NOx or SOx emissions.

**GRI 307: Environmental Compliance**

307-1	Environmental laws noncompliance	None.
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**Social**

**GRI 401: Employment**

401-1	New hires and turnover	Total number and rate of new employee hires as well as total number and rate of employee turnover by region, gender, and age follows.											
		Total		Female		Male		Age: Under 30		Age: 30 to 50		Age: Over 50	
		#	%	#	%	#	%	#	%	#	%	#	%
Total Company													
New Hires		2,420	13.1%	894	14.1%	1,526	12.6%	839	29.8%	1,264	11.9%	317	6.3%
Total Turnover		2,926	15.8%	1,045	16.5%	1,881	15.1%	506	18.0%	1,754	16.6%	666	13.2%
Voluntary Turnover		2,026	11.0%	748	11.8%	1,278	10.5%	399	14.1%	1,245	11.8%	382	7.6%
Canada													
New Hires		807	11.4%	316	12.2%	491	11.0%	268	28.5%	425	10.0%	114	6.2%
Total Turnover		1,060	15.0%	416	16.1%	644	14.1%	149	15.9%	676	15.9%	235	12.7%
Voluntary Turnover		727	10.3%	300	11.6%	427	9.6%	121	12.9%	482	11.3%	124	6.7%
United States													
New Hires		998	12.0%	358	12.8%	640	11.6%	342	25.7%	490	11.4%	166	6.2%
Total Turnover		1,296	15.6%	429	15.4%	867	15.7%	201	15.1%	740	17.2%	355	13.3%
Voluntary Turnover		925	11.1%	309	11.1%	616	11.2%	160	12.0%	556	12.9%	209	7.9%

Table continued on next page

	Total		Female		Male		Age: Under 30		Age: 30 to 50		Age: Over 50	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>Europe Africa</b>												
New Hires	159	13.3%	58	15.1%	101	12.4%	84	33.5%	69	9.6%	6	2.7%
Total Turnover	155	13.0%	50	13.0%	105	13.0%	50	19.9%	78	10.8%	27	12.2%
Voluntary Turnover	122	10.2%	37	9.6%	85	10.5%	36	14.3%	62	8.6%	24	10.8%
<b>Asia Pacific</b>												
New Hires	149	18.5%	57	20.4%	92	17.6%	53	41.4%	91	18.1%	5	2.9%
Total Turnover	151	18.8%	61	21.8%	90	17.2%	41	32.0%	95	18.9%	15	8.6%
Voluntary Turnover	126	15.7%	53	18.9%	73	13.9%	35	27.3%	78	15.5%	13	7.5%
<b>Remaining Geographies</b>												
New Hires	307	27.6%	105	35.4%	202	24.8%	92	54.8%	189	23.6%	86	61.0%
Total Turnover	264	23.8%	89	30.0%	175	21.5%	65	38.7%	165	20.6%	34	24.1%
Voluntary Turnover	126	11.3%	49	16.5%	77	9.5%	47	28.0%	67	8.4%	12	8.5%

Note: Excludes temporary employees.

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees SR, People-Centered Workplace.

401-3 Parental leave The total number of employees (by gender) who took parental leave and who returned to work follows. Parental leave is currently tracked only for Canada and US operations. Parental leave information for Global operations will be available to report as they integrate into Stantec corporate systems.

Canada and the United States	Female	Male	Total
Number of employees who were on maternity or parental leave	255	91	346
Number of employees who returned to work the same year the leave ended	202	84	286

**GRI 403: Occupational Health and Safety**

403-1 Workers representation in formal joint management-worker health and safety committees An office safety and environment coordinator (OSEC) has been designated for each office location. The OSEC connects the office to our broader HSSE systems and accesses resources such as regional HSSE managers and operational leadership. As required by local regulations, Stantec supports office-based committees but does not track the percentage of workers represented by them. The number of committees follows: 48 in the United States, 39 in Canada, 2 in corporate, 2 in New Zealand, 2 in Peru, 1 in Australia, 1 in Italy, and 1 in Chile.

403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

The types of injury, injury rate, occupational disease rate, lost day rate, and work-related fatalities by region and gender follows.

Safety professionals assess incident details to categorize them based on the OSHA reporting standard.

	Total Recordable Incident Rate (TRIR)	Lost Day Rate (LDR)
Total Company	0.54	1.45
Canada	0.67	1.27
United States	0.55	1.52
Europe Africa	0.09	3.29
Asia Pacific	0.56	0.98
Remaining Geographies	0.10	0.39

	Injuries						Work-Related Fatalities by Gender	
	Total	By Gender		By Type of Case			Female	Male
		Female	Male	Lost	Restricted	Medical		
Total Company	92	29	63	16	11	65	1	0
Canada	42	18	24	5	6	31	1	0
United States	44	10	34	8	5	31	0	0
Europe Africa	1	0	1	1	0	0	0	0
Asia Pacific	4	1	3	1	0	3	0	0
Remaining Geographies	1	0	1	1	0	0	0	0

Notes:

- Recordable injuries are those requiring more than first-aid treatment.
- Based on one hundred employees working 200,000 hours in a calendar year:  
 $TRIR = (\text{recordable injuries} \times 200,000) \div \text{hours worked}$   
 $LDR = (\text{lost days} \times 200,000) \div \text{hours worked}$
- The absentee rate is not tracked for use in occupational health and safety statistics; our occupational disease rate is zero.
- Incident reports are submitted to a central database by people directly involved in the incident. Investigations are recorded within the region and business operating unit. Actions are proposed and addressed.
- Stantec records incidents for employees only. We assess the HSSE systems of our contractors using a Subcontractor Management System, which includes safety statistics, compensation coverage, program verification, and more. Once the assessment is complete, subcontractors are expected to manage and communicate any incidents and share any lessons learned through investigation and reporting.

403-3 Workers with high incidence or high risk of specific diseases related to their occupation

None.

403-4 Health and safety topics covered in formal agreements with trade unions

Stantec is a professional services firm with a very low number of employees covered under collective bargaining agreements, so this does not apply.



**GRI 404: Training and Education**

404-1 Average hours of training per year per employee

The average hours of training per year that Canada and US employees have taken follows.

Canada and the United States use Stantec's corporate HR systems. All other geographies use legacy HR systems. Employment categories will match as employees migrate onto Stantec's corporate HR systems.

## Canada and the United States

Employment Category	Average Hours of Training per Employee
Female	18.9
Male	20.4
Senior Managers	5.3
Middle and Other Managers	10.5
Professionals	22.1
Semiprofessionals and Technicians	21.4
Administrative and Senior Clerical	11.1
Clerical	5.2
Skilled Sales	3.5
Semiskilled Manual	15.8
Operatives	16.0
Total Regions	19.8

## All Geographies except Canada and the United States

Employment Category	Average Hours of Training per Employee
Female	3.0
Male	2.5
Executive and Senior Level Officials and Managers	2.6
First- and Mid-Level Officials and Managers	2.3
Professionals	2.7
Technicians	2.6
Administrative and Support Workers	2.9
Skilled Workers	3.2
Operatives	2.0
Sales Workers	2.6
Total Regions	2.7

404-2 Programs for upgrading employee skills and transition assistance programs

SR, Professional Development.

404-3 Percentage of employees receiving regular performance and career development reviews

SR, Professional Development.

The percentage of employees in all geographies who received career development and performance reviews is 93.3%.

The percentage of employees by employment category who received career development and performance reviews follows.

Canada and the United States use Stantec's corporate HR systems. All other geographies use legacy HR systems. Employment categories will match as employees are migrated onto Stantec's corporate HR systems.

Canada and the United States

Employment Category	Percentage of Employees Who Received Reviews
Female	95.6%
Male	96.6%
Senior Managers	91.3%
Middle and Other Managers	92.0%
Professionals	96.4%
Semiprofessionals and Technicians	97.1%
Administrative and Senior Clerical	96.2%
Clerical	97.2%
Skilled Sales	100.0%
Semiskilled Manual	83.3%
Operatives	100.0%
Unclassified	16.7%
Total Regions	96.3%

Note: 14,424 employees were eligible for reviews.

All Geographies except Canada and the United States

Employment Category	Percentage of Employees Who Received Reviews
Female	78.4%
Male	76.9%
Executive and Senior Level Officials and Managers	70.3%
First- and Mid-Level Officials and Managers	52.9%
Professionals	73.3%
Technicians	82.2%
Administrative and Support Workers	82.6%
Skilled Workers	100.0%
Operatives	100.0%
Sales Workers	92.6%
Total Regions	77.4%

Note: 2,708 employees were eligible for reviews.

## GRI 405: Diversity and Equal Opportunity

405-1	Diversity of governance bodies and employees	<p>SR, Diversity and Inclusion and Board Governance. MIC, pages 28-29. Stantec has a Board Diversity Policy. In 2017, of nine board members, three (33%) were women, six (67%) were men, all were over 50, and no one was a member of a minority group.</p> <p>Diversity of employees is currently tracked only for Canada and the United States. The percentage of Canada and US employees by employment category and by gender, age, and minority status follows. Information for other geographies will be available as employees migrate onto Stantec's corporate systems.</p>
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## Canada and the United States

Employment Category	Female	Male	Age: Under 30	Age: 30 to 50	Age: Over 50	Self-Identified Minority
Senior Managers	13.9%	86.1%	0.0%	32.5%	67.5%	8.0%
Middle and Other Managers	21.3%	78.7%	0.2%	46.8%	53.0%	5.6%
Professionals	31.6%	68.4%	17.1%	56.7%	26.2%	12.3%
Semiprofessionals and Technicians	25.6%	74.4%	14.6%	52.2%	33.2%	6.6%
Administrative and Senior Clerical	80.8%	19.2%	20.6%	43.9%	35.5%	13.0%
Clerical	84.1%	15.9%	15.9%	47.8%	36.4%	17.6%
Skilled Sales	52.4%	47.6%	9.5%	66.7%	23.8%	0.0%
Semiskilled Manual	28.6%	71.4%	14.3%	42.9%	42.9%	0.0%
Acquisition (not yet classified)	25.0%	75.0%	0.0%	87.5%	12.5%	0.0%
Total	34.4%	65.6%	15.8%	53.6%	30.6%	10.7%

405-2	Ratio of basic salary and remuneration of men to women	<p>The base salary and base salary plus bonus ratio of men to women in our countries of significant operations follows.</p> <p>Canada and US employees use Stantec's corporate HR systems. All other geographies use legacy HR systems. Employment categories will match as employees are migrated onto Stantec's corporate HR systems.</p>
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Employment Category	Canada		United States	
	Base M:F	Base + Bonus M:F	Base M:F	Base + Bonus M:F
Senior Managers	1.2	1.2	1.3	1.3
Middle and Other Managers	1.0	1.1	1.2	1.2
Professionals	1.2	1.2	1.3	1.3
Semiprofessionals and Technicians	1.1	1.1	1.1	1.1
Administrative and Senior Clerical	1.0	1.0	0.8	0.8
Clerical	1.0	1.0	1.1	1.1
Skilled Sales	0.8	0.8	NA	NA
Semiskilled Manual	1.0	1.0	NA	NA
Total	1.3	1.3	1.4	1.4

NA = not applicable



Employment Category	United Kingdom		Australia		New Zealand	
	Base M:F	Base + Bonus M:F	Base M:F	Base + Bonus M:F	Base M:F	Base + Bonus M:F
Executive and Senior Level Officials and Managers	0.5	0.3	1.3	1.3	1.1	1.0
First- and Mid-Level Officials and Managers	1.1	1.1	1.2	1.2	1.2	1.2
Professionals	1.1	1.1	1.5	1.5	1.4	1.4
Technicians	1.4	1.4	0.9	0.9	1.1	1.1
Administrative and Support Workers	1.3	1.3	1.0	1.0	0.9	0.9
Sales Workers	0.0	0.0	2.1	2.2	2.4	2.3
Total	1.3	1.3	1.7	1.7	1.5	1.5

Note: There are only males in the employment categories of skilled workers and operatives, so these categories are not shown in the table.

#### GRI 406: Non-Discrimination

406-1	Incidents of discrimination and corrective actions taken	<p>Stantec is committed to workplace diversity, inclusion, and equality. We specifically prohibit harassment and discrimination based on characteristics such as race, ethnicity, sex, gender, color, creed, religious beliefs, citizenship status, national origin, age, marital status, sexual orientation, gender identity, gender expression, or disability.</p> <p>As reflected in our policies and practices, Stantec is committed to creating and maintaining an environment that is free of objectionable and disrespectful conduct.</p> <p>Processes are in place to investigate and respond to complaints, and corrective action is taken when appropriate.</p> <p>We follow our policies, which dictate that we respect the privacy and confidentiality of these sensitive matters. Because of this, we are not disclosing this information.</p>
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#### GRI 418: Customer Privacy

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>SR, Data Privacy.</p> <p>Stantec had no significant breaches or losses of customer data. We have an extensive IT security program to keep our customer data private.</p>
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## NON-MATERIAL TOPICS

GRI Disclosures	Public Report References, Direct Answers, Additional Details, and/or Omissions																				
202	<p>Market presence</p> <p>Stantec does not have a significant number of employees subject to minimum wage rules. For countries of significant operations, the average hourly rate of our lowest wage group is higher than the minimum wage in that country.</p> <table border="1"> <thead> <tr> <th rowspan="2">Country</th> <th colspan="2">Ratio of Entry-Level Wage to Local Minimum Wage</th> </tr> <tr> <th>Female</th> <th>Male</th> </tr> </thead> <tbody> <tr> <td>Canada</td> <td>2.3</td> <td>2.2</td> </tr> <tr> <td>United States</td> <td>3.1</td> <td>3.3</td> </tr> <tr> <td>United Kingdom</td> <td>1.7</td> <td>2.2</td> </tr> <tr> <td>Australia</td> <td>1.7</td> <td>2.0</td> </tr> <tr> <td>New Zealand</td> <td>1.8</td> <td>1.8</td> </tr> </tbody> </table> <p>Because Stantec is a global and largely virtual consulting business, we do not consider that the number of local senior management hired is material, so we do not track the percentage of senior management hired from the local community. Our practice is to hire local expertise when possible.</p>	Country	Ratio of Entry-Level Wage to Local Minimum Wage		Female	Male	Canada	2.3	2.2	United States	3.1	3.3	United Kingdom	1.7	2.2	Australia	1.7	2.0	New Zealand	1.8	1.8
Country	Ratio of Entry-Level Wage to Local Minimum Wage																				
	Female	Male																			
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United Kingdom	1.7	2.2																			
Australia	1.7	2.0																			
New Zealand	1.8	1.8																			
203	<p>Indirect economic impacts</p> <p>SR, Creativity and Innovation, Community Engagement, Indigenous Connections, and Stantec Sustainability Services.</p> <p>Stantec provides positive economic impacts to the communities where we live and work. As well, our Creativity &amp; Innovation Program advances policy and new technologies.</p>																				
301	<p>Materials</p> <p>SR, Resource Conservation.</p> <p>Stantec is a professional services firm, so most “products” are intellectual property. Though the quantity of paper used for producing reports and drawings is nominal, we track paper use, find ways to reduce overall paper use, and purchase paper with post-consumer recycled content.</p>																				
303	<p>Water</p> <p>SR, Sustainable Development Goals, Environmental Management, Resource Conservation, and Stantec Sustainability Services</p> <p>Stantec is a professional services firm working primarily in leased office space, so we have very little influence over our water use and virtually no control over water withdrawal, recycling, and reuse in our operations. But we work hard to conserve water. We also provide extensive water services to clients.</p>																				
304	<p>Biodiversity</p> <p>SR, Sustainable Development Goals, Creativity and Innovation, and Stantec Sustainability Services</p> <p>Stantec is a professional services firm working primarily in leased office space, so our operations have a low impact on biodiversity. We do, however, work to protect and restore biodiversity through services we provide to clients.</p>																				
306	<p>Effluents and waste</p> <p>SR, Sustainable Development Goals and Stantec Sustainability Services</p> <p>As a professional services firm working primarily in leased office space, Stantec produces minimal effluents and waste. We maintain a few internal laboratories that responsibly dispose of waste materials and we have comprehensive spill prevention processes. We do, however, provide extensive effluent and waste services to clients.</p>																				

308	Supplier environmental assessments	<p>SR, Partner Code of Business Conduct.</p> <p>Because Stantec is a professional services firm, our supply chain includes vendors (primarily leased real estate and office supplies) that are centrally procured, plus we work with project subcontractors and partners.</p> <p>Our Procurement team uses standard sustainability language when procuring products and services. Our Subcontractor Management team screens subcontractors using numerous criteria, including environmental and social.</p> <p>We expect subcontractors to be ethical and follow our Partner Code of Business Conduct; high-risk subcontractors must acknowledge, in writing, that they will follow this code.</p>
402	Labor management relations	<p>As a professional services firm, Stantec has a very low number of employees covered under collective bargaining agreements. No policies are in place that specify the amount of time required to provide notice before a significant operational change; however, our practice is to provide ample notice. We have change management processes in place to minimize the impact on employees of any significant operational change.</p>
407	Freedom of association and collective bargaining	<p>SR, Protection of Human Rights, GRI Content Index 102-41, and UN Global Compact Communication on Progress Principle 3.</p>
408	Operations and suppliers at risk for incidents of child labor	<p>SR, Protection of Human Rights and UN Global Compact Communication on Progress Principle 5.</p>
409	Operations and suppliers at risk for incidents of forced or compulsory labor	<p>SR, Protection of Human Rights and UN Global Compact Communication on Progress Principle 4.</p>
410	Security personnel trained in human rights policies or procedures	<p>SR, Health, Safety, and Security.</p> <p>Two employees oversee our Security Program. We are a professional services firm, so the goal of this program is to protect our office-based employees from geopolitical threats, terrorism, crime, and natural disasters when in the office or during travel. Both Security employees have extensive training in protecting human rights.</p>
411	Incidents of violations involving the rights of Indigenous Peoples	<p>SR, Indigenous Connections</p> <p>None, to our knowledge. We are continuing to educate ourselves on the rights of Indigenous Peoples so that no violations occur on behalf of Stantec. Engaging with Indigenous Peoples and communities is critical to the success of our organization and projects. Our focus is building strong partnerships and positive relationships.</p>
412	Human rights assessments	<p>SR, Protection of Human Rights and Partner Code of Business Conduct.</p> <p>The countries where Stantec has significant operations and the types of consulting services Stantec provides do not pose a significant risk for violations of human rights. Even so, we have policies and programs to protect against occurrences.</p> <p>For project work that takes place in countries where there are possible risks in our supply chain, our Partner Code of Business Conduct communicates our expectations regarding the protection of human rights.</p>
413	Local community impact and development	<p>SR, Sustainable Development Goals, Community Engagement, and Stantec Sustainability Services.</p> <p>Stantec supports communities through philanthropy and employees who volunteer their time and expertise. Our programs connect to the arts, education, environment, and health and wellness. As well, on our clients' behalf, our project work supports community partnerships.</p>
414	Supplier social assessment	<p>SR, GRI Content Index 308.</p>



415	Political contributions	SR, Ethical Business Practices. Company policy prohibits political contributions to individual politicians on the Company's behalf. We do occasionally support local ballot measures, after rigorous review.
416	Customer health and safety	SR, Health, Safety, and Security. Stantec does not produce products. For the services we provide to clients, we make extensive efforts to design projects that are safe for the end user. During field work, we protect the health and safety of our employees, sub-contractors, and clients when they are on site and the communities that have physical access to the site. Before starting any field work, we prepare a Risk Management Strategy to address potential health and safety impacts. We document and monitor these impacts through the life span of the project. Compliance is audited via a rigorous internal and external audit process.
417	Marketing and labeling	Stantec does not produce products, and our services are promoted only to the relevant industry. For marketing communications, we have no reported incidents of noncompliance with regulations or with voluntary codes.
419	Socioeconomic compliance	Stantec has no significant fines or nonmonetary sanctions for noncompliance with laws or regulations in social and economic areas (including accounting and tax fraud, corruption, bribery, competition, the provision of products and services, or labor issues like workplace discrimination).

## UN Global Compact Communication on Progress

Principles		Stantec Response
<b>Human Rights</b>		
1	Businesses should support and respect the protection of internationally proclaimed human rights	<p>SR, Ethical Business Practices and Protection of Human Rights.</p> <p>Stantec has a corporate responsibility to respect human rights. We subscribe to the principles of the Universal Declaration of Human Rights, the International Labour Organization’s Declarations on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights.</p> <p>Our Code of Business Conduct Policy and related training cover ethics, integrity, harassment and discrimination, anti-corruption, government contracting, political activities, and social responsibility.</p> <p>Protection of human rights is addressed in our Human Trafficking and Modern Slavery Policy, and we comply with the UK’s Modern Slavery Act of 2015.</p>
2	Businesses should make sure they are not complicit in human rights abuses	<p>SR, Partner Code of Business Conduct and Protection of Human Rights.</p> <p>Stantec has implemented a Partner Code of Business Conduct to address potential abuses that could happen in our supply chain. We monitor best practice commitments to ensure ethical performance in the context of ongoing project management and when we review terms and conditions.</p>
<b>Labor</b>		
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	<p>SR, Protection of Human Rights.</p> <p>Stantec does not engage in any practices that would impinge on freedom of association or the right to collective bargaining.</p>
4	Businesses should uphold the elimination of all forms of forced and compulsory labor	<p>SR, Protection of Human Rights and Partner Code of Business Conduct.</p> <p>Stantec’s countries of significant operations and the types of consulting services performed do not pose a significant risk for forced and compulsory labor. Even so, we do have policies and programs to protect against occurrences, including our Human Trafficking and Modern Slavery Policy.</p> <p>For project work that takes place in countries where there are possible risks in our supply chain, our Partner Code of Business Conduct communicates our expectations and specifically prohibits forced and compulsory labor.</p>
5	Businesses should uphold the effective abolition of child labor	<p>SR, Protection of Human Rights and Partner Code of Business Conduct.</p> <p>Stantec’s countries of significant operations and the types of consulting services performed do not pose a significant risk for child labor. Even so, we do have policies and programs to protect against occurrences, including our Human Trafficking and Modern Slavery Policy. For project work that takes place in countries where there are possible risks in our supply chain, our Partner Code of Business Conduct communicates our expectations and specifically prohibits child labor.</p>
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation	<p>SR, Diversity and Inclusion.</p> <p>Stantec has a comprehensive Harassment and Discrimination Policy that prohibits harassment or discrimination of employees based on characteristics such as race, ethnicity, sex, gender, color, creed, religious beliefs, citizenship status, national origin, age, marital status, sexual orientation, gender identity, gender expression, or disability.</p>

Environment		
7	Businesses should support a precautionary approach to environmental challenges	SR, Environmental Stewardship. Stantec supports the precautionary approach, and numerous programs have been implemented to put this approach into practice.
8	Businesses should undertake initiatives to promote greater environmental responsibility	SR, Sustainable Development Goals, Environmental Management, Carbon Footprint, Resource Conservation, and Stantec Sustainability Services Stantec's environmental commitments—consistent with our Sustainability Policy; Health, Safety, Security, and Environment Policy; and ISO 14001:2015-certified Environmental Management System—help the Company monitor compliance with environmental regulations and reduce the environmental impacts of our operations. We actively track and report our carbon footprint and have programs in place to conserve resources. Stantec also provides a variety of services to clients the promote environmental responsibility.
9	Businesses should encourage the development and diffusion of environmentally friendly technologies	SR, Sustainable Development Goals, Creativity and Innovation, and Stantec Sustainability Services. Stantec is considered a leader in environmentally friendly designs and invests in the development of innovative technologies and approaches, including a 2017 investment of \$3 million to support innovation, research and development, and collaboration.
Anti-Corruption		
10	Businesses should work against corruption in all its forms, including extortion and bribery	SR, Ethical Business Practices. Stantec's Ethics and Compliance Program, Code of Business Conduct Policy, and mandatory Ethics and Code of Business Conduct training cover ethics, integrity, harassment and discrimination, anti-corruption, government contracting, political activities, and social responsibility.



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