This Sustainability Report highlights our contributions to and focus on sustainability for our key stakeholders, including employees, investors, clients, and the communities where we work and live. The report identifies and provides information about Stantec’s material environmental, social, and governance (ESG) issues and achievements.

**Reporting Period**
January 1, 2020 – December 31, 2020

**Report Cycle**
Issued annually since 2006

**Report Boundaries**
Company-wide operations

**Currency References**
Canadian dollars (unless otherwise stated)

**Reporting Frameworks**
- Global Reporting Initiative (GRI) Sustainability Reporting Standards (Appendix A)
- Engineering and Construction Services Standard of the Sustainability Accounting Standards Board (SASB) (Appendix B)
- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board (Appendix C)
- United Nations Global Compact (Appendix D)
- United Nations Women’s Empowerment Principles (Appendix E)

**In Accordance Option**
This report has been prepared in accordance with the GRI Standards: Core Option. Additional disclosures beyond the criteria for Core are reported to provide a more detailed and comprehensive report.

The GRI Content Index (Appendix A) contains three years of detail to enable trend comparisons. Also included are links to management approaches for each of our material topics (a summary of all management approaches is provided as Appendix F).

**Independent Assurance**
Our consolidated financial statements were audited by Ernst & Young LLP Chartered Professional Accountants.

Our greenhouse gas emissions inventory was independently verified by Apex Companies.

ISOS Group, Inc. conducted a third-party review of this report to confirm it was prepared in accordance with the requirements of the Core report option of the GRI Sustainability Reporting Standards.

**Review**
Stantec’s sustainability 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 and approval process by senior management from each functional area, the Executive ESG Committee, and the C-Suite. Additionally, the board-level Sustainability and Safety Committee reviewed the report before its release.

Additional information is available in our Annual Report dated February 24, 2021; our Annual Information Form dated February 24, 2021; our Management Information Circular dated March 17, 2021; our CDP Disclosure dated August 21, 2020; and on our website, stantec.com. Combined, these resources provide transparency regarding Stantec’s ESG performance.

This report, past reports, and future updates can be accessed at stantec.com/sustainability.

We welcome your comments and questions about our sustainability efforts. Please direct them to sustainability@stantec.com.
Report Narrative
Stantec's 2020 sustainability performance is summarized in this narrative. This includes accomplishments, works in progress, and areas of improvement. Company-wide actions are followed by geographic-specific actions and presented in the order of country listings in the Our Employee Locations section of this report.

Management Approaches
In the interest of keeping this document concise and easy to navigate, a separate set of documents summarize the management approaches for each material topic. These documents provide an overview of Stantec's policies and practices. A short summary of each management approach is provided in this report, with a link to the full document, as shown below.

UN Sustainable Development Goals
The UN Sustainable Development Goals (SDGs) permeate Stantec's focus on sustainability in our operations and project work. SDG references are included throughout this document. For more information on the SDGs, please reference the guides made available through the United Nations Department of Economic and Social Affairs.

Below is a listing of the 17 SDGs:

1. No Poverty
2. Zero Hunger
3. Good Health and Well-being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace, Justice and Strong Institutions
17. Partnerships for the Goals
Introduction

IN THIS SECTION
Message from our President and CEO
Message from our Board
At a Glance
2020 was a paradigm-shifting year. Stantec’s longstanding focus on sustainability has helped us deliver our best while weathering the worst.

Responding to COVID-19
Early in 2020, we activated our Pandemic Response Plan and shifted to remote work, keeping our people safe and connected. And we answered the call of clients and communities around the world in the fight against COVID-19.

Doing What Is Right for Our People
With proof we could successfully operate virtually, we assessed our people’s preferred post-pandemic work style and developed a new Flexible Workplace Strategy to rethink our approach to office space. The new practice allows employees more personal and professional flexibility, enables our emissions reduction strategy, and reduces operational costs.

Beyond the pandemic, natural disasters made headlines around the world in 2020. To directly support employees enduring these and other crises, we introduced the Stantec BetterTogether Fund.

Advocating for Racial and Social Equity
Longstanding racial and social inequity spurred calls for action around the world. We invited employees to work with our Inclusion and Diversity Councils to more proactively help Stantec make a difference in the communities we serve. The resulting multi-tiered plan increases our industry advocacy, enhances internal programs, and directly supports underrepresented students pursuing education in STEAM fields.

Leading the Charge to a Sustainable Future
For years, Stantec’s corporate sustainability performance has been recognized by independent parties, including CDP, who awarded us an A- score for three years in a row; ISS, who awards us prime status in their ESG Corporate Rating as well as QualityScores of “1” in the E, S, and G categories; and Sustainalytics, who rates our ESG risk as Low—all top of class and higher than our peers.

Late in 2020, Corporate Knights named us the most sustainable company in North America and the fifth most sustainable in the world—the only engineering and design firm in the top 100. Like the other rankings, this reflects our industry-leading corporate sustainability actions, but also recognizes the positive ESG effect of our project work and investment in innovation.

And we’re always raising the bar. We endorsed the Women’s Empowerment Principles and are taking action to advance gender parity, we are setting 1.5°C science-based emissions reduction targets, and we pledged to achieve carbon neutrality by 2022 and net-zero by 2030. Stantec continues to be a premium supporter of the UN Global Compact and are partners in driving change. We also believe in the value of the UN Sustainable Development Goals and are publicly disclosing financials associated with our core goals.

I’m optimistic about our future. I hope our accomplishments inspire you as much as they inspire me, and I challenge all of us to take bold action.
Stantec’s board of directors is proud to endorse this 2020 Sustainability Report, which reveals the scope of Stantec’s commitment to remain a global leader in sustainability and highlights significant accomplishments during a challenging year.

Stantec’s long-term focus on sustainability creates value by reducing carbon emissions, improving the environmental and social benefits of our projects, and driving operational efficiencies. For example, our coastal resilience, ecosystem restoration, and energy transition work helps mitigate the effects of climate change. And our work to foster inclusivity, diversity, and career development contributes not only to an inspired workforce, but stronger financial performance.

As the Chair of the Sustainability and Safety Committee, I’m committed to increasing the value the board provides on ESG performance and bringing sharper insight to management. We are accelerating our governance role, taking a more active part in assessing and overseeing the sustainability impacts of Stantec operations while encouraging a greater focus on environmental and social performance through Stantec’s project work.

This committee works closely with our Corporate Governance and Compensation Committee, which oversees our broader governance at the board level, ensuring accountability, transparency, and the highest ethical standards in our operations around the world.

We are very proud of Stantec’s ESG leadership and support the Company’s efforts to do business in a way that is both profitable and sustainable. I and the board will continue to support Stantec’s leadership in this space.
### Environmental

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Met Emissions Target</td>
<td>49%</td>
<td>Reduced Scope 1 and 2 per-person emissions since 2013 baseline.</td>
</tr>
<tr>
<td>New Emissions Targets</td>
<td>SBT</td>
<td>Committed to set 1.5°C science-based emissions reduction targets.</td>
</tr>
<tr>
<td>Carbon Neutral</td>
<td>2022</td>
<td>Pledged to be carbon neutral for our 2022 operational emissions.</td>
</tr>
<tr>
<td>Net-Zero</td>
<td>2030</td>
<td>Pledged to be net-zero after carbon neutrality, according to SBTi criteria.</td>
</tr>
<tr>
<td>Real Estate Optimization</td>
<td>30%</td>
<td>Targeted reduction in existing real estate footprint by 2023.</td>
</tr>
</tbody>
</table>

### Social

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voluntary Turnover</td>
<td>8%</td>
<td>Reported a voluntary turnover that is 2% to 3% better than the industry average.</td>
</tr>
<tr>
<td>TRIR</td>
<td>32%</td>
<td>Reduced our injury rate (total recordable incident rate or TRIR) by 32% since last year, from 0.37 to 0.25.</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>$57M</td>
<td>Contributed $27 million to philanthropic endeavors since 2007; aim to invest another $30 million by 2030.</td>
</tr>
<tr>
<td>United Nations</td>
<td>WEPS</td>
<td>Committed the global company to the Women’s Empowerment Principles.</td>
</tr>
<tr>
<td>Pay Equity</td>
<td>3%</td>
<td>Base pay gap in North America on a median compa-ratio basis. We will continue to focus on closing this gap altogether.</td>
</tr>
</tbody>
</table>

### Governance

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior-level Governance</td>
<td>Committees</td>
<td>Supported from the top with board and executive-level ESG committees.</td>
</tr>
<tr>
<td>Future Growth</td>
<td>2023</td>
<td>Growth targets take into account a strengthened and embedded focus on sustainability, including climate action.</td>
</tr>
<tr>
<td>Female Representation</td>
<td>38%</td>
<td>Advanced executive-level gender equity (38% of both the board and C-Suite were female).</td>
</tr>
<tr>
<td>Privacy Policy</td>
<td>GDPR</td>
<td>Updated our global Privacy Policy to keep pace with changing privacy laws around the world, including GDPR.</td>
</tr>
<tr>
<td>Integrated Management System</td>
<td>ISO</td>
<td>Follow ISO-certified environmental, health and safety, quality, and IT management systems.</td>
</tr>
</tbody>
</table>
Stantec Snapshot

IN THIS SECTION
Who We Are
Our Vision
Our Value Creators
Our Employee Locations
Our Value Chain
Our ESG Accolades
Our ESG Rankings
Our ESG Pledges
What We Do for Our Clients

Muirhall Windfarm
Scotland, United Kingdom
Stantec is a global professional services company traded on the TSX and NYSE. We are designers, architects, engineers, scientists, planners, and project managers innovating together to support a more sustainable world.

Top Rankings

Stantec ranked as the 5th most sustainable company in the world by Corporate Knights for our 2020 performance, up from 57th in the previous year, unique within our industry and 1st in North America. We also consistently receive top rankings by investor-driven ESG rating systems.

UN Global Compact

Stantec has been a part of the UN Global Compact since 2015. We have been actively involved in the CFO Taskforce for the SDGs and the Gender Equality Leadership in the Canadian Private Sector Project.

Best Employer

Stantec has been named by Forbes as one of the World’s and Canada’s Best Employers and America’s Best Employers for Women. Additionally, the American Indian Science and Engineering Society selected Stantec as one of the Top 50 workplaces for Indigenous STEM professionals.

CDP: A-

Stantec is the only engineering and design firm that has been rated a Climate Leader with an A- score by CDP for the last three years.

SDG Tracking

Stantec established mechanisms to track our contributions to the SDGs through revenue, innovation, philanthropy, and strategic growth.

ESG Indexes

Stantec has been listed on the 2020 and 2021 Bloomberg Gender Equality Index and Jantzi Social Index.

Note: Corporate Knights is a media, research, and financial information company based in Toronto, Canada. To compile their 2021 Global 100 Most Sustainable Corporations, Corporate Knights analyzed more than 8,000 public companies around the world using up to 24 quantitative key performance indicators.
OUR VISION

Our Goal
To be a top-tier global design and delivery firm that is recognized for our creative, technology-forward, and collaborative approach.

Our Purpose
The impact we make in the world
Creating communities

Our Promise
The difference we deliver
Design with community in mind

Our Values
The beliefs we share that guide our behavior

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

Our Promise
The difference we deliver
Design with community in mind

Wausau East Riverfront Development
Wausau, Wisconsin, United States
We aim to grow and diversify sustainably for the benefit of our clients, employees, and shareholders. We will do this through a client-centric framework with four value creators.

**People**
People are at the heart of our business and are the reason we are a top-tier global design and delivery firm. When we build an inclusive organization composed of diverse people, we create extraordinary results. We are fortunate to employ people with a wide range of talents, perspectives, and experiences. Stantec actively supports and promotes STEAM education, helping to engage the next generation in these fields and improving the pipeline of recruits for years to come.

**Innovation**
Innovation and creativity are essential elements of our past and future success. Our innovation strategy combines proven ideas with curiosity, creativity, and technology-forward approaches to find new ways to meet client challenges, increase efficiency, and improve profitability.

**Excellence**
Growth without a focus on quality of solutions and efficiency of service is unsustainable. To remain competitive, we need a nimble organizational structure, scalable processes, exceptional project execution, and cost efficiencies. But that can’t happen without a firm commitment to investing in the growth of our business, investing in our people, improving the communities in which we work, live, and play, and working with a steadfast commitment to safety, sustainability, and ethics.

**Growth**
For us, growth isn’t just about getting bigger. It’s about constantly getting better. Organic growth and acquisition growth go hand in hand in strengthening our organization, providing employees with opportunities to work on exciting projects around the world, and offering value to our stakeholders.
Company headquarters in Edmonton, Alberta, Canada.

21,364
Total # of Employees

7,262
Canada

9,081
United States

427
Latin America/Caribbean

1,577
United Kingdom

560
Continental Europe

401
Middle East/Africa

240
Asia

370
India

1,446
Australia/New Zealand

Note: Stantec additionally tracks information on 973 staff resources who are connected to our organization as agency and independent contractors.
### Our Value Chain

<table>
<thead>
<tr>
<th>Description</th>
<th>Stantec Operations</th>
<th>Downstream</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendors for purchases of IT hardware and software, telecommunications, office supplies, technical supplies, and other materials</td>
<td>Leased buildings, vehicle fleet, travel providers, employees, future employees, subcontractors, subconsultants</td>
<td>Clients, communities, project partners</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ability to Influence</th>
<th>Indirect</th>
<th>Direct</th>
<th>Indirect</th>
</tr>
</thead>
</table>

| Stantec Actions | Stantec's procurement practices consider ways to positively influence impacts in the supply chain | This document covers Stantec's efforts to positively manage our operational sustainability performance | Stantec's services consider and seek to minimize negative and maximize positive impacts of client projects |

### Corporate Sustainability
- Most Sustainable Companies, Global 100, Corporate Knights
- Best Corporate Citizens, Canadian 50, Corporate Knights
- Global Award for Sustainability, Golden Peacock, Indian Institute of Directors
- Listed on the [Jantzi Social Index](#) |

### Environmental
- Climate Leader, A-Score, CDP
- Supplier Engagement Leaderboard, A Score, CDP
- Gold Certification, Portland Sustainability at Work |

### Diversity
- Top 50 Workplaces for Indigenous STEM Professionals, American Indian Science and Engineering Society
- America's Best Employers for Women, Forbes
- Women in Water Award, Water Industry Awards
- Listed on Bloomberg's Gender Equality Index |

### Employment
- World's Best Employers, Forbes
- Canada's Best Employers, Forbes
- Candidate Experience Awards, Talent Board
- Employer of the Year, Women in Transportation, Minnesota Chapter |

### Industry
- Water Industry Consultant of the Year, Water Industry Awards
- #1 Architecture Engineering Firm, Building Design & Construction
- #1 International Design Firm, Sewer and Waste, Engineering News Record |

### Health and Safety
- International Safety Award, British Safety Council
- Order of Distinction, Royal Society for the Prevention of Accidents
- Digital Initiative of the Year, British Construction Industry Awards

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Note: The upstream part of our value chain includes all materials that contribute to Stantec’s services. The downstream part of our value chain looks at the customer and consumers of our services and the results thereafter.
Beyond our work itself, Stantec’s ESG pledges reflect our focus on making society more sustainable for everyone. Much more than simple announcements of good intent, our public commitments are a promise to act. We believe we can positively influence change and that we have a moral responsibility to do so.

Before signing a pledge, we closely evaluate it to verify it matches our values, assign an internal sponsor to lead the necessary actions, and clearly map out a plan to achieve our goals.

**New Pledges in 2020**
- **Australian Engineers Declare Climate Change and Biodiversity Emergency**
- **Black North**
- **Bold Green Recovery Canada**
- **CEO Action for Diversity and Inclusion**
- **Diversity at Work**
- **Pledge to Net Zero**
- **Resilient Recovery Canada**
- **Science-Based Targets (1.5°C and Net-Zero Commitment)**
- **Scottish Business Pledge**
- **Statement Against Racism**
- **UN Global Compact**
- **UN Women’s Empowerment Principles**
- **We Mean Business Coalition**

**Continuing Pledges**
- **AIA 2030 Challenge**
- **City of Edmonton Corporate Climate Leaders Program**
- **Diversity Agenda Accord**
- **Gender Equality Leadership in the Canadian Private Sector**
- **Natural Capital Coalition**
- **Newcastle Blue Green Declaration**
- **Pride at Work**
- **UK Civil Engineers Declare Climate Change and Biodiversity Emergency**
- **UN Global Compact**
- **UN Sustainable Development Goals**
- **Waste to Wealth**
At any given time, Stantec subject matter experts are working on tens of thousands of projects for thousands of clients in hundreds of communities. We help our clients operate in a more sustainable manner and achieve their goals by providing integrated expertise and services across the entire project life cycle. Sustainable design is part of our identity and at the heart of all we do.
Stantec’s Infrastructure group is at the forefront of positively integrating transport system design and community development into the vibrant life of the communities we serve. This means we design infrastructure to be accessible and people friendly, with complete streets that support walking, cycling, and transit; provide access to smart mobility; and put a significant focus on public and outdoor spaces.

Our focus is on climate-positive design, infrastructure renewal, and striving toward an end product that is resilient and sustainable.

Our team also has a strong focus on reducing the environmental and social impacts of major infrastructure builds that, historically, are sited in lower income areas and contribute to societal inequity.

**SUSTAINABILITY SERVICES**

- Public transportation (transit, bus), complete streets (walking, cycling, transit), smart mobility (accessible, automated, connected, electric, shared), smart cities, regional and community planning (to conserve energy and promote wellness), low-impact development, brownfield development, Envision certifications, landscape architecture (focused on reduced water use and naturalizing communities), affordable housing, and green infrastructure.

**Infrastructure**

**Sustainability Plaza, Canada**
A former Edmonton, Alberta, golf course was transformed into a residential development with sustainability at its core. The Stantec-designed Sustainability Plaza is a vibrant, year-round, educational green demonstration space that includes an ice ribbon, playground, and salvaged-material warming huts. At the front door? A unique giant watering can made from old shipping containers that collects rainwater for use in the nearby community gardens.

Read More ➔

**Autonomous Vehicle Code of Practice, United Arab Emirates**
Dubai’s goal is for 25% of all trips to be smart and driverless by 2030. Stantec worked with the Roads and Transport Authority to develop a self-driving framework to steer the effort in the right direction. The Code of Practice is a systematic yet flexible document that will be used to guide the different stages of testing and deployment of self-driving vehicles throughout the country.

Read More ➔

**Future of Mobility, United States**
Emerging transportation technology like automated vehicles, e-scooters, and dynamic parking pricing are accelerating changes in how we design, operate, and plan for mobility in our cities. For the City of Buffalo, New York, we explored how advancements in mobility can unlock a new generation of mixed-use, mixed income development that nurtures an innovation economy, social equity, and inclusion.

Read More ➔

**Livable, Equitable, and Resilient Development, United States**
Stantec developed the City Center Master Plan for Birmingham, Alabama to serve as a guide for future investment in the city center. We created a live, work, play, and arts plan that identifies outside investment, creates innovation and historic districts, and increases access to affordable housing.

Read More ➔
Stantec's Buildings group provides consulting and design services for built, natural, and organizational environments. Whether clients are moving forward with a new build, retrofit, or a master plan, we guide them through a process that incorporates sustainable, resilient, and healthy building design.

In recognition of the significant impact that buildings have on global carbon emissions, the group takes seriously our responsibility to make meaningful progress toward carbon-neutral buildings and landscapes, and the importance of using performance data in the design process. Our Carbon Impact Team applies building science and design solutions that help reduce the generation of carbon emissions in the built environment and deliver projects with a positive effect on the socio-ecological health of our communities.

We prioritize passive strategies such as daylit spaces, high-performance building envelopes, and climate-informed landscape design; specify highly efficient HVAC, lighting, and power systems; research low embodied carbon material choices; and leverage biophilic (nature-inspired) design solutions to safeguard the physical and mental health of project occupants.

**Sustainability Services**

Integrated approaches that consider climate and site, performance modeling, passive and net-zero or net-positive design, WELL Building criteria, LEED® certification, and post-occupancy assessment at the scale of interiors, buildings, and communities.

**World's Tallest Hybrid Timber Building, Australia**

Guided by exceptional sustainability aspirations and innovative climate concepts, Stantec is delivering the world's tallest hybrid timber building in Sydney, New South Wales. The 40-story building boasts a groundbreaking timber design with a glass and steel façade. The mix of outdoor and indoor spaces includes an energy-efficient approach offering natural ventilation with large, planted terraces that give access to nature.

Read More ➜

**WELL-Certified Hospital, Canada**

With the pandemic underlining the need to expand capacity and access to critical healthcare services, Stantec is providing planning, design, and conformance services for the new South Niagara Hospital in Niagara Falls, Ontario. Raising the bar for sustainable, energy-efficient, and human-focused healthcare design, the 470-bed facility will be Canada's first hospital registered under the WELL Building Standard certification.

Read More ➜

**Net-Zero Student Housing, United States**

Aiming to generate as much energy as it uses, we are working with our public-private partnership team to plan, design, engineer, and manage the largest student housing development in the US. The University of California, Davis, Green at West Village includes nine four-story residential buildings, a 10,000-square-foot (929 square meters) community center, and a maintenance center constructed using a prefabricated structural system.

Read More ➜

**Sustainable Master Planning, United States**

Stantec helped Denver Water push the boundaries of sustainability in Colorado's capital city. In addition to the new LEED Platinum, Net-Zero Energy and One Water administration building, the 100% electric campus includes seven LEED-certified buildings, Colorado's first on-site wastewater recycling system in a commercial building, geothermal, energy and water conservation measures, biophilic design, onsite solar, and advanced wellness and workplace concepts.

Read More ➜

Atlassian Sydney Headquarters
Sydney, New South Wales, Australia

World's Tallest Hybrid Timber Building, Australia
Guided by exceptional sustainability aspirations and innovative climate concepts, Stantec is delivering the world's tallest hybrid timber building in Sydney, New South Wales. The 40-story building boasts a groundbreaking timber design with a glass and steel façade. The mix of outdoor and indoor spaces includes an energy-efficient approach offering natural ventilation with large, planted terraces that give access to nature.

Read More ➜
Stantec’s Water group conceives and develops impactful water projects that are resilient to natural disasters and climate change and improve the health and quality of life across communities. We help gain access to safe, affordable, and reliable drinking water and sanitation, making the best use of local and regional supplies through One Water approaches—a holistic way of managing water resources, reducing waste, and increasing supply resiliency.

Stantec is a recognized leader in the design of water and wastewater treatment facilities. We actively help clients measure and reduce their water footprints. Our research and development team partners with Johns Hopkins University to better understand issues affecting our water supplies and to push the limits of beneficial technologies. In 2020, we created the new Stantec Institute for Water Technology and Policy to shape the future of water use through thought leadership in transformational technology and regulatory policy.

**Sustainability Services**

Coastal protection and restoration, flood protection, groundwater protection and recharging, water supply, water reuse, water conservation, water and wastewater treatment, and watershed management.

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**Coastal Resiliency and Restoration, United States**

Over the past 10 years, a stretch of the upper Texas coast from Sabine Pass to Galveston Bay has been altered physically and economically by extreme weather events. Stantec is leading design of a 26.7 mile-(43 km) long levee and floodwall system. The $1.9 billion effort will make the area less vulnerable to natural disasters, sea-level rise, and subsidence, as well as restore 453 acres (183 hectares) of marsh and preserve 560 acres (227 hectares) of forested wetlands.

**Reclaimed Water to Address Water Scarcity, Taiwan**

With Taiwanese water resources coming mainly from rainfall, climate change is having a significant impact on water availability. To stabilize the water supply in Kaohsiung City, Stantec is involved in the first large-scale recycling and reclamation of effluent from a wastewater treatment plant. Reclaimed water is transported through a dedicated pipe to supply industrial users inside the Linhai Industrial Park.

**Federal Policies to Expand Water Reuse, United Arab Emirates**

Recognizing the beneficial use potential of the two billion liters of wastewater treated per day, the Federal Ministry of Energy and Infrastructure asked Stantec to advise on federal policy related to recycled water handling and use. Our solution included guidance, quality standards, supply and demand forecasts, and a tool to monitor compliance and test effectiveness.

**Digital Solutions for Water Management, United Kingdom**

Stantec partnered with Yorkshire Water to develop an automated solution to identify highly flammable liquids and septicity risk of catchment assets. The team’s award-winning approach improves assessment accuracy and health and safety. This tool allowed for over 7,000 catchment assessments covering 22,400 miles (36,049 km) of sewer within 18 months.
Environmental Services

Stantec's Environmental Services group provides a wide array of conservation, restoration, and sustainability strategy services, collaborating with our other business operating units to preserve environmental and social resources. We also perform permitting services that enable traditional development while minimizing environmental impacts.

We look to play a key role in supporting the Decade on Ecosystem Restoration. Our focus on the use of nature-based solutions provides benefits such as increased ecosystem services, rewilding, natural resource valuation, carbon sequestration, watershed protection, enlarged habitats, improved air quality, and enhanced aesthetics.

To facilitate environmental service delivery, we focus on strategy development, technology, and innovation. We use digital tools such as eDNA, remote sensing, and digital twinning to deliver a multiplicity of environmental benefits.

Sustainability Services

Ecosystem restoration, wetlands and estuaries management, energy and environmental audits, climate change adaptation and mitigation planning, carbon accounting and management, natural resource damage assessments, cultural impact assessments, social partnering, socio-ecological systems resiliency, sustainable economic appraisals, environmental impact assessments, stakeholder engagement (in person and virtual), natural resource valuation, and sustainability strategy and reporting.

Shoreline Protection, United States

Stantec restored 50 acres (20 hectares) of submerged aquatic vegetation near New Orleans, Louisiana. Invasive species were replaced with native species, providing increased diversity and habitat. Not only does this project support coastal restoration, after community maturation, 42 tons of carbon are estimated to be sequestered each year.

Flood Recovery, New Zealand

Stantec provided critical flood response coordination after a state-of-emergency flooding for the Tasman District following a devastating 1-in-500-year flood. We planned and managed repair assessments, monitored repairs, and developed flood damage cost databases to support insurance claims.

Groundwater Ecosystem Detection, Australia

In support of a natural resource client’s environmental management program, Stantec is tasked with helping to protect subterranean ecosystems in a nearby nature reserve. We applied eDNA biodiversity monitoring techniques to detect and monitor stygofauna in groundwater—aquatic invertebrates which are indicators of aquifer ecological health.

Sustainable Supply Chain, China

For a variety of client types at facilities around the world, Stantec helps global brands assess their supplier sustainability risks (including environmental, human rights, and zero harm discharge) through development of management systems, third-party audits, and local capacity building.
Stantec’s Energy & Resources group delivers utility-scale and microgrid renewable energy generation and has contributed to some of the world’s most prestigious and life-changing projects for urban and rural communities. We design for increasingly severe weather events and remedy existing grid limitations. Stantec incorporates new technologies and innovative approaches to help clients serve their communities and keep ahead of changing market conditions. We help clients implement projects for climate change mitigation, greater durability, extended life, and increased capacity for enhanced resilience. Our work provides industry and communities with a greater ability to control energy supply while fostering local generation sources.

In addition to our focus on traditional renewable energy, we are closely watching the development of green hydrogen and monitoring the future of sustainable mining in a renewable-energy world.

**Sustainability Services**

Renewable energy design and integration (solar, wind, waterpower, waste-to-energy, energy storage), transportation and infrastructure electrification, grid expansion and stabilization, asset management, and net-zero mining.

**Renewable Project of the Year, Ethiopia**
Stantec designed the award-winning Genale-Dawa 3 Hydropower Project with an installed capacity of 254 megawatts, increasing overall power capacity in Ethiopia by nearly 6%. Not only will this project generate renewable power for this landlocked country, the project will also serve as a water reserve and supply water for irrigation of 37,000 acres (15,000 hectares).

**Electric Vehicle Charging Infrastructure, United States**
To keep up with the increase in demand for electric vehicle charging infrastructure, Stantec helped the City of Pasadena, California—in partnership with Tesla—design and install the largest fast charging station in the nation, consisting of 44 public fast chargers at the Marengo Charging Plaza.

**Potato Waste to Renewable Energy, Canada**
Using our knowledge of food processing and biomass waste management, Stantec designed a system that generates renewable biofuel from Cavendish Farms’ potato waste products to power its plant’s steam boilers. This reduces greenhouse gas production by 35% (equivalent to taking 7,300 cars off the road) and eliminates 1,000 miles (1,609 km) a day spent on trucking waste offsite.

**Offshore Wind Farm Development, United Kingdom**
Stantec completed geotechnical investigations, flood risks assessments, and onshore design to support Seagreen Wind Energy Limited’s planning application for an offshore windfarm near the Firth of Forth with onshore infrastructure near Dundee, Scotland. Once complete, the wind farm will deliver enough energy for close to one million households.
Sustainability at Stantec

IN THIS SECTION

Program Approach
Strategy
Innovation

Royal Columbian Hospital
New Westminster, British Columbia, Canada
Program Approach

At Stantec, sustainability is built on the premise that positive economic results are possible when we effectively manage our environmental, social, and governance (ESG) activities in our operations and for our clients.

Sustainability is a part of Stantec’s identity. We built sustainability into our purpose, promise, and values; take actions to mitigate the impacts of climate change; and directly support social justice endeavors. And we steadfastly promote efforts to develop a sustainable future for the clients and communities we serve—all to create a safer, healthier, and more inclusive world for all.

In Our Operations

Stantec formally integrates sustainability commitments into our business operations. ESG initiatives introduce efficiencies that improve the quality of life of our employees; reduce the environmental footprint of our operations; provide a foundation for effective decision-making, risk management, and transparency; save us money; drive innovation; and promote a culture of responsibility and stewardship.

At Stantec, we take responsibility for the impacts of our internal operations by
• Choosing approaches that are least likely to affect the environment
• Providing an inclusive and equitable workplace for our employees
• Actively volunteering in and engaging with our communities
• Committing to ethical business behavior

For Our Clients

Though our efforts to provide a sustainable operation are significant, we recognize that our greatest influence on sustainability comes from the services provided to clients and communities. Stantec helps our clients address their challenges by identifying and capturing ways to make their projects more sustainable through architecture, engineering, planning, and environmental services.

Stantec works hard to balance environmental, social, cultural, and economic needs in our project work. We see the big picture in the context of a changing climate, shifting demographic trends, and evolving economic realities. We anticipate and address the long-term influences of our decisions.

Sustainability runs deep at Stantec—each geography and business operating unit actively engages with our clients to create a sustainable world.

Stantec’s Approach to Sustainability

Stantec envisions a world where infrastructure gives back, water is protected, natural systems are valued, biodiversity is prioritized, nothing gets wasted, development is responsible, everyone can access renewable energy, and society is just.

By living our corporate values—we put people first, we do what is right, we are better together, and we are driven to achieve—Stantec plays an active role in creating sustainable communities.

Read More →
Sustainability Governance

Stantec’s sustainability commitments are overseen by our board’s Sustainability and Safety Committee. This board committee oversees the overall framework for managing sustainability, health, safety, security, and environment risks; emergency preparedness; and non-financial risks arising from the Company’s Integrity Management Program.

Our Executive ESG Committee, accountable for our sustainability performance, communicates critical ESG knowledge, performance, concerns, and initiatives to the board.

The Executive ESG Committee members include:
- Chief financial officer (committee chair)
- Chief operating officer for Global operations
- Chief human resources officer
- Senior vice president of Corporate Strategy
- Vice presidents of Corporate Sustainability, Risk Management, and Practice Services
- Regional leader of Continental Europe operations

Committee members work to align sustainability and stakeholder priorities, integrate sustainability into our Strategic Plan and operations, and address sustainability-related risks and opportunities.

To drive sustainability into our operations, Functional Service Teams are responsible for implementing actions that support Stantec’s Corporate ESG commitments (such as reducing emissions and promoting a culture of inclusion). To influence sustainable action at a project level, a group of representatives from each business operating unit and major geography—the Sustainability Working Group—advises and supports development and sharing of best practices, collaborating across the operations to win and execute sustainability-related project work. Climate Change and Social Value Forums are being established at a country level to drive local ESG performance and track progress on country pledges.

Sustainability Governance Structure

Board Sustainability and Safety Committee

Executive ESG Committee

Vice President, Corporate Sustainability

Functional Service Teams

Sustainability Working Group

Climate Change and Social Value Forums

Vice President, Corporate Sustainability
Materiality

Material ESG issues reflect a company’s ability to create, preserve, or damage economic, environmental, and social value for themselves, their stakeholders, and society at large. Stantec routinely assesses our material topics to ensure we focus our energy and resources on the most impactful sustainability priorities.

A year ago, Stantec completed a comprehensive materiality assessment that involved an in-depth review of operational and stakeholder priorities. We grouped the material topics into operational priorities, managed topics, and monitored topics.

- The topics determined most material to Stantec are those showing high operational priority for both Stantec executive management and stakeholders. These material items shape the focus of our sustainability program and reporting.

- Next are topics that we watch and closely manage. These topics are covered in our sustainability programs and disclosures because they align with our strategic objectives and are important to our stakeholders.

- Finally, there are topics that were not determined to be material risks to Stantec management, but we still monitor because they address specific stakeholder requirements.

This year, we revisited our materiality assessment to validate its completeness and applicability. Overall, we felt our previous assessment was still appropriate but identified a category of missing topics: global citizenship.

Global citizenship is about shared values and shared responsibility. Stantec employees are engaged, energized, and committed to do good, and our clients look to us for sustainability subject matter expertise. The material topics under the global citizenship category—pandemic preparedness, climate change, social justice, and SDG contributions—influence our strategy, governance, and project execution.

**ESG Materiality Matrix**

- **Monitor**
  - Global Citizenship
  - Environmental
  - Social

- **Manage**
  - Environmental Management
  - Resource Conservation
  - Emissions
  - Charitable Investments
  - Human Rights
  - Indigenous Connections
  - Social Justice

- **Operational Priority**
  - Health, Safety and Security
  - Financial Health
  - Pandemic Preparedness
  - Ethics
  - Cybersecurity and Customer Privacy
  - Innovation
  - Financial Health
  - Ethical Behavior
  - Health, Safety, and Security

**Significance of Economic, Environmental, and Social Impact**

- See the Annual Report for details
The following material topics are grouped and presented in alphabetical order. Each topic is covered in the body of this report with additional details presented in the GRI Content Index (Appendix A).

### Material Topics and Boundaries

<table>
<thead>
<tr>
<th>Material Topic</th>
<th>GRI Topic(s)</th>
<th>Sustainability Report Section</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational Priorities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Climate Change</td>
<td>Not Applicable</td>
<td>Climate Action</td>
</tr>
<tr>
<td>Cybersecurity and Privacy</td>
<td>GRI 418: Customer Privacy</td>
<td>Cybersecurity and Privacy</td>
</tr>
<tr>
<td>Diversity, Inclusion, and Equality</td>
<td>GRI 405: Diversity and Equal Opportunity</td>
<td>Inclusion and Diversity</td>
</tr>
<tr>
<td>Diversity, Inclusion, and Equality</td>
<td>GRI 406: Non-Discrimination</td>
<td></td>
</tr>
<tr>
<td>Ethical Behavior</td>
<td>GRI 205: Anti-Corruption</td>
<td>Ethics and Compliance</td>
</tr>
<tr>
<td>Financial Health</td>
<td>GRI 201: Economic Performance</td>
<td>Annual Report</td>
</tr>
<tr>
<td>Innovation</td>
<td>Not Applicable</td>
<td>Innovation</td>
</tr>
<tr>
<td>Pandemic Preparedness</td>
<td>Not Applicable</td>
<td>Pandemic Preparedness</td>
</tr>
<tr>
<td>Project Execution and Delivery</td>
<td>Not Applicable</td>
<td>Project Delivery</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Not Applicable</td>
<td>Risk Management</td>
</tr>
<tr>
<td>SDG Contributions</td>
<td>Not Applicable</td>
<td>SDG Contributions</td>
</tr>
<tr>
<td>Talent Attraction and Retention</td>
<td>GRI 401: Employment</td>
<td>Talent Attraction</td>
</tr>
<tr>
<td>Training and Education</td>
<td>GRI 404: Training and Education</td>
<td>Organizational Development</td>
</tr>
<tr>
<td><strong>Managed Topics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emissions</td>
<td>GRI 305: Emissions</td>
<td>Reducing Emissions</td>
</tr>
<tr>
<td>Environmental Management</td>
<td>GRI 307: Environmental Compliance</td>
<td>Environmental Management</td>
</tr>
<tr>
<td>Resource Conservation</td>
<td>GRI 302: Energy</td>
<td>Resource Conservation</td>
</tr>
<tr>
<td>Social Justice</td>
<td>Not Applicable</td>
<td>Social Justice</td>
</tr>
<tr>
<td>Indigenous Connections</td>
<td>GRI 411: Rights of Indigenous Peoples</td>
<td>Indigenous Connections</td>
</tr>
<tr>
<td><strong>Monitored Topics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable Investments</td>
<td>GRI 413: Local Community Impact and Development</td>
<td>Charitable Investments</td>
</tr>
<tr>
<td>Human Rights</td>
<td>GRI 412: Human Rights Assessments</td>
<td>Human Rights</td>
</tr>
<tr>
<td>Procurement Practices</td>
<td>GRI 204: Procurement Practices</td>
<td>Sustainable Supply Chain</td>
</tr>
</tbody>
</table>

Note: Stantec’s definition of the material topic “Resource Conservation” includes energy use, paper use, promotional material use, recycling, and business travel. Because the only fully applicable GRI topic is 302: Energy, it is the only one referenced in this table.
Stakeholder Feedback
The Executive ESG Committee identified Stantec stakeholder groups. These groups were consulted for the materiality assessment and are asked regularly for input that informs our overall business strategy and priorities.

Here are our stakeholders and how we engage them:

Clients
- Regular meetings with account managers
- Meetings and calls with account and project managers and senior leaders
- Client satisfaction surveys (as part of ISO 9001-certified Quality Management System)
- Client relationship surveys
- Client materiality survey
- Statements of qualifications and requests for proposals
- Debriefs and bidder conferences for proposed projects
- Brown-bag get-togethers to share lessons learned and best practices
- Informal discussions at industry and professional association events
- Joint participation on technical committees
- Technical webinars

Employees
- Employee engagement surveys
- Career development and performance reviews
- Safety opportunity submissions
- Local health, safety, and security reviews
- Employee Resource Groups
- Developing Professionals Group
- Inclusion and Diversity Councils
- Integrity Hotline (third party)
- Employee materiality survey
- Focus groups
- One-on-one meetings
- Post-acquisition surveys
- Comments on Company intranet stories
- Yammer (internal social media) postings
- Employee exit surveys

Investors
- Meetings and calls with Investor Relations, Corporate Sustainability, and Finance teams
- Investor disclosure requests
- Earnings conference calls
- Annual General Meetings
- Investor materiality survey
- Investor conference presentations
- Industry research and publications
- Informal discussions at industry and professional association events

Communities
- Locally driven engagement initiatives (varies by region and locale)
- Project public meetings

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

Subcontractors and Business Partners
- Subcontractor prequalifications
- Joint project work
- Meetings with project managers and senior leaders

Vendors
- Contract negotiations
- Quarterly business reviews
- Meetings with Procurement team
## Targets
Stantec sets targets to guide our ESG programs and assess our performance. Following are the ESG-related key performance indicators connected to executive compensation as disclosed each year in Stantec’s Management Information Circular.

<table>
<thead>
<tr>
<th>Grouping</th>
<th>Metric</th>
<th>Target</th>
<th>2020 Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Environment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emissions Management</td>
<td>Meet science-based emissions reduction targets</td>
<td>Reduction targets to be set in 2021</td>
<td>New emissions reduction targets</td>
</tr>
<tr>
<td>Emissions Management</td>
<td>Meet carbon neutral and net-zero pledges</td>
<td>Neutral by end of 2022</td>
<td>New neutrality targets</td>
</tr>
<tr>
<td><strong>Social</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inclusion and Diversity</td>
<td>Improvement in inclusivity scores</td>
<td>&gt;85% employees feel included</td>
<td>Meeting our inclusivity targets as determined through employee pulse surveys</td>
</tr>
<tr>
<td>Employee Retention</td>
<td>Low voluntary turnover</td>
<td>&lt;12% voluntary turnover rate</td>
<td>Exceeding our turnover target with an 8% voluntary turnover, a 27% improvement since 2019 and 2% to 3% better than industry average</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>Improvement in employee engagement score</td>
<td>&gt;55% employees feel engaged</td>
<td>Meeting our employee engagement targets as determined through employee pulse surveys</td>
</tr>
<tr>
<td>Health, Safety, Security, and Environment</td>
<td>Decrease total recordable incident rate (TRIR)</td>
<td>&lt;0.50 TRIR</td>
<td>Exceeding our TRIR targets with a score reduction to 0.25, a 32% improvement since 2019</td>
</tr>
<tr>
<td>Health, Safety, Security, and Environment</td>
<td>Improve leading indicator safety index (LISI)</td>
<td>&gt;1 LISI</td>
<td>Exceeding our LISI target with a score increase to 2.29, a 57% improvement since 2019</td>
</tr>
<tr>
<td><strong>Governance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality Management</td>
<td>Improve ISO-compliance audit results</td>
<td>&gt;90% of audited projects meet quality criteria</td>
<td>Meeting our quality management target as determined by audit results</td>
</tr>
</tbody>
</table>
Strategy

Climate change, demographic and social shifts, evolving economics, and technological innovations are all dictating what communities must do today to be vibrant, resilient, and sustainable tomorrow. Stantec’s Company and sustainability strategies directly align to focus on that response.

By understanding market trends, risks, and opportunities, we identified value creators and growth initiatives that position Stantec to be the trusted advisor our clients need as we adapt together to a changing world.

Market Trends
Stantec keeps our strategy vibrant by tracking and evaluating megatrends and other forces that are reshaping the world we operate in and the way we conduct business. We group these trends and forces into the following categories:

• Climate change and resource security
• Demographic, social, and urbanization changes
• Economic power, market shifts, and geopolitics
• Incremental and breakthrough technology

Value Creators
We aim to grow and diversify sustainably for the benefit of our clients, employees, shareholders, and communities. We do this through a client-centric framework with four value creators:

• People
• Innovation
• Excellence
• Growth

Growth Opportunities
In response to our identified market trends and in support of our value creators, we focus our efforts on four strategic growth initiatives where Stantec has market leadership and that represent key needs of clients and communities:

• Coastal Resilience
• Ecosystem Restoration
• Smart Cities and Urban Places
• Energy Transition
Strategic Growth Opportunities

Coastal Resilience
Collaborate with clients on management, infrastructure, and nature-based solutions to provide resilience to rising sea levels and extreme weather events in coastal regions across the world.

From Diesel to Renewables, Canada
For an off-grid First Nations Community, Stantec designed the first fully-integrated remote renewable energy-storage microgrid in Canada. This solution includes solar power, battery storage, and grid technology and replaces approximately 34,000 gallons (130,000 liters) of diesel fuel per year, producing an energy source that is environmentally friendly and aligns with community cultural values.

Smart Cities and Urban Places
Use technology and planning to improve urban communities through energy and resource security and conservation, improved health and well-being, accessibility, smart mobility, and reduced congestion.

Energy Transition
Work with clients and communities as they progress solutions that embrace new technologies and renewable energy and adapt to a low-carbon future, positioning themselves for a new energy reality.

Waterfront Adaptation, United States
Stantec is lead designer of a reconstructed wharf at the southern tip of Manhattan that will raise the waterfront esplanade approximately 5 feet (1.5 m) above its current elevation—11 feet (3.4 m) above Mean Sea Level—to protect the park and nearby community, as the 20-acre (8-hectare) Battery Park currently sits at an elevation that will be submerged as sea levels rise.

Ecosystem Restoration
Help communities protect, restore, monitor, and respond to biodiversity loss, climate change, and environmental degradation; and support solutions that integrate both the natural and built environment.

Stream Restoration, United States
To help the Kentucky Department of Fish & Wildlife Resources protect a threatened fish species, Stantec designed and built a downstream extension of Hatchery Creek, successfully restoring a self-sustaining wildlife ecosystem where fluctuating water levels had once destroyed important trout habitat and spawning areas.

Smart City Cluster, United Kingdom
To further the smart cities agenda in Thames Valley Berkshire, developing a smart city cluster across four neighboring unitary authorities—Reading, Wokingham, West Berkshire, and Bracknell Forest Councils. The project encourages cross-authority and cross-sector working, acts as a catalyst for innovation between local enterprises and authorities, and deploys a communication network to cover the population.

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Innovation

Innovation and creativity are essential elements of Stantec’s past and future success. Our innovation strategy combines proven ideas with curiosity, creativity, and technology-forward approaches to find new ways to meet client challenges, increase efficiency, and improve profitability.

Stantec annually funds the development of innovative ideas. Our corporate Innovation Office drives Company innovation and works to promote creativity within our business operating units and geographic locations.

Any Stantec employee can submit an idea for consideration in our corporate innovation program. Approved ideas are assigned collaborative coaches for enhanced success and to encourage additional innovation.

In 2020, Stantec supported 15 micro-grants, 75 Greenlight grants, eight Innovation Fund projects, and one Innovative Business Opportunity with many having connections to sustainability topics (see SDG Contributions).

We conducted six blue ocean strategy sessions1 to create new markets focused on opportunities related to climate change, water resource management, and carbon sequestration. We also partnered with academic institutions to attract federal research funding.

Each year, Stantec conducts an in-person Innovation Forum—a Ted Talk-style event celebrating innovative projects and the people behind them. Unfortunately, the 2020 Innovation Forum was cancelled due to COVID-19 restrictions. Planning efforts for a 2021 virtual program are focusing on our sustainability-connected strategic growth initiatives: coastal resilience, ecosystem restoration, smart cities and urban places, and energy transition.

Corporate Innovation Office Funding

Innovative Business Opportunities
Supports opportunities that can make a transformative influence on Stantec and our communities with an intent to make these opportunities self-sustaining businesses or products over the course of several years.

Innovation Fund
Supports market testing of prototypes with enhanced financial and technical support.

Greenlight Fund
Supports prototype development with financial and technical support and a planning framework.

Micro-Grant Funds
Supports employees early in the ideation process.

1 Blue ocean strategy sessions are based on a theory published by W. Chan Kim and Renee Mauborgne and help a business capture unexplored new market areas.
The applications of AV technology go far beyond moving people. GenerationAV director Corey Clothier explains that the global AV revolution will likely see the biggest impact in moving goods.

“Personal AVs aren’t in the first five, or even ten, steps of our future. The initial opportunities are simpler, such as small delivery robots or drones that deliver takeout, groceries, or even medicine,” Corey says. “In an urban setting, these delivery AVs may be small, low-speed, and operate on the sidewalk—or in the air. In a suburban setting, they may be mid-speed, but operate on the roadway.”

The long-term benefits of self-driving vehicles are extensive: they are expected to reduce traffic accidents and the resulting injuries and fatalities of humans and wildlife, curb emissions, allow city planners to focus on green space instead of roads, and give commuters time back in their days.

AV advancements are already benefitting industries. Long-haul trucking and trucking convoys using AV technologies will see substantial fuel efficiency improvements. Ports and terminals embracing automation are using AVs to move cargo containers. Even theme park operators are researching how to use AVs on their properties.

“The world is moving toward AVs,” Corey says. “Stantec has a world-class team ready to help our clients consider, plan for, and become an active part of this exciting future.”
Global Citizenship

IN THIS SECTION

Pandemic Preparedness
Climate Action
Social Justice
SDG Contributions
Pandemic Preparedness

As part of our Enterprise Risk Management planning, Stantec created a Pandemic Preparedness Plan and a standby Pandemic Committee a decade ago. In early 2020, we activated the Plan and Committee.

Pandemic Committee
Our Pandemic Committee includes operational and safety leaders and a public health toxicologist, with occasional consultations from a physician. This team actively monitors the evolving COVID-19 situation, working with Company leadership and taking cues from local and national governments, the World Health Organization, and national health authorities to adjust our pandemic response as necessary.

Remote Working
In response to the pandemic, we quickly enabled approximately 80% of our staff to work remotely. Thanks to our world-class IT infrastructure, only minor investments were necessary to firmly establish the virtual work experience.

Communications and Engagement
Stantec created a dedicated COVID-19 news hub on The Lens (our Company intranet) to make it easy for employees to stay informed. Senior leaders sent out regular communications to maintain employee connectivity, rolled out a virtual engagement toolkit for managers, and asked leaders to maintain meaningful connections with as many people as possible.

We gathered feedback from our employees to gauge if they had the support needed in this new remote work environment. Based on that feedback, we quickly adjusted our programs to respond.

Even while apart, Stantec employees continue to demonstrate ingenuity, creativity, and inclusivity to help one another stay safe, socially connected, and engaged. Many teams hold virtual coffee breaks and happy hours, host book clubs and running clubs, practice yoga and meditation, and even hold virtual gatherings like trivia nights and scavenger hunts.

Supporting Individual Needs
To provide easy access to mental health resources, Stantec created a Mental Health Matters site on The Lens. Our Human Resources and Health, Safety, Security, and Environment teams provide direct support to employees in need. We also offer Employee and Family Assistance Programs.

Meeting Client Needs
Stantec is fortunate to be a diverse company offering essential services across the world. When one area of our business slows down, we can usually rely on the strength of other areas. During the pandemic, this helped us keep team members employed and minimized the effect on workload in different parts of the company.

Post-pandemic Benefits
By institutionalizing virtual work conditions, our Flexible Workplace Strategy will continue post-pandemic, creating new opportunities for enhanced global collaboration, personal work preference, and reduced emissions. We also expect future travel rates to be significantly reduced, leading to additional emission reductions.

COVID Transitional Support in India
When Stantec moved to remote working due to COVID-19, we quickly realized that some locations needed additional support to successfully make the transition.

In Pune, India, for example, numerous employees worked from desktops instead of laptops, few had home computers, and many did not have home Internet connections. To further complicate matters, many team members take public transport or two-wheelers to work, neither of which are suitable to safely transfer IT equipment.

Team members pulled together and, in less than two weeks, we mobilized all 400 staff to work from home—two days before the Indian government issued a lockdown order.
Helping Clients and Communities Navigate the Global Pandemic

Stantec offers a broad range of vital services to clients and communities navigating the global pandemic. Here are a few examples.

Read More ➞

Care for Our Communities
During the pandemic, Stantec quickly adjusted our charitable approaches to accommodate increased community needs. We extended financial support to organizations fighting the outbreak, including the World Health Organization, UN Foundation COVID-19 Solidarity Response Fund, Direct Relief, and local food banks.

Read More ➞

The pandemic reminded us that the socially vulnerable make up a significant portion of our population. These groups are facing unemployment, making it harder for them to afford, among other things, their utility bills. Stantec works with utilities to identify vulnerable populations and access recovery grants to fund Customer Assistance Programs.

Read More ➞

Stantec’s health sector team directly supported the COVID-19 response by transforming built environments for various care models. At the height of the pandemic, healthcare providers and government agencies were deeply concerned about the lack of available inpatient beds. Stantec’s design capabilities quickly increased bed space capacity.

Read More ➞

Returning to Post-Pandemic Operations
Stantec prepared guides to help building owners and managers as they return to normal operations and to aid the process of re-entering the workforce.

The Getting Back to Social guide addresses short-term (social distancing, hygiene protocols, signage), mid-term (new norms that will be necessary with the resumption of social gatherings), and long-term (hardscape modifications, new office layout designs to allow more flexible working, safety measures) considerations.

Read More ➞

The Getting Back to Business guide addresses indoor air quality (strategies to improve airflow when airborne pathogens are present), office safety (how employees travel, arrive, and enter the building safely), choice (fostering trust by meeting employee physiological needs), smart building approaches (using technology as a way to improve the user experience), well-being (providing environments to support health), and resiliency (helping employees feel hopeful).

Read More ➞
Climate Action

Climate action is vital for the world and critical to Stantec’s success.

As a firm that specializes in sustainable design, Stantec recognizes climate action as a market opportunity. We directly address climate change in our strategic planning processes, actively following scientific progression and megatrends. All four of our strategic growth initiatives—coastal resilience, ecosystem restoration, smart cities and urban places, and energy transition—have a direct connection to climate action.

Our risk management processes also directly address climate change. We manage and reduce our operational emissions, pay attention to changing weather patterns, track regulations that might affect our operations or clients, keep tabs on new technologies to improve our project delivery, and think about future climate impacts when approaching our designs.

Stantec helps our clients meet their climate action goals. Nearly every discipline, business operating unit, and geography within Stantec plays a key role in helping mitigate further climate change and assisting communities to better adapt to a changing climate.

Stantec is addressing climate change in our design and delivery solutions with focus on:

• Promoting thought leadership on climate solutions
• Protecting and restoring ecosystems and coastlines
• Making renewable energy and related infrastructure feasible and equitable
• Conserving water and protecting water sources from pollution while reducing waste
• Advancing the science of wastewater treatment toward net-positive with energy and resource recovery, groundwater recharging, and indirect and direct potable reuse
• Guiding clients to invest in energy efficiency
• Helping energy companies transition to renewable solutions
• Considering new dimensions of sustainability like wellness, living small, autonomous vehicles, and small-scale agriculture
• Helping communities assess and mitigate their climate risks, increase resiliency, and define climate change adaptation strategies

See Stantec’s Community Futures and CDP Disclosure for more information about how we integrate climate-related issues into our business objectives and strategy.

Note: The World Economic Forum’s The Global Risks Report 2020 recognizes climate change-related issues as the top five risks to global livelihood.

Tackling Climate Change

See some of the breakthrough technologies Stantec is using to tackle climate change.

Read More ➔

Learn about the groundbreaking work of one of Stantec’s climate change scientists, Dr. Francis Wiese, who studies large ocean systems and the effects of climate change and human activities on the marine environment. For the award-winning Marine Arctic Ecosystem Study, Dr. Wiese’s team is monitoring changes to Pacific Arctic ecosystems due to warmer ocean conditions.

Read More ➔
Social Justice

Stantec has a role to play in raising awareness and advocating for meaningful social justice change.

In 2020, we activated a new Black, Indigenous, People of Color (BIPOC) Committee within our Inclusion and Diversity Councils to gather input from employee advisory groups to help Stantec identify and address systemic racism in the workplace and do our part to contribute to a fair society.

In 2020, Stantec positively influenced change by

- Signing the Business Council of Canada’s Statement Denouncing Racism
- Establishing a new, global Equity and Diversity Scholarship—valued at $200,000 per year—for BIPOC students pursuing education in science, technology, engineering, arts, and mathematics (STEAM) fields
- Building deeper community engagement by enhancing our partnerships with the National Society of Black Engineers, the Society of Hispanic Professional Engineers, the National Organization of Minority Architects, the American Indian Science and Engineering Society, and the ACE Mentor Program
- Developing a targeted BIPOC recruiting strategy focused on purposely attracting persons of color
- Equipping our recruiters with training and best practices that enrich our talent pool with candidates from diverse and unrepresented backgrounds
- Helping our leaders understand how to proactively work with underrepresented groups via leadership workshops and inclusive hiring guidelines
- Moving our unconscious bias training to a virtual format to expand participation (especially in the face of remote working due to COVID-19)
- Establishing internal communications around racial inclusion topics as a platform for diverse voices across the company to share perspectives and to give attention to subjects that can be challenging, yet enlightening
- Developing Inclusion and Diversity moments on race relations to educate and empower staff with tips on how to have direct and meaningful conversations
- Partnering with clients on their inclusion and diversity initiatives
- Committing time and funds to STEAM education within BIPOC communities to help foster the growth of our future industry leaders and help break the cycle that generates social inequity
- Making time and financial commitments to partner with groups that support BIPOC communities to develop a strong pipeline of diverse leaders, adding value to the industry for years to come
- Enhancing, implementing, and expanding Stantec internal programs to improve the diversity considerations in our hiring and career advancement practices
- Leveraging our digital platforms and community relationships to advocate for inclusion and diversity issues in our industry and our communities
- Supporting the mental health and wellness needs of our own employees, recognizing some employees were experiencing personal distress
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BIPOC Committee Key Focus Areas

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Making a Difference in Our Communities

Stantec’s people work hard to make a difference in our Company and communities.

Meet Mila Philipzig, project manager and Inclusion and Diversity Council member, who endeavors to create a work environment where people of Asian heritage feel confident and empowered by their roots. She is a human rights advocate and author of children’s books focused on paraplegic athletics and life transitions for immigrant children.

Meet Libby Young, transportation engineer, who was designated a New Zealand Civil Defence local controller to provide COVID-19 response to a population where 66% identify as Māori. Her charge was to identify and assess vulnerable people—elderly, sick, low income—to coordinate the appropriate funding and resources.

Meet Adam Carnegie, a Stantec planner who is passionate about providing opportunities for Black students in STEM fields. To combat systemic racism, Adam shares his knowledge and experience by tutoring, supporting, inspiring, and empowering children so they have better access to educational opportunities and scholarships.

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Meet Mary Murdoch, senior principal in our Environmental Services group, who builds inclusion through cross-country skiing. Many people immigrate to Canada looking for a new life but can often struggle during winter. Bringing together people from over 15 countries, this ski club provides ski gear and lessons in order to help newcomers find ways to enjoy snow.

Meet Carla Artis, director of diversity, who recognizes diversity in the project supply chain as a powerful engine for economic growth. By empowering minority-owned, women-owned, and small disadvantaged businesses, we build skilled capacity over the long term and ultimately benefit the entire industry and the communities in which we work.

Meet Adam Leggett, our Alaska Native program manager, member of the Dena’ina Athabascan village of Eklutna (the land that is currently known as Anchorage), and recipient of the Native American 40 under 40 Award. In addition to his work at Stantec, Adam serves on several community initiatives, working on health, housing, education, and restoration of the Eklutna River.

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SDG Contributions

A successful future is one that has mitigated the worst consequences of climate change and achieved an equitable distribution of social, environmental, and economic benefits. To support Stantec’s role in this future and guide our sustainability strategy, we adopted the UN Sustainable Development Goal (SDG) framework.

Stantec’s SDG contributions have two components: first, we work with the UN Global Compact to develop structures and incentives that progress adoption of the goals and, second, we look for ways to incorporate SDG goals, targets, and tracking mechanisms into how we operate.

Adoption of the Goals

Besides regular participation in UN Global Compact general events and discussions, in 2020, Stantec took an active role in two SDG-focused action platforms.

• This was Stantec’s third year of participation in the Global Compact Network Canada Gender Equality Leadership in the Canadian Private Sector Project to help the Government of Canada identify roadblocks to SDG 5, Gender Equality. The initiative has culminated in a Blueprint for Gender Equality, as well as a federal-level certification for companies willing to take measures to eliminate inequalities.

• Stantec’s CFO and two subject matter experts are founding members of the CFO Taskforce for the SDGs. This is a group of leaders from companies around the world working together to create the CFO Principles on Integrated SDG Investments and Finance.

SDGs in Our Operations

Over the last few years, Stantec has progressed our strategy for addressing the SDGs. Recognizing our ability to advance certain goals, we prioritized core goals and began tracking the projects and internal initiatives that support them.

Across our business, Stantec shares SDG expertise, knowledge, and innovative implementation strategies. We work with clients to build their SDG awareness and meet their SDG commitments. The SDGs are also recognized as a key component of our future growth and directly align with each of our four strategic growth initiatives (see Strategy).

Stantec is first focusing on tracking the percentage of our financials connected to furthering the SDGs—gross revenue, investments in innovation, and philanthropy. As a future step, we plan to develop a means to track goal influence. For both, we will set goals to increase our contributions.

SDG Connection to Stantec Financials

<table>
<thead>
<tr>
<th>SDG Connection to Stantec Financials</th>
<th>2020 Financial Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Revenue</td>
<td>49%</td>
</tr>
<tr>
<td>Innovation</td>
<td>55%</td>
</tr>
<tr>
<td>Charitable Investments</td>
<td>90%</td>
</tr>
</tbody>
</table>

Note: The SDG numbers provided are unaudited and based on mapping the coding available in Stantec’s current systems against the 169 targets of the 17 SDGs as published in the UN Global Compact Guide to Business Reporting on the SDGs. As there is not an exact match between coding systems and not all geographies are yet included in our central tracking systems, a conservative approach was employed to minimize the risk of overstatements.
Supporting Sustainable and Equitable Economic Growth in Emerging Markets

Stantec’s International Development Group applies global expertise with local knowledge and perspective to help donors and host country partners design, implement, and oversee economic development programs throughout the world. We work with many of the world’s biggest international donors and financial institutions, including the European Commission, European Bank for Reconstruction and Development, US Agency for International Development, Millennium Challenge Corporation, World Bank, and others.

Our work includes project preparation and engineering design studies, environmental and social assessments, capacity building, master planning, policy development, and other technical assistance to help developing countries pursue more resilient and inclusive economic growth, transition to lower carbon economies, and protect water and other natural resources.

Water Supply Advisory, Mongolia
To meet projected water demand in Ulaanbaatar, the Millennium Challenge Corporation contracted Stantec as a technical advisor to help increase water supply by nearly 70 million cubic meters per year, improve wastewater management, and increase availability of potable water to peripheral migrant yurt-based communities.

Investing in Sustainable Energy, Worldwide
Stantec supports the European Union in implementing its climate change programs across developing countries of the world. This includes input to their annual Conference of Parties organized by the UN Framework Convention on Climate Change. In 2020, Stantec’s support to the secretariat was acknowledged in the UN Climate Change Annual Report.

Generation and Transmission, Africa
Supporting the European Commission and working closely with African Union continental and regional institutions, Stantec is overseeing the implementation, coordination, and monitoring of the proposed electricity harmonization regulatory strategy and action plan as part of the Sustainable Energy for All Initiative.

Circular Economy and Sanitation, Kenya
Using circular economy concepts, Stantec designed an innovative fecal sludge treatment facility that will treat wastewater and generate sustainable biomass fuel. By selling biomass briquettes produced to local industries, the plant will be able to deliver financially viable sanitation services.

Read More → Read More → Read More →
Environmental Stewardship

IN THIS SECTION

Environmental Management
Reducing Emissions
Resource Conservation
Stantec’s pledge to protect the environment is reflected in our Sustainability Policy and Health, Safety, Security, and Environment Policy. As a professional services firm, our operational environmental footprint relates primarily to office energy consumption, business travel, and office supply use. We manage, monitor, and improve our environmental performance with a formal ISO 14001-certified environmental management system. Stantec works hard to minimize the environmental footprint of our operations, conserve resources on corporate programs, and incorporate environmentally friendly practices to engage and motivate employees. As a leading global provider of environmental consulting services, we also work with clients to improve the environmental performance of the projects we support.

In 2020, Stantec
- Received an A- CDP climate change score for the third year in a row, the only engineering and design firm to do so
- Was listed on the CDP Supplier Engagement Leaderboard—for engaging our suppliers on climate change—with an A supplier engagement rating score, the only engineering and design firm to do so
- Developed a strategy to fully globalize our ISO 14001-certified environmental management system and began discussions on how to enhance environmental and social performance in our project work
- Introduced Climate Change and Social Value Forums—comprised of business leaders and sustainability experts tasked with driving environmental and social performance into the business—in the United Kingdom, Australia, and New Zealand (see Sustainability Governance)
- Advanced our action plans to meet the requirements of the Australian Engineers Declare Climate Change and Biodiversity Emergency and the UK Civil Engineers Declare Climate Change and Biodiversity Emergency
- In the United Kingdom, working with The Carbon Project of the Institution of Civil Engineers to move the UK infrastructure sector towards net-zero

With people around the globe working safely from home due to COVID-19, the world got a glimpse of the environmental benefits of reduced travel and saw how productive employees can be when working from home. Stantec took these benefits to heart. We are proactively rethinking our post-pandemic approaches to bring lasting environmental benefits to the Company.

Keeping Environmental Protection Top-of-Mind

Stantec’s Developing Professionals Group (DPG) brings together people who are beginning their careers across all our global offices. Members channel their energy and ideas around the group’s four connection pillars: to peers, to leadership, to professional development, and to community. DPG allows individuals to contribute creative thought, effect organizational change, and have fun while doing it.

On World Environment Day, DPGers led virtual presentations on climate change, organized virtual sustainability bingo games, and created environmental action challenges. The intent? To energize and help Stantec employees and clients keep environmental protection top of mind.

Hear our developing professionals talk about what they do for clients, in their offices, and at home to promote environmental sustainability in this DPG-produced video:

See video
Reducing Emissions

Stantec follows the GHG Protocol and calculates our emissions based on building energy use (both owned and leased), vehicle travel, airline travel, and paper use. In addition to conservation programs, we reduce our emissions by consolidating offices into energy-efficient spaces, reducing travel, greening our fleet, and enhancing print management.

We are focused on carbon reduction and Stantec has measured, managed, and analyzed our carbon footprint since 2010. We externally verify our emissions and report these to CDP annually.

In 2020, Stantec:

- Reduced Scope 1 and 2 per-employee emissions by 17% from 2019 and by 49% against the 2013 baseline, exceeding our current emission reduction target of reducing Scope 1 and 2 emissions per employee by 40% (against a 2013 baseline).

- Reduced Scope 3 emissions per employee by 52% from 2019 and by 54% against the 2018 baseline, exceeding our current emission targets of reducing Scope 3 by 20% (against a 2018 baseline).

- Committed to setting 1.5°C Science-Based Targets with a baseline of 2019 and target of 2030.

- Pledged to be carbon neutral in all our operations by 2022—through the purchase of energy attribute certificates and carbon offsets—and net-zero by 2030—through traditional measures and innovative approaches.

- Became members of the We Mean Business Coalition.

- Signed the UK Pledge to Net Zero.

1. Like most businesses around the world, emissions reported by Stantec this year are irregular due to COVID-19 lockdowns across many of our geographies. Scope 3 emissions are lower because business travel essentially came to a standstill. Surprisingly, however, Scope 1 and 2 emissions are not as low as one might expect because, even though many offices sat unoccupied or experienced low occupancy, buildings still used energy. Because Stantec leases in buildings with multi-tenants and shared utility costs where Stantec does not have direct control of the building, we found that most landlords did not significantly alter their energy management practices in our absence. We think this is primarily because, at any point in time, a small number of occupants were still coming to buildings and, even if there are only a few people on a floor versus a few hundred, it still takes a similar amount of energy to keep the whole floor comfortably warm or cool. We also found that many landlords kept lights on for security reasons.

2. To facilitate progress against new pledges, we switched from the Climate Registry Protocol to the GHG Protocol (requiring slight adjustments to Scope 1 and 2 activity data categorization).
Stantec Commits to Net-Zero

For over a decade, Stantec has focused on reducing operational emissions. In 2013, we set emission reduction targets that were exceeded in 2020, ahead of schedule. In setting our new targets, we decided to take bolder action and approved three new emissions-related commitments for our global operations.1

Once Stantec achieves carbon neutrality, we will transition to become net-zero by 2030.3 We will move away from paying a third party for offsets to providing renewable energy or carbon reductions that would not happen without our investment. Stantec will tap into our innovative group of subject matter experts to make direct investments in projects that add renewable energy to the grid and reduce, store, and sequester carbon. We will also use our expertise and thought leadership to help our clients achieve their goals.

For a lasting effect, Stantec’s primary focus is to reduce emissions. We joined the Business Ambition for 1.5°C, part of the UN Global Compact’s drive to keep global warming down to 1.5°C above pre-industrial levels.

This commitment is part of the Science Based Targets initiative, a program that guides companies on how much and how fast to reduce their own emissions to mitigate the worst impacts of climate change.

Using this science-based guidance, we’ve started setting and validating our emissions reduction targets. To accomplish our goals, we are making strategic changes to how we operate our business.

Our carbon neutrality pledge will be accomplished through the purchase of certified energy attribute certificates and high-value carbon offsets. A good portion of our operations will be neutral for 2021 emissions, with the remainder neutral for 2022 emissions.2

1 Planning and approvals for these pledges happened in 2020; the commitments were announced publicly in February 2021.
2 Renewable energy certificates and carbon offsets purchases will be complete the first quarter of the subsequent year.
3 Stantec’s definition of net-zero is in line with the criteria and recommendations of the Science Based Targets initiative and will be adjusted, as necessary, when the new science-based global standard for corporate net-zero targets is released in late 2021.

See CEO Gord Johnston talk about these new commitments during an interview on BNN Bloomberg.

See video
As a professional services firm operating almost entirely out of multi-tenant, leased office space, Stantec’s operational resource use is nominal. Even so, we work hard to minimize our environmental footprint by conserving energy (in our offices and transport fuel), reducing our consumption, and recycling and composting.

Stantec conserves resources in our operations, bringing direct environmental benefits, increased efficiencies, and reduced costs.

In 2020, Stantec

• Continued to consolidate office locations—targeting a 30% reduction in existing real estate footprint by 2023—to reduce emissions, more efficiently use space, and facilitate employee flex working options
• Installed Microsoft Azure’s energy management system to track the energy usage of off-site cloud storage
• Avoided the environmental effects of hardcopy libraries with eLibrary downloads of more than 53,638 articles and 24,833 ebooks
• In North America, recycled 2,011 cellphones and 3,331 computers (32,365 pounds [14,680 kilograms])

1 For geographies beyond North America, cellphones are managed at a country level and not centrally tracked. As well, computers are leased through Dell where, at the end of their lease period, the program includes return for responsible disposal.

• In the United States, furthered the use of a centralized print management program—reducing paper use by 40% on average and mandating recycled paper purchases—with plans to implement a similar approach in Canada
• In the United States, received gold certification under the Portland Sustainability at Work program for “walking the talk of green business”
• In the United Kingdom, implemented emissions caps on vehicle purchases
• In the Netherlands, changed the fleet lease policy so all new vehicles will be fully electric and provide free electric car charging, free public transport passes, and financial support for e-bike purchases
• In the United States, received gold certification under the Portland Sustainability at Work program for “walking the talk of green business”
• In the United States, received gold certification under the Portland Sustainability at Work program for “walking the talk of green business”
• In Italy, continued tracking of SmartWorking to quantify reductions made possible by employee remote working, avoiding 121 tons of CO2 emissions, eliminating more than 621,371 miles (1 million km) of travel, and saving each employee about 29 days and 670 euros (from avoided commuting)

Today’s students will be the group most affected by climate change. Yet, unfortunately, climate change is still not a part of standard education.

For this reason, the European Institution of Innovation and Technology, together with the Climate-Knowledge and Innovation Community started the Young Innovators program. With the help of Stantec, Aalto University, and the Polytechnic University of Catalonia, the program created experiential training activities empowering students to become change agents.

The team developed a program called the D. Games: To Dream, Design, and Develop Climate Change Solutions.

Consisting of sustainability education materials for use by secondary schools around the world, students are encouraged to lead systemic innovations that create a more equitable, inclusive, and carbon-neutral society.

The development of the Stantec-led program started with a pilot test of Stantec parents and their own children. Then, across Europe, teachers and students volunteered to further develop curriculum and materials. The resulting classes are highly participatory, sparking child creativity and making them active agents of change.

In 2020, more than 2,000 young people participated. The goal is to reach 3 million young people by 2030.

Read More →
Social Betterment

IN THIS SECTION

Social Betterment

Our People

Health, Safety, and Security

Indigenous Connections

Charitable Investments

LGBTQ Memorial Site in West Village
New York, New York, United States
Our People

Our people are at the heart of our business and are the reason we are a top-tier global design and delivery firm. Their expertise is not just a part of our business; it is our business. We are a professional services firm operating in a competitive industry where turnover costs are high and long-term relationships are key. We work hard to build an inspiring, inclusive work environment and recruit and retain top talent. And we consider the entire employee experience, from career start to finish.

Stantec’s People Strategy

Inclusion and Diversity
Our people strategy begins with a focus on inclusion. We want all employees to feel connected to the Company so they can effectively collaborate and contribute. We recognize we will only meet our diversity aspirations if we make employees feel welcome so that they want to join us and stay.

<table>
<thead>
<tr>
<th>Talent Attraction</th>
<th>Total Rewards</th>
<th>Organizational Development</th>
<th>Employee Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our employees are technical subject matter experts who are highly employable. To attract the talent we need and meet our diversity aspirations, we must access the right people and make joining Stantec as desirable and easy as possible.</td>
<td>Stantec’s Total Rewards program recognizes that employees want to be fairly compensated and have meaningful benefit choices that meet individual employee needs and motivations. Employees want equal pay for equal work and a clear path to advance their careers.</td>
<td>For employees to stay, we must offer challenging work, opportunities to develop new skills, and career growth. We have distinct but equally important career paths that an employee can choose, with clear avenues for progression. Annual performance evaluations provide directed feedback and support for advancement.</td>
<td>Engaged employees are happy, contribute more, and are more effective at their jobs. We provide multiple avenues for employees to provide feedback, understand the company strategy, and contribute to the future.</td>
</tr>
</tbody>
</table>

TalentHub
Our TalentHub Talent Management System underpins our various people programs, providing a central repository and access to the resources necessary for a successful career at Stantec.

Note: TalentHub is being rolled out progressively and is not yet available in Latin America, the Middle East, and Asia.
Inclusion and Diversity

Stantec staunchly believes that diversity in our operations fosters a healthy range of views, facilitates innovation, improves results, creates opportunities, and is a moral responsibility. Diversity is our end goal and building an inclusive culture is how we get there. We work with industry-leading partners to guide us through the process, using industry best practices and helping us implement real change. Our programs address unconscious bias, champion organizational change, and hold people accountable for meeting Company expectations.

At Stantec, we create opportunity by inviting, embracing, and celebrating differences. That means all of us—together—shape a culture of mutual support and acceptance by bringing our whole selves to work in an environment that is welcoming, safe, and free of judgement. It creates a sense of belonging by fostering genuine relationships.

In 2020, Stantec
- Was named one of the Top 50 Workplaces for Indigenous STEM Professionals and one of America’s Best Employers for Women
- Was included on the Bloomberg Gender Equality Index
- Endorsed the UN Women’s Empowerment Principles
- Participated in the Global Compact Network Canada Gender Equality Leadership in the Canadian Private Sector project
- Diversified the gender balance of our board of directors and C-Suite, with a total 38% on each (with 25% of the C-Suite also being racially diverse)
- Expanded the number of Employee Resource Groups (ERG) from 53 to 56, now including Women@Stantec, Pride@Stantec, BLK@Stantec, Indigenous Connections, Latinos in Stantec, Asians@Stantec, Persons with Disabilities@Stantec, Cultural Awareness and Inclusion, and Military and Veterans Advocates
- Completed the first phase of a Global Gender Pay Equity Review (see Talent Retention)
- Created programs to recruit diverse community groups (see Talent Attraction)
- Established the Stantec Equity and Diversity Scholarship, which awards $200,000 annually to BIPOC students (see Social Justice, Charitable Investments)
- Continued to provide unconscious bias training, now available virtually, with 2,000+ staff trained from across the company
- Created a series of inclusion and diversity performance evaluation goals in TalentHub to help encourage and reward actions that foster a culture of inclusion
- Worked with Stantec’s corporate Marketing team to establish a formal evaluation checkpoint to actively represent diversity in our brand and marketing materials
- Celebrated World Mental Health Day, International Women’s Day, National Indigenous Peoples Day, Hispanic Heritage Month, Māori Language Week, and NAIDOC Week (National Aboriginal and Islander Observance Committee)
- In North America, initiated the second phase of a SponsorHer@Stantec pilot—passionate advocacy by senior leaders for high-potential women
- In the United States, formalized our commitment to be a veteran-friendly company

Stantec Employee at Work
Calgary, Alberta, Canada
Meet Gerhard Durtler, geotechnical engineer, and learn about key steps to improve allyship and create a more inclusive work environment for LGBTQ2+ employees.

In Peru, certified as a Company Free of Violence Against Women (Bronze Category) by the Peruvian Ministry of Women—an important certification in a country that has been fraught with high profile cases of rape and femicide.

In Peru and Argentina, participated in the Ranking Par Latinoamérica by Aeguales—a major gender equity measurement of 700 companies across the region.

In the United Kingdom, joined Stonewall, a non-profit that campaigns for the equality of LGBTQ2+, to show our support and enhance our knowledge in the field of sexual orientation.

In the Netherlands, created a mentoring program to support female leadership.

In the Middle East, conducted a diversity dimensions survey to plan for an updated 2021 regional diversity strategy.

In India, rolled out our first ERG, Women@Stantec, and held monthly events to support women's empowerment in the workplace.

In China, celebrated female employees on Women’s Day through a special gift and day off work.

In New Zealand, created the Reach@Stantec program to identify and address barriers to greater diversity at Stantec and within the wider profession.

In Australia and New Zealand, supported employee gender identity through a new program that gives a week of paid gender affirmation leave for anyone medically affirming their gender.

In Australia and New Zealand, augmented unconscious bias training with a specialized Culture Matters program that included inclusiveness workshops.

In Australia and New Zealand, established a returneeship program that includes six months of mentoring and coaching to make the process of returning to work after an absence (such as parental leave or after an extended illness) as well as increased parental leave benefits.

This section references inclusion and diversity with Stantec’s own employees. For information on how we promote concepts in our communities and through our projects, see Social Justice, Indigenous Connections, and Charitable Investments.

Read More ➔
Stantec Promotes Gender Equity

In 2020, Stantec was named by Forbes as one of the Best Places to Work for Women and was included for a second year in the Bloomberg Gender Equity Index. Such recognitions reflect the confident steps Stantec is taking to support gender equity.

Women’s Empowerment Principles
Stantec formally endorsed the Women’s Empowerment Principles, a project of the United Nations Global Compact (see Appendix E), which brings corporations together in support of sustainable and ethical business operations.

This endorsement was personally signed by our CEO, Gord Johnston. Says Gord, “The breadth and depth of the Principles provides an excellent road map for focused action toward achieving our goal to champion inclusion and create a workplace that attracts, nurtures, and empowers talent. We design with community in mind, and to genuinely fulfill that promise, we need to have equal representation of the many communities we serve.”

Blueprint for Gender Equality, Leadership in the Canadian Private Sector
Stantec helped the Government of Canada identify roadblocks to SDG 5, Gender Equality.

As a part of a three-year project led by the Global Compact Network Canada, Stantec contributed to the Blueprint for Gender Equality Leadership in the workplace that will form a part of the government’s policy strategy and will model as a framework for other companies to follow.

To announce the blueprint, Stantec’s chief financial officer, Theresa Jang, served as a panelist at the Global Compact’s Business for Gender Equality 2020 virtual forum, where she discussed COVID-19 effects on the workplace and gender equality progress.

SponsorHer@Stantec
While women are equally as likely as men to have mentors, they are 46% less likely to have sponsors. This is the driving force behind our female-focused pilot called SponsorHer@Stantec, an initiative championed by the Women Leadership Development Committee of the Inclusion and Diversity Councils in North America.

Sponsorship includes passionate advocacy by a senior leader for a protégé. The leader invests time and energy in advocating for opportunities for the sponsored employee and provides “air cover” so the protégé can take appropriate risks and learn.
Talent Attraction

Stantec promotes people from within—giving career growth opportunities to existing employees—but also has programs to recruit top-notch industry subject matter experts and tap into the pipeline of diverse candidates. The growth of our teams often comes from acquisitions, so we work hard to welcome and quickly connect acquired employees to the Stantec family.

Stantec actively works to attract employees with a wide range of talents, perspectives, and experiences. Attracting and retaining top talent is a reason clients repeatedly want to partner with us.

In 2020, Stantec
- Received the Candidate Experience Award for the second consecutive year, the only engineering and design firm to do so
- Initiated major recruitment initiatives with communities of interest, including women, BIPOC, veterans, people with disabilities, LGBTQ2+, people experiencing economic disadvantage, individuals looking to return to work after an extended absence, and internationally educated professionals
- Created a tiered university and college campus strategy to prioritize diverse student recruiting
- Created and distributed inclusive hiring practices to promote fair and objective hiring and interviewing practices, including diversity-based training, recruiting, and hiring materials
- Streamlined our hiring process to improve internal and external user experiences and surveyed hiring managers to assess their satisfaction
- Adjusted hiring processes during the pandemic to include digital interviews and virtual onboarding
- Created an entirely virtual internship pilot program with our Buildings business operating unit
- Integrated two global applicant tracking systems (from recent acquisitions)
- In North America, furthered recruitment partnerships with the National Society of Black Engineers, the National Organization of Minority Engineers, the National Organization of Black Engineers, and the American Indian Science and Engineering Society
- In the United States, developed a Historically Black College and University-specific campus recruitment strategy

Meet Tori Thomas, water resources engineer, and hear why she chose to work at Stantec.

"After graduating college, I was having a tough time deciding between two competitive job offers. One of the tipping points toward Stantec was Stantec’s commitment to sustainability. From the comprehensive annual sustainability report, being offered a glass of water instead of a plastic water bottle, noticing the office recycling and composting program, to learning about the sustainability focus during projects—it was clear that sustainability was a true priority Company wide. And that really mattered to me.”
Stantec’s benefit plan is based on a Total Rewards mindset that includes financial security (short-term financial goals), emotional health (intrinsic well-being and mental health), physical health (the physiological side of health and nutrition), employee experience (how an employee feels while at work), and social connectedness (inclusiveness and social interaction). We believe in equal pay for equal work and in rewarding high performing, collaborative employees who support our culture of inclusion and community.

Stantec’s Total Rewards includes paying fairly and providing benefits with meaningful choices while offering a consistent global approach that is nimble for local market practices.

In 2020, Stantec

- Was listed on Forbes World’s Best Employers, Canada’s Best Employers, and America’s Best Employers for Women rankings
- Completed the first phase of a Global Pay Equity Review
- Maintained excellent employee retention with a global average voluntary turnover rate of 8%, 27% better than 2019 and 2% to 3% better than our industry average1
- Progressed well-being programs in all geographies, paying added attention to employee needs during the pandemic
- Drafted a Flexible Workplace Strategy to provide managers and employees resources to help formalize consistent approaches to flexible working
- Developed a Virtual Recognition Toolkit to celebrate career milestones through virtual recognition and digital anniversary celebrations
- Created the Stantec BetterTogether Fund—to help Stantec employees facing financial hardship after a natural disaster or unforeseen personal challenges—seeding the fund with a $200,000 corporate donation and creating a way for employees to directly support colleagues
- Moved the United States employee stock purchase plan to the same provider as the retirement program to offer one-stop shopping for administration of retirement and wealth benefits
- Created an Employee Assistance Programs that include professional support in nutrition, maternity and lactation, mental health, legal, and finances
- In Peru, recognized as a Socio Emprendedor (entrepreneurial partner) by the Association of Good Employers for forward-thinking human resource programs
- In the Netherlands, established a base salary structure to better align with local market practices while progressing a similar program in the United Kingdom
- In the Netherlands, fostered a culture of happiness across the employee journey with a focus on fun, personal growth, and being part of “something bigger than ourselves”
- In Taiwan, to improve employee health, rolled out a medical services campaign—weekly visits from medical staff for health planning—and a walking challenge—a month-long challenge where participants logged more than 7,650 average steps per day
- In Australia, launched the ilumen program—an online tool that helps people track their mental health

1 The industry average turnover is reported for the engineering industry in RBC Capital Markets 2020 publication, ESG in the E&C sector.
During 2020, Stantec initiated the first phase of a Global Pay Equity Review. We began our analysis in North America—representing 76% of our worldwide employee population—and will expand to other operations beginning 2021.

The project included a review of current pay, pay level changes over a two-year time-period, and pay levels of new employees at time of hire. Stantec’s methodology normalized employee pay levels of employees at different job levels within the organization and in different geographic regions (between which market pay levels for the same job can vary widely).

We were very encouraged by the preliminary results, which found that the base pay gap in North America was only 3% on a median compa-ratio basis. Overall, some operating and corporate units had no statistical difference in pay based on gender and, since 2018, women received higher average pay increases and were being promoted at a higher rate than men.

A separate analysis was conducted to compare new hire pay rates between men and women. The findings did indicate a statistically significant gap for new hires in the United States but not in Canada.

Based on these findings, Stantec leadership is developing an action plan to address identified gaps.

In 2021, we plan to repeat the gender analysis in North America, broaden the North America analysis to review the pay of minorities versus non-minorities, and begin to perform similar analysis in other geographies where Stantec operates.

Note: This section references a global corporate pay equity review program. There are region-specific evaluations that have been done in the United Kingdom and Continental Europe.
Organizational Development

MANAGEMENT APPROACH

Stantec’s approach to organizational development includes a defined career path (under a Global Career Framework), a robust learning platform (helping staff grow through education, exposure, and experience), multidimensional performance feedback (evaluating successes and areas of improvement while setting clearly defined goals for future career progress), and succession planning (offering mentoring for career progression).

Stantec’s success is enabled by supporting our people in learning and in growing their careers. We actively cultivate our world-class experts, supporting their development as respected thought leaders in their fields.

In 2020, Stantec

- Rolled out the TalentHub learning module to all Canadian and United States employees with plans to include additional regions and countries in 2021
- Enhanced the performance review tools available under TalentHub to make it more user friendly and to enable the functionality for cascading of business goals
- Initiated design of a new Global Career Framework that provides global career leveling to facilitate work sharing, consistency between countries, and global career progression
- Recertified as an IACE (International Association for Continuing Education and Training) accredited provider, which allows continuing education units to be issued for Stantec-delivered classes
- Continued to support our DPG network, which fosters the development among our younger staff across all global operations
- Observed success in our executive succession planning program, enabling strong talent decision-making, growth, and development opportunities for our senior leadership
- Progressed efforts towards certification under an ISO 30414 Human Capital Reporting standards framework
- In North America, to develop more women for leadership roles, entered the second year of the SponsorHer@Stantec pilot program (see Inclusion and Diversity)
- In Latin America, executed a coaching program to support well-being for teams and leaders as they navigated organizational adjustments due to the pandemic
- In the United Kingdom, Continental Europe, and India, continued an Inspirational Leadership program for senior leaders in order to be most effective in their roles
- In Australia and New Zealand, made a new manager program automatically available to employees appointed to a leadership role

Due to the pandemic, we adjusted all in-person training to virtual platforms and put plans on hold for a Global Exchange pilot program and a global Graduates program.
Stantec invites employees to share their perspectives on ways to improve the organization via a Company-wide formal employee engagement survey. We do this biennially because it gives us the ability to truly act on the feedback we receive. Our survey contains questions aimed at tracking three behaviors—say, stay, and strive—with questions scored against a six-point scale. Results are benchmarked and segmented. To address key feedback items, C-suite champions are appointed and action plans developed.

Stantec recognizes that engaged people strive to do more. They give more, work smarter, and innovate more often. Fostering engagement makes people happier and fuels their drive to succeed—and contributes to Stantec’s overall success.

In 2020, Stantec

- Assessed the COVID-19 effects of the sudden shift from working in an office to working from home through an anonymous workplace pulse survey to understand employee experiences and what advantages and disadvantages were perceived.

Employees responded that they felt their leaders are open and honest, they felt informed, and were getting the connection and support they need from their teams. The survey informed development of the new global Flexible Workplace Strategy.

- Created a dedicated COVID-19 information hub on The Lens (our Company intranet) and encouraged team members to find ways to connect and support each other.

- Created a global Employee Engagement Committee to help create best practices, learn from different cultural perspectives, and increase collaboration across different geographies.

- Evaluated engagement by tracking success using external tools like Glassdoor, taking stock of feedback to improve our systems.

- Asked staff for feedback to assess the organizational culture around health, safety, and security programs via a third-party driven online survey.

- Developed virtual programs and resources to help employees stay engaged such as a Mental Health Matters Guidebook, onboarding system, manager engagement toolkit, and resources to specifically support women during COVID-19.

Due to constantly evolving changes brought on by the pandemic, in 2020 we chose to temporarily postpone the regularly scheduled biennial Company-wide engagement survey and instead performed a series of pulse surveys. We felt it was more appropriate to touch base regularly throughout the year to assess how employees were doing during this difficult time and, if necessary, better adjust and provide appropriate support.

When we return to our regularly scheduled global engagement survey strategy in 2021, it will be the first one to directly include Asia Pacific and Latin America regions. In previous years, these geographies conducted region-specific surveys that rolled into the global survey results.

Even with a pandemic, in Taiwan we found a way to celebrate the milestone of 30 years of business through a family-oriented, domino building celebration (that met all Taiwanese COVID-19 health and safety protocol requirements as of June 2020).
Health, Safety, and Security

MANAGEMENT APPROACH

Our Health, Safety, Security, and Environment Policy, Workplace Violence Policy, and ISO 45001-certified occupational health and safety management system set the Company's expectation that everyone has a role to play in their own safety and the safety of others. We apply health, safety, and security principles while providing safe workplaces, managing our operations, planning and executing projects, traveling, sharing best practices and lessons learned, and managing the continuous improvement cycle. Each employee has the stop work authority to communicate and address any unsafe conditions they encounter. We measure success through low injury statistics and a high number of preventative activities.

Stantec’s SaferTogether™ culture encourages each of us to make safe choices so that we all return home safely each day. In addition to well-formulated plans and processes, we recognize that situational awareness—the discipline of being present and aware of our surroundings—is our best defense against injuries and incidents.

In 2020, Stantec

- Reduced our total recordable incident rate (TRIR) to 0.25, a 32% improvement since 2019
- Increased our leading indicator safety index (LISI) score to 2.29, a 57% improvement since 2019
- Conducted a third-party, expert assessment of our safety culture and pandemic response with results indicating a strong organizational culture with appropriate programs and tools
- Published the Energy Wheel Field Guide to bring the Energy Wheel—visual reminders for employees of 10 energy sources that pose risks and create hazards in our work—and Critical Risk Controls—the 12 critical risks that have the greatest potential to cause serious injuries, incidents, and fatalities—together in one field-friendly document
- Established a global implementation plan and began user acceptance testing for a new incident management system, Pro-Sapien
- Worked around the globe on acquisition and integration activities focused on strengthening our safety culture and continuing the safe execution of tasks and projects
- Identified motor vehicle incidents as an area for improvement across the organization; developed communications and tools to raise employee awareness around the dangers of driving, walking, and working around vehicles and mobile equipment
- Identified the need for training to increase the experiential learning and leadership development of our supervisors

Throughout the year and through all levels of the organization, the Health, Safety, Security, and Environment (HSSE) team was heavily involved in Stantec’s pandemic assessment, communication, and response. Stantec’s senior vice president of HSSE and director of Security are members of the Pandemic Committee with significant contributions coming from all members of the HSSE team. Areas of connection include office exposure and closure processes, project mobilization and returns, and project technical support.

<table>
<thead>
<tr>
<th>Safety Statistics by Year</th>
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<tbody>
<tr>
<td>TRIR</td>
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<tr>
<td>A lagging indicator that tracks the number of recordable incidents that a company experiences during a year, normalized to 100 full-time employees.</td>
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<tr>
<td>A low TRIR score is desirable.</td>
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<tr>
<td>LISI</td>
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<tr>
<td>An index composed of leading indicators that measures proactive and preventive activities. Identifying leading indicators is intended to reduce the number of safety incidents that occur and to promote a proactive approach to health and safety.</td>
</tr>
<tr>
<td>A high LISI score is desirable.</td>
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Indigenous Connections

Stantec works hard to foster positive, productive relationships with Indigenous communities and businesses. Through an established Indigenous Relations Practice, our programs have a multi-country reach with formal efforts in Canada, the United States, and Australia. Activities support economic growth (like our legal partnerships and supply chain programs in Canada), STEM education (through scholarships, internships, and mentoring), non-profit organizations (such as the Canadian Council for Aboriginal Business and the American Indian Science and Engineering Society), and employee development (through an Indigenous Employee Resource Group).

Since our founding, Stantec has acknowledged a responsibility to build and maintain respectful and sustainable relationships with Indigenous Peoples and communities. We accomplish this by recognizing, supporting, and respecting the diversity and distinctiveness of the Indigenous cultures of our employees, Indigenous partners, Indigenous clients, and the Indigenous businesses we work with.

In 2020, Stantec

- Was named one of the Top 50 Workplaces for Indigenous STEM Professionals, recognizing our diversity recruitment efforts, purposeful Indigenous recruiting, and support of STEM programs
- Continued our focus on scholarship donations directed to Indigenous students in conjunction with Indigenous Science and Engineering Society (AISES), Alaska Resource Education, and the Alaska Native Science and Engineering Program (ANSEP)
- Celebrated Indigenous Peoples Day in Canada, Māori Language Week in New Zealand, and NAIDOC Week (National Aborigines and Islanders Observance Committee) in Australia
- In Canada, maintained 11 Indigenous Business Partnerships, which generated $9 million in revenue and provided direct investments that support economic growth in Indigenous communities
- In the United States, supported AISES, ANSEP, and the Alaska Native Cultural Charter School-Business Partnership in their efforts to promote STEM education and youth mentoring
- In the United States, continued to partner with Alaska Native Corporations for US federal government contracts and other business partnerships
- In Australia, established a Working Group with representatives across all Stantec business sectors to develop a “Reflect” Reconciliation Action Plan (to be endorsed by Reconciliation Australia)
- In Australia, developed an Acknowledgement of Country guide for use at the start of all meetings to recognize the Traditional Owners of the land
As part of the program, Stantec purchased the license to present the beautiful artwork by a Wurundjeri man, Stephen Nicholson. This artwork was created through The Torch, a not-for-profit organization that provides cultural and arts industry support to Indigenous artists.

We selected this artwork titled “Coming Together” as it represents our own Stantec value of “We are Better Together” and our Melbourne office is located near the banks of the mighty Birrarung (Yarra River).

In Australia, all Stantec employees are encouraged to present this artwork and give an Acknowledgement of Country at the beginning of internal and external presentations.

“I’d like to acknowledge the Traditional Custodians of the land in which we are meeting on here in (Melbourne), the (Wurundjeri) people of the (Kulin Nations) as the original custodians of these lands and waters, and pay my respects to their Elders past, present and emerging.”

Australia Traditional Owners of the land:
Adelaide: Traditional Kaurna region
Albany: Menang/Minang Noongar
Brisbane: Turrbal/Turrbul & Jagera/Yugara
Busselton: Wadandi/Wardandi Noongar
Gold Coast: Yugambeh language people
Melbourne: Wurundjeri people of the Kulin Nations
Perth: Whadjuk/Wajuk Noongar
Rockhampton: Tribes and clans of the Darumbal (or Dharumbal) Aboriginal people
Sydney: Cammeraygal land, of the Eora Nation

Acknowledging Traditional Owners of the Land

An Acknowledgement of Country is a respectful way to recognize the human rights of the Traditional Owners of the land where we operate. This show of respect is a common practice in Stantec’s Canadian operations and, in 2020, was formalized into Stantec’s Australian operational practice.

In support of Stantec’s active role in reconciliation planning, the Australia chapter of our Developing Professionals Group led an activity to help all employees remember the human rights of the original people of Australia.

An Acknowledgement of Country guide was distributed to all employees.
Charitable Investments

# MANAGEMENT APPROACH

Annually, Stantec donates up to 1% of our pre-tax profits to charitable and non-profit organizations. Our Community Engagement Policy connects community engagement efforts to four funding priorities: education, environment, health and wellness, and the arts. Our employee volunteerism is showcased via Company-sponsored volunteer events with partnerships focused on promoting inclusion and social justice.

Stantec’s commitment to people extends to the communities where we work and live. We are passionate about creating strong, vibrant communities and look for strategic partnerships and volunteer opportunities that leverage and empower entire communities while recognizing that each has unique needs and opportunities.

In 2020, Stantec

• Donated more than $3.2 million to organizations around the globe, since we began tracking in 2007, our donations have exceeded $26.7 million, supporting more than 5,100 organizations

• Committed to contributing an additional $30 million to community engagement by 2030

• Contributed $646,000 in STEAM grants

• Focused on building our BIPOC relationships by partnering with and donating nearly $97,000 to organizations like the National Organization of Minority Architects, the Society of Hispanic Professional Engineers, the National Society of Black Engineers, the American Indian Science and Engineering Society, and other similar organizations

• Provided $480,500 in scholarships, including those to students mentored by Stantec employees and a new annual $200,000 Stantec Equity and Diversity Scholarship for underrepresented populations in STEAM

• Sponsored an Acts of Kindness virtual event, donating $4,500 to charities of employees’ choice

• Donated to organizations around the globe to help with COVID-19 relief efforts, including food bank organizations in nine different countries, the United Nations, Direct Relief, and the World Health Organization

• Prioritized mental health needs after a difficult year and donated $76,000 towards Movember, Beyond Blue, the Canadian Mental Health Association, and the National Alliance on Mental Illness

Acts of Kindness

While we decided to postpone our 2020 Stantec in the Community Week—an annual Company-sponsored, in-person volunteer event—we temporarily replaced it with a fun, internal initiative called Acts of Kindness, a virtual event where employees shared acts of benevolence, generosity, and positivity. Over a two-month period, employee acts were randomly selected, and a $500 donation was made to the charity of their choice.

Read more about Stantec’s Community Engagement commitment.

Read More →
Responsible Governance

IN THIS SECTION

Corporate Governance
Ethics and Compliance
Integrated Management System
Project Delivery
Cybersecurity and Privacy
Risk Management
Human Rights
Sustainable Supply Chain
To conduct our affairs at the highest standards of integrity, honesty, and professionalism, we continually strengthen our corporate governance practices, targeting priorities such as board and executive diversity, board expertise, and executive compensation. Stantec’s Diversity Policy and applicable laws and regulations guide us when appointing new board members and company executives. Stantec has board committees that oversee governance, environmental, and social performance. Executive pay is connected to ESG target achievement.

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

In 2020, Stantec

• Renamed the board Health, Safety, Security, Environment and Sustainability committee the Sustainability and Safety Committee to better reflect its role and commitment in overseeing Stantec’s environmental and social impacts.

The Corporate Governance and Compensation Committee continues to have responsibility for the governance portion of ESG.

• Realized additional governance diversity with 38% of both Stantec’s board members and executive team being women, with two C-Suite members being women of color (see Inclusion and Diversity).

• Demonstrated sustainability leadership through board and executive leaders showing expertise in business, community, and ESG topics.

• Continued our focus on organizational reshaping and policy streamlining. In the past three years, except for one individual, the entire C-suite has been refreshed. This brings new perspectives to address the opportunities of a changing world. A few significant changes include splitting the chief operating officer role into two—North America and Global—and adding a chief innovation officer role.

See our Management Information Circular for more information about Stantec’s corporate governance.

1 This reflects Stantec’s board gender percentages in 2020. At the time of publication of this report, a new male board member was added to Stantec’s board.
Stantec focuses on diversity in our top leadership. We believe that representation matters, and when top leadership is diverse, it brings innovative thought to the company and inspires our team members, clients, and communities. In 2020, 38% of Stantec’s board members were women, 38% of our executive team were women, and 25% of our executive team were women of color. We recognize an opportunity to continue our progress.

Note: The above is a representation of Stantec's board in 2020. Effective January 2021, a new male board member, Martin à Porta, was added to the board.
Ethics and Compliance

Stantec counts on employees to conduct business in accordance with high ethical standards. In alignment with our organizational culture, our Code of Business Conduct sets requirements that employees are expected to follow in their day-to-day work. We commit to fighting corruption and anti-trust behaviors and prohibit employees from using Company funds to contribute to political candidates or parties. Beyond employees, we influence our supply chain with our Partner Code of Business Conduct, which details our values, standards, and expectations. If anyone (employees, partners, or community members) see unlawful actions or unethical behaviors, they can report them to an Integrity Hotline (managed by a third party).

Integrity means that we always work to the highest professional and ethical standards and operate our business in a way that is open, honest, and responsible. Stantec recognizes that we must uphold our values to gain and maintain the trust of clients, shareholders, employees, business partners, and the public. We ask employees, partners, subcontractors, and vendors to live our Stantec values and take personal responsibility for their behaviors.

In 2020, Stantec
• Ensured all board members and more than 97% of all employees completed the annually required ethics and compliance training
• Updated our Harassment, Bullying, and Discrimination Policy to address the current climate of social well-being and responsibility
• Created a stand-alone Anti-Corruption Policy (content was previously a subsection of our Foreign Business Policy) to ensure our anti-corruption practices are applied consistently throughout our global business operations and locations
• Increased the number of due diligence researchers by 60% to more comprehensively examine the background of our subcontractors, partners, and clients for evaluation of their ethical business practices
• Released new Ethics Moments related to timekeeping integrity while working from home in response to the change in work behaviors due to the pandemic and providing additional guidance on such things as proper procedures around requests for medical reimbursements
Stantec's certified Integrated Management System delivers a disciplined and accountable framework that defines Company procedures, monitors risks and hazards, reduces inefficiencies, maximizes Company resources, enables sustainability program implementation, and provides the framework for our pandemic preparedness and business continuity planning. The management system is verified through internal practice audits and third-party certification audits.

In 2020, Stantec

- Developed a strategy to fully globalize our ISO-certified management systems to create a more comprehensive global corporate approach that allows regional differences based on local legislation or professional standards.
- Switched to virtual internal practice audits due to the pandemic. While the method changed, the number of offices and projects audited was not altered.
- Switched to virtual third-party audits, in most regions, for ISO certification due to the pandemic.
- Rolled out a new application that allows online interactive auditing and corrective action tracking.
- Established a real-time feedback loop for our client feedback program to help project teams better support clients.

Stantec has certified management systems in Canada, the United States, the United Kingdom, Australia, New Zealand, Italy, the Netherlands, the Middle East, India, and Chile. Each currently operates separately, but in a coordinated fashion.

Stantec’s Integrated Management System covers our business processes and each geographic region is certified to, or meets the intention of, the following internationally recognized standards:

- ISO 14001: 2015 Environmental Management Standard
- ISO 9001: 2015 Quality Management Standard
- ISO 20000-1: 2018 IT Service Management Standard

Our Enterprise Risk Management Program is based on the ISO 31000 Risk Management Standard.

Stantec is progressing efforts to also certify against the ISO 27001 Information Security Management and ISO 30414 Human Capital Reporting standards frameworks.

Together, these systems enable pandemic preparedness and business continuity planning.
**Project Delivery**

Our Project Management Ecosystem specifies Stantec’s expectations of project managers and provides a scalable framework to promote a pragmatic and disciplined approach to project delivery. It includes the critical tasks for managing risks and achieving quality delivery on typical projects. Project managers are trained on expectations and best practices and given tools to best manage risks. Annually, Stantec internally audits a representative sampling of active projects as part of our ISO 9001-certified Internal Practice Audit process.

Exceptional project execution and delivery begin with identifying the right project managers and providing them with the processes and tools they need to succeed. Stantec supports our people with a variety of project management tools and systems.

Stantec project managers work under a single, global project management framework. Adherence forms the basis of Stantec’s compliance with the ISO 9001-certified quality management system. The underlying philosophy of this program recognizes project managers play a crucial role in providing quality services to our clients.

At a project level, the framework also considers sustainability commitments like water use, waste generation, emissions, energy use, human rights, ethics, stakeholders, and Indigenous relations. Improvement opportunities are evaluated during the proposal and planning stages, and then reviewed throughout project execution.

In 2020, Stantec:

- Senior executives strategized ideas to drive environmental and social performance more explicitly into our project work (to increase our positive footprint on the world, as a client value-added proposition and a market differentiator)
- Inclusion and Diversity subcommittees and Employee Resource Groups provided employee learning sessions to illustrate the need for diversity in design and to provide practical guidance to project teams
- Established a leader in each business operating unit to manage major project efforts from a legal and commercial perspective that works closely with the project delivery team to help during project phases
Our panelists discussed important topics such as

- Why is it important to design with diverse community needs in mind?
- What considerations should project teams incorporate to minimize marginalization of diverse communities that might be upstream or downstream of a project?
- How do we improve the diversity of our project teams to better reflect the communities we serve?
- How do we incorporate diverse thoughts into a project approach, even if the project team is homogeneous?
- How do we effectively insert ourselves in the equity and diversity conversation in a highly divided and polarized world?

Latinos in Stantec is one of many Stantec ERGs created to empower employees to serve as role models, work with their communities, and become leaders within our organization. This group serves and supports local Latino and Hispanic communities, works to increase diversity and awareness, and strengthens relationships and networks among Stantec employees.

Take a look at the various ways this group stayed engaged in 2020.

Read More ➔
Cybersecurity and Privacy

Stantec’s next-generation security systems include platform-integrated IT fraud detection systems and a comprehensive security incident response process. Our privacy program limits the collection and use of data to only what is needed to operate our business. Employees are annually trained on how to identify and thwart cybersecurity and privacy risks. Stantec tracks cybersecurity and privacy incidents and has a robust incident response program in place should the necessity to invoke it arise.

Stantec provides robust IT security processes and practices, next-generation security systems, and cybersecurity awareness training for employees. Further, we respect and protect the privacy of employees, clients, investors, subcontractors, and others, ensuring that all personal and sensitive data in our possession or within our control is handled appropriately.

In 2020, Stantec

- Updated our global Privacy Policy to keep pace with changing privacy laws around the world
- Rolled out annual training in IT Security and Privacy to all Stantec employees, confirming our people understand their obligations and are equipped to manage risks and protect our business and clients
- Progressed the certification process for the ISO 27001 information security standard that includes development of an Information Security Management System scoped to address personal, financial, and client information (certification expected in 2021)
- In the United Kingdom, put in place new Standard Contractual Clause contracts to ensure our data transfers remain lawful after the end of the transition period for leaving the European Union

Stantec’s privacy program complies with the General Data Protection Regulation (European Union), Defense Federal Acquisition Regulation Supplement (United States), and Cyber Essentials Plus (United Kingdom).

Stantec is one of the few engineering and design firms to maintain an ISO 20000-1-certified IT Service Management System and is in the process of creating an ISO 27001-certified Information Security Management System.

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Risk Management

Stanterc systematically identifies, manages, monitors, and reviews significant and emerging risks at an enterprise and project level. Our enterprise risk management program is based upon the ISO 31000 Risk Management Standard. Climate risks are identified and managed at a corporate, business line, and project level.

Specific to climate change risks, we have carbon management and reduction programs in place, and we incorporate weather-related risk reviews when we look at new office space. The Executive ESG Committee and the board Sustainability and Safety Committee are responsible for overseeing response to these risks.

The board Audit and Risk Committee provides risk guidance and oversees the ERM program. Executives are accountable for risks relevant to their areas of responsibility.

See our Annual Report and CDP Disclosure for more information about our risk factors and our ERM program.

Human Rights

Stanterc policies and practices protect the rights of our employees, individuals supporting our supply chain, and the communities where we work. Stanterc is an equal opportunity employer and respects the rights of our employees to freedom of association. We support the principles in the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the UN Global Compact.

As a professional services firm, Stanterc provides strategy and design services for projects that are implemented by others. We have determined our potential negative impact on human rights to be nominal since approximately 95% of our operations are in developed countries with existing laws in place to protect human rights (Canada, United States, United Kingdom, Australia, New Zealand) and we are typically not on-the-ground in a construction capacity.

While Stanterc has determined our human rights risk to be low, we identified this topic in our materiality analysis because we believe deeply in the need to protect and advocate for the rights of others as a fundamental element of our corporate values. We believe it is important to explicitly identify human rights as a part of our policies, procedures, and ethics training to help us keep the topic top-of-mind and make sure it does not become an issue in the future.

For work outside of our core geographies, during our project risk review, if the potential to negatively impact human rights exists, we put protection conditions in place or choose not to work on the associated project.

See our UN Global Compact Communication on Progress in the appendix for more information about how Stanterc protects human rights.
Sustainable Supply Chain

**MANAGEMENT APPROACH**

Stantec actively looks to select vendors, subcontractors, and partners who practice sustainable behaviors. We influence our supply chain with our Partner Code of Business Conduct, which details our values, standards, and expectations. Stantec suppliers are managed by a corporate Procurement and Real Estate team and include providers of building leases, vehicle fleets, IT equipment, and office supplies. Subcontractors and specialty partners are managed by geographically dispersed subcontractor management teams.

As a large global Company, we recognize that our purchasing decisions can influence positive change. While centralization and standardization of Stantec’s global supply chain management programs are still evolving, we leverage supply chain decisions to encourage sustainable business practices, promote small and diverse businesses, and support local businesses around the world.

In 2020, Stantec

- Streamlined our prequalifications and procurement processes as part of a business process engineering exercise to make it easier for employees to do their jobs and follow Company expectations.
- Evaluated real estate and travel policies to take advantage of adjustment opportunities made visible by the pandemic.
- Targeted 30% reduction of our existing worldwide real estate footprint by 2023.
- Continued to actively incorporate sustainability and energy efficiency into our request for proposal process for selection of vendors and office locations.
- Purchased workstation and laptop equipment that is EPEAT (Electronic Product Environmental Assessment Tool)-certified and Energy Star-rated.
- Maintained our spending with small and disadvantaged subcontractors at 20% of our total US subcontracting cost, increasing the number of firms to 1,268 (an 18% increase).
- Continued to work with the Canadian Council for Aboriginal Business Procurement Champions Group to promote Indigenous participation in our supply chain.

In last year’s sustainability report, we noted approval of a centralized e-procurement management system that would give us more visibility and control over spending, standardize purchasing approaches, negotiate discounts for sustainable materials, and influence purchasing choices. For a variety of reasons, this program was put on hold and will be revisited again soon.

In 2020, Stantec was the only engineering and design firm to be listed on the CDP Supplier Engagement Leaderboard for engaging our suppliers on climate change issues.

Katiki Beach Coastal Erosion Monitoring
Otago, New Zealand.
Appendixes

IN THIS SECTION

Appendix A: GRI Content Index
Appendix B: SASB Standards
Appendix C: TCFD Recommendations
Appendix D: UN Global Compact Communication on Progress
Appendix E: UN Women’s Empowerment Principles Progress
Appendix F: Summary of Management Approaches
Appendix G: Cautionary Note Regarding Forward-Looking Statements
Appendix A. GRI Content Index

This appendix outlines the GRI Content Index information relating to Stantec and, based on the results of Stantec’s materiality assessment, is organized into four tables—General Disclosures, Material Topics (containing Operational Priorities and Managed Topics), Monitored Topics, and Non-Applicable Topics.

This GRI Content Index

- Cross-references sections of this Sustainability Report (SR) and public documents that contain relevant data, including our Annual Report (AR), Management Information Circular (MIC), Annual Information Form (AIF), CDP Disclosure (CDP), and stantec.com, our website.
- Adds pertinent details not explained in the main body of this report
- Explains any omissions (presented in italics)

Consider these points when reviewing this appendix:

- **Regions and associated countries**
  - Canada
  - United States
  - Europe—United Kingdom, Continental Europe (Belgium, Czech Republic, Germany, Italy, the Netherlands, Slovakia, Turkey)
  - Asia Pacific—Australia, New Zealand, and Asia (China, Taiwan)
  - Remaining geographies—India, Latin America and the Caribbean (Argentina, Barbados, Chile, Peru), the Middle East (Bahrain, Kuwait, Qatar, United Arab Emirates), and Ethiopia

- **Countries of significant operations** (representing 91% of global employees): Canada, United States, United Kingdom, Australia, and New Zealand

- **Data compilation**: Numbers were compiled from Stantec’s Human Resources Information System (HRIS), health and safety incident tracking system, and eco-footprint database

- **Data presentation**: For comparison purposes, when available or relevant, numbers are also provided for the previous two years

- **GRI version**: All GRI disclosures below reference GRI Standards version 2016, except for GRI-403 (Occupational Health and Safety), which is GRI Standards version 2018
General Disclosures
This report covers all GRI 102: General Disclosures.

GRI Standards and Disclosures
Stantec Direct Answers, Public Report References, and Reasons for Omissions

GRI 102: General Disclosures
Organizational Profile

102-1 Name of the organization Stantec Inc.
102-2 Activities, brands, products, and services SR: Stantec Snapshot > What We Do for Our Clients. AR: pages 5 and M1.
102-3 Location of headquarters Edmonton, Alberta, Canada.
102-4 Locations of operations Stantec has offices in 36 countries. SR: Stantec Snapshot > Our Employee Locations. Website: Find a Stantec Office.
102-5 Ownership and legal form Stantec is a public company that trades on the TSX and the NYSE. AIF: pages 4, 5, 14, and 15.
102-7 Scale of organization SR: Stantec Snapshot > What We Do for Our Clients. AR: pages 8, 10, and M7-M20. AIF: page 10.
102-8 Employee numbers and demographics

<table>
<thead>
<tr>
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<td>%</td>
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<td>100</td>
<td>100</td>
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<td>92</td>
<td>92</td>
<td>6,225</td>
<td>33</td>
<td>33</td>
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<td>12,886</td>
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<td>Part Time</td>
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<td>8</td>
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<td>2,058</td>
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<td>10</td>
<td>666</td>
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<td>Asia Pacific</td>
<td>1,686</td>
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<td>8</td>
<td>4</td>
<td>542</td>
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<td>31</td>
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<tr>
<td>Remaining Geographies</td>
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<td>5</td>
<td>334</td>
<td>28</td>
<td>28</td>
<td>26</td>
<td>864</td>
</tr>
</tbody>
</table>

Note: Excludes the 379 full- and part-time employees from the Wenck and AGEL acquisitions as information has not yet been integrated into Stantec’s HRIS, bringing the total number of employees to 21,384. In addition, Stantec has 973 individuals who are contracted labor (agency and independent contractors) and not managed in Stantec’s HRIS, bringing the total number of workers to 22,357.
GRI Standards and Disclosures
Stantec Direct Answers, Public Report References, and Reasons for Omissions

102-9 Supply chain
Stantec’s operational supply chain includes leased buildings, vehicle fleet, and vendors (for purchases of IT hardware and software, telecommunications, furniture, office supplies, technical supplies, etc). We supplement our workforce through contracted labor (agency and independent contractors) and project subcontractors. SR: Stantec Snapshot > Our Value Chain and Responsible Governance > Sustainable Supply Chain.

102-10 Significant changes to organization and its supply chain
Organizational changes in 2020 include:
• Renaming the board Sustainability and Safety Committee (previously known as the Health, Safety, Security, Environment, and Sustainability Committee)
• Naming a new Chief Human Resources Officer, Afsa Samji
• Acquiring three companies
  o Teshmont was a 60-person electrical engineering consulting company headquartered in Winnipeg, Manitoba, Canada. For over 50 years, Teshmont delivered innovative, reliable, efficient, safe, and environmentally respectful solutions in advanced power delivery engineering. Activities support SDG 7, Affordable and Clean Energy.
  o AGEL was a 75-person environmental services consultancy and engineering firm headquartered in Oosterhout, Netherlands. For almost 35 years, AGEL specialized in the fields of spatial development, infrastructure, GIS, and environmental studies and services. Activities support SDG 11, Sustainable Cities and Communities.
  o Wenck was a 300-person engineering and environmental solutions firm headquartered in Maple Plain, Minnesota, United States. For over 35 years, their services supported clients in the industrial and real estate sectors. Activities support SDG 6, Clean Water and Sanitation, SDG 9, Industry, Innovation, and Infrastructure, and SDG 11, Sustainable Cities and Communities.
There were no significant changes to Stantec’s supply chain in 2020.

102-11 Precautionary principle
As a consulting firm recognized for building sustainable communities, Stantec has a market position based on protecting the environment and society. As such, during our strategic planning process and following our enterprise risk management system, we evaluate and actively work to mitigate any potential environmental degradation resulting from our operations and project work. SR: Message from Our President and CEO, Sustainability at Stantec > Strategy, Environmental Stewardship, and Responsible Governance > Risk Management.

102-12 External initiatives and memberships in associations (examples)
Aboriginal Environmental Leadership Circle
American Institute of Architects
American Water Works Association
Australian Water Association
Board of Certified Safety Professionals
British Standards Institution
Building Owners and Managers Association (BOMA)
Business in the Community
Business for Social Responsibility
Canadian Council for Aboriginal Business
Canadian Society for Civil Engineering
Catalyst – advancing women in the workplace
CDP (formerly Carbon Disclosure Project)
Chartered Institution of Water and Environmental Management Engineers Australia
Engineers Without Borders
Environmental Protection Agency Energy Star
Fivewell Certification System
GHG Protocol
Green Building Councils
GRI Reporting Standards
Higg Index
Institute for Sustainable Infrastructure, Envision
Institute of Environmental Management and Assessment
International Hydropower Association
International Organization for Standardization (ISO) 9001, 14001, 20001, 45001
International Water Association (IWA)
Leadership in Energy and Environmental Design (LEED)
National Association for Environmental Management
Natural Capital Coalition
Sustainability Accounting Standards Board
Sustainable Apparel Coalition
Social and Labor Convergence
Task Force on Climate-related Financial Disclosures
UN CFO Principles on Integrated SDG Investments and Finance
UN Global Compact
UN Guiding Principles on Business and Human Rights
UN Women’s Empowerment Principles
WasteMINZ
Water Design-Build Council
Water New Zealand
Water Research Foundation
Water UK
WELL Building Standard

Strategy

102-14 Statement from senior decision maker
SR: Message from Our President and CEO.

102-15 Key impacts, risks, and opportunities
Ethics and Integrity

102-16 Values, principles, standards, and norms of behavior

102-17 Mechanisms for ethics advice

Governance

102-18 Governance structure
SR: Sustainability at Stantec > Sustainability Governance and Responsible Governance > Corporate Governance. MIC: pages 28-35. Website: Corporate Governance Guidelines.

102-19 Delegating ESG authority
SR: Sustainability at Stantec > Sustainability Governance.

102-20 Executive-level ESG responsibility
SR: Sustainability at Stantec > Sustainability Governance. CDP: Question C1.

102-21 Consulting stakeholders on ESG topics
Stakeholder consultation on ESG topics is delegated to the vice president of Corporate Sustainability, who works closely with the Sustainability Working Group and reports to the Executive ESG Committee. Results are shared with the board Sustainability and Safety Committee. SR: Sustainability at Stantec > Sustainability Governance and Materiality.

102-22 Composition of the highest governance body (board) and its committees
Stantec board committees include the Sustainability and Safety Committee, the Corporate Governance & Compensation Committee, and the Audit & Risk Committee. SR: Responsible Governance > Corporate Governance. MIC: pages 17-21 and 31. AR: pages 17-20.

102-23 Chair of the board
MIC: pages 17 and 32. Website: Douglas Ammerman.

102-24 Nominating and selecting the board
Stantec’s leadership Diversity Policy and Canadian legislation guide the nomination and selection of our board. MIC: pages 13 and 29-35.

102-25 Board conflicts of interest
Identifying and managing conflicts of interest is covered during directors’ orientation and continuing education. We also implement guidelines on director overboarding. MIC: pages 28, 36, and 37.

102-26 Board role in setting purpose, values, and strategies
SR: Responsible Governance > Corporate Governance. MIC: page 32.

102-27 Collective board ESG knowledge
Stantec’s Executive ESG Committee informs the board Sustainability and Safety Committee about environmental and social topics. SR: Responsible Governance > Corporate Governance. MIC: page 31.

102-28 Board evaluation of ESG performance
The Executive ESG Committee provides direct input and analysis about our ESG performance, including our performance compared to our peers and to previous years.

102-29 Identifying and managing ESG impacts
Stantec’s vice president of Corporate Sustainability and its Executive ESG Committee identify and manage ESG impacts and provide information to the board. Through various means, the board also receives direct input from stakeholder groups. CDP: Question C2.

102-30 Effectiveness of risk management processes

102-31 Review of ESG topics
SR: Sustainability at Stantec > Sustainability Governance. MIC: pages 42 and 43. AR: pages 12 and 13.

102-32 Board role in sustainability reporting
SR: About This Report.

102-33 Communicating critical ESG concerns
SR: Sustainability at Stantec > Sustainability Governance.

102-34 Nature and number of ESG concerns
No critical ESG concerns were reported to the board in 2020.

102-35 Remuneration policies
MIC: pages 23-27 and 44-64.

102-36 Process for determining remuneration
MIC: pages 23-27 and 44-64.

102-37 Stakeholder remuneration involvement
MIC: pages 14 and 43.
GRI Standards and Disclosures

Stantec Direct Answers, Public Report References, and Reasons for Omissions

102-38  Annual total compensation ratio and increase
The ratios for annual total compensation and for the percentage increase for our highest-paid employee to the median in each country of significant operations follows:

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</thead>
<tbody>
<tr>
<td>Total Company</td>
<td>19.6</td>
<td>17.1</td>
<td>11.1</td>
<td>3.7</td>
<td>1.0</td>
<td>NR</td>
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<tr>
<td>Canada</td>
<td>22.5</td>
<td>19.7</td>
<td>11.9</td>
<td>3.0</td>
<td>6.4</td>
<td>-3.9</td>
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<tr>
<td>United States</td>
<td>5.8</td>
<td>8.2</td>
<td>7.5</td>
<td>-2.7</td>
<td>0.8</td>
<td>1.6</td>
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<tr>
<td>United Kingdom</td>
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<td>9.4</td>
<td>9.2</td>
<td>-1.9</td>
<td>0.0</td>
<td>37.4</td>
</tr>
<tr>
<td>Australia</td>
<td>3.7</td>
<td>4.2</td>
<td>4.5</td>
<td>1.3</td>
<td>0.3</td>
<td>15.6</td>
</tr>
<tr>
<td>New Zealand</td>
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<td>3.0</td>
<td>3.5</td>
<td>-0.7</td>
<td>0.1</td>
<td>6.7</td>
</tr>
</tbody>
</table>

Note: Total compensation includes base salary and annual bonus but does not include long-term incentives. Excludes employees from the Wench and AGEL acquisitions as information has not yet been integrated into Stantec’s HRIS.

102-39  Lists of stakeholder groups

102-40  List of stakeholder groups
SR: Sustainability at Stantec > Stakeholder Feedback.

102-41  Collective bargaining agreements
Because Stantec is a professional services firm, less than 1% of employees are eligible for coverage under collective bargaining agreements. Some US employees (approximately 0.3%) belong to the International Union of Operating Engineers Local 12 and have maintained a collective agreement for more than 10 years without interference from Stantec. Some Canadian employees (approximately 0.6%) belong to the Labourer’s International Union of North America, Local 300, under a collective agreement that was signed in late 2020.

102-42  Identifying and selecting stakeholders
Stakeholder engagement is an essential part of Stantec’s Sustainability Program. Stakeholder groups previously identified were recently revisited through group discussion by Stantec’s Executive ESG Committee. The Committee performed a pairwise evaluation—a process of comparing entities in pairs to judge which of each entity is given greater weight—to determine the importance of one stakeholder to another. Based on resulting scores, Stantec's stakeholders were divided into two groups: primary stakeholders and secondary stakeholders. The stakeholder groups with the highest percentage scores (clients, investors, employees) were prioritized by the Executive ESG Committee. SR: Sustainability at Stantec > Materiality and Stakeholder Feedback.

102-43  Approach to stakeholder engagement
SR: Sustainability at Stantec > Stakeholder Feedback.

102-44  Key topics and concerns raised
Material topics presented in this report reflect the identified priorities of the Executive ESG Committee and stakeholder groups. Specific topics and concerns raised by stakeholders groups are deemed confidential and therefore omitted. All feedback is valued and acted upon as appropriate. SR: Sustainability at Stantec > Materiality and Stakeholder Feedback.

Reporting Practices

102-45  Entities included in the consolidated financial statements
Stantec’s Annual Report covers all legal entities and services.

102-46  Defining report content and topic Boundaries
Assessing materiality as part of our sustainability strategy ensures that our initiatives and reporting align with our business’ and stakeholders’ priorities. Our materiality assessment process applies the four GRI Reporting Principles for defining report content. 1) Defining report context: We consider how our operations, services, and products impact the environment and human society. 2) Defining report content: We consider the process through integration of input from internal and external stakeholders. 2) We consider sustainability context in identifying and evaluating relevant topics. 3) We apply the materiality principle to prioritize topics based on significance of the impacts and importance to stakeholder. 4) The validation stage applies the completeness principle. SR: Sustainability at Stantec > Materiality. For additional detail on Stantec’s materiality assessment process, please also see our previous year report, page 23 of Stantec’s 2019 Sustainability Report.
### GRI Standards and Disclosures

Stantec Direct Answers, Public Report References, and Reasons for Omissions

| 102-47 | List of material topics | GRI material, monitored, and non-material topics are presented in this Index. Together, these topics complete the picture of Stantec’s ESG commitments and facilitate evaluations from investor-driven ESG rating systems. SR: Sustainability at Stantec > Materiality. |
| 102-48 | Restatements of information | Stantec is restating 2019 content for GRI 403-9: Work-related Injuries due to receipt of two late recordable incidents. Data included in the associated table reflects this 2019 restatement. Stantec is restating 2019 content for GRI 302: Energy Consumption due to an identified calculation error. Data included in the associated table reflects this 2019 restatement. |
| 102-49 | Changes in reporting | Stantec did make minor changes to our material topics, but not to our topic boundaries. SR: Sustainability at Stantec > Program Approach > Materiality. |
| 102-50 | Reporting period | Calendar year 2020. SR: About This Report. |
| 102-51 | Date of most recent report | Our 2019 Sustainability Report was published in April 2020. |
| 102-52 | Reporting cycle | Stantec publishes an annual Sustainability Report. SR: About This Report. |
| 102-53 | Contact point for questions about this report | Direct questions to sustainability@stantec.com. SR: About This Report. |
| 102-54 | Claims of reporting in accordance with GRI Standards | This report has been prepared in accordance with the GRI Standards: Core option. This report covers all GRI 102: General Disclosures, providing more comprehensive coverage in areas such as Governance and often reporting on more than the one required Topic-specific Disclosure. |
| 102-55 | GRI Content Index | SR: GRI Content Index. |
| 102-56 | External assurance | Our greenhouse gas emissions inventory was independently verified by APEX Companies. Stantec hired ISOS Group, Inc. to conduct a third-party review of this report to determine whether it was prepared in accordance with the requirements of the Core report option of the GRI Sustainability Reporting Standards. SR: About This Report. |

### GRI 103: Management Approach

| 103-1 | Material topics | SR: Sustainability at Stantec > Materiality. |
| 103-2 | Management approach and components | See individual sections below. |
| 103-3 | Evaluation of the management approach | See individual sections below. |
Material Topics

As described in the Sustainability at Stantec portion of this Sustainability Report, Stantec’s materiality assessment identified environmental, social, and governance topics that inform our sustainability program so that we focus our energy and resources on the most impactful sustainability priorities. The GRI topics below include a co-mingled list of Stantec’s Operational Priorities and Managed Topics. These items align with strategic objectives, are important to our stakeholders, and shape the focus of our sustainability program and reporting.

GRI Standards and Disclosures

<table>
<thead>
<tr>
<th>GRI Standards and Disclosures</th>
<th>Stantec Direct Answers, Public Report References, and Reasons for Omissions</th>
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<tr>
<td>Economic</td>
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<tr>
<td>GRI 201: Economic Performance</td>
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</tr>
<tr>
<td>103-1 Material topic</td>
<td>Financial Health</td>
</tr>
<tr>
<td>103-2 Management approach and evaluation</td>
<td>Like any business, positive economic performance is a vital element of our success and of high interest to stakeholders. We measure our economic performance through sustainable profitability, and we have remained profitable every year since our founding in 1954. SR: Stantec Snapshot &gt; What We Do for Our Clients. Our economic performance is covered in depth in our Annual Report.</td>
</tr>
<tr>
<td>201-1 Direct economic value generated and distributed</td>
<td>SR: Stantec Snapshot. AR: pages 8, 9, and M7-M41.</td>
</tr>
<tr>
<td>201-2 Financial implications and other risks and opportunities due to climate change</td>
<td>Because we are a professional services company operating in leased space, the climate risks to our physical operations are minimal. For Stantec, climate action is primarily a business opportunity. As sustainability subject-matter experts, we help clients prepare for, mitigate, and respond to a changing climate. SR: Global Citizenship &gt; Climate Change and Responsible Governance &gt; Risk Management. AR: pages 3, M1, M3, M35, and M39. CDP: Question C2.</td>
</tr>
<tr>
<td>201-3 Benefit obligations</td>
<td>AR: pages M12, M15, M21, M22, M26, M36, M40, F8, F10, F21, F26, F27, F40-F43, F52, F54, and F57.</td>
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<tr>
<td>201-4 Government assistance</td>
<td>AR: page F59.</td>
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<tr>
<td>GRI 205: Anti-Corruption and GRI 206: Anti-Competitive Behaviors</td>
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<tr>
<td>103-1 Material topic</td>
<td>Ethical Behavior</td>
</tr>
<tr>
<td>103-2 Management approach and evaluation</td>
<td>Doing business in an ethical manner is a key component of Stantec’s company value &quot;we do what is right.&quot; Problems with corruption and anti-competitive behaviors can have long-lasting legal and reputational repercussions on our ability to do work. We have policies and practices in place so that employees, partners, subcontractors, and vendors around the world take personal responsibility for their ethical behaviors. We evaluate the effectiveness of our approach to ensure ethical conduct (including the avoidance of any corruption-related or anti-competitive incidents) through the number and nature of issues reported to our third-party Integrity Hotline and by the number of legal actions taken against the company. Management Approach: Ethics and Compliance.</td>
</tr>
<tr>
<td>205-1 Operational risk assessment</td>
<td>We continually assess our global operations relating to corruption. Stringent control measures are in place to identify and mitigate the highest risks. The total number and percentage of operations assessed for corruption-related risks is deemed confidential and therefore omitted.</td>
</tr>
<tr>
<td>205-2 Communication and training</td>
<td>Yearly, board members and employees must take Ethics and Compliance training, which includes details about anti-corruption and anti-competitive behaviors. In 2020, board members and 97% of employees completed this training. Business partners that we have determined to be at higher risk for corruption-related incidents execute our Partner Code of Business Conduct (the specifics related to this measure have been omitted because they are deemed confidential). SR: Responsible Governance &gt; Ethics and Compliance.</td>
</tr>
<tr>
<td>205-3 Confirmed incidents</td>
<td>None.</td>
</tr>
<tr>
<td>206-1 Legal actions for practices</td>
<td>None.</td>
</tr>
</tbody>
</table>
GRI Standards and Disclosures

Environmental

GRI 302: Energy

103-1 Material topic Resource Conservation

103-2 Management approach and evaluation

We track energy use for Stantec operations. Within our operations, office energy use and fuel consumption associated with business travel contribute a large portion of our direct environmental impact and carbon footprint. We manage, monitor, and improve energy performance with a formal ISO 14001:2015-certified environmental management system (part of our Integrated Management System). We measure our success through continued reductions in per-employee energy use. Downstream, a significant portion of our design services support energy efficiency and renewable energy projects for our clients. Project energy use is not centrally tracked.


302-1 Organization’s energy consumption


<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GJ</td>
<td>431,459</td>
<td>562,457</td>
<td>594,264</td>
</tr>
<tr>
<td>MWh</td>
<td>(118,850)</td>
<td>(156,238)</td>
<td>(165,073)</td>
</tr>
</tbody>
</table>

Note: After the 2019 Sustainability Report was published, Stantec noted a minor calculation error in our 2019 energy consumption numbers. These were corrected in time for the 2020 CDP submittal, have been updated in the table above, and match CDP Question C8.2a.

302-4 Reductions in energy consumption


302-2 Energy consumption outside the organization

Stantec works with clients to reduce their energy use in the projects we design and as a stand-alone consulting offering. Although we do not track downstream energy consumption, we do influence clients to reduce their energy use. SR: Stantec Snapshot > What We Do for Our Clients.

302-3 Energy intensity

Energy consumption normalized by employee follows.

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GJ</td>
<td>20.6</td>
<td>25.7</td>
<td>28.3</td>
</tr>
<tr>
<td>MWh</td>
<td>(5.7 MWh)</td>
<td>(7.2 MWh)</td>
<td>(7.9 MWh)</td>
</tr>
</tbody>
</table>

Note: For the reasons indicated in 302-1, 2019 numbers have been corrected.

302-5 Reductions in energy requirements of products and services

SR: GRI Content Index 302-2.

GRI 305: Emissions

103-1 Material topic Emissions

103-2 Management approach and evaluation

We track emissions for Stantec operations and have done so since 2010. We work with our landlords to promote energy efficiency and with our employees to minimize business travel. We measure our success through continued reductions in per-employee emissions. Downstream, a significant portion of our design services support emissions management and energy efficiency. Project emissions are not centrally tracked.

Management Approaches: Environmental Management and Emissions Management.
103-1 Material topic Talent Attraction and Retention

Stantec provides a significant social contribution by giving our people great work opportunities, opening the door for graduates and apprentices, and providing our people with opportunities for development and growth through training programs, coaching, and mentorships. Our success is measured through our ability to recruit high-quality candidates to meet hiring needs, by keeping our voluntary employee turnover low, and by monitoring employee engagement scores, internal feedback, and external ratings. The external recognition we have received over the years further validates the strength of our people-centered approaches.

Management Approaches: Attracting Talent, Employee Engagement, and Total Rewards.

103-2 Management approach and evaluation

Stantec’s absolute emissions follow [presented in metric tons of CO₂ equivalent (mtCO₂e)]. The information presented is based on our material indirect Scope 3 emissions (Scope 2) and other indirect (Scope 3).

<table>
<thead>
<tr>
<th>GHG emissions: Direct (Scope 1), indirect (Scope 2), and other indirect (Scope 3)</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG emissions intensity</td>
<td>13,412 mtCO₂e</td>
<td>7,540 mtCO₂e</td>
<td>10,333 mtCO₂e</td>
</tr>
<tr>
<td>GHG emissions intensity</td>
<td>25,289 mtCO₂e</td>
<td>40,726 mtCO₂e</td>
<td>37,810 mtCO₂e</td>
</tr>
</tbody>
</table>

Note: In 2020, Stantec made a commitment to set a science-based emissions reduction target, become carbon neutral, and subsequently net-zero. In preparation for the new targets and pledges, we decided to make some slight changes to our emissions calculation methodology. First, we decided to change from The Climate Registry Protocol to the GHG Protocol as the more commonly recognized global standard. Second, we decided to make slight modifications to activity data categorizations between Scope 1 and 2. Previously, in Scope 1, we reported fuel use from fleet vehicles and energy usage from owned office space, and in Scope 2, energy use from landlord-controlled offices as well as all electricity use. To provide better visibility to our progress towards carbon neutrality and net-zero, in 2020, we decided to make Scope 2 only electricity use, pulling all office energy use for both owned and leased office space into Scope 1. Because 2019 will be our baseline year for our new science-based emissions reduction target, we will be restating our 2019 numbers to match this new protocol and methodology. The restatements are not yet ready in time for this report but will be complete in time for Stantec's 2021 CDP Disclosure. Updated 2019 numbers will be included as restatements in next year’s Sustainability Report.

305-4 GHG emissions intensity


<table>
<thead>
<tr>
<th>GHG emissions intensity</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 and 2 per Employee</td>
<td>1.8 mtCO₂e</td>
<td>2.2 mtCO₂e</td>
<td>2.3 mtCO₂e</td>
</tr>
<tr>
<td>Scope 3 per Employee</td>
<td>0.7 mtCO₂e</td>
<td>1.3 mtCO₂e</td>
<td>1.4 mtCO₂e</td>
</tr>
</tbody>
</table>

305-5 Reduction of GHG emissions


<table>
<thead>
<tr>
<th>Reduction of GHG emissions</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 and 2 per Employee</td>
<td>49% reduction, 2013 baseline</td>
<td>54% reduction, 2018 baseline</td>
<td></td>
</tr>
</tbody>
</table>

305-6 Other Emissions

Because Stantec operates in offices, only greenhouse gases (GHGs) are measured. Ozone-depleting substances (ODS), nitrogen oxides (NOx), sulfur oxides (SOx), hazardous air pollutants, and particulate matter are not applicable and are therefore omitted.

Environmental Management

Ensuring environmental compliance is a baseline business responsibility. As a professional services organization, our operations do not pose significant environmental compliance risks. We manage our operational environmental impact and oversee environmental compliance through a formal ISO 14001:2015-certified environmental management system (part of our Integrated Management System). We evaluate the effectiveness of our approach through internal and third-party audits and by monitoring any issues of noncompliance. Downstream, to address client environmental compliance risks, it is critical that we integrate environmental compliance considerations into our projects. Stantec identifies environmental management opportunities for clients as a component of the planning phase of our Project Management framework. We have a business operating unit dedicated to environmental performance and are a significant provider of environmental compliance services to clients. Management Approach: Environmental Management.

307-1 Environmental laws noncompliance

None.

GRI 401: Employment

Stantec provides a significant social contribution by giving our people great work opportunities, opening the door for graduates and apprentices, and providing our people with opportunities for development and growth through training programs, coaching, and mentorships. Our success is measured through our ability to recruit high-quality candidates to meet hiring needs, by keeping our voluntary employee turnover low, and by monitoring employee engagement scores, internal feedback, and external ratings. The external recognition we have received over the years further validates the strength of our people-centered approaches.

Management Approaches: Attracting Talent, Employee Engagement, and Total Rewards.
**GRI Standards and Disclosures**

**Stantec Direct Answers, Public Report References, and Reasons for Omissions**

**401-1 New hires and turnover**

Total number and rate of new employee hires and turnover follow. Stantec's total company voluntary turnover of 8% is considered 3% better than the industry average.

<table>
<thead>
<tr>
<th>Geographical Area</th>
<th>Total Company</th>
<th>United States</th>
<th>Canada</th>
<th>Europe</th>
<th>Asia Pacific</th>
<th>Remaining Geographies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2019</td>
<td>2018</td>
<td>2020</td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>Female</td>
<td>Male</td>
<td>Total</td>
<td>Male</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>New Hires</td>
<td>New Hires</td>
<td>New Hires</td>
<td>Total Turnover</td>
<td>Total Turnover</td>
<td>Total Turnover</td>
</tr>
<tr>
<td></td>
<td>2,013</td>
<td>2,095</td>
<td>1,641</td>
<td>2,905</td>
<td>1,066</td>
<td>1,033</td>
</tr>
<tr>
<td></td>
<td>10.1%</td>
<td>14.6%</td>
<td>8.2%</td>
<td>14.6%</td>
<td>15.9%</td>
<td>15.7%</td>
</tr>
<tr>
<td></td>
<td>16.4%</td>
<td>15.5%</td>
<td>11.2%</td>
<td>15.5%</td>
<td>15.9%</td>
<td>15.7%</td>
</tr>
<tr>
<td></td>
<td>17.9%</td>
<td>15.9%</td>
<td>11.8%</td>
<td>15.9%</td>
<td>15.7%</td>
<td>15.7%</td>
</tr>
<tr>
<td></td>
<td>17.8%</td>
<td>15.6%</td>
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<td>15.7%</td>
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<tr>
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</tr>
<tr>
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<td>12.9%</td>
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<td>15.7%</td>
</tr>
<tr>
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<td>17.7%</td>
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</tr>
<tr>
<td></td>
<td>18.2%</td>
<td>17.3%</td>
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<td>15.4%</td>
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</tr>
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<tr>
<td></td>
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</tr>
<tr>
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<td>15.7%</td>
</tr>
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<td>15.7%</td>
</tr>
<tr>
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</tr>
<tr>
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<td>15.7%</td>
</tr>
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</tr>
<tr>
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<td>15.7%</td>
</tr>
<tr>
<td></td>
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<td>11.8%</td>
<td>2,013%</td>
<td>15.4%</td>
<td>15.7%</td>
</tr>
</tbody>
</table>
| Note: Excludes employees from the Wenck and AGEL acquisitions as information has not yet been integrated into Stantec’s HRIS.
## GRI Standards and Disclosures

**Stantec Direct Answers, Public Report References, and Reasons for Omissions**

<table>
<thead>
<tr>
<th>Age: 30 to 50</th>
<th>Age: Over 50</th>
<th>Self-ID Minority (CA/US Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Company</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Hires</td>
<td>626</td>
<td>18.8</td>
</tr>
<tr>
<td>Total Turnover</td>
<td>551</td>
<td>16.6</td>
</tr>
<tr>
<td>Voluntary Turnover</td>
<td>371</td>
<td>11.1</td>
</tr>
<tr>
<td><strong>Canada</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Hires</td>
<td>167</td>
<td>18.4</td>
</tr>
<tr>
<td>Total Turnover</td>
<td>192</td>
<td>21.2</td>
</tr>
<tr>
<td>Voluntary Turnover</td>
<td>139</td>
<td>15.3</td>
</tr>
<tr>
<td><strong>United States</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Hires</td>
<td>216</td>
<td>15.4</td>
</tr>
<tr>
<td>Total Turnover</td>
<td>235</td>
<td>16.8</td>
</tr>
<tr>
<td>Voluntary Turnover</td>
<td>157</td>
<td>11.2</td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Hires</td>
<td>80</td>
<td>15.9</td>
</tr>
<tr>
<td>Total Turnover</td>
<td>47</td>
<td>9.3</td>
</tr>
<tr>
<td>Voluntary Turnover</td>
<td>32</td>
<td>6.3</td>
</tr>
<tr>
<td><strong>Asia Pacific</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Hires</td>
<td>100</td>
<td>29.6</td>
</tr>
<tr>
<td>Total Turnover</td>
<td>44</td>
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</tr>
<tr>
<td>Voluntary Turnover</td>
<td>28</td>
<td>8.3</td>
</tr>
<tr>
<td><strong>Remaining Geographies</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Hires</td>
<td>63</td>
<td>35.5</td>
</tr>
<tr>
<td>Total Turnover</td>
<td>33</td>
<td>18.6</td>
</tr>
<tr>
<td>Voluntary Turnover</td>
<td>15</td>
<td>8.4</td>
</tr>
</tbody>
</table>

Note: NR = Not reported this year. Excludes employees from the Wenzel and AGEL acquisitions as information has not yet been integrated into Stantec's HRIS.
Management Approach:

Stantec's Hazard Recognition, Assessment, and Control (HRAC) process helps employees identify hazards, assess risk, and then take appropriate action by implementing controls aimed at preventing incidents. The HRAC process develops a list of hazards for activities or projects, and then guides application of appropriate controls to reduce the risk associated with each identified hazard to an acceptable level. All employees receive training in using the HRAC process, modified for their job tasks and exposure to hazards.

The HRAC process must be conducted and or repeated when a new work process is introduced, when a work process or operation changes, at reasonable intervals to reduce the possibility of substandard acts or conditions being developed, before initiation of a new work site, and when employees will be working alone or are the sole Stantec representative at a project site.

Forms are made available to facilitate the process and activities involve the following steps: 1) hazard recognition, 2) hazard assessment, 3) selection of controls, and 4) on-site HRAC monitoring.

Before beginning or restarting work, supervisors and employees conduct last-minute risk assessments as a deliberate stop in the process to check for potential hazards and to determine whether appropriate controls are in place—stop and think, look around, assess risk, control risk, and begin or resume work. Each employee is responsible and authorized to stop work immediately if they become aware of an unsafe act or condition that could place anyone in danger, or if they are not confident in the work plan. This is referred to as the Stop Work Authority and is directly endorsed by the CEO.

Incidents, hazards, and near misses are required to be reported. Incident reports are submitted to a central database by people directly involved in the incident. For serious incidents and high potential incidents, a team of health, safety, security, and environment (HSSE) experts is established to investigate, issue a lessons-learned document, and recommend corrective action.

Stantec’s senior vice president of HSSE has a reporting hierarchy that includes the HSSE vice president, directors, managers, advisors, and office safety and environment coordinators (OSECs). There is an OSEC designated for each office location to facilitate office-level worker participation and connect employees in local offices to our broader HSSE systems, resources, and professionals. An HSSE training and communications manager provides access to and communicates relevant information on health and safety to workers using a variety of print, electronic, and video media.

The percentage of workers represented in management-worker health and safety committees is omitted because such committees are not commonly required of a professional services firm. When required by local regulations, we support the formation of office-based committees but do not track the percentage of workers represented.
GRI Standards and Disclosures

Stantec Direct Answers, Public Report References, and Reasons for Omissions

403-5 Worker training on occupational health and safety
So that employees can keep themselves and others safe, at the start of employment and annually thereafter, mandatory online training and review is required on our corporate HSSE expectations, critical risks, and workplace best practices. To reinforce our Company safety culture, an online training module was developed to reinforce the in-person training facilitated by senior management that was used to introduce Stantec’s SaferTogether program. Acquired companies will continue to experience the in-person introduction (post COVID-19 restrictions) as part of the overall HSSE integration process. All training is provided free of charge and during paid working hours. The effectiveness of training is evaluated through audit scores and leading indicator submissions.

403-6 Promotion of worker health
Non-occupational medical and health care services are provided as a part of Stantec employment benefits. Additionally, a focus is put on protecting mental health and promoting physical health. All personal health information is kept confidential according to local legal requirements.

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
Stantec’s approach to preventing and mitigating significant negative occupational health and safety impacts related to our operations and services is covered in the Management Approach: Health, Safety, and Security.

403-8 Workers covered by an occupational health and safety management system
As previously mentioned, Stantec manages, monitors, and improves our health and safety performance with a formal ISO 45001:2018-certified management system (part of our Integrated Management System).

403-9 Work-related injuries
The following are numbers and rates of recordable and lost time work-related injuries, as well as near miss (close call) incidents.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total number of recordable injuries</th>
<th>Total recordable incident rate (TRIR)</th>
<th>Total number of lost time cases</th>
<th>Lost time incident rate (LTIR)</th>
<th>Near miss (close call) incidents</th>
<th>Hours worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>45</td>
<td>0.25</td>
<td>12</td>
<td>0.07</td>
<td>328</td>
<td>35,426,493</td>
</tr>
<tr>
<td>2019</td>
<td>66</td>
<td>0.37</td>
<td>21</td>
<td>0.12</td>
<td>519</td>
<td>36,159,703</td>
</tr>
<tr>
<td>2018</td>
<td>72</td>
<td>0.41</td>
<td>24</td>
<td>0.14</td>
<td>447</td>
<td>35,016,826</td>
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</tbody>
</table>

Note: Data reported is for employees only. Safety professionals assess incident details to categorize them based on the OSHA reporting standard. Recordable injuries are those requiring more than first-aid treatment. Stantec classifies musculoskeletal disorders as injuries, not illnesses. As such, they would be reflected in the above figures. Incident reports are submitted to the health and safety database by people directly involved in the incident. Investigations are conducted within the region and business operating unit. Actions are proposed and addressed. One hundred employees work 200,000 hours in a calendar year. TRIR = (recordable injuries x 200,000) ÷ hours worked. LTIR = (lost time cases x 200,000) ÷ hours worked. Stantec does not track high-consequence work-related injuries. The number and rate of lost time injuries is provided instead. Near-miss incidents as noted above include any event that, given any change in circumstances, could adversely affect our employees, our business, its physical assets, the customers we serve, or the environment. We are restating 2019 numbers because we received two late reports of recordable incidents. The figures above have been updated to include those incidents. The following recent acquisitions are included in these numbers in the following manner: Teshmont and WGE are fully included beginning Q4 2020; PBA incident numbers are included with PBA hours becoming available once they are fully migrated to Stantec’s central financial system; and AGEL and Wenck are not yet included.
In 2020, Stantec had zero recordable fatalities.

Stantec’s top 12 types of work-related injuries include:
- Insect bites
- Cuts (lacerations)
- Strains (of muscles)
- Bruises (contusions)
- Sprains (of ligaments or tendons)
- Scrapes (abrasions)
- Musculoskeletal injuries
- Allergic reactions
- Fractures
- Heat stress
- Inflammation/swelling
- Thermal burns

Stantec’s top 12 critical risks include:
1. Driving
2. Working at heights
3. Traffic control
4. Wildlife, insects, and vegetation
5. Mobile and heavy equipment
6. Environments with water or ice
7. Ground disturbance
8. Ergonomic hazards and manual handling
9. Hazardous materials and environments
10. Hazardous energy
11. Hot work
12. Confined spaces

403-10 Work-related ill health

In 2020, Stantec had zero fatalities due to work-related ill health.

We had two recordable cases of work-related ill health. One employee was diagnosed with an ear infection following diving activities. Another employee was diagnosed with Lyme Disease as a result of a tick bite. In keeping with OSHA recordkeeping standards, these incidents are reflected in the recordable injury statistics in Disclosure 403-9.

The work-related hazards that pose a risk of ill health are included in Stantec’s top 12 critical risks provided in Disclosure 403-9.
GRI 404: Training and Education

103-1 Material topic: Training and Education

103-2 Management approach and evaluation

Supporting our people in learning and in growing their careers enables Stantec’s success. We cultivate our world-class experts, supporting their development as respected thought leaders. We fortify our talent pool through learning opportunities, providing the information, tools, and other resources employees need to thrive. Our global career framework enables growth and learning against personal and organizational goals. Stantec measures learning outcomes using the Kirkpatrick Evaluation Model® and by monitoring employee engagement scores. **Management Approach: Organizational Development.**

404-1 Average hours of training per year per employee

Following are the average hours of employee training per year by employment category and gender. **SR: Social Betterment > Our People > Organizational Development.**

<table>
<thead>
<tr>
<th>Employment Category</th>
<th>Female</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Company</td>
<td></td>
<td>17.9</td>
<td>23.2</td>
<td>19.9</td>
<td>17.9</td>
<td>22.2</td>
<td>20.9</td>
</tr>
<tr>
<td>Managers</td>
<td></td>
<td>7.8</td>
<td>9.4</td>
<td>11.9</td>
<td>7.9</td>
<td>5.7</td>
<td>8.7</td>
</tr>
<tr>
<td>Professionals</td>
<td></td>
<td>21.1</td>
<td>28.2</td>
<td>24.6</td>
<td>19.4</td>
<td>23.9</td>
<td>22.6</td>
</tr>
<tr>
<td>Semiprofessionals</td>
<td></td>
<td>20.9</td>
<td>24.1</td>
<td>21.7</td>
<td>17.7</td>
<td>23.4</td>
<td>21.4</td>
</tr>
<tr>
<td>Administrative and Clerical</td>
<td></td>
<td>7.1</td>
<td>10.1</td>
<td>8.1</td>
<td>5.3</td>
<td>10.8</td>
<td>4.6</td>
</tr>
<tr>
<td>Skilled/Semi-Skilled</td>
<td></td>
<td>49.6</td>
<td>0.0</td>
<td>0.3</td>
<td>15.1</td>
<td>34.2</td>
<td>15.8</td>
</tr>
</tbody>
</table>

Note: Excludes employees from the Wenc k and AGEL acquisitions as information has not yet been integrated into Stantec’s HRIS.

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

Stantec provides a variety of learning opportunities based on three Es: experience, exposure, and education. For employees in transition out of the firm, during exit interviews we provide information to employees about the portability of benefits. Transition assistance training is available when required. **SR: Social Betterment > Our People > Organizational Development.**

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

Following are the percentage of employees who received career development and performance reviews by employment category and gender. **SR: Social Betterment > Our People > Organizational Development.**

<table>
<thead>
<tr>
<th>Employment Category</th>
<th>Female</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Company</td>
<td></td>
<td>94</td>
<td>93</td>
<td>85</td>
<td>92</td>
<td>91</td>
<td>85</td>
</tr>
<tr>
<td>Managers</td>
<td></td>
<td>89</td>
<td>89</td>
<td>96</td>
<td>84</td>
<td>82</td>
<td>93</td>
</tr>
<tr>
<td>Professionals</td>
<td></td>
<td>94</td>
<td>93</td>
<td>86</td>
<td>92</td>
<td>92</td>
<td>87</td>
</tr>
<tr>
<td>Semiprofessionals</td>
<td></td>
<td>96</td>
<td>94</td>
<td>70</td>
<td>94</td>
<td>92</td>
<td>79</td>
</tr>
<tr>
<td>Administrative and Clerical</td>
<td></td>
<td>94</td>
<td>92</td>
<td>81</td>
<td>92</td>
<td>88</td>
<td>84</td>
</tr>
<tr>
<td>Skilled/Semi-Skilled</td>
<td></td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>74</td>
<td>100</td>
<td>95</td>
</tr>
</tbody>
</table>

Note: Excludes employees from the Wenc k and AGEL acquisitions as information has not yet been integrated into Stantec’s HRIS.
**Management approach and evaluation**

We recognize that inclusion and diversity facilitate innovation, increase employee engagement, connect us with clients, and create opportunities. We have an official Inclusion and Diversity program that was developed based on employee input and industry best practices. The program is driven forward by a dedicated team with guidance from regionally based Inclusion and Diversity Councils. We monitor progress on objectives within our Inclusion and Diversity strategy through employee feedback provided to our Inclusion and Diversity Councils, Employee Resource Groups, and through the results of Inclusion and Diversity questions contained in the Employment Engagement Survey. **Management Approach:** Inclusion and Diversity.

**Diversity of governance bodies and employees**

Of eight board members, three (38%) were women, five (62%) were men, all were over 50, and no one identified as a minority group member. Of eight C-suite members, three (38%) were women, five (62%) were men, all were over 50, and two identified as a minority group member (25%).

<table>
<thead>
<tr>
<th>Employment Category</th>
<th>Total</th>
<th>Female</th>
<th>Male</th>
<th>Self-Identified Minority (US/CA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>20,985</td>
<td>34</td>
<td>35</td>
<td>34</td>
</tr>
<tr>
<td>Managers</td>
<td>1,294</td>
<td>21</td>
<td>20</td>
<td>19</td>
</tr>
<tr>
<td>Professionals</td>
<td>13,943</td>
<td>32</td>
<td>32</td>
<td>31</td>
</tr>
<tr>
<td>Semiprofessionals</td>
<td>4,120</td>
<td>28</td>
<td>28</td>
<td>27</td>
</tr>
<tr>
<td>Administrative and Clerical</td>
<td>1,594</td>
<td>85</td>
<td>82</td>
<td>83</td>
</tr>
<tr>
<td>Skilled/Semi-Skilled</td>
<td>34</td>
<td>6</td>
<td>3</td>
<td>5</td>
</tr>
</tbody>
</table>

**Note:** Self-identified minority is a statistic only collected in Canada and the United States. The percentages represent only the portion of employees from these two geographies. Excludes employees from the Wenco and AGEL acquisitions as information has not yet been integrated into Stantec’s HRIS.

**Table:**

<table>
<thead>
<tr>
<th>Employment Category</th>
<th>Age: Under 30</th>
<th>Age: 30 to 50</th>
<th>Over 50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>17</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Managers</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Professionals</td>
<td>19</td>
<td>19</td>
<td>19</td>
</tr>
<tr>
<td>Semiprofessionals</td>
<td>21</td>
<td>23</td>
<td>21</td>
</tr>
<tr>
<td>Administrative and Clerical</td>
<td>11</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Skilled/Semi-Skilled</td>
<td>9</td>
<td>14</td>
<td>8</td>
</tr>
</tbody>
</table>

**Note:** Self-identified minority is a statistic only collected in Canada and the United States. The percentages represent only the portion of employees from these two geographies. Excludes employees from the Wenco and AGEL acquisitions as information has not yet been integrated into Stantec’s HRIS.
The high-level base salary and base salary plus bonus ratio of females to males in our countries of significant operations follows:

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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.77</td>
<td>0.77</td>
<td>0.74</td>
<td>0.77</td>
<td>0.76</td>
<td>0.74</td>
</tr>
<tr>
<td>Managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.81</td>
<td>0.81</td>
<td>0.85</td>
<td>0.91</td>
<td>0.90</td>
<td>0.92</td>
</tr>
<tr>
<td>Professionals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.82</td>
<td>0.82</td>
<td>0.79</td>
<td>0.82</td>
<td>0.82</td>
<td>0.81</td>
</tr>
<tr>
<td>Semi-professionals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.89</td>
<td>0.89</td>
<td>0.88</td>
<td>0.88</td>
<td>0.88</td>
<td>0.88</td>
</tr>
<tr>
<td>Administrative and Clerical</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.33</td>
<td>1.33</td>
<td>0.96</td>
<td>1.28</td>
<td>0.97</td>
<td>0.99</td>
</tr>
<tr>
<td>Skilled/Semi-skilled</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.88</td>
<td>0.87</td>
<td>0.75</td>
<td>0.67</td>
<td>1.06</td>
<td>1.06</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.8</td>
<td>0.77</td>
<td>0.75</td>
<td>0.76</td>
<td>0.67</td>
<td>0.75</td>
</tr>
<tr>
<td>Managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.8</td>
<td>0.72</td>
<td>0.97</td>
<td>1.06</td>
<td>0.69</td>
<td>0.73</td>
</tr>
<tr>
<td>Professionals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.88</td>
<td>0.88</td>
<td>0.83</td>
<td>0.71</td>
<td>0.71</td>
<td>0.81</td>
</tr>
<tr>
<td>Semi-professionals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.85</td>
<td>0.85</td>
<td>0.79</td>
<td>0.90</td>
<td>0.76</td>
<td>0.88</td>
</tr>
<tr>
<td>Administrative and Clerical</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.01</td>
<td>1.01</td>
<td>0.81</td>
<td>0.82</td>
<td>7.66</td>
<td>7.66</td>
</tr>
<tr>
<td>Skilled/Semi-skilled</td>
<td></td>
<td>N/A</td>
<td>0.00</td>
<td>0.01</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>1.00</td>
<td>N/A</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Note: Excludes employees from the Wenco and AGEL acquisitions as information has not yet been integrated into Stantec’s HRIS.

Stantec recognizes that gender equity evaluations where employees in many different job levels are grouped into a few categories (such as above) can create skewed results. So, we undertook a deeper level Gender Pay Equity Review (as described in the narrative this report) to compare individual roles, career levels, and geographies. The detailed pay equity study was intended to identify whether Stantec provides equal pay for similar level work. So far, the review is complete for North America operations and results are quite positive. We are showing a pay gap of only 3% on a median compa-ratio basis. Evaluations are underway to address the gap and the study is in the process of expanding globally.

While it appears Stantec doesn’t have a problem of equal pay for equal work, we acknowledge that we have more men in higher level roles than women (the reason for the skewed results when utilizing fewer categories). Stantec recognizes that to address this disparity we must put a higher percentage of women in higher level positions. Accordingly, we have several programs in place to address this opportunity.

### GRI 406: Non-Discrimination

103-1 **Material topic**
- **Diversity, Inclusion, and Equality**

103-2 **Management approach and evaluation**
- We train our employees on our Company policies and practices, which prohibit discrimination or harassment on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, pregnancy, childbirth (or related medical condition), age, citizenship, marital status, disability, veteran or military status, political belief, genetic information, or any other basis protected by applicable law. We track incidents via the Human Resources hierarchy and through our third-party Integrity Hotline, where reports are reviewed to identify opportunities to strengthen approaches. **Management Approach: Inclusion and Diversity.**

103-3 **Incidents of discrimination and corrective actions taken**
- **Our policies dictate that we respect the privacy and confidentiality of these sensitive matters, so numbers and details are omitted.**

### GRI 411: Rights of Indigenous Peoples

103-1 **Material topic**
- **Indigenous Connections**

103-2 **Management approach and evaluation**
- Stantec addressed this topic in a manner slightly different than intended by GRI. Even though our physical operations do not have a direct impact on Indigenous Peoples and communities, we prioritize the importance of respectful interactions with Indigenous communities in recognition of our commitment to inclusion and diversity as well as our desire to be good neighbors. Stantec builds and maintains sustainable relationships and strong partnerships with Indigenous Peoples and communities by recognizing, supporting, and respecting the diversity and distinctiveness of the Indigenous cultures of our employees, our Indigenous partners, our Indigenous clients, and the Indigenous businesses we work with.

- This commitment to positive interactions with Indigenous Peoples began shortly after Stantec’s founding in 1954, when our project work expanded from Edmonton, Alberta to northern Canada, and success was dependent on respectful Indigenous connections. Since then, building and maintaining positive relationships with Indigenous Peoples has been a Company tenet. In 2020, Stantec had an Indigenous Relations Program and 11 Indigenous Business Partnerships that work with our project teams so that our client work protects the rights of Indigenous Peoples. The current focus of our formal program includes Canada, the United States, and Australia, and we intend to continue expansion to other countries where we operate.

- We judge the effectiveness of our Indigenous Relations program by the positive feedback received from leaders and community members. The success of our Indigenous Partnerships is measured by revenue generation, which provides direct investments to Indigenous communities and supports economic growth. **Management Approach: Indigenous Connections.**

103-3 **Incidents of violations involving the rights of Indigenous Peoples**
- **No incidents of violations relating to Stantec’s work with Indigenous Peoples were registered during the report period. SR: Social Betterment > Indigenous Connections.**

### GRI 418: Customer Privacy

103-1 **Material topic**
- **Cybersecurity and Privacy**

103-2 **Management approach and evaluation**
- Cybersecurity attacks or privacy breaches can disrupt our business operations, resulting in financial losses and reputational damage. To address this risk, Stantec has implemented world class security systems that include robust security policies, processes, practices, and training. The success of our program is determined by a low number of network or systems breaches. **Management Approach: Cybersecurity and Customer Privacy.**

103-3 **Substantiated complaints concerning breaches**
- None.
**Monitored Topics**

These are the GRI topics that were determined by Stantec management not to be material risks but are monitored because they address specific stakeholder requirements.

<table>
<thead>
<tr>
<th>GRI Standards and Disclosures</th>
<th>Stantec Direct Answers, Public Report References, and Reasons for Omissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>204   Procurement practices</td>
<td>Stantec procurement spending supports office activities. We centralize vendors when possible to control costs and improve ESG performance. Project subcontractors are often local businesses. We track our diversity spending for US contracts. <strong>SR:</strong> Responsible Governance &gt; Sustainable Supply Chain. <strong>Management Approach:</strong> Sustainable Supply Chain.</td>
</tr>
<tr>
<td>412   Human rights</td>
<td>Stantec’s countries of significant operations and types of consulting services performed do not pose significant risks for violations of human rights. Even so, our policies and programs protect against possible occurrences. <strong>SR:</strong> Responsible Governance &gt; Human Rights. <strong>Management Approach:</strong> Human Rights. UN Global Compact Communication on Progress Principle 3.</td>
</tr>
<tr>
<td>413   Local community impact and development (charitable investments)</td>
<td>Through project work, philanthropy, and employees who volunteer their time and expertise, Stantec directly supports communities. Our programs connect to the arts, education, environment, and health and wellness, and, on our clients’ behalf, our project work supports community partnerships. <strong>SR:</strong> Stantec Snapshot, Social Betterment &gt; Charitable Investments. <strong>Management Approach:</strong> Community Engagement.</td>
</tr>
</tbody>
</table>
Stantec’s materiality assessment was conducted based on the impact of our operations. Though the following topics do not appear on Stantec’s materiality assessment, we recognize we have an impact in these areas through the projects we do for clients. These topics are included below to explain why they are not deemed operationally material and so we can briefly describe our contributions via project work, as applicable.

Non-Applicable Topics

**GRI Standards and Disclosures**

<table>
<thead>
<tr>
<th>Topic</th>
<th>Stantec Direct Answers and Public Report References</th>
</tr>
</thead>
<tbody>
<tr>
<td>202</td>
<td>Market presence</td>
</tr>
<tr>
<td>203</td>
<td>Indirect economic impacts</td>
</tr>
<tr>
<td>301</td>
<td>Materials</td>
</tr>
<tr>
<td>303</td>
<td>Water</td>
</tr>
<tr>
<td>304</td>
<td>Biodiversity</td>
</tr>
<tr>
<td>306</td>
<td>Effluents and waste</td>
</tr>
<tr>
<td>308, 414</td>
<td>Supplier environment and social assessments</td>
</tr>
<tr>
<td>402</td>
<td>Labor management relations</td>
</tr>
<tr>
<td>407</td>
<td>Freedom of association</td>
</tr>
<tr>
<td>408, 409</td>
<td>Child and compulsory labor</td>
</tr>
<tr>
<td>410</td>
<td>Security personnel trained in human rights</td>
</tr>
<tr>
<td>415</td>
<td>Political contributions</td>
</tr>
<tr>
<td>416</td>
<td>Customer health and safety</td>
</tr>
<tr>
<td>417</td>
<td>Marketing and labeling</td>
</tr>
<tr>
<td>419</td>
<td>Socio-economic compliance</td>
</tr>
</tbody>
</table>
### Appendix B. SASB Standards

For the past two years, Stantec has provided SASB cross-references within our GRI Content Index. This is the first year we are providing a full SASB disclosure. Unless otherwise noted, the responses provided are for calendar year 2020.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Stantec Direct Answers and Public Report References</th>
</tr>
</thead>
<tbody>
<tr>
<td>IF-EN-160a.1</td>
<td>Number of incidents of non-compliance with environmental permits, standards, and regulations</td>
<td>None</td>
</tr>
<tr>
<td>IF-EN-161a.2</td>
<td>Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction</td>
<td>Stantec manages, monitors, and improves our operational environmental performance with a formal ISO 14001:2015-certified environmental management system (EMS), part of our Integrated Management System. The EMS captures due diligence processes (impact assessments and stakeholder engagement) and steps to ensure compliance (permitting checklists, internal audit and reporting, external audit, and record keeping). As a leading global provider of environmental consulting services, we also collaborate with clients to improve the environmental performance of the projects we support. Stantec project managers work under a single, global project management framework that encourages them to identify environmental risks and look for opportunities to minimize environmental impact and maximize environmental performance (such as energy efficiency, nature-based solutions, biodiversity enhancements). Most project managers have a strong background in environmental management but, when environmental technical expertise is needed for assessment and management, project teams tap into the subject matter expertise found in our Environmental Services business operating unit.</td>
</tr>
<tr>
<td>IF-EN-250a.1</td>
<td>Amount of defect- and safety-related rework costs</td>
<td>Stantec does not separately capture costs for defect- or safety-related rework outside of our claims process.</td>
</tr>
<tr>
<td>IF-EN-250a.2</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents</td>
<td>Legal proceedings, lawsuits, or claims pending are a normal part of professional services industries and Stantec makes provisions for these normal course events as outlined in note 18 of Stantec’s 2020 Annual Report. There are currently no legal proceedings, lawsuits, or claims that are expected to have a material impact on the financial position of the company. Stantec seeks to deal with client concerns and claims promptly and fairly through our Risk Management Group. As a public company, Stantec has substantial assets and maintains a high professional liability insurance limit. Our claims history has resulted in relatively low insurance premiums when compared with firms of similar size and character. AR: page F39.</td>
</tr>
<tr>
<td>IF-EN-320a.1</td>
<td>(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees</td>
<td>For information on Stantec’s SaferTogether culture, please see SR: Social Betterment &gt; Health, Safety, and Security and Appendix A: GRI 403-9.</td>
</tr>
<tr>
<td>IF-EN-410a.1</td>
<td>Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification</td>
<td>Many Stantec employees are dedicated experts in well-established industry frameworks that help our clients take ambitious steps regarding sustainability. (1) Our number of sustainability-related certified projects are as follows: 661 LEED-certified projects 84 Green Star-certified projects 38 Net Zero-designed buildings 10 Envision-certified projects 9 WELL-registered projects (2) Stantec does not have a consistent global process in place to track projects in the process of getting certified, but we have been able to identify more than 370 relevant projects targeting certification.</td>
</tr>
</tbody>
</table>
Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design

Stantec Direct Answers and Public Report References

See IF-EN-190.a.2 for a description of our process. In addition to the Environmental Services team, Stantec also has water and energy efficiency subject matter expertise found in our Buildings, Water, and Infrastructure business operating units. Our subject matter expertise relating to energy and water efficiency performance creates a significant business opportunity for Stantec to support our clients as they address their climate action goals and respond to regulatory requirements.

Climate Impacts of Business Mix

Amount of backlog for (1) hydrocarbon-related projects and (2) renewable energy projects

(1) Hydrocarbon-related backlog: As of year-end 2020, Stantec had $166 million of backlog coded to hydrocarbon-related project types (including pipeline development [such as engineering, feasibility, geotechnical, safety services], regulatory compliance [such as permitting, effluent limitation management], remediation [clean-up of spills], and work that provided environmental and social protection [such as environmental risk assessments, public participation, air quality monitoring, archeology]).

(2) Renewable energy backlog: As of year-end 2020, Stantec had $157 million of backlog coded to renewable energy project types (including hydro, wind, solar, geothermal, battery storage, smart grids, energy recovery, transportation electrification).

Amount of backlog cancellations associated with hydrocarbon-related projects

In 2020, Stantec received backlog cancellation notices for $155 million of hydrocarbon-related work due to project cancellations and contract reconfigurations.

Amount of backlog for non-energy projects associated with climate change mitigation

Stantec provides climate action services in each business operating unit and geography. As of year-end 2020, we had $387 million of backlog coded to climate change mitigation-related project types (including alternative transportation [public transport, smart mobility, walkability], ecosystem restoration [creating carbon sinks], greenspaces [as a part of landscape architecture and urban planning], energy efficiency [such as low carbon buildings and infrastructure], and climate strategy [consulting to help clients identify mitigation alternatives]). Climate change mitigation services provided for hydrocarbon clients were accounted for here, under climate change mitigation, and are not included in the backlog presented under IF-EN-410b.1.

Stantec additionally had $197 million worth of backlog associated with climate change adaptation (including coastal resilience, resilient infrastructure, wet weather management, water reuse).

SR: Global Citizenship > Climate Action.

Note: The backlog numbers provided are unaudited and based on mapping the coding available in Stantec’s current systems against the relevant categories. As there is not an exact match between coding systems and not all geographies are yet included in our central tracking systems, a conservative approach was employed to minimize the risk of overstated.

Business Ethics

Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index

In lower transparency regions, Stantec generally only services multinational companies with integrity agreements, compliance standards, and international stock exchange status. In 2020, there is one country where Stantec worked that is listed in the 20 lowest rankings in Transparency International’s Corruption Perception Index: the Democratic Republic of the Congo.

(1) In 2020, Stantec had five projects for three different multinational clients (mining and hydropower). (2) Revenue generated under these projects was USD $750,000. Our year-end backlog was $250,000.


Activity Metrics

Number of active projects

At year-end 2020, Stantec had more than 48,000 active projects in our central financial system.

Number of commissioned projects

Stantec’s business is purposefully focused on the project engineering and design phase. While our designers, engineers, scientists, and project managers often stay connected through the entire project life cycle, Stantec does not provide project construction services and thus reports no commissioned projects. Note: Per SASB, commissioned projects are those that the entity provided construction services to.

Total backlog

$4.4 Billion. AR: page 7.
## Appendix C. TCFD Recommendations

Because of CDP and TCFD alignment, our CDP Climate Change Questionnaire (A- score for the past three years) is considered a TCFD-compliant disclosure and cross-referenced as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>CDP Question</th>
<th>Stantec Public Report References</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>C1. Governance</td>
<td>SR: Sustainability at Stantec &gt; Sustainability Governance.</td>
</tr>
<tr>
<td>Describe the board’s oversight of climate risks and opportunities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Describe management’s role in assessing and managing climate-related risks and opportunities</td>
<td>C1. Governance</td>
<td>SR: Sustainability at Stantec &gt; Sustainability Governance.</td>
</tr>
<tr>
<td>Describe the climate-related risks and opportunities the organization has identified over the short, medium, long term</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</td>
<td>C3.1 Climate-Related Scenario Analysis</td>
<td>To explain how Stantec is adapting to future scenarios impacted by a changing climate, we published the Community Futures document.</td>
</tr>
<tr>
<td>Describe the organization’s processes for identifying and assessing climate-related risks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Describe the organization’s processes for managing climate-related risks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management</td>
<td>C2. Risk and Opportunities</td>
<td>SR: Responsible Governance &gt; Risk Management. AR: Pages M30-31 and M35.</td>
</tr>
<tr>
<td>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Describe the targets used by the organization to manage climate-related risks, opportunities, and performance</td>
<td>C4. Targets and Performance</td>
<td>SR: Environmental Stewardship &gt; Emissions.</td>
</tr>
</tbody>
</table>
## Appendix D. UNGC Communication on Progress

Stantec has been a participant of the UN Global Compact since 2015 and is involved in the Action Platform: CFO Taskforce for the SDGs. As part of the Global Compact Network Canada, for three years we have been members of the Gender Equality in the Canadian Private Sector project.

<table>
<thead>
<tr>
<th>Principles</th>
<th>Stantec Direct Answers and Public Report References</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Human Rights</strong></td>
<td></td>
</tr>
</tbody>
</table>
| 1 | Businesses should support and respect the protection of internationally proclaimed human rights | Stantec has a corporate responsibility to respect human rights. We subscribe to the principles of the  
• Universal Declaration of Human Rights  
• International Labour Organization’s Declarations on Fundamental Principles and Rights at Work  
• UN Guiding Principles on Business and Human Rights  
Our Code of Business Conduct Policy and related training cover ethics, integrity, harassment and discrimination, anti-corruption, government contracting, political activities, and social responsibility. Protecting human rights is addressed in our Human Trafficking and Modern Slavery Policy, and we comply with the UK’s Modern Slavery Act of 2015.  
| 2 | Businesses should make sure they are not complicit in human rights abuses | Stantec’s Partner Code of Business Conduct addresses potential human rights abuses in Stantec’s supply chain. We monitor best practice commitments when reviewing terms and conditions and managing projects.  
SR: Responsible Governance > Human Rights and Responsible Governance > Sustainable Supply Chain.  
Management Approaches: Human Rights and Sustainable Supply Chain. |
| **Labor** | |
| 3 | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining | Stantec does not engage in any practices that would impinge on freedom of association or the right to collective bargaining.  
SR: Responsible Governance > Ethics and Compliance.  
Management Approach: Ethics and Compliance. |
| 4 | Businesses should uphold the elimination of all forms of forced and compulsory labor | Stantec’s countries of significant operations and 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. For project work done 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.  
SR: Responsible Governance > Human Rights and Responsible Governance > Sustainable Supply Chain.  
Management Approaches: Human Rights and Sustainable Supply Chain. |
Principles

5 Businesses should uphold the effective abolition of child labor
Stantec’s countries of significant operations and 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 done in countries where there are possible risks in our supply chain, our Partner Code of Business Conduct communicates our expectations, and we specifically prohibit child labor.
SR: Responsible Governance > Human Rights and Responsible Governance > Sustainable Supply Chain.
Management Approaches: Human Rights and Sustainable Supply Chain.

6 Businesses should uphold the elimination of discrimination in respect of employment and occupation
Stantec is committed to workplace diversity and inclusion and in creating and maintaining a work environment that is free of objectionable and disrespectful conduct. Stantec has a comprehensive Equal Employment Opportunity Policy that provides equal opportunity to employees and ensures employees are treated based on their job-related qualifications, ability, and performance. Our Harassment and Discrimination Policy prohibits harassment or discrimination based on characteristics such as race, sex, gender, color, creed, religious beliefs, citizenship status, national origin, age, marital status, sexual orientation, gender identity, or disability.
Management Approaches: Inclusion and Diversity and Human Rights.

Environment

7 Businesses should support a precautionary approach to environmental challenges
Stantec supports the precautionary approach, and programs have been implemented to put it into practice.
SR: Environmental Stewardship, GRI Content Index 102-11.
Management Approach: Environmental Management.

8 Businesses should undertake initiatives to promote greater environmental responsibility
Stantec’s environmental commitments—consistent with our Sustainability Policy, Health, Safety, Security, and Environment Policy, and formal ISO 14001:2015-certified environmental management system (part of our Integrated Management System)—help the Company monitor compliance with environmental regulations and reduce environmental impacts. We actively track and report our carbon footprint and have programs in place to conserve resources.
SR: Sustainability at Stantec and Environmental Stewardship.
Management Approach: Environmental Management.

9 Businesses should encourage the development and diffusion of environmentally friendly technologies
Stantec is considered a leader in environmentally friendly designs and annually invests approximately $3 million to develop innovative technologies and approaches.
SR: Sustainability at Stantec and Social Betterment > Innovation.
Management Approach: Innovation.

Anti-Corruption

10 Businesses should work against corruption in all its forms, including extortion and bribery
Stantec’s Ethics and Compliance Program, Code of Business Conduct Policy, and mandatory ethics and compliance training cover ethics, integrity, harassment and discrimination, anti-corruption, government contracting, political activities, and social responsibility.
SR: Responsible Governance: Ethics and Compliance.
Management Approach: Ethics and Compliance.
Appendix E. Women’s Empowerment Principles Progress

In 2020, Stantec formally endorsed the Women’s Empowerment Principles, a project of the United Nations Global Compact, which brings corporations together in support of sustainable and ethical business operations.

<table>
<thead>
<tr>
<th>Principles</th>
<th>Stantec Direct Answers and Public Report References</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Establish high-level corporate leadership for gender equality</td>
<td>Stantec has a senior management Diversity Policy to signal our executive commitment to supporting female leadership. We currently have three women on the board (38%) and three women on our C-Suite (38%). As a part of our Inclusion and Diversity Programs, we also have a Women’s Leadership Development Committee that is dedicated to empowering women to build confidence, expand their sphere of influence, and remove obstacles and biases with the goal of providing equal opportunity for advancement. Another initiative is the pilot of the SponsorHer@Stantec that provides senior-level advocacy for high-potential women. SR: Social Betterment &gt; Our People and Responsible Governance &gt; Corporate Governance.</td>
</tr>
<tr>
<td>2. Treat all women and men fairly at work – respect and support human rights and nondiscrimination</td>
<td>Stantec is committed to creating an inclusive and non-discriminatory workplace. Our Inclusion and Diversity program, Women’s Leadership Development Committee, and Women@Stantec Employee Resource Group work together to hold ourselves accountable. In 2020, Stantec • Completed the first phase of a Global Gender Pay Equity Review. We are happy to say that results for the North America portion of the evaluation (representing 76% of our global staff) show only a 3% base pay gap in North America on a median compa-ratio basis. We will continue to focus on closing this gap altogether and will continue to broaden the analysis to include employees from our entire company. • Established a formal Flexible Workplace Strategy so that all employees are extended the same opportunities related to flexible work. This practice is expected to directly provide flexibility that many women and men need to support work-life balance. • Created and distributed an inclusive hiring guide to promote fair and objective hiring and interviewing practices. • Began efforts to develop a re-entry pilot with an external partner. SR: Social Betterment &gt; Our People and Responsible Governance &gt; Human Rights.</td>
</tr>
<tr>
<td>3. Ensure the health, safety and well-being of all women and men workers</td>
<td>Stantec’s health, safety, and well-being programs are equally applied with an understanding of unique gender needs. We track our statistics by gender to ensure that there are no unconscious disparities introduced into our programs. Stantec also provides equal access to benefits and health insurance. In 2020, Stantec • Updated our Harassment, Bullying, and Discrimination Policy to address the current climate of social well-being and responsibility. • Created a Mental Health Matters site on our company intranet to make it easier for individuals to get the support they needed during the pandemic. Our Human Resources and Health, Safety, Security, and Environment teams provide direct support to employees in need. • Recognizing that women are likely to bear the greater share of household responsibilities during the pandemic, created a specialized guide—Impact on Women in COVID-19 Resource Guide—for our leaders to provide needed support to women through this crisis. • Offered Employee and Family Assistance Programs in many countries where we operate, including expansion of our programs to Latin America and India (two locations where this is not a traditional benefit offered by employers). SR: Social Betterment &gt; Our People and Responsible Governance &gt; Ethics and Compliance.</td>
</tr>
</tbody>
</table>
Principles

4 Promote education, training, and professional development for women

Our Inclusion and Diversity program includes a Women’s Leadership Development Committee. Stantec’s most active Employee Resource Group is called Women@Stantec—with 33 geographic-specific chapters located around the globe—and is focused on developing, connecting, and advancing women at all levels. Our unconscious bias training directly addresses gender bias, and our scholarships program has a focus on supporting females in their educational aspirations.

In 2020, Stantec

- Expanded our unconscious bias training and made it virtual so we could connect to more employees and continue training during the pandemic
- Initiated a Conversations for Change webinar series that included sessions that discussed ways to advance female leadership, including a focus on intersectionality
- In North America, completed the second phase of a SponsorHer@Stantec pilot—passionate advocacy by senior leaders for high-potential women
- In the Netherlands, created a mentoring program to support female leadership
- In Australia and New Zealand, established a returneeship program that includes six months of mentoring and coaching to make the process of returning to work after an absence (such as parental leave or after an extended illness) as well as increased parental leave benefits

SR: Social Betterment > Our People.

5 Implement enterprise development, supply chain and marketing practices that empower women

While gender considerations have always been a part of Stantec mindset when it came to our supply chain and marketing, recently we established activities to explicitly make connections as part of our business practices.

In 2020, Stantec

- Worked with Stantec’s Corporate marketing team to establish a formal evaluation checkpoint to actively represent diversity in our brand and marketing materials
- In the United States, maintained spending of 20% of subcontracting costs going to small and historically disadvantaged businesses, including women-owned businesses

SR: Social Betterment > Our People and Responsible Governance > Sustainable Supply Chain.

6 Promote equality through community initiatives and advocacy

Stantec has a long history of community engagement with a strong focus on supporting women. More specifically, we provide philanthropic donations, funding, and volunteering for STEAM education programs for girls and promote the advancement of women in engineering and science fields.

In 2020, Stantec

- Publicly celebrated International Women’s Day to increase awareness of the need for gender equality
- In Canada, as a part of a three-year project led by the Global Compact Network Canada, Stantec contributed to the Blueprint for Gender Equality Leadership in the workplace that will form a part of the government’s policy strategy and will model as a framework for other companies to follow
- In Peru, certified as a Company Free of Violence Against Women (Bronze Category) by the Peruvian Ministry of Women—an important certification in a country that has been fraught with high profile cases of rape and femicide
- In Peru and Argentina, participated in the Ranking Par Latinoamerica by Aeguales—a major gender equity measurement of 700 companies across the region

SR: Social Betterment > Our People and Charitable Investments.

7 Measure and publicly report on progress to achieve gender equality

We annually disclose gender equality details in our Sustainability Report. For the second year, Stantec disclosed gender equity details to the Bloomberg Equity Index and, for the second year, we were included on the index.
Appendix F. Summary of Management Approaches

The following management approaches are referenced in the Sustainability Report narrative and the GRI Content Index. For ease of reference, the management approaches are summarized and linked to below (grouped and presented in alphabetical order).

Environmental
- Emissions Management
- Environmental Management
- Resource Conservation

Social
- Attracting Talent
- Community Engagement
- Employee Engagement
- Health, Safety, and Security
- Inclusion and Diversity
- Indigenous Connections
- Organizational Development
- Total Rewards

Governance
- Corporate Governance (Stantec’s Management Information Circular)
- Cybersecurity and Privacy
- Ethics and Compliance
- Human Rights
- Integrated Management System
- Project Management Ecosystem
- Risk Management
- Sustainable Supply Chain
Appendix G. Cautionary Note Regarding Forward-Looking Statements

This report contains certain forward-looking statements within the meaning of applicable US and Canadian securities laws. Forward-looking statements are disclosures regarding possible events, conditions, or results of operations that are based on assumptions about future economic conditions or courses of action and include future-oriented financial information. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is risk that predictions, forecasts, conclusions, projections, and other forward-looking statements will not prove to be accurate. We caution readers not to place undue reliance on our forward-looking statements since several factors could cause actual future results, conditions, actions, or events to differ materially from the targets, expectations, estimates, or intentions expressed in these forward-looking statements.