

Health, Safety, Security, Environment and Sustainability Committee Terms of Reference (Mandate)

November 6, 2019

A. Overview and Purpose

The Health, Safety, Security, Environment and Sustainability Committee is appointed by, and responsible to, the board of directors of Stantec Inc. (the “Company”). The committee is responsible for overseeing the overall framework for managing health, safety, security, and environment risks, sustainability, emergency preparedness and non-financial risks arising from the Company’s integrity management program (collectively, “HSSES”).

The committee reviews, assesses and makes recommendations regarding the Company’s HSSES performance on an ongoing basis and provides leadership, focus and guidance to management by subscribing to the principle that nothing is more important than the health, safety and well-being of the Company’s employees, contractors, visitors, stakeholders, and the communities that the Company serves.

B. Authority and Responsibilities

The Health, Safety, Security, Environment and Sustainability Committee shall:

- Request such information and explanations in regard to the operations of the Company as the committee may consider necessary and appropriate to carry out its duties and responsibilities.
- Consider any other matters which, in the opinion of the committee or at the request of the board of directors, would assist the directors to meet their responsibilities.
- Provide reports and minutes of meetings to the board of directors.
- Engage independent counsel and other advisors as may be deemed or considered necessary, and determine the fees of such counsel and advisors. When engaging independent counsel and other advisors, the committee shall receive confirmation from management that the Company has provided for adequate funding for the payment of compensation to such independent counsel and other advisors.

C. Membership

The members of the committee shall be composed of a minimum of three directors, appointed by the board of directors. In addition, the chair of the board of directors shall serve as an ex-officio member of the committee.

The chair of the committee shall be designated by the board of directors.

Attendance by invitation at all or a portion of committee meetings is determined by the committee chair or its members and may include such officers or support staff as may be deemed appropriate.

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D. Duties

Policy Development and Compliance

1. Annually review the Company's policies and systems for identifying and managing HSSSES risks and regulatory requirements related to the Company's operations.
2. Review corporate HSSSES activities and performance, including instances of contravention and noncompliance.
3. Review and make recommendations relating to the Company's preparedness for response to a major safety or security incident. Oversee management's response and engage management as necessary in response to major safety or security incidents.
4. Assess the performance of the Company with regard to the impact of HSSSES decisions and actions upon employees, clients, communities and other third parties and also assess the impact of such decisions and actions on the reputation of the Company.
5. At its discretion, engage independent auditors to review Company performance relating to HSSSES matters and review any strategies and action plans developed by management in response to issues raised and, where appropriate, make recommendations to the board of directors.
6. Receive reports on the identified and potential impacts of proposed legislation and other emerging issues in HSSSES matters and recommend, where necessary, appropriate responses to the board of directors.
7. Monitor the adequacy of material health, safety, security, and business continuity systems for the reporting and management of actual or potential incidents, including incidents affecting the Company's facilities and physical assets, breaches and risks throughout the Company.
8. Determine, if necessary, further directors' and officers' duties and responsibilities relating to HSSSES matters.

Sustainability and Non-Financial Risks

9. Receive and review periodic reports from the Company's integrity management team relating to employment matters and workplace incidents (i.e., non-financial risks).
10. Review the Company's annual sustainability report.

Communication and Reporting

11. Review quarterly reports and metrics from, and provide oversight to, the Company's chief HSSE officer.
12. Report periodically to the board of directors on HSSSES matters affecting the Company.

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13. Receive reports from management concerning all fatalities within the Company and actions taken by management as a result of such fatalities.
14. Review the Company's method of communicating HSSES policies, practices, procedures and major safety or security incidents, both internally and externally.
15. Receive an annual report from management on the insurance available to respond to HSSES issues.

E. Meetings

- Regular meetings of the committee are held at least four times each year.
- Meetings may be called by the committee chair or by a majority of the committee members, usually in consultation with management of the Company.
- Meetings are chaired by the committee chair or, in the chair's absence, by a member chosen from among the committee.
- A quorum for the transaction of business at any meeting of the committee is a majority of the appointed members.
- The secretary of the Company shall provide for the delivery of notices, agendas, and supporting materials to the committee members at least five days prior to the meeting except in unusual circumstances.
- Meetings may be conducted with members present or by telephone or other communications facilities that permit all persons participating in the meeting to hear or communicate with each other.
- A written resolution signed by all committee members entitled to vote on that resolution at a meeting of the committee is as valid as one passed at a committee meeting.
- The secretary of the Company, or his or her designate, shall be the secretary for the committee and shall keep a record of minutes of all meetings of the committee.
- Minutes of the meetings of the committee shall be distributed by the secretary of the Company to all members of the committee and shall be submitted for approval at the next regular meeting of the committee.