



STN
TSX NYSE



Investor Presentation

September 2022



STN

TSX-NYSE

Cautionary statement

Certain statements contained in this presentation constitute forward-looking information and statements within the meaning of applicable securities law (collectively, "forward-looking statements"). Forward-looking statements in this presentation include, but are not limited to: our financial targets (including our annual net revenue growth, adjusted EBITDA, and net income targets; employee count; and ROIC target), our carbon reduction pledges (including our carbon neutrality and net-zero targets), our anticipated business and geographical mix, our expectations regarding economic and industry trends in the sectors and regions in which we operate, our acquisition strategy, our capital deployment strategy, and our overall growth strategy. These statements provide information about management's current expectations and plans relating to the future. Readers are cautioned that this information may not be appropriate for other purposes. Stantec does not undertake any obligations to publicly update or revise any forward-looking statements except as required by law.

By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. Readers are cautioned not to place undue reliance on our forward-looking statements since a number of 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. Risk factors include, but are not limited to, the impacts of the COVID-19 pandemic, the risk of an economic downturn, decreased spending in the private and/or public sectors, changing market conditions for Stantec's services, and the risk that Stantec fails to capitalize on its strategic initiatives. Investors and the public should carefully consider these factors, other uncertainties, and potential events, as well as the inherent uncertainty of forward-looking statements when relying on these statements to make decisions about our company. For more information about how other material risk factors could affect our results, please refer to the Risk Factor section in our 2021 Annual Report incorporated herein by reference, by visiting EDGAR on the SEC website at [sec.gov](https://www.sec.gov) or by visiting the CSA website at [sedar.com](https://www.sedar.com) or on Stantec's website at [stantec.com](https://www.stantec.com).

In determining our forward-looking statements, we consider material factors including assumptions about the performance of the Canadian, US, and global economies in 2022 and beyond and their effect on our business. Unless otherwise indicated, all amounts expressed in Canadian dollars.

This presentation contains non-IFRS and other financial measures and forward-looking statements, including a discussion of our business targets, expectations, and outlook.

We caution readers not to place undue reliance on our forward-looking statements since a number of factors could cause actual future results to differ materially from the targets and expectations expressed.

Non-IFRS and other financial measures do not have a standardized meaning under IFRS, and therefore, may not be comparable to similar measures presented by other issuers. For a discussion of risk factors and non-IFRS measures and other financial measures, see our 2021 Annual Report available on SEDAR, EDGAR, and [stantec.com](https://www.stantec.com).

La Trobe Student Accommodation
Victoria, Australia

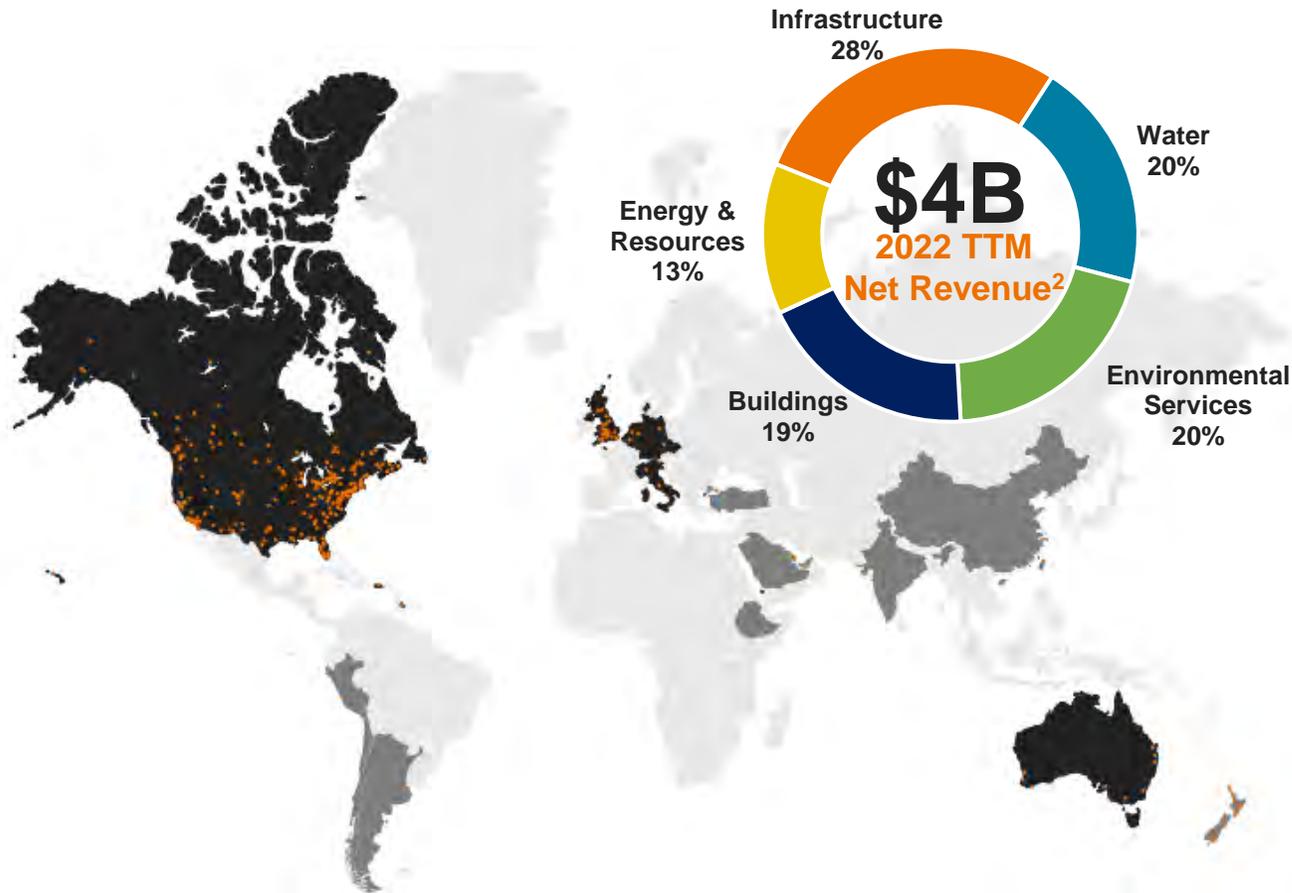


STN
TSX-NYSE

Global leader in sustainable engineering, design and environmental services

Stantec

TSX / NYSE	STN
Market Cap	\$7.0B¹
EV	\$8.2B¹
Employees	26,000¹
Locations	400+ offices 6 continents



#1 ranked most sustainable engineering firm in the world³

1. As of August 26, 2022
 2. As of June 30, 2022
 3. 2022 Corporate Knights Global 100



STN
TSX · NYSE

EXCELLENCE INNOVATION PEOPLE GROWTH

Our core values drive our achievements

We Put People First



World's Best Employers

Forbes

Corporate Knights Canada

Best 50 Corporate Citizens

Gender Equality Index

Bloomberg

Top Indigenous Workplace

*Top 50 Workplaces for Indigenous
STEM Professionals*

We Do What Is Right



**2022 Corporate Knights
Global 100**

*Ranked #1 most sustainable corporation
among peers*

*Ranked among top 1% in the world on
sustainable performance*

1.5°C

Validated our science-based target

Sustainability-Linked Loan

*Linked to Bloomberg Gender-Equality
Index*

We Are Better Together



\$60 million

*Committed to donations of \$60M by 2030;
\$31 M donated since 2007*

\$200,000

Annual Equity & Diversity Scholarships

5,100+

*Partnered through our Community
Engagement Program*

We Are Driven to Achieve



Climate Leader

CDP A- Climate Change Score

Prime

ISS ESG Corporate Rating

Low Risk

Sustainalytics



STN
TSX-NYSE

Execution of our strategic plan driving strong results

Adjusted EBITDA & Margin

(\$ millions & %)



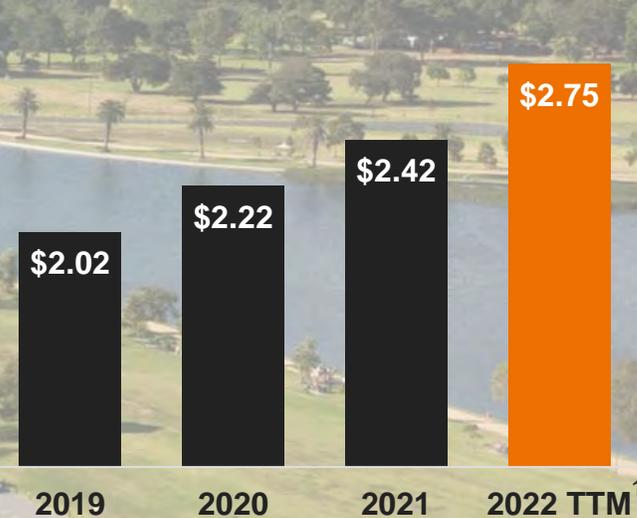
Adjusted Net Income

(\$ millions)



Adjusted EPS

(\$ per share)



1. As of June 30, 2022



STN
TSX-NYSE

Well-positioned to capitalize on key economic imperatives

Imperatives

Aging and overloaded infrastructure



Climate change



Re-shoring domestic production



Challenges

Water scarcity and quality

Aging wastewater storage and reclamation facilities

Transportation infrastructure

Extreme weather patterns

Energy transition: need for clean energy, sustainable buildings, zero emissions transportation

Need for climate solutions

Semiconductors

Vaccine production

Supply chain and food scarcity

The Stantec Advantage

Long history: providing Water solutions since 1954; **>\$1B** in gross revenue in 2021

Stantec Institute for Water Technology & Policy

Major infrastructure projects: from concept to design

Climate Solutions: helping clients reduce environmental impacts through solutions and design

Innovation Office: climate change, smart cities to digital communities and automation

Industry Expertise: working with 5 of top 10 semiconductor manufacturers

Logistics and fulfillment centres

Urban **agriculture** / alternative sources of protein



STN
TSX-NYSE

Why invest in Stantec?

Global Leader in Sustainability

Diverse Business Lines, Geographies, and Customers

Significant Growth

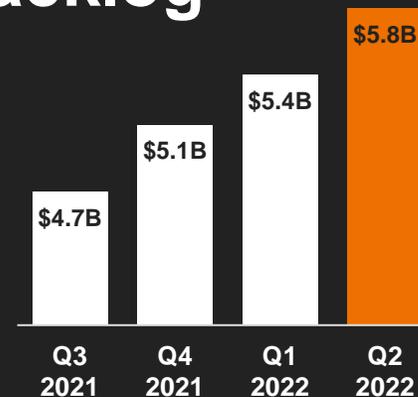
Disciplined Capital Allocation Strategy

Delivering profitable performance for over 65 years

Strong Dividend Growth



Record Backlog

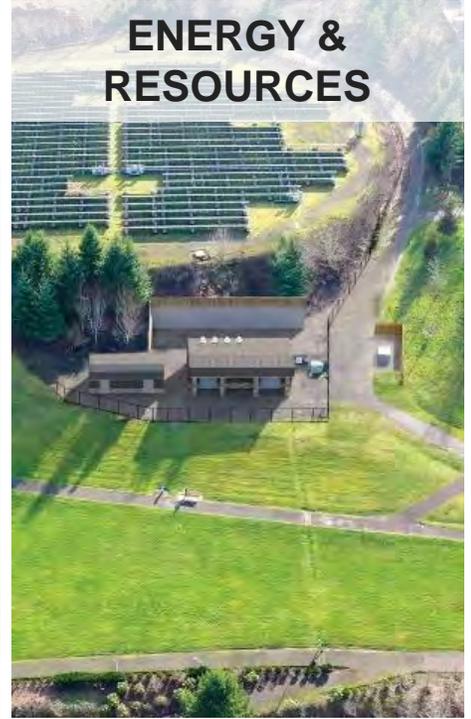


1. Annualized at current rate of \$0.18 per quarter and subject to Board approval



STN
TSX-NYSE

A GLOBAL LEADER IN SUSTAINABILITY



Business Operating Units - Overview



STN
TSX-NYSE

Stantec, in the Water business for 65+ years, recognized as a global leader

We have delivered water solutions since 1954

We design water projects that improve the health and quality of life across communities

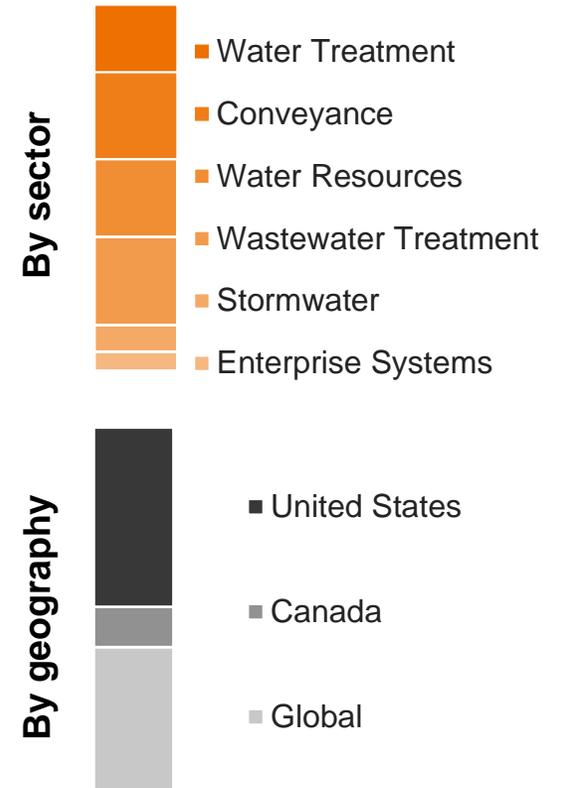
We build resilience to natural disasters and climate change

We help communities attain sustainable access to safe, affordable, and reliable drinking water and sanitation.

W
A
T
E
R

\$820M TTM Q2 2022
net revenue

Q2 2022 YTD Net revenue





STN
TSX-NYSE

Environmental Services has over 3,000 experts around the world

Environmental Services provides a wide array of conservation, ecosystem restoration, and sustainability services.

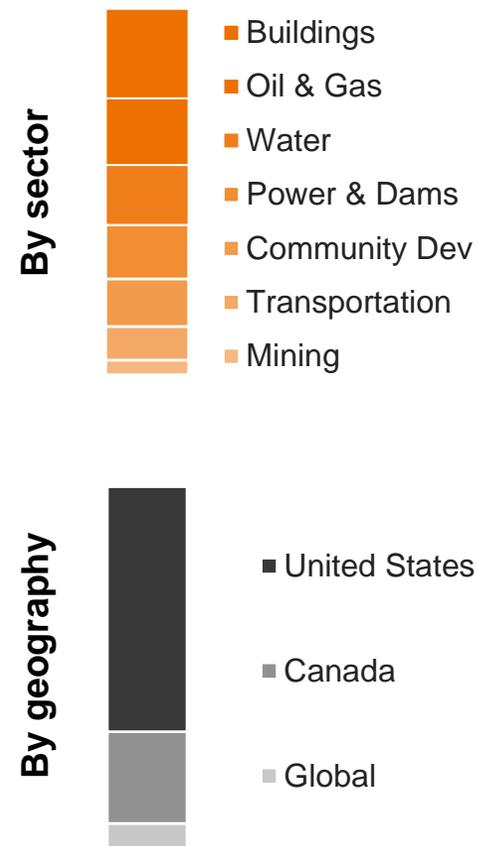
Collaborates with our other business operating units to preserve environmental and social resources.

Performs permitting services that enable traditional development while minimizing environmental impacts.

ENVIRONMENTAL SERVICES

\$768M TTM Q2 2022 net revenue

Q2 2022 YTD Net revenue





STN
TSX-NYSE

Infrastructure is a leader in transport system design and community development

Stantec's Infrastructure group is at the forefront of integrating transport design and community development into the communities we serve.

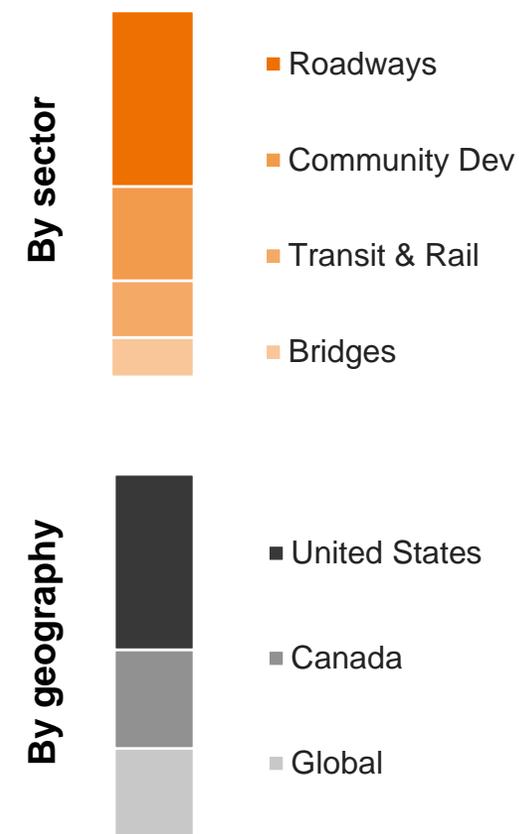
We design infrastructure to be accessible, sustainable, resilient, and people-friendly.

Our team is focused on reducing the environmental and social impacts of major infrastructure builds that, historically, have been sited in lower income areas and contribute to societal inequity.

INFRASTRUCTURE

\$1.1B TTM Q2 2022 net revenue

Q2 2022 YTD Net revenue





STN
TSX-NYSE

Buildings ranked #1 in Architecture and Engineering for the last 10 years¹

Stantec's Buildings group provides consulting and design services for built, natural, and organizational environments.

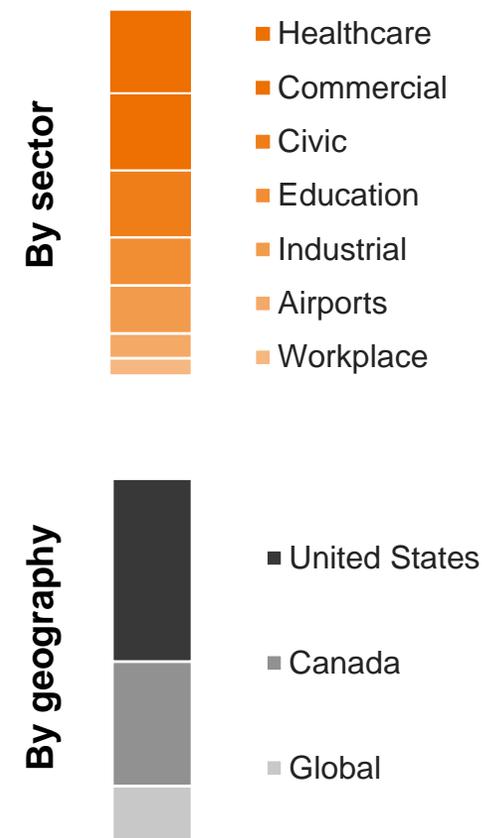
We guide clients through a process that incorporates sustainable, resilient, and healthy building design.

Stantec is a leader in net-zero design and adaptive re-use of built environments, both of which are essential to meet global emission reduction targets.

BUILDINGS

\$770M TTM Q2 2022 net revenue

Q2 2022 YTD Net revenue





STN
TSX-NYSE

Energy & Resources plays a critical role in energy transition

Stantec's Energy & Resources group delivers utility-scale and microgrid renewable energy generation engineering and design services.

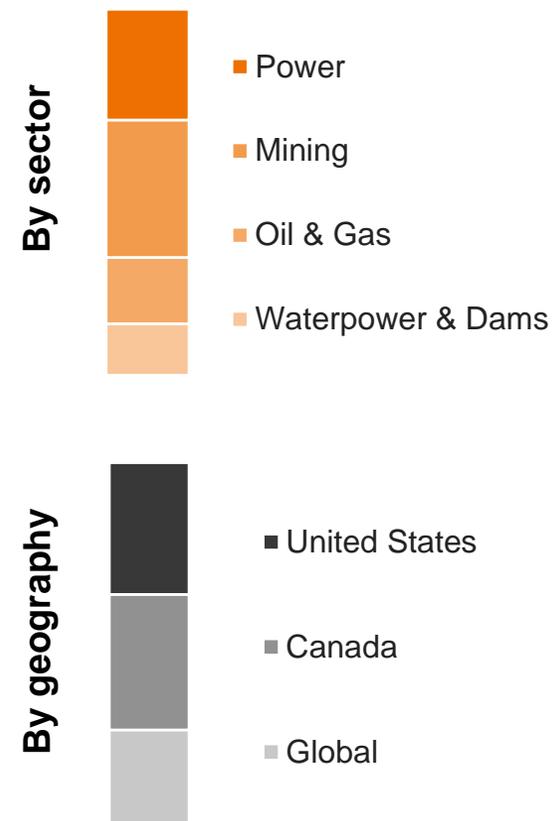
We design for increasingly severe weather events and remedy existing grid limitations.

We have also worked on some of the largest renewable energy installations in the world

ENERGY & RESOURCES

\$538M TTM Q2 2022 net revenue

Q2 2022 YTD Net revenue





STN
TSX-NYSE

A GLOBAL LEADER IN SUSTAINABILITY



Committed to sustainability



STN
TSX-NYSE

A GLOBAL LEADER IN SUSTAINABILITY

A global leader in sustainable engineering & design

Corporate Knights Global 100: #17

Ranked the most sustainable design and engineering firm in the world



Net Zero

Carbon neutral for 2022

2030 emission targets validated by SBTi

Corporate Knights Best 50 Corporate Citizens in Canada

Ranked among the best Canadian companies focused on ESG for the 13th time



Sustainability-Linked Loan

1st globally to link metrics to Bloomberg GEI

1st in Canada to direct interest savings to communities

CDP (1) Score

2021	2020	2019
A-	A-	A-

ISS ESG (2) Quality Score

E	S	G
1	1	1

Sustainalytics (3) ESG Risk Rating

Low

Notes:

(1) [CDP Website](#) – August 9, 2022 (2) [ISS Sustainability Suite](#) – August 1, 2022 (3) [Sustainalytics website](#) – August 9, 2022

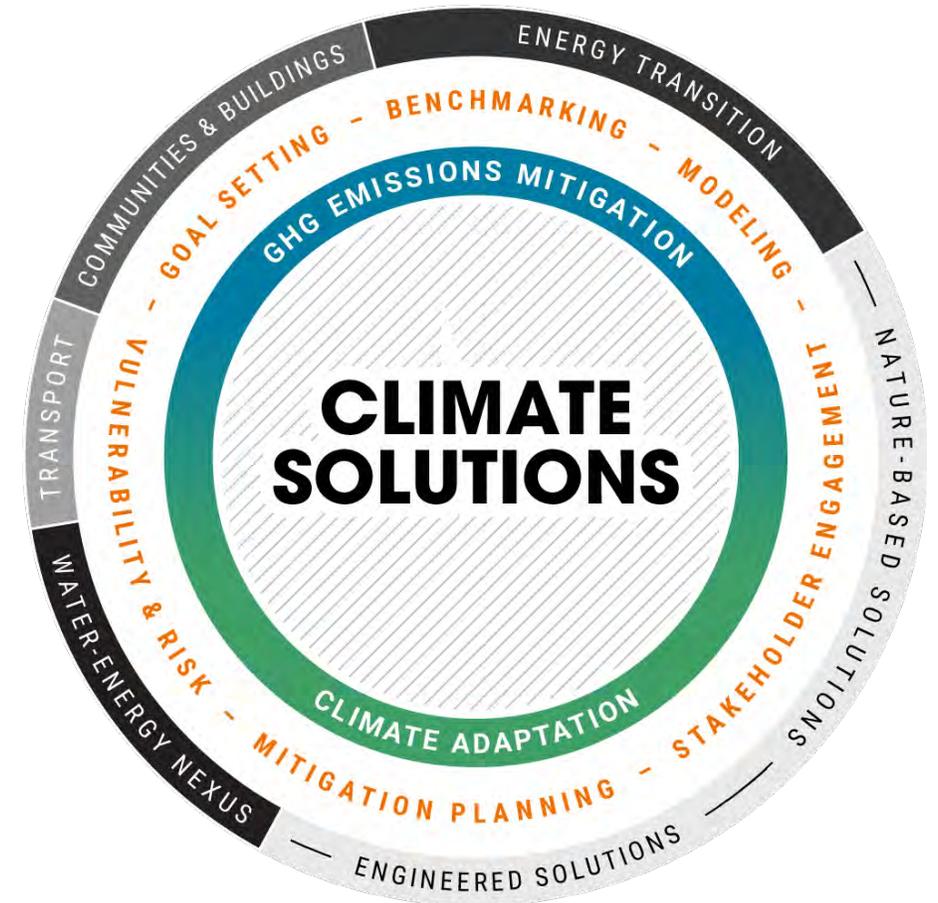
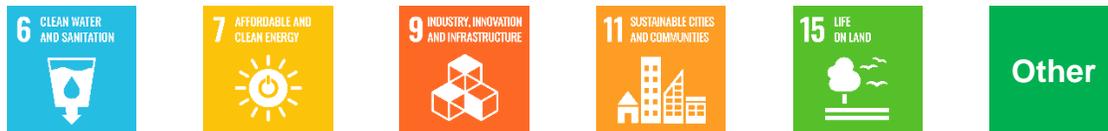
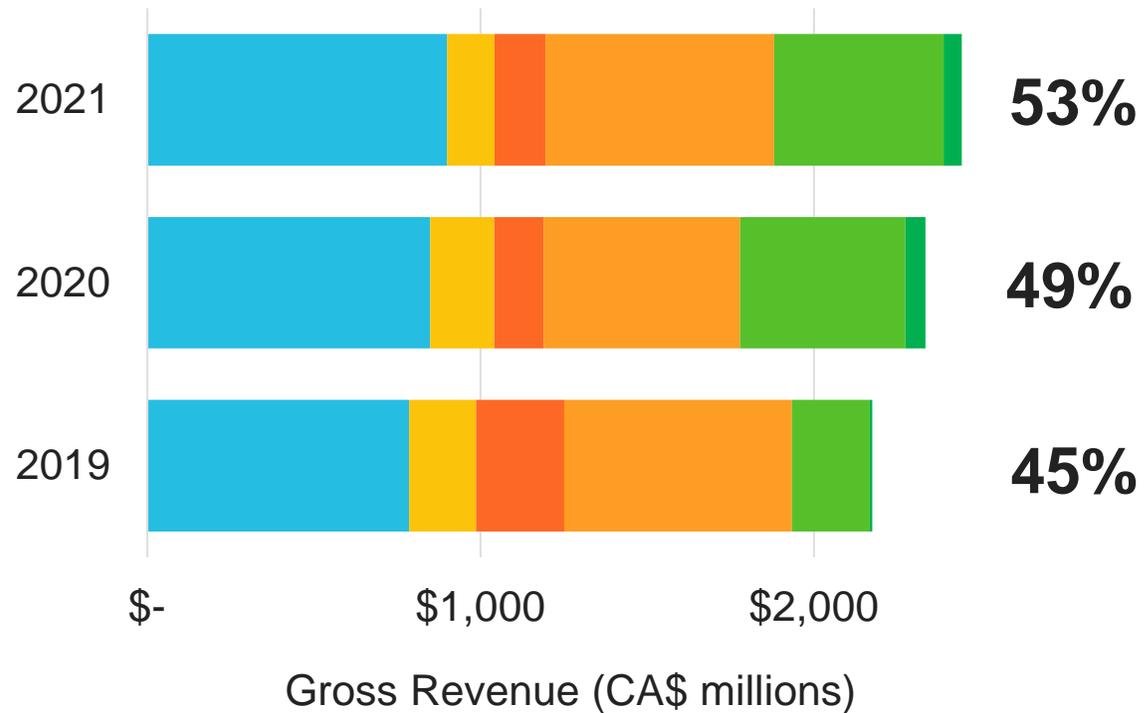


STN
TSX: NYSE

Stantec advances strategies for sustainability

Focus on sustainability for our key stakeholders including employees, investors, clients and communities where we live

GROSS REVENUE ALIGNED TO UN SUSTAINABLE DEVELOPMENT GOALS





Governance

A diverse board with exceptional backgrounds

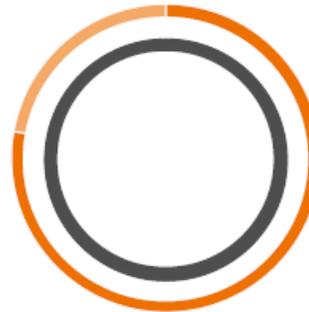
Certified Integrated Management System:

- Environmental Management (ISO 14001:2015)
- Occupational Health & Safety Management (ISO 45001:2018)
- Information Security System (ISO 27001:2013)
- Quality Management (ISO 9001:2015)
- IT Service Management System (ISO 20000-1:2018)
- Business Continuity Planning
- Pandemic Preparedness
- Internal Practice Audits

Robust IT security processes and practices:

- Next-generation security systems
- Cybersecurity awareness training for employees
- Compliance with privacy laws including the General Data Protection Regulation (European Union) and Cyber Essentials Plus (United Kingdom)

Board Composition and Experience



Environmental and Social Factors

- 78% highly experienced
- 22% general experience

Governance Factors

- 100% highly experienced

Sustainability Governance Structure





Social leadership

Community Engagement (CE)

\$60M by 2030

Committed to investing a further \$30 million through our CE program, taking our total to \$60 million since starting our CE program in 2007

5,600+

Global community partnerships in the history of our CE program

\$611K

Grants for STEM in 2021

\$800K+

Scholarships funded in 2021

\$200K

Annual Equity & Diversity Scholarship launched in 2021

Inclusion & Diversity

We support I&D through partnerships to gain access to top talent from BIPOC communities, sponsoring scholarships and internships for underrepresented and underprivileged students, and through reviewing our internal practices to identify and remove bias.

Named on the 2022 Bloomberg Gender Equality Index

Participated in the UNGC Target Gender Equality Program and tracked progress against the Women's Empowerment Principles in alignment with SDG #5 Gender Equality

Signatory to the UN Women Empowerment Principles since 2015

C-suite is 38% female and 25% are people of color

Gender Pay Equity

A review of our pay practices found that women have received higher average pay increases since 2018, and are being promoted at a higher rate, than men during the same period.

4%

Base pay gap on a median compa ratio basis in North America

Voluntary Turnover

~3%

lower than industry average

Top 50 Workplaces for Indigenous STEM Professionals

American Indian Science and Engineering Society

America's Best Employers for Women

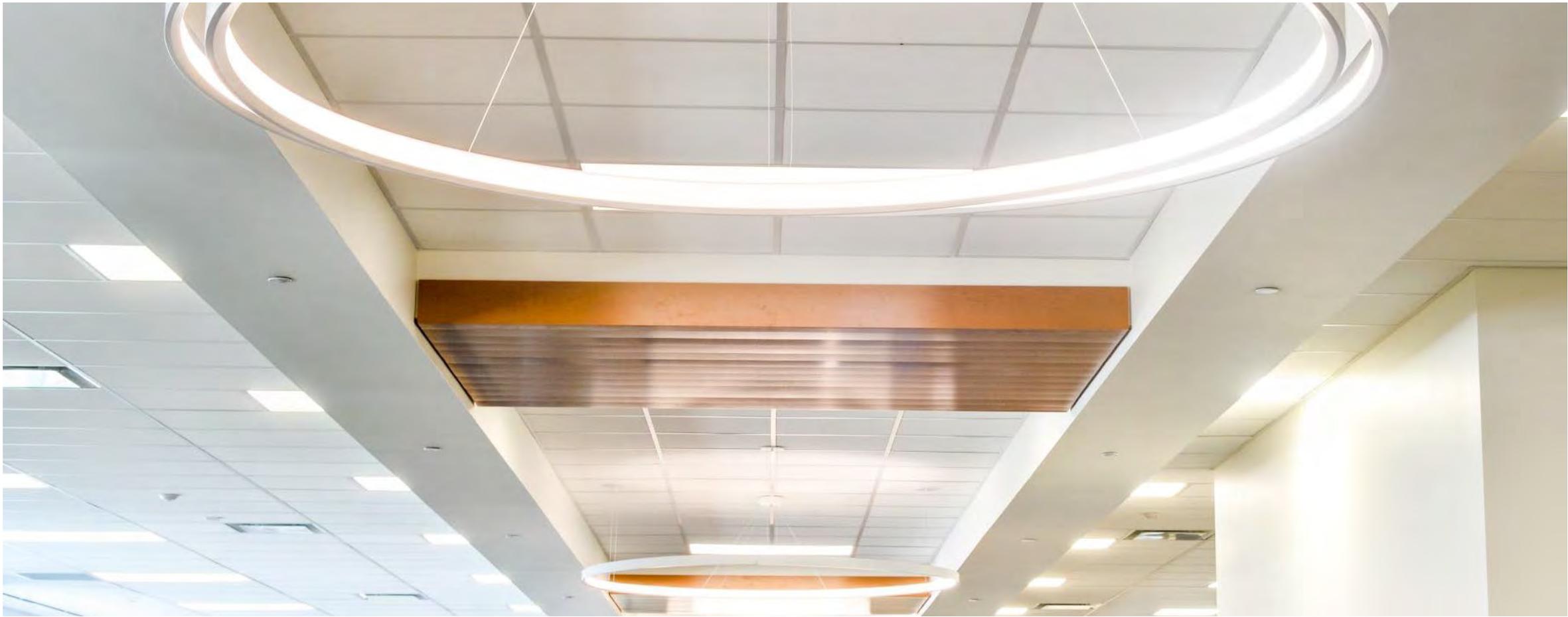
2021 Forbes

The World's Top Female Friendly Companies

2021 Forbes

Gender-Equality Index

2022 Bloomberg



Q2 2022 Financial Performance

Parks and Facilities Yard Development
Regina, Saskatchewan, Canada



Solid Q2 2022 earnings

Net revenue

\$1.1B | ▲ **23%**

Adj EBITDA⁽¹⁾

\$187M | ▲ **27%**

Adj EBITDA Margin⁽¹⁾

16.7% | ▲ **60bps**

Adj Diluted EPS⁽¹⁾

\$0.83 | ▲ **34%**

Increased earnings
driven by:

Organic Net Revenue Growth⁽¹⁾

9.4%

Acquisition Growth⁽¹⁾

12.4%

Project Margin

54.0%

KEY DRIVERS

Aging and overloaded
infrastructure

Climate change and
sustainability

Production capacity
constraints and
re-shoring domestic
production

(1) Adjusted EBITDA, adjusted EBITDA margin, adjusted diluted EPS, organic net revenue growth, and acquisition growth are non-IFRS and other financial measures (discussed in the Definitions section of Stantec's Q2 2022 Quarter Report)



STN
TSX: NYSE

Recent acquisitions driving synergistic revenue growth

EXCELLENCE INNOVATION PEOPLE GROWTH

Three acquisitions in the **United States** support sustainability, climate and environmental solutions.

Paleo's archeological expertise is in demand by the energy industry.

Cardno increases our presence in Environmental Services 60%.

Cox|McLain provides us with environmental compliance and planning in Texas.



Continued growth in Europe

Driven by Values in the Netherlands helps public and private clients navigate the energy transition

Barton Willmore in the UK strengthens our delivery expertise in master planning and urban design

Three acquisitions in **Australia** enhance our exposure to this strong economy.

GTA expands our presence in transportation advisory, planning, analytics, engineering, and technical design.

Engenium enhances our exposure to Australia's most influential mining, resources, renewable energy and industrial infrastructure clients.

Cardno doubles the size of Stantec's presence in Australia and provides us with the critical mass and diversity to accelerate our growth in this market.



2022 Outlook reaffirmed

Strong trends back robust multi-year growth outlook

Targets	2022 Annual Range	June 30, 2022 YTD Actuals	Geography	2022 regional net revenue outlook
Net revenue growth	18% to 22%	21.3%	United States	High single-digit organic growth
Adjusted EBITDA as % of net revenue ⁽¹⁾	15.3% to 16.3%	15.6%	Canada	Low single-digit organic growth
Adjusted net income as % of net revenue ⁽¹⁾	At or above 7.5%	7.4%	Global	High single- to low-double digit organic growth
Adjusted ROIC ⁽¹⁾	Above 10.5%	(note)		

2022 Adjusted diluted EPS⁽¹⁾ expected to grow by 22% to 26%

(1) Adjusted EBITDA, adjusted net income, adjusted ROIC, and adjusted diluted EPS are non-IFRS and other financial measures (discussed in the Definition section of our Q2 2022 MD&A).
Note: Adjusted ROIC is calculated annually at the end of the year.



STN
TSX: NYSE

Q&A

Gregory County Pumped Storage
Iowa, United States