

EVOLVE
DELIVER
INSPIRE
COLLABORATE
SUSTAIN
EVOLVE
DESIGN
ENHANCE
LEAD
INNOVATE
PERFORM
ENVISION
ACHIEVE
CREATE
TRANSFORM
GROW
CONNECT
ENGAGE
SUPPORT
ELEVATE

SUSTAINABILITY
REPORT
2018





Run-of-River Hydropower,
Bhote Koshi River, Nepal

Table of Contents

MESSAGE FROM THE CEO	1
ABOUT STANTEC	2
SUSTAINABILITY AT STANTEC	7
Sustainability Governance	9
Sustainability in Our Operations	10
Sustainability for Our Clients	12
Sustainable Development Goals	12
ENVIRONMENTAL STEWARDSHIP	15
Environmental Management	17
Emissions	18
Resource Conservation	20
SOCIAL BETTERMENT	25
People-Centered Workplace	27
Health, Safety, and Security	38
Thought Leadership	42
Community Engagement	44
Indigenous Connections	46
RESPONSIBLE GOVERNANCE	49
Ethical Business Practices	50
Corporate Governance	52
Strategy	53
Risk Management	53
Integrated Management	55
Cybersecurity and Customer Privacy	56
Supply Chain Management	57
GRI CONTENT INDEX	A-1
UNGC COMMUNICATION ON PROGRESS	B-1



ABOUT THIS 2018 SUSTAINABILITY REPORT

This Sustainability Report, Stantec's twelfth annual, provides information about Stantec's material environmental, social, and governance (ESG) issues and impacts for our fiscal year ending December 31, 2018. All financial information is reported in Canadian dollars (unless otherwise stated). This report communicates Stantec's overall sustainability journey and demonstrates our transparency regarding vital topics that apply to most organizations and that stakeholders are highly interested in.

Frameworks

The Sustainability Report covers GRI Standards and the ways we meet the needs of stakeholder groups. The GRI Content Index (Appendix A)

- Cross-references sections of this report and public documents that contain relevant data
- Adds pertinent details not explained in the main body of this report and explains any omissions
- Refers to topics in the Engineering and Construction Services Standard of the Sustainability Accounting Standards Board (SASB)
- Refers to recommendations in the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board

The report also includes Stantec's Communication on Progress for the United Nations Global Compact (UNGC) (Appendix B).

Report Boundaries

This report reflects all Consulting Services global operations but does not include Construction Services operations, which were divested in 2018.

Reviews and Approvals

Our consolidated financial statements were audited by Ernst & Young LLP Chartered Professional Accountants. Our greenhouse gas emissions inventory was independently verified by Bureau Veritas Group.

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 also underwent a formal review and approval process by senior management from each functional area, the Executive ESG Committee, and the C-suite. Plus, the board-level Health, Safety, Security, Environment, and Sustainability Committee reviewed the report before its release.

We commissioned ISOS Group, a leading sustainability report assurance and verification company, to conduct a third-party review of the content and quality of this report.

More Information

Additional information is available in our 2018 Annual Report; our Management Information Circular dated March 15, 2019; our Annual Information Form dated February 28, 2019; and our 2018 CDP Disclosure (formerly the Carbon Disclosure Project); as well as on stantec.com. Combined, these resources provide transparency regarding Stantec's ESG performance.

This report and future updates can be accessed at stantec.com/sustainability. Please direct any comments and questions about our sustainability efforts to sustainability@stantec.com.



When I think about the future of my children and future generations, I feel very proud to be leading Stantec, an organization with sustainability at the core of our business. Our commitment to designing infrastructure that supports a sustainable future is ingrained in our operations through the services we provide to our clients, the way we treat our people and run our business, and the passion we have for serving our communities.

Actively and purposefully, we address all three elements of sustainability: environmental, social, and governance (ESG).

Our Response to Key Global Trends

While creating our 2019 Strategic Plan, Stantec's Executive Leadership Team identified key global trends that factor heavily in our decision-making and direction.

Climate change is one of the high-impact, high-uncertainty global trends we identified. By addressing climate change in our design and delivery solutions, our global team of designers, engineers, scientists, and project managers are doing what's right plus reinforcing our position as a top-tier firm that's recognized for our creative, technology-forward, and collaborative approach.

We're targeting the following strategic growth opportunities, which are directly tied to the world's response to climate change:

- **Making smarter cities** to serve residents more sustainably and efficiently
- **Invigorating infrastructure** to improve performance and resource efficiency
- **Creating resilient coastlines** to prepare communities for sea-level rise and extreme weather
- **Remixing energy** to help the world's energy supply move from fossil fuels to renewable and low-carbon sources

By pursuing opportunities like these, along with projects that create and maintain sustainable communities, we support the UN Global Compact and the Sustainable Development Goals.

As well as contributing to our overall strategic direction, several members of Stantec's leadership team serve on our Executive ESG Committee. We also have a board-level Health, Safety, Security, Environment, and Sustainability Committee.

Our Approach to Sustainability

The way I see it, Stantec's future depends on our Company's ability to successfully address the challenges posed by climate change, create an inspired work culture that draws the world's best and brightest to the Company and keeps them engaged and excited about their work, and manage our business to maximize sustainable growth while operating ethically and transparently.

Our achievements in 2018 show we're on the right track:

- We brought together our 1,200 team members in Edmonton, moving them from three offices into one new LEED-certified head office, Stantec Tower. This great example shows our work toward reducing carbon emissions; improving employee comfort, collaboration, and team building; and increasing financial sustainability by saving costs.
- Stantec's per-employee emissions have dropped significantly over the years. And we committed to reducing emissions even further by setting new ambitious reduction goals.
- Our Buildings business operating unit signed on to the American Institute of Architects 2030 Commitment in support of the 2030 Challenge, which asks firms to prioritize energy performance in their

design in order to make measurable progress toward the goal of carbon neutral buildings, developments, and major renovations by 2030.

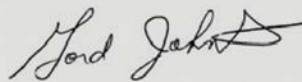
- We provided inspiring, inclusive, collaborative, flexible, safe, and healthy work environments.
- We invested in our people by funding their innovative ideas and by providing learning programs and volunteer opportunities.

For these accomplishments and commitments, Stantec earned several accolades, including for leadership in the fight against climate change from CDP, a Sustainable Development Goal Leadership Award from the Global Compact Network Canada, and one of the Best 50 Corporate Citizens in Canada from Corporate Knights.

Inspiration to Action, Action to Inspiration

I'm proud of our sustainability performance improvements and even prouder of our people for designing sustainable solutions for our world. You'll read about some of our success stories in this report.

I hope you'll be as inspired as I am—inspired by the progress of the past year and inspired to do even more for sustainability in the years to come.



Gord Johnston
Stantec President and CEO



Scioto Greenways |
Columbus, Ohio, United States

Our Purpose

Creating communities

Our Promise

Design with community in mind

Our Goal

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

Our Values

We put people first.

We do what is right.

We are better together.

We are driven to achieve.

SIX STRATEGIC OBJECTIVES

- 1 Inspired Culture** – We will continue to build an inspiring, inclusive work environment that attracts, supports, and develops world-class talent.
- 2 Winning Impactful Work** – We will pursue and win work that transforms communities and inspires our people.
- 3 Exceptional Project Execution** – We will execute projects exceptionally for our clients.
- 4 Inspired Thought Leadership** – We will combine proven ideas with curiosity, creativity, and technology-forward approaches to position Stantec as an iconic firm.
- 5 Competitive Operational Advantage** – We will embrace and enhance our collaborative business model and integrated platform for competitive and operational advantage.
- 6 Strategic Acquisitions** – We will grow through strategic acquisitions to meet client needs and strengthen our ability to create communities.



Reportable Segments*

- 54% United States
- 30% Canada
- 16% Global

Business Operating Units*

- 27% Infrastructure
- 22% Buildings
- 21% Water
- 16% Environmental Services
- 14% Energy & Resources

*Percent of Consulting Services gross revenue



Acquired

- Cegertec Experts Conseils, Inc.
- ESI Limited
- Norwest Corporation
- Occam Engineers, Inc.
- Peter Brett Associates, LLP
- Traffic Design Group Limited
- True Grit Engineering Limited

Divested

- Stantec Construction Services

Traded

- TSX
- NYSE
- Under the symbol STN

WE ASPIRE TO BE A TOP-TIER GLOBAL DESIGN AND DELIVERY FIRM THAT CHANGES THE WORLD FOR THE BETTER

We are champions of sustainability, sharing our collective knowledge and influencing others with action, insight, and commitment.

We forge new paths

By finding novel approaches, challenging the conventional, and being socially innovative, trailblazers build a better world for all.

→ [Learn more](#)

We use emerging tools to achieve success

In our designs, we put responsible resource consumption at the forefront and consider new dimensions of sustainability like wellness, living small, autonomous vehicles, and small-scale agriculture.

→ [Learn more](#)

We invest in energy efficiency

The way we design and retrofit our buildings has a significant impact on mitigating the climate crisis and, therefore, is a sound investment.

→ [Learn more](#)

We are guardians of water

Our water management and ecosystem experts help communities protect our drinking water, coastlines, streams, and more.

→ [Learn more](#)

We help communities prepare for the effects of climate change

A powerful framework has been created to assist communities in their journey toward resiliency.

→ [Learn more](#)

We make renewable energy feasible

Many small communities want to invest in renewable energy but lack the required infrastructure—microgrids can help.

→ [Learn more](#)

INDUSTRY RECOGNITIONS

#1

green design firm for educational facilities (ENR)

#1

international design firm for sewer and waste (ENR)

#2

international design firm for water (ENR)

#2

green building firm (BD&C)

#3

design firm in North America (ENR)

#3

design firm in power for hydro plants (ENR)

#7

environmental firm (ENR)

#9

design firm in power for wind power (ENR)

#10

design firm in the world (ENR)

ENR – Engineering News-Record Magazine
BD&C – Building Design & Construction Magazine

SECTION

HIGHLIGHTS

Environmental

Recognized by CDP for climate leadership.

Set new emission reduction targets and reduced Scope 1 and 2 emissions by 36% since 2013.

Relocated our head office into Stantec Tower, a resource-efficient building designed with occupant well-being in mind.

Joined the City of Edmonton’s Corporate Climate Leaders Program.

Signed on to the American Institute of Architects’ 2030 Commitment, which promotes carbon-neutral design.

Social

Reduced our injury rate (total recordable incident rate or TRIR) by 47% since 2013.

Consistent with previous years, invested about \$3 million to support the innovation, creativity, and thought leadership of our people.

Donated more than \$20 million to charity since 2007.

Hosted the fifth annual Company-wide volunteer event, Stantec in the Community Week; 6,000 Stantec employees volunteered.

Supported the success of Indigenous communities through Indigenous Business Partnerships.

Governance

Operated an Integrated Management System that includes internationally certified environmental, health and safety, quality, and IT management systems.

Guided by a board of directors—40% of those directors are female.

Appointed two female executive vice presidents in 2018; one was appointed chief financial officer.

Oversaw ESG performance with executive- and board-level sustainability committees.

Further incorporated ESG considerations, including climate change, into our Company’s strategy.



Center Parc, Woburn Forest
Bedford, United Kingdom



IN THIS SECTION

Sustainability Governance

Sustainability in Our Operations

Sustainability for Our Clients

Sustainable Development Goals

Sustainability at Stantec

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.

Our sustainability commitments are integrated into how we operate our business, the services we offer, and our Company's values: we put people first, we do what is right, we are better together, and we are driven to achieve.

We participate in the United Nations (UN) Global Compact and actively support the Sustainable Development Goals (SDGs).



**PROACTIVE
CLIMATE ACTION**

**At Stantec,
employees use their
collective passion
and expertise to
address the world's
biggest and most
pressing problems,
including climate
change.**

Taking proactive climate action is vital for the world and critical to Stantec's success.

Climate change can be risky for our long-term financial standing, reputation, and ability to attract investment. So we directly address climate change in our Enterprise Risk Management program and during our strategic planning process. We set ambitious emission-reduction goals and take steps to decrease our resource consumption.

Our services support climate action; therefore, addressing climate change presents an opportunity for Stantec. We work in both energy conservation and renewable energy generation. Our specialists help communities understand the local implications of climate change and plan for and recover from wildfires, hurricanes, flooding, coastal erosion, and infrastructure damage.



**A word about
climate action
from our senior
vice president of
Corporate Strategy,
David Smith**


"In October 2018, I attended the Global Engineering Congress in London, which brought together a worldwide community of 2,000-plus engineers focused on climate action.

"I moderated a session on climate-resilient infrastructure: we reviewed the recommendations of the Intergovernmental Panel on Climate Change and discussed contributions that the engineering profession could make.

"At the event, a Statement of Intent to support the SDGs was released. We pledged to collaboratively develop a practical roadmap to achieve the goals for water, energy, innovation, sustainable cities, and climate change.

"Stantec recognizes our role in moving toward a low-carbon future and co-creating climate resilient infrastructure. Climate action and resilience solutions are critical to our clients and our own position as a top 10 global design firm. But most critical is our role as global citizens to help communities secure a sustainable future."

 [See video](#)


The Leys
Cambridge, United Kingdom

Sustainability Governance

Our sustainability commitments are embedded in the way we operate our Company and support our clients. We pride ourselves on teamwork and collaboration, lead with our values, work to ensure mutual success with our clients, and commit to health and safety in everything we do.

Stantec’s comprehensive [Sustainability Policy](#) and certified management systems guide and encourage us as we implement best practices and improve our environmental, social, and governance (ESG) impacts. We incorporate sustainability risks and opportunities into our Enterprise Risk Management program and strategic planning process, and we consider sustainability in our acquisition strategy as we look for companies that will give us long-term growth and stability.

Stantec’s sustainability commitments are overseen by a board-level Health, Safety, Security, Environment, and Sustainability (HSES) Committee.

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

The executive-level committee is coordinated by the director of Sustainability; members include the following:

- Chief operating officer (committee chair)
- Chief financial officer
- Chief human resources officer
- Senior vice presidents of Corporate Strategy and of Health, Safety, Security, Environment, and Sustainability
- Vice presidents of Risk Management, Procurement, and Practice Services and Indigenous Relations

Committee members ensure that sustainability and stakeholder priorities align, that sustainability is integrated into our Strategic Plan and operations, and that sustainability-related impacts, risks, and opportunities are addressed.

CLIMATE CHANGE IS IN OUR STRATEGY

Our Strategic Plan outlines our initiatives and investments for addressing climate change.

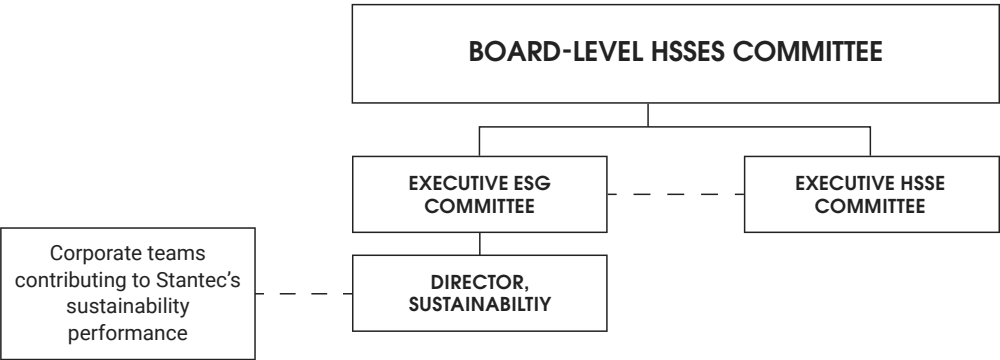
Our coastal growth initiative, for example, manages sea-level rise and ecological restoration. This initiative helped Stantec win the Mid-Breton Sediment Diversion project in Louisiana (United States), which has one of the highest land-loss rates in the world.

→ [Learn more](#)

Another example is our Urban Places strategic investment, which makes developments more livable, equitable, and sustainable. As part of this investment, Stantec advanced smart city models by conducting an autonomous vehicle feasibility study in the suburbs of Atlanta, Georgia (United States).

→ [Learn more](#)

SUSTAINABILITY GOVERNANCE STRUCTURE



CONSISTENCY IN PROJECT DESIGN

At Stantec, many employees are dedicated experts in well-established industry frameworks like LEED®, Envision®, and WELL®. And to support our clients to take more ambitious steps toward sustainability, we offer team members specialized training in frameworks like Certified Passive House and Greenroads Sustainable Transportation.

People

- 900+ LEED Accredited Professionals
- 250+ Envision Sustainability Professionals
- 15 Certified Passive House Designers
- 11 WELL Accredited Professionals
- 8 Fitwel Ambassadors
- 7 Green Globes Accredited Professionals
- 4 Greenroads Accredited Professionals
- 1 Pearl Qualified Professional

Projects

- 630+ LEED Certified Projects
- 34 Net Zero Certified Buildings
- 7 Envision Certified Projects
- 2 Fitwel Certified Workplaces
- 1 Zero Carbon-Design Verified Building
- 1 Certified Passive House Building
- 1 WELL Certified Workplace

Sustainability in Our Operations

Managing our business with a triple-bottom-line¹ focus benefits our people, clients, investors, and planet.

ESG initiatives save the Company money by introducing efficiencies; providing a foundation for effective decision-making, risk management, and transparency; driving innovation; supporting our brand; and improving recruitment and retention.

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

- Choosing approaches that are least likely to impact the environment
- Providing an inclusive and equitable workplace for our employees
- Actively volunteering in and engaging with our communities
- Committing to ethical business behavior

MATERIALITY

So that Stantec focuses energy and resources on top sustainability priorities, we periodically assess our material ESG topics. In 2018, we began refining our process to confirm those topics that are pertinent to our business.

Our materiality assessment process has two phases:

1. Operational priorities (completed):

A sustainability subject-matter expert facilitated an in-person workshop for Stantec's Executive ESG Committee. The committee identified material topics, then ranked them based on their significance of impact to our operational business strategy.

2. Stakeholder priorities (to be completed):

Stantec will survey internal and external stakeholders to determine their sustainability priorities as they relate to our operation. A pairwise evaluation² has been completed to determine the importance of one stakeholder to another.

Once feedback is received, those topics will be plotted on a matrix and used to augment the Company's strategies, targets, and reporting.

STAKEHOLDER ENGAGEMENT

Stantec's stakeholder feedback is critical as we evolve our Sustainability Program and improve our business. By listening to our stakeholders' ideas and requirements, we better understand their expectations and identify emerging opportunities and challenges.

We don't yet have the stakeholder survey results from the second phase of Stantec's materiality assessment update; however, other stakeholder feedback—from focus groups, meetings, questionnaires, and research—gives us relevant information for addressing the material topics outlined in this report.

MATERIAL TOPICS

The following GRI topics were deemed material based on the first phase of the materiality assessment and on stakeholder feedback.

Each material topic is covered in the body of this report, and additional details are presented in the GRI Content Index (Appendix A).

¹ Triple bottom line: A business's focus that includes not only financial considerations but also social and environmental considerations.

² Pairwise evaluation: A process of comparing entities in pairs to judge which entity is given greater weight.

MATERIAL TOPICS AND BOUNDARIES

**Sustainability Report
Section and Public
Reporting References**
GRI Standards Material Topics
Boundaries¹

About Stantec and Annual Report	Economic performance (GRI 201)	Employees, Customers, Investors, Supply Chain, Communities
Responsible Governance and Management Information Circular	Anti-corruption (GRI 205) Anti-competitive behaviors (GRI 206)	Employees, Supply Chain Employees, Supply Chain
Environmental Stewardship and CDP Disclosure	Energy use (GRI 302) Emissions (GRI 305)	Leased Office Space Leased Office Space, Vendors
Environmental Stewardship	Environmental compliance (GRI 307)	Leased Office Space, Projects
Social Betterment	Employment (GRI 401) Occupational health and safety (GRI 403) Training and education (GRI 404) Diversity and equal opportunity (GRI 405)	Employees Employees Employees Employees, Supply Chain, Communities
Social Betterment and Responsible Governance	Non-discrimination (GRI 406)	Employees, Supply Chain
Responsible Governance	Customer privacy (GRI 418)	Employees, Customers

¹ According to GRI, the boundaries describe who or what is impacted by each material topic.

**STANTEC
SUSTAINABILITY
SERVICES**

Buildings

[Health and well-being](#)
[Passive House](#)
[Resilient communities](#)
[Sustainability rating systems](#)
[Zero carbon and zero energy](#)

Energy & Resources

[Biogas production](#)
[Energy storage](#)
[Grid modernization](#)
[Hydropower](#)
[Microgrids](#)
[Pumped storage](#)
[Solar](#)
[Waste-to-energy](#)
[Wind](#)

Environmental Services

[Atmospheric sciences](#)
[Conservation](#)
[Cultural resources](#)
[Emergency response](#)
[Energy financing](#)
[Remediation](#)
[Restoration](#)
[Supplier responsibility](#)
[Zero waste](#)

Infrastructure

[Autonomous vehicles](#)
[Brownfield development](#)
[Complete streets](#)
[Public transport](#)
[Resilience](#)
[Smart cities](#)
[Sustainable infrastructure](#)
[Urban places](#)

Water

[Nutrient recovery](#)
[Wastewater treatment](#)
[Water resource management](#)
[Water supply](#)
[Water treatment and reuse](#)
[Watershed management](#)
[Wet weather](#)

Sustainability for Our Clients

Although Stantec is committed to sustainable operations, we most positively impact the world through the services we deliver to clients. At Stantec, we support a more sustainable future for our clients, big or small. We walk the path with them, identifying and capturing ways to make their projects more sustainable through architecture, engineering, planning, project management, and environmental services.

While providing the best design solutions for our communities, we work with clients to balance their social, environmental, and economic needs. 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 impacts of our design decisions.

Sustainability runs deep at Stantec—each geography and business operating unit (BOU) actively engages in creating a sustainable world, a world where buildings give back, water is valued, nothing gets wasted, development is responsible, and everyone can access renewable energy.

The list to the left summarizes Stantec's sustainability services by BOU and provides links to project examples.

Sustainable Development Goals

We recognize that sustainability success is possible only when society achieves an equitable distribution of social, environmental, and economic benefits in both the developed and developing world. To guide and support our sustainability strategy, Stantec adopted the UN Sustainable Development Goals (SDG) framework.

To better focus on our areas of greatest influence, we prioritized the goals and began tracking the projects that support them. Stantec shares SDG expertise, knowledge, and innovative implementation strategies across our business and works with clients to build their SDG awareness and to meet their SDG commitments.

Though Stantec's SDG practices and tracking systems are evolving, our successes have been recognized. For example, in 2018, we were honored to win an [SDG Leadership Award](#) from the Global Compact Network Canada for our efforts in clean water and sanitation, affordable and clean energy, sustainable cities and communities, and climate action.

We are proud to see our work improving the livelihoods and well-being of communities around the world.



IMPACT THROUGH OUR PROJECT WORK

We focus on the SDGs that relate to our core business, our area of greatest influence:

- 6 Clean Water and Sanitation
- 7 Affordable and Clean Energy
- 9 Industry, Innovation, and Infrastructure
- 11 Sustainable Cities and Communities
- 13 Climate Action
- 14 Life below Water
- 15 Life on Land

Climate action in the Seychelles

Rises in sea level, temperature increases, weather changes, and accelerated coastal erosion—all are impacts of climate change. And these impacts are affecting the Seychelles, its people, and its economy.

- Stantec-led planning efforts help the government
- Address drought risks and respond to rising sea levels
 - Manage water demand in an energy-efficient way
 - Bring sanitation services to 75% more residents than before
 - Implement its Climate Change Strategy and its Intended Nationally Determined Contributions
 - Develop local capacity to address climate change issues under the Global Climate Change Alliance Plus initiative (funded by the European Union)

IMPACT THROUGH OUR CORPORATE ACTIONS

Stantec currently has a direct operational focus and existing management strategies in place for the following SDGs:

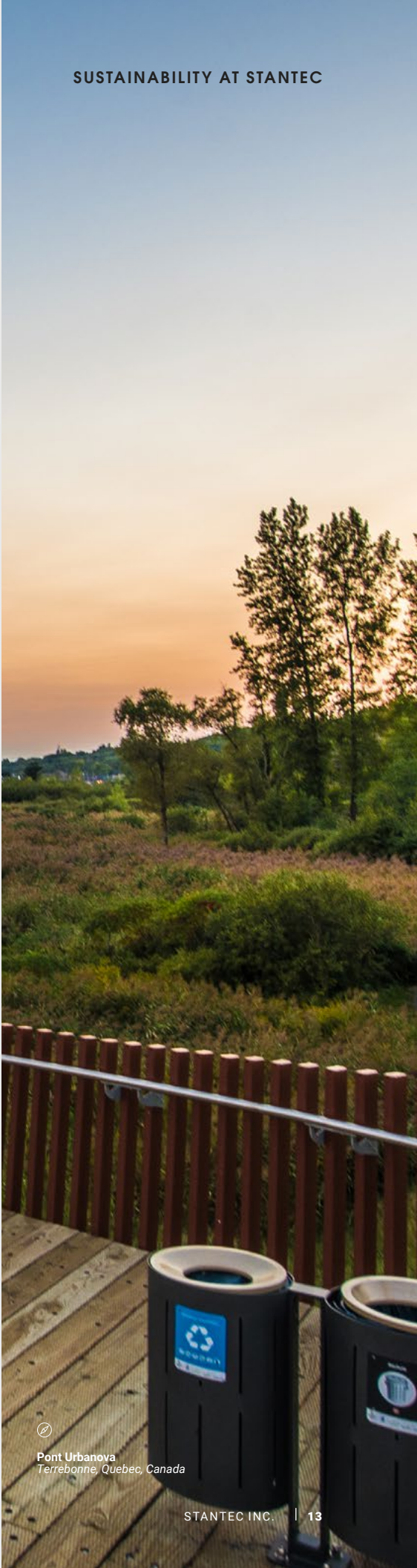
- 3 Good Health and Well-Being
- 5 Gender Equality
- 8 Decent Work and Economic Growth
- 12 Responsible Consumption and Production
- 13 Climate Action

Relieving suffering in Austin, Texas

Poverty and homelessness take a toll on the health of a community. Stantec works with Mobile Loaves & Fishes to support their Community First! Village, a 27-acre master-planned community dedicated to lifting men and women off the streets and providing them with homes, an organic farming co-op, mental and physical healthcare, addiction recovery services, and micro-enterprise opportunities.

Stantec’s long-term commitment to this development helped the project overcome planning and logistical hurdles and a “not in my backyard” opposition.

[See video](#)



Pont Urbanova
Terrebonne, Quebec, Canada



ELI Beamlines International
Laser Research Centre
Dolní Břežany, Czech Republic



IN THIS SECTION

Environmental Management

Emissions

Resource Conservation

Environmental Stewardship

As a leading global provider of environmental consulting services, Stantec is acutely aware of our responsibility to reduce our environmental footprint.

We work to minimize the impact of our operations, conserve resources on projects for clients and in our corporate programs, and incorporate environmentally friendly practices to engage and motivate employees.



evolv1 Centre for
Sustainability Excellence
Waterloo, Ontario, Canada

SIX PRINCIPLES OF SUSTAINABILITY

Stantec's Buildings group has joined the [the 2030 Commitment](#) of the American Institute of Architects.

What is the commitment?

By 2030, all designs for new buildings, developments, and major renovations will be carbon neutral.

How will we meet this commitment?

Using our sustainability discovery levels as a guide, our design teams analyze project site design possibilities for the micro- and macroclimate, set energy benchmarks, find ways to meet and even exceed those benchmarks, perform energy modeling, and conduct workshops to identify sustainable solutions—all before the first line is drawn.

Our aim is to design so communities thrive. Six sustainability principles enable our holistic, cross-disciplinary approach:

- | | |
|--------------|--------------|
| 1 Elements | 4 Materials |
| 2 Resilience | 5 Well-Being |
| 3 Ecosystems | 6 Vision |

We identify design strategies and measure success based on these sustainability principles, each necessary for designing with healthy, resilient communities in mind.

Environmental Management

Stantec is a professional services firm operating in leased office space; therefore, the direct environmental impact of our business relates primarily to office energy consumption, business travel, and office supply use. To decrease our environmental impact and reduce costs, we apply the precautionary principle¹ and look for operational environmental efficiencies.

PROGRAM AND PRACTICES

Our policies, management system, and project management framework guide us as we operate our business and execute projects.

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

Our EMS sets environmental objectives and monitors and measures environmental targets, regulatory compliance, orders and citations, and improvement plans. Our formal corporate environmental targets reduce energy, greenhouse gas (GHG) emissions, and paper.

We require a documented emergency response plan for every office and a spill response plan for every laboratory.

Although we do not track water use, we do take measures to conserve water in our offices.

All offices are internally audited for compliance; a sampling of offices are externally audited. Results are shared with executive leadership, and corrective action is taken as required.

- **Project Management Framework:** At a project level, Stantec complies with environmental laws and regulations and looks for ways to improve the environmental impact of our efforts (described in the Integrated Management section).

CORPORATE INFLUENCE

Edmonton is home to Stantec's corporate headquarters. And Stantec is one of Edmonton's largest employers. We recognize our influence in the Edmonton area and community and know that sustainability actions taken here can inspire similar actions across our Company.

Two corporate actions taken in 2018 show our commitment to sustainability and encourage others to act.

- Stantec relocated three offices and 1,200 employees into Stantec Tower, our new LEED corporate headquarters (Gold exteriors and Silver office space), which uses energy and water efficiently, purchases renewable energy, encourages sustainable commuting, and focuses on the well-being of its occupants.

→ [Learn more](#)

- Stantec joined the City of Edmonton's Corporate Climate Leaders Program, created to support Edmonton's transition to a low-carbon future and to develop a greener economy.

→ [Learn more](#)

WASTE REDUCTION

As Edmonton offices prepared to move into Stantec Tower, the local Green Team focused on minimizing waste. The Rid Your Bin program asked employees to give up their desk trash and recycling bin and use central kitchen bins instead.

Making waste disposal a conscious effort improves waste sorting, encourages physical health because employees must get up more often, and eliminates plastic bags in individual work stations.

Eliminating desk bins at our new head office will save almost two million plastic bags per year.

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

**AWARD**

Each year, Stantec discloses our [carbon management performance](#) to CDP. In 2018, Stantec was recognized by CDP for climate leadership with an A- score. We are the only A-class firm in the top 10 of [Engineering News-Record's Top 500 Design Firms](#).

Emissions

Stantec has measured, managed, and analyzed our carbon footprint since 2010. We follow the Climate Registry Protocol, covering GHG emissions and energy use for various activities.

At year end, Stantec occupied more than 400 offices in 19 countries, covering more than 567,000 square metres (6.1 million square feet). The space we need must be adaptable, so we lease space primarily in multi-tenant buildings. But this means that separate metering is rarely available and utility costs are wrapped into lease costs, making it complicated to collect activity data and measure, manage, and mitigate our energy consumption.

To address this, we collect utility usage data from the landlords of our largest offices and use industry-recognized intensity factors in our calculations.

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

REDUCTION TARGETS

Stantec's reduction strategy has been formally integrated into our Environmental Management System and is directly connected to our business efficiency and innovation strategies.

Scope	Reduction Target	Baseline Year	Target Year
Scope 1 and 2	40%	2013	2028
Scope 3	20%	2018	2028

In addition to following best practices for energy conservation, we reduce our Company's emissions in four main ways:

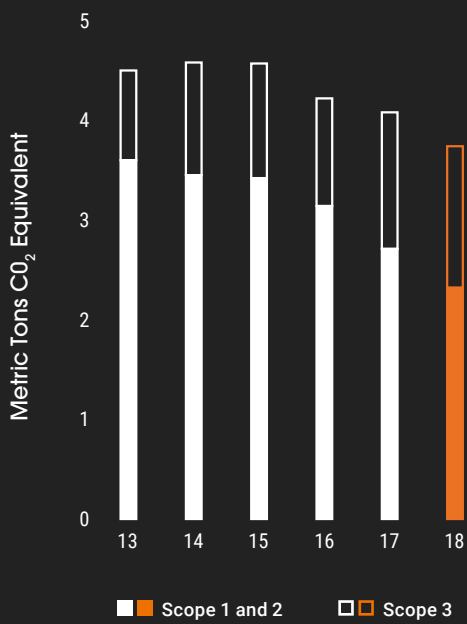
- Consolidating offices into energy-efficient spaces
- Reducing travel
- Greening our vehicle fleet
- Enhancing print management

And these strategies are working. We will continue to reduce emissions and costs, plus investigate innovations and ideas that aid us in achieving even more.

METRICS

Stantec's direct and indirect emissions (Scope 1 and 2) per employee decreased by 13% in 2018 from the previous year and by 36% against the 2013 baseline. Our other emission sources (Scope 3) per employee remained consistent against the previous year.

EMISSIONS PER EMPLOYEE BY YEAR



Scope 1

Direct energy sources (gasoline and diesel for fleet fuel, and Stantec-controlled natural gas, fuel oil, and propane for office energy)

Scope 2

Indirect energy sources (electricity and landlord-controlled natural gas, fuel oil, and propane for office energy)

Scope 3

Other emission sources (air travel, rental car use, work-related personal car use, line loss,¹ and paper use)

¹ Line loss: Loss of electricity in transmission between the source of supply and point of distribution to the consumer.



High Sheldon Wind Farm
Sheldon, New York, United States



AWARD

To recognize our environmentally conscious office practices, Stantec was awarded Silver Status from the City of Portland's (United States) Sustainability at Work program.



RESILIENCE

Resource Conservation

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

OFFICE ENERGY CONSUMPTION

Buildings are our most significant consumer of energy, and energy used in our offices accounts for most of our emissions.

Reducing energy using traditional approaches is difficult since most offices are leased in multi-tenant buildings where the landlords control the interactions with utility companies and make the decisions on whether to build energy-efficient features.

Some strategies that Stantec implemented to overcome this challenge follow:

- **Office consolidation:** Our most effective strategies to reduce the footprint of our Company—and therefore use less space and less energy—are consolidating our offices into fewer locations and relocating offices to more resource-efficient buildings.
- **New office selection:** When co-locating or adding space, we use a real estate scorecard to make balanced business decisions, consider sustainability features and wellness criteria, and weigh factors such as cost, proximity to clients, security, employee commutes, access to public transportation, and walkability.
- **Certifications and features:** We choose certified green buildings for our leased corporate facilities when possible and pursue interior design and construction certification using recognized green building and wellness standards. At the end of 2018, Stantec occupied more than 100 buildings (about half of our global square footage) that had sustainability certifications, features, or both.

- **Interior design:** Once a location is selected, we improve floor plan efficiency and incorporate health and well-being into the design. We consider access to daylight, clean drinking water, acoustic control, indoor air quality, options for active workdays and collaboration, impacts on operational energy efficiency, and more.
 - **Equipment:** To save power, we automatically hibernate workstations and laptops when they are not in use. Our IT data centers and disaster recovery sites are co-located in spaces with efficient energy specifications and technologies.
- Network technologies reduce duplicated services and equipment. We have high-density servers and disk configurations that use smaller spaces and less energy. And we decrease the number of devices in each office by using print management programs.
- **Landlord collaboration:** We continue to work with landlords of new and existing offices to reduce operational energy use and encourage upgrades like energy-efficient lighting, lighting controls, and programmable thermostats.



Hydropower Plant
Tafitoala and Fausaga, Samoa

BUSINESS TRAVEL

To be effective consultants, Stantec employees must travel to respond to clients' needs. But Stantec introduced ways to travel more efficiently and reduce nonessential travel. We use Skype for Business, allowing collaboration via conference calls, chats, and videos. And an additional level of management review resulted in fewer flights and miles traveled by fleet, rental, and personal vehicles and, in turn, reduced expenditures.

To mitigate the environmental impacts of our fleet, our Fleet Management team makes improvements to decrease vehicle emissions. Each year, Stantec incorporates more fuel-efficient trucks, vans, and crossovers, thereby reducing overall emissions and maintenance costs, as well as improving employee safety.

Our Canada and US fleets include trucks with ratings of up to 30 highway miles per gallon (12.8 kilometres per litre). In 2018, 95 vehicles were replaced to modernize the fleet with the latest in safety design and to reduce maintenance and repair expenses.

Our UK and Netherlands operations purchase Company vehicles that have emissions of no more than 140 and 120 grams of CO₂ equivalent per kilometre, respectively. Our Australia and Netherlands operations have hybrid and electric vehicles in their fleets.

Stantec looks forward to the new all-electric models in development so that we can further reduce our carbon footprint.

GO SMART

The Go Smart program in our UK operations reduces emissions by encouraging energy-efficient behaviors in offices and promoting safe, healthy, and sustainable travel.

Using the interactive online and wallet-sized Go Smart plans for each UK office, employees can plan journeys to work, client, and project sites. The guides suggest practical travel options—like cycling, bus travel, car sharing, and train travel—and ways to stay healthy and active.



©
Corning Riverfront Park
Albany, New York, United States

AIMING FOR ZERO

Our staff in the Netherlands challenged themselves to reduce the waste produced in their offices. The contest began in 2017 with a baseline of 26 kilograms (57 pounds) of waste per person per year. In 2018, we decreased that by 61%.

How? We restricted office supply purchases to only those that could be repurposed, recycled, or composted. We separated more waste. And we communicated, communicated, communicated.

But our environmentally friendly practices in the Netherlands don't stop there. We also

- Purchase field clothing that can be returned to the supplier at the end of the life cycle for recycling
- Use biodegradable sampling equipment for our field work
- Source only vegetarian and locally produced food for events
- Added electric cars to the fleet
- Have an electric charging station that is free for employee use
- Encourage bike and public transportation for going to and from work and client meetings

→ [Learn more](#)

OFFICE SUPPLIES

As a professional services firm, our Company uses office supplies more than any other physical resource. Ways we reduce our consumption follow:

- **Paper:** Stantec implements various techniques to reduce paper use. Our Records Management Policy encourages electronic markup of documents and drawings as well as electronic management of employee files. We set printer defaults to double-sided, black-and-white printing and implement numerous behavior-based programs to reduce paper use.

Stantec promotes electronic distribution of Company materials—Company communications, marketing materials, client invoices and reports, proposals, and field reports—and provides access to more than 6,000 technical journals in our eLibrary.

For the paper we do consume, we buy from centralized vendors so that we can standardize the purchase of environmentally friendly paper.

- **Equipment:** All standard workstation and laptop equipment is EPEAT- (Electronic Product Environmental Assessment Tool-) certified and Energy Star-rated. We standardized our Dell, Microsoft, and Apple hardware; one reason for selecting them is their approach to life-cycle environmental management.¹
- **Furniture:** Our interior design guidelines recommend that we purchase responsibly sourced furniture. Modular furniture is easily rearranged or moved between offices when employee numbers or office layouts change. When consolidating offices, Stantec reuses, donates, and recycles unused furniture.
- **Promotional materials and stationery:** Our internal Company store contains branded items for Company and personal purchase. We try to find store merchandise that is sourced in an environmentally and socially responsible manner.

In 2018, a new corporate print vendor was selected because of service quality and price, plus the vendor is certified 100% carbon-neutral.

WASTES

Because of established recycling and conservation programs, employees reduce the amount of office materials—like paper, glass, cans, bottles, batteries, e-waste, printer ink, and plastic dishware—that enters waste streams. And many Stantec offices offer organic composting.

Information from Environmental Management System audits and our Eco-Footprint Database supports us in identifying needs and areas of improvement.

Computers leased from and then returned to Dell at the end of the lease are reused, refurbished, or recycled. For computers purchased in North America, we use Dell's Global Asset Resale and Recycling Services to securely recycle our computer e-waste. Plus, we use Firefly Asset Recovery to recycle mobile devices.

In 2018 in Canada and the United States, Stantec recycled 99,635 kilograms (219,658 pounds) of equipment and 1,380 cellphones.

EVENTS

Stantec expects our offices to host environmentally friendly events. In 2018, we piloted an official Eco-Event Program. New guidelines make it easy to incorporate environmental stewardship into event planning. The program is effective, as demonstrated during the Innovation Forum—a low-waste, carbon-neutral event (described in the Thought Leadership section).

¹ Life-cycle environmental management: A systems approach that considers the sustainability of materials used for product production, energy used in transport, and post-consumer waste management.

PRINT MANAGEMENT

Our print management program in our US offices encourages employees to print less, mandates the use of recycled paper, streamlines the number of print devices, and always recycles toner, ink, and unused equipment.

In 2018, Stantec's US offices

- Reduced paper use by at least 30%
- Recycled 600 older devices
- Lowered emissions by 8 metric tons of CO₂
- Reduced waste by 9,000 pounds (4,082 kilograms)

We anticipate savings of about US\$2 million a year.



Stantec Office
Edmonton, Alberta, Canada



IN THIS SECTION

People-Centered Workplace

Health, Safety, and Security

Thought Leadership

Community Engagement

Indigenous Connections

Social Betterment

People are at the heart of everything we do; they give our work purpose.

So we provide fulfilling careers to our own people, help them set and then surpass their individual goals, value the safety of everyone our work touches, encourage our employees to innovate and become thought leaders in their respective fields, and support our communities through our volunteer efforts.



Stantec Office
Waterloo, Ontario, Canada

FIVE REASONS TO WORK AT STANTEC

We hear from our employees that people are attracted to more than just the job—they want a purpose and they want to contribute.

So, at Stantec, we continuously strive to be a place where the best and brightest come to build on each other's talents, do exciting work, and make a positive impact.

1 Impact – Employees make a difference in the world

Employees appreciate the impact we make in our world and our dedication to doing what is right. From developing creative solutions that meet our clients' needs to volunteering time and talent with local charities, employees can enhance their communities.

2 Opportunity – Employees explore local and global experiences

Employees always have new avenues to explore. Rooted in local communities, our global network provides new roles and experiences on the other side of the world or in our own neighborhood.

3 Community – Employees can be their best selves

Our culture—built on the foundations of community—attracts social, supportive, and collaborative people. We value relationships and encourage one another's contributions because we know we are better together.

4 Growth – Employees excel among the best and brightest

Stantec's aggressive growth strategy and industry leadership create a dynamic environment with numerous possibilities for career and personal growth. Our people are lifelong learners, pursuing their own development and developing our communities.

5 Personalization – Employees discover the right path for them

We value diversity, celebrate life, and applaud ambition. Each employee has a unique past and wants to forge her or his own distinct future. At Stantec, employees can take on new experiences, change roles, or work in an office across the world.

People-Centered Workplace

Our most valued resource at Stantec is our people. 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 to recruit top talent—as well as retain them. And at Stantec, we consider the entire experience, from the start of an employee’s career to the end.



AWARDS

Listed as one of the [Best 50 Corporate Citizens](#) by *Corporate Knights Magazine* (Canada).

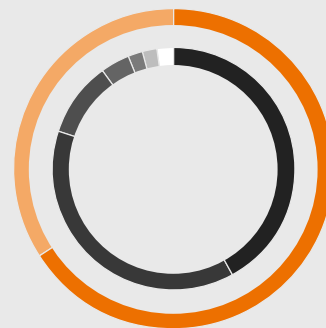
Ranked one of the [10 Top-Rated Workplaces](#) in Alberta by Indeed (Canada).

Recognized by the Muse (United States) as one of [20 Companies That Value Learning](#), one of [27 Companies We Love Right This Minute](#), and one of [27 Companies Who Love to Give Back](#).

Named [Best Apprentice Employer](#) in the Berkshire Apprenticeship Awards (United Kingdom).

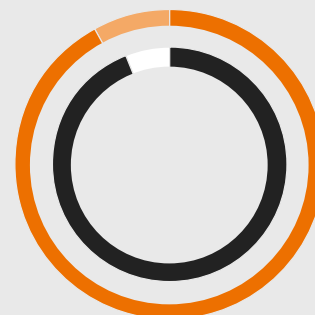
Recognized as Socio Emprendedor (Entrepreneurial Partner) for best practices in Human Resources from the [Asociación de Buenos Empleadores](#) (Association of Good Employers) (Peru).

GLOBAL WORKFORCE



- Males: 66%
- Females: 34%

- United States: 42%
- Canada: 38%
- Europe and Africa: 10%
- Asia Pacific: 4%
- Latin America and Caribbean: 2%
- India: 2%
- Middle East: 2%



- Full Time: 92%
- Part Time: 8%

- Permanent: 94%
- Temporary: 6%

TALENT MANAGEMENT

Stantec's cloud-based TalentHub helps recruiters reach more candidates and better manage employee referrals. Employees can build talent profiles, plus set career goals and chart a path to meet them.

Angela Moore (Canada), HR Solution Delivery leader, says, "Whatever job you choose to grow into, you have a path to follow. No employee's career aspirations will be overlooked."

FORO LATAM

The Foro Latam encourages collaboration and idea sharing among our Spanish-speaking technical experts in Peru, Chile, and Argentina. The program helps us discover capabilities, increase our knowledge, interconnect our region, and integrate our teams.

TALENT ATTRACTION

When we build an inclusive organization composed of diverse people, we create extraordinary results. Stantec attracts, engages, and develops employees with a wide range of talents, perspectives, and experiences.

We have a multifaceted Talent Acquisition team: they understand the talent required in our industry and each of our business lines. We promote opportunities internal to the Company and recruit subject-matter experts from the general market. In North America, all jobs are promoted internally first so current employees can develop their careers.

As well, employees are asked to refer—and are rewarded for referring—people they think would be suitable for the job and a good match for Stantec. In North America, nearly 30% of our organic hires¹ come from referrals.

Stantec's Talent Acquisition team transformed in 2018 so that we could increase our knowledge of the marketplace and more effectively identify talent. The team now includes dedicated strategists, sourcing specialists, operational leaders, campus recruiters, and talent branding specialists.

Also in 2018, Stantec began a phased rollout of a Company-wide human capital management system called TalentHub. It integrates human resources processes into one centralized system, improving the candidate experience, providing better access to reporting and metrics tracking, and increasing our digital presence.

Acquisitions

Many employees join us through acquisitions. The primary value of our acquired companies comes from the business relationships and expertise that those employees have, so we work hard to retain them.

Stantec wants acquired employees to feel supported and engaged so that they can do their best for the Company and our clients. To assist them in becoming part of the Stantec family, we

- Integrate them quickly into Stantec systems
- Share information about our Company's culture

¹ Organic hire: A new employee who comes to Stantec through the regular hiring process, not from an acquisition.

- Adopt best practices from the acquired company to continuously improve our Stantec systems
- Conduct post-acquisition surveys to better understand the impact of integration
- Develop action plans as required

Succession Planning

Our chief executive officer and board of directors work together on executive succession planning. Other Stantec leaders participate by identifying potential candidates for leadership positions and developing plans to prepare those candidates for advanced roles and duties.

TALENT MANAGEMENT

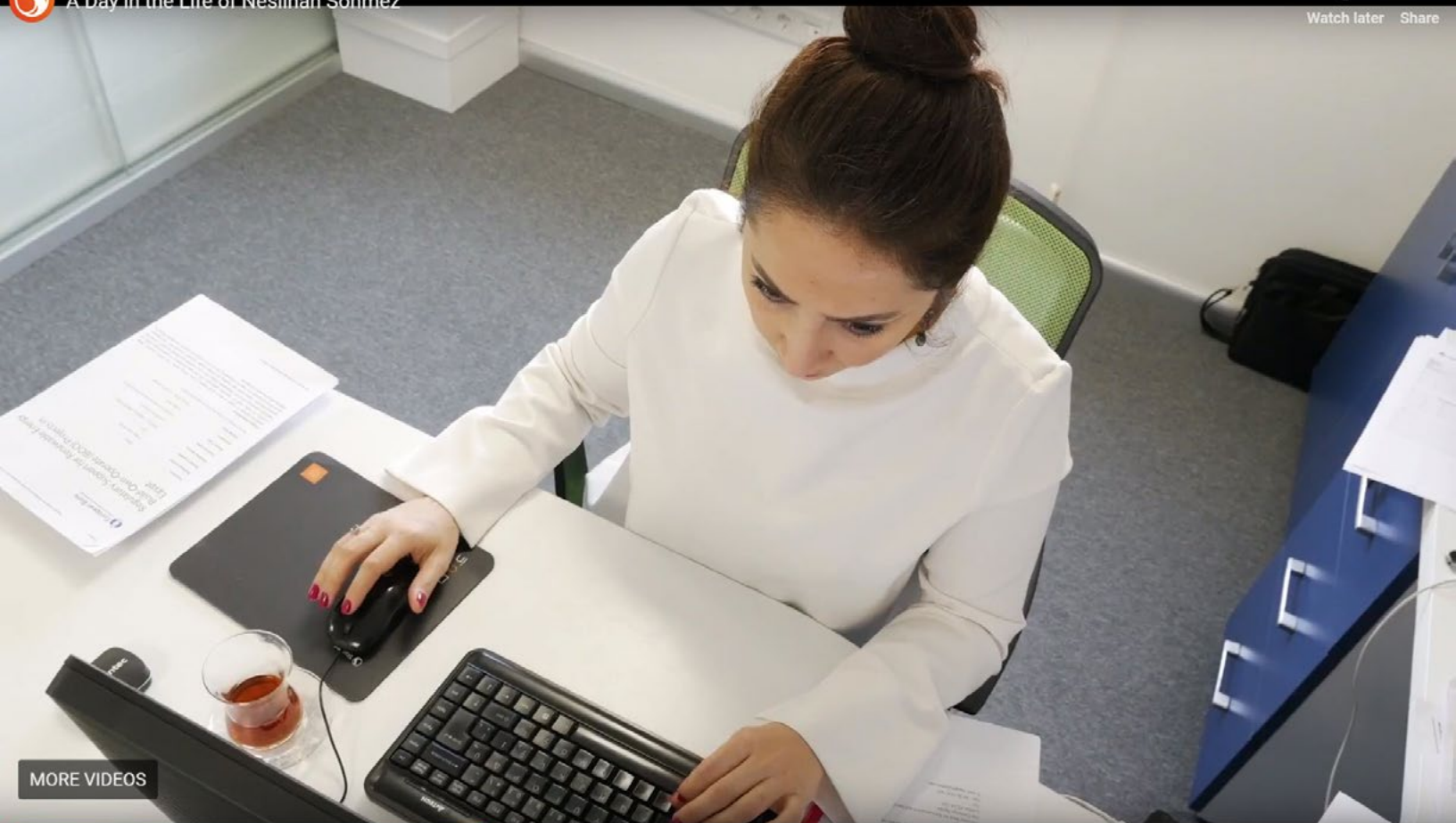
So that employees feel valued and inspired, we focus on employee well-being and provide adequate compensation and a pathway for successful career development. Using our new TalentHub system, employees can drive their career development, feel connected to the Stantec purpose, and find fulfilling opportunities for career growth.

Competitive Benefits and Compensation

Stantec values giving each employee the opportunity to live well, save well, and spend well. Our benefits program for eligible full- and part-time employees is designed to enhance their financial, emotional, and physical health. Because Stantec is global, our programs vary based on country of operation, local markets, social benefits, and tax impacts.

Stantec's benefits include healthcare, life insurance, disability insurance, paid and unpaid time off, a retirement plan, services to assist with life events (e.g., depression, substance abuse, relationship and family problems), an employee stock purchase plan, and more. Voluntary programs—such as public transport spending accounts, critical illness insurance, legal support, and pet, home, and auto insurance—address employees' individual needs.

We give an annual incentive to eligible employees based on their experience level, individual performance, and Company performance. We benchmark our compensation to industry data to be competitive in the market, and we strive to decrease unconscious bias when we set, evaluate, and increase employees' salaries.



MORE VIDEOS

0:32 / 1:37

YouTube

Organizational Development

Personal growth and career development are essential ingredients for our success. By fortifying our talent pool with the information, tools, and other resources employees need, we

- Gain an advantage over our competition
- Support our employees to reach their full potential
- Reduce voluntary turnover
- Increase employee engagement
- Improve motivation, teamwork, and effectiveness

Career Path Framework

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

We want our people to manage their careers and improve their employability. Not everyone has the same career goals, skills, and preferences, so we offer a choice of career streams—business, discipline, project management, or functional services. Each stream is distinctly focused, is equally valued, and has leadership opportunities.

Across geographies, employees can take on a new project or different work, which might be unavailable in their home base of operations. For instance, employees have broadened their experience and developed their careers by moving between the United Arab Emirates and Canada and between Argentina and Italy.



A DAY IN THE LIFE OF STANTEC EMPLOYEES

Our people—some of the industry's brightest and most talented engineers, scientists, planners, schedulers, and regulatory experts—contribute each day to make our world better.

Our "Day in the Life" series gives a glimpse into the work experience of Stantec employees around the world.

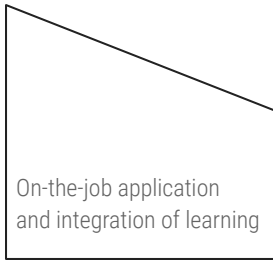
[See videos](#)

GLOBAL TEAMWORK

Stantec's global presence and collaborative work style means employees can work on projects outside their local geographies.

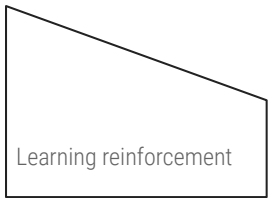
Varsha Bhosale (India) says, "From my desk in Pune, I've worked on really interesting projects—Inverurie Wastewater Treatment Works in the UK, Lynn Water and Sewer Commission in the US, Al Sheehaniya Utility in the Middle East, and Clyde Sewer in Australia. I've not only gained great work experience, but I've also met fascinating people."

THREE Es OF DEVELOPMENT



Experience

- Action learning and problem solving
- Shadowing, self-directed learning, and incidental learning
- Placements, secondments, and job rotations
- Lateral career progression
- Projects and special assignments
- Lessons learned



Exposure

- Communities of practice
- Subject-matter networks (internal, industry, best-in-class)
- User-generated content
- Collaboration platforms
- Sponsorship
- Coaching
- Mentoring
- Feedback



Education

- Workshops and conferences
- Self-led internal online learning
- Self-led external online learning
- Instructor-led webinars and classroom learning

Learning

Ensuring our people have the skills and knowledge they need to perform their roles is fundamental to employee success and vital to the future of our Company. We support the three Es of development: experience, exposure, and education. Our blended learning environment offers various training approaches and learning methods—formal and informal, internally and externally delivered.

Key elements of our learning programs follow:

- **Content development:** Stantec's Talent and Organizational Development team designs learning programs for our global workforce. Accredited as an International Association for Continuing Education and Training provider, Stantec designs and delivers high-quality courses and programs that follow industry-recognized instructional design principles. Content mastery is based on learning objectives and is measured. This rigor means we can provide professional development hours or continuing education units to support employees' professional licensing requirements.

Apart from creating our own content, we enter into agreements with third-party vendors to get an extensive array of online learning options for our employees.

- **Coaching and mentoring:** Stantec believes in learning by exposure. Our mentor-protégé program connects mentors with employees at various stages in the employees' career development.

In 2018, we launched a pilot coaching program with FranklinCovey®; peers in "accountability partnerships" coach and support each other to improve their effectiveness at work.

- **Learning outcomes:** In 2018, Stantec began measuring learning outcomes using the Kirkpatrick Evaluation Model®. The model classifies learning effectiveness into four levels. Stantec currently applies level 1 (reaction) and level 2 (increase in knowledge/skills and change in attitude) to our learning programs. We plan to extend our measurement into level 3 (behavior change) and level 4 (results achieved while on the job).

As well, we adopted the Phillips and Phillips® method to measure our return on investment for learning in selected learning programs.

Leadership Development

Stantec's Leadership Development program is evolving to better support our global workforce and further develop leadership competencies at every career level. This program mixes instructor-led (in-person or virtual) training, self-led online training, mentorship, and coaching.

In 2018, we developed and implemented a High-Potential framework that identifies our high-performance, high-potential talent at three levels: emerging talent, leadership talent, and executive talent. To retain and progress top talent, we assist these employees in managing their career development plans and provide leadership development and sponsorship.

Performance Feedback

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

In 2019, using our new TalentHub framework, Stantec's once-a-year career development and performance review will become a collaborative, dynamic year-round process.

Well-Being

Focusing on well-being brings out our best—personally and professionally. And a holistic approach to employee well-being is imperative as we compete to recruit and retain a highly skilled workforce.

Mental Health

We want our people to work in a supportive, open, and trusting environment, free of stigma and discrimination. Stantec strives to create an atmosphere in which mental health can be discussed frankly and openly. Globally, we run an annual [mental health awareness campaign](#) to encourage employees to focus on mental health goals and support others to meet their mental health goals.

Mental health programs in Canada, the United States, the United Kingdom, New Zealand, Australia, and Continental Europe give employees tips, services, and resources so they can be inspired, active, healthy, and mindful. Employees have access to Company and community resources and tools, employee testimonials, and a dedicated mental health blog.

We also openly promote and support Mental Health Awareness Month, World Mental Health Day, and Time to Talk Day.

Physical Health

Stantec wants employees to attend to their physical health—more exercise, improved nutrition, and better sleep. Through our Wellness programs, employees can complete health and wellness activities, earning them funds to spend on extended healthcare or to get discounts on medical premiums.

In the United Kingdom and Continental Europe, we have campaigns called “Be Healthy,” “Be Active,” and “Be Inspired.” Activities include the following:

- **Health assessments:** Employees get information about their body mass index, blood pressure, and glucose levels.
- **Fitness challenges:** Employees publicly pledge to meet their fitness goals.
- **“Inspired Role Model” communications:** Employees share skills and hobbies not directly related to work.
- **Workshops:** Employees learn about various topics, such as hypertension, cancer, menopause, stress management during post-surgery recovery, and leadership under stress.

MENTAL HEALTH MATTERS

To break down social barriers around mental health and jumpstart conversations, our UK operations assigned Mental Health First Aiders in each office. These caring employees participate in specialized training and volunteer time to support co-workers in need.

In our “This Is Me” series of videos, employees share personal mental health experiences with co-workers.



FLEXIBLE WORKING SUPPORTS EMPLOYEES AND THE ENVIRONMENT

Our operations in Italy developed the Smart Working program, which focuses on flexible working hours and working remotely. To enhance work-life alignment and reduce personal stress, employees can work away from the office up to three days per week.

A new online tool, Smafely (“smart” and “safely”), tracks the impacts of working remotely and evaluates data patterns to suggest improvements.

- In nine months, the program
- Avoided emissions of 13 metric tons of CO₂
 - Reduced travel time by 2,530 hours (roughly 300 working days)
 - Saved 593,000 kilometres (360,000 miles) of travel distance
 - Saved employees 13,500 euros in fuel, tolls, and train tickets

This program has not only reduced the environmental impact of employee commutes but has also been very well received by staff and credited with improving motivation, productivity, and retention.

HELPING THE WORLD’S MOST VULNERABLE BECOME RESILIENT

In the developing world, Stantec works with international donors and financial institutions to improve the design, implementation, and oversight of economic development

programs. These programs support countries in achieving resilient and equitable growth, transitioning to lower carbon economies, and protecting natural capital.

 [See video](#)

Work-Life Alignment

The client-driven work for employees of consulting companies often means strict deadlines and extra effort to meet project needs. Stantec’s resources, tools, and programs assist employees to align their work life with their personal life.

Many locations offer flexible work schedules and eco-friendly virtual work options (based on business and employee needs). Employees can work from home to support family commitments, enable volunteering, and reduce commute times. Virtual work options keep our projects progressing and our people safe when employees can’t get to the office.

Sense of Purpose

With incredible skill and passion, our employees create a lasting impression on our Stantec community and the communities we serve. Employees appreciate the positive impact we make in our world and are motivated by a sense of purpose.

Collaboration

Great achievements come from collaboration. So our Company fosters and supports a high-performing culture and stimulating work environment where we can learn from each other. When we combine our local strengths, knowledge, relationships, and world-class talent and expertise, we have the flexibility to meet our clients’ needs in creative and personalized ways.

This collaborative mindset comes from employees who want to work together but is enhanced by significant Company investments like the following:

- **Collaborative Business Model:** We live our philosophy of collaboration every day using an interconnected management structure we call our Collaborative Business Model. This leadership, management, and business approach requires commitment, cooperation, and consensus at all organizational levels (geographically based regional operating units and market-based business operating units).
- **Technology:** Stantec invests in technology; employees can collaborate through connected networks, cloud storage, and Skype. They can easily work from any Stantec office or home, communicating in

real time, sharing screens, and participating in conference calls.

- **Developing Professionals Groups:** In every geography, Stantec sponsors a chapter-based network so younger professionals can develop skills and relationships. Company-sponsored events connect them to peers and senior staff, broaden their career opportunities, and provide a venue for supporting communities.
- **Employee Resource Groups:** These Company-sponsored grassroots teams assist employees to connect based on shared interests. From just a handful in 2016, Stantec now has 41 groups around the world. (See the Inclusion and Diversity section.)
- **Innovation:** Employees can submit their creative solutions to secure funding from the Greenlight Program. Plus, they can present their ideas more broadly at our annual in-person Innovation Forum. (See the Thought Leadership section.)
- **Volunteering:** Our Company sponsors activities so employees can support their communities and causes. These community engagement activities emotionally connect employees to Stantec and encourage employees to have fun and demonstrate teamwork. (See the Community Engagement section.)

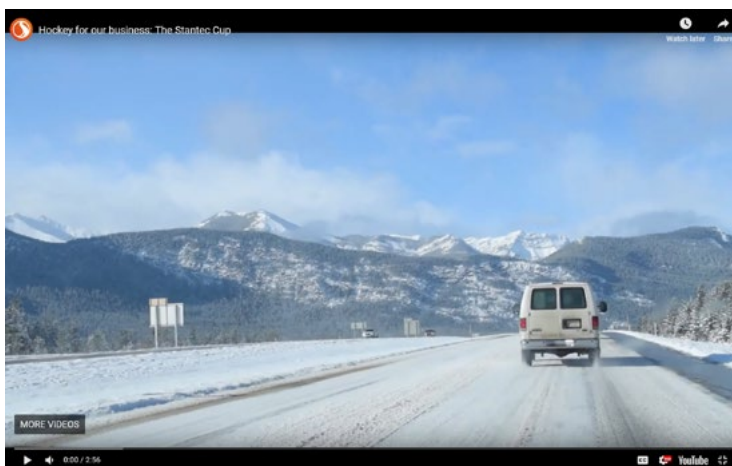
Making a Difference

Stantec pursues work that benefits communities; employees can build impressive careers working on challenging, meaningful, and iconic projects.

Because of our market position and global presence, our people can work on projects from around the world. For instance, team members in the United States, Argentina, the Netherlands, Italy, India, and Panama—over 13 time zones—worked on the Stantec-designed Panama Canal Third Set of Locks, one of the most recognized and sophisticated lock systems and largest water-saving basins in the world.

Recognition

Stantec strives to create a culture where employees feel valued and appreciated. Our Service Award program, for instance, celebrates and rewards the milestone career anniversaries of our employees.



STANTEC CUP: SHARING LAUGHS, MAKING CONNECTIONS

For more than 15 years, the Stantec Cup has brought together staff from different disciplines, regions, and backgrounds for an interoffice hockey tournament. The most recent attracted 175 employees

from 33 offices. The connections, comradery, and collaboration produce immeasurable job satisfaction.

Brian Lim (New York, United States) says, "I'm very happy with the work I do here at Stantec, but the Stantec Cup tournament makes me love being here!"

ENGAGING YOUNG PROFESSIONALS

Because Stantec's Continental Europe operations are composed mainly of younger professionals, our Developing Professionals Group (DPG) chapters have a high participation level.

One well-received recognition activity was "Kindness Week 2018," spearheaded by the Dutch DPG chapter and inspired by a similar DPG chapter initiative in Sydney, Australia. Colleagues anonymously shared messages of appreciation for and thanks to one another.

We surely see the positive impact of this group: 96% of our Continental Europe employees said they would recommend Stantec as a good place to work (in our 2018 employee engagement survey).

Our "High-Five Walls" in the Delft and Arnhem offices were filled with messages of kindness.

→ [Learn more](#)



A WORD ABOUT INCLUSION

“To me, diversity begins with inclusion. We invite opinions from those who differ from us, not only in gender, sexuality, and ethnicity but also in geography and disciplinary experience.

“Here, inclusion and diversity is more than a program: it’s core to who we are and what we do. It strengthens our Company, our workplaces, our services, and, ultimately, the communities and clients we serve.”

Gord Johnston, CEO

INCLUSION AND DIVERSITY

We recognize that inclusion and diversity facilitate innovation, increase employee engagement, connect us with clients, and create opportunities. At Stantec, we invite, embrace, and celebrate differences. That means all of us—together—shape a culture by bringing our whole selves to work in an environment that is welcoming, accepting, safe, supportive, and free of judgement.

Leading with Inclusion

Inclusion is a mindset, our chance to learn together and from one another. An inclusive workplace empowers and inspires, encouraging all people to celebrate their identity and unique voice.

Stantec champions inclusion for two reasons. First, we want to do what is right; everyone deserves the freedom to bring their whole selves to work every day without fear of judgment or discrimination. Second, we want an inclusive workplace culture that attracts and invites the full spectrum of talent into our organization.

Inclusion means valuing distinct experiences, perspectives, and talent. This, in turn, builds a more innovative and prosperous Stantec.

Program and Practices

For inclusion and diversity initiatives to be meaningful, they must be supported and endorsed by a range of people, from those in our C-suite to those in entry-level positions.

Stantec’s Strategic Plan states that inclusion and diversity are necessary for achieving growth. We hold our Executive Leadership Team members accountable (as part of our short-term incentive plan) for reducing inclusion gaps between identified groups (measured in our employee engagement survey). And employees are regularly reminded of the reasons that inclusion is a key part of our Company’s culture.

Some of our inclusion and diversity practices are described below:

- **Inclusion and Diversity Program:** Our Inclusion and Diversity Program, developed based on employee input and industry best practices, is driven by a dedicated team that moves our program and objectives forward and increases accountability.
- **Inclusion and Diversity Councils:** Stantec’s three Councils (Canada, United States, and Asia Pacific)—comprising influential business leaders who serve as change agents for inclusion—activate our inclusion and diversity strategy in their offices, business lines, and regions. The councils regularly report their progress to the chief executive officer and board of directors.
- **Employee Resource Groups:** Employee Resource Groups (ERGs) are grassroots employee-driven teams organized around shared interests. Members voluntarily advance inclusion and diversity across our business, support professional networking, provide education and development, address business challenges, and offer suggestions for improving corporate policies.

In 2018, the number of ERGs grew from 33 to 41. Groups include Women@Stantec, Pride@Stantec, Persons with Disabilities, Latinos@Stantec, Indigenous Connections, Cultural Awareness and Inclusion, and Military and Veterans Advocates.



DIVERSITY



MORE VIDEOS

0:10 / 1:15

CC YouTube

Unconscious Bias

Even people who enthusiastically embrace diversity can have an “unconscious bias” (also known as “implicit bias”)—a preference for or prejudice against a person or group without even realizing it. Unconscious bias creates barriers to inclusion, performance, engagement, attraction and retention, promotions, and, ultimately, innovation.

Unconscious bias can be managed once we realize we all have it. Stantec offers employees a chance to figure out their own biases: first, by using an online Harvard Implicit Association Test and, second, through e-learning and an in-person workshop (“Managing One’s Own Bias and Managing Bias in Others”), which explains unconscious bias and offers tools and techniques to manage it.



PROVIDING SAFE AND SUPPORTIVE SPACES

Stantec is a [Pride at Work Canada](#) sponsor—we believe in supporting LGBTQ2+ colleagues and allies.

We celebrate Pride each June, and, in 2018,

- Pride@Stantec desk cards were distributed in North America, Australia, and New Zealand to promote our organization as a safe space for people identifying as LGBTQ2+.
- Pride t-shirts were available to the entire company; employees could show their support of the community, both within Stantec and beyond.
- We sponsored floats in the Edmonton and Calgary Pride Parades (Canada). Our people rode on floats decorated with signs expressing how LGBTQ2+ employees feel about their place in the Company—supported, valued, respected, welcomed, celebrated, included—while employees cheered them on along the route.

Travis Park (Canada) says, “The Edmonton Pride Parade was great; everyone was excited. I feel like we really let Edmonton know that Stantec is a major player when it comes to diversity and inclusion and supporting the LGBTQ2+ community.”

MEET SOME AWARD-WINNING WOMEN WHO WORK AT STANTEC



Shelley Brown (Canada), board member, was honored with a Lifetime Achievement Award from the Chartered Professional Accountants of British Columbia, inducted into the Order of Canada, and listed on Canada's Top 100 Most Powerful Women for four years, earning her a position on the Women's Executive Network Hall of Fame.



Denise Pothier (Canada), vice president, was named one of Canada's Top 100 Most Powerful Women by the Women's Executive Network and one of Canada's 50 most inspirational women by Inspiring Fifty Canada.



Kim Austin (United States), vice president, was named an honoree on the 40 under 40 list by the *Tampa Bay Business Journal*.



Erin Davis (Canada), director, was named the Diversity & Inclusion Practitioner of the Year by the Canadian Centre for Diversity and Inclusion and the Emerging Leaders Champion by Catalyst.



Rachel Bannon-Godfrey (United States), sustainability discipline lead, was named on the Who's Who in Energy list by the *Denver Business Journal*.



Resa Furey (United States), marketing and business development manager, was named one of 100 Global Inspirational Women in Mining by *Women in Mining*.



Rachel Fitzgerald (United States), senior lighting designer, was named on both the North American and Global 40 under 40 lists by *Lighting Magazine*.



Cristina Howick (United Kingdom), planner, was named one of the Women of Influence by *The Planner*.



Fritha Bevin-McCrimmon (United Kingdom), project engineer, was named a Rising Star at the 2018 Women in Science and Engineering (WISE) awards for her efforts to promote STEM to girls and women.



Stephanie Thompson (New Zealand), water and wastewater engineer, received the Outstanding Achievement in Design from the National Association of Women in Construction.



Cathy Kingdon (Canada), environmental engineer, received the APEGA Volunteer Recognition Award for her passion for supporting girls who are interested in engineering.



Isobel Oldfield (New Zealand), environmental specialist, was named the Young Environmental Professional of the Year by the Environmental Institute of Australia and New Zealand.



Afaf Azzouz (Canada), building energy specialist, was given the Emerging Green Leader Award from the Canada Green Building Council of Ontario.



Lilian Marrero (United States), engineer in training, was given the Hispanic Leadership Award from the South Florida Hispanic Chamber of Commerce.



Erica Deane (United Kingdom), apprentice, was named the Star Achiever Apprentice in the Berkshire Apprenticeship Awards.

EMBRACING INTERNATIONAL WOMEN'S DAY

Each year, Stantec employees celebrate International Women's Day in offices around the world. In 2018, we shared ways that we will #PressForProgress.

 [See video](#)

Gender Diversity and Equity

Traditionally, women are underrepresented in science and engineering. In fact, industry statistics note that only about 28% of the science and engineering workforce in the United States is female.

Stantec focuses on gender diversity and equity, and we actively work to increase the number of women in our talent pool and leadership roles. Globally, our percentage of female employees in all roles has held steady for the past three years at 34%. Although the ratio of females to males is not as balanced as we would like, we are pleased to see progress in the percentage of female managers (from 16% to 19%).

Gender diversity and equity continues to be a priority for Stantec, and, in 2018, we accomplished the following:

- Added a female director to our board, bringing the percentage of female directors on our board to 40%
- Named two female executive vice presidents: Theresa Jang, chief financial officer, and Cath Schefer, regional operating unit leader for Global operations outside of North America
- Issued our first Gender Pay Gap Report in the United Kingdom, and prepared for a global pay equity study
- Inspired and empowered women at Stantec to be strong leaders with our 26 Women@Stantec Employee Resource Groups
- Sponsored the [Girls in Science](#) event at the Denver Museum of Nature and Science for the fourth year in a row (8,000 people attended the 2018 event)
- Joined the Gender Equality Leadership Project with the UN's Global Compact Network Canada
- Signed on as a founding partner of [The Diversity Agenda](#) in New Zealand; the goal is to get 20% more women into engineering and architecture roles by 2021

- Engaged Catalyst—a global nonprofit that promotes inclusive workplaces for women—to conduct a detailed workforce analysis to improve women's representation in senior leadership

EMPLOYEE ENGAGEMENT

Stantec wants employees to feel they belong and feel good about their work. Fostering engagement fuels their drive to succeed—and contributes to Stantec's overall success.

Every two years, Stantec invites employees to share their perspectives on ways to improve the organization via a formal employee engagement survey. In 2018, we expanded this survey beyond North America, including employees in the United Kingdom, Barbados, Continental Europe, India, Turkey, and the Middle East.¹

The survey results were meaningful. Unfortunately, our 2018 overall engagement score² came in 6% lower than our 2016 score. Our employees say Stantec needs to improve connections and communication with leadership, attend to recognition and compensation, and remove internal barriers. But we are addressing how we can improve this. C-suite members have been assigned objectives to improve engagement.

The good news is that our employees say that they feel a sense of accomplishment and enjoy their work, that they have effective and productive relationships with colleagues, and that our commitment to safety is strong.

In addition to our engagement survey, we track success using external tools like Glassdoor and Indeed. We closely watch our ratings, take stock of the feedback, and then improve our systems.

¹ Our offices in Latin America and Asia Pacific had recently completed an engagement survey, thus another survey was not required.

² The average score of the positive responses, i.e., responses that score 4.5 or more (on a 6-point scale).

ENGAGEMENT INITIATIVES

A 2014 engagement survey in our Australian operations found that women had lower engagement levels than men. The women said they felt a lack of balance in their work lives.

To improve the life of all employees, we

- Expanded parental leave programs
- Delivered greater workday flexibility
- Provided more professional development
- Helped staff at risk of leaving find ways to re-engage at work—ways specific and motivating to them

Our initiatives paid off. Since 2014, the turnover of female staff in our Australia operations has decreased 46%.



AWARDS

Received an Order of Distinction for winning 15 consecutive Gold Awards from the Royal Society for the Prevention of Accidents (United Kingdom).

Won an International Safety Award from the British Safety Council (United Kingdom).

Won the Safety Longevity Award from British Petroleum for five years of safe practices (United States).

Received the Governor's Award for Outstanding Workplace Safety from the Vermont Department of Labor (United States).

Celebrated 10 years of injury-free work on Shell and Chevron projects involving hundreds of Stantec employees and millions of hours in the field (Canada and United States).

Obtained 100% and 97% on external safety audits for health, safety, and environmental performance for required audits commissioned by Antamina and Gold Fields, respectively (Peru).

Health, Safety, and Security

Stantec's safety culture encourages each of us to make safe choices for ourselves and our colleagues, partners, and clients so that we all return home safely each day. Nothing is more important than the health, safety, security, and well-being of the employees, subcontractors, visitors, and communities the Company serves.

Our proactive health, safety, security, and environment (HSSE) programs¹ and systems focus on identifying, assessing, and controlling hazards and risks. After we investigate an incident, we share lessons learned and improve our practices, tools, training, and communication. We also conduct regular audits and inspections.

Our commitment starts at the top and connects directly to each employee.

- Our board-level HSSSES Committee (covering both HSSE and sustainability) oversees governance
- Our Executive HSSE Committee—comprising senior leaders across business lines and geographies—provides executive sponsorship of our HSSE policies, programs, goals, initiatives, and management systems
- Our network of HSSE directors, managers, advisors, and office-level representatives connects our programs to the day-to-day lives of our employees

¹ Stantec's HSSE programs cover health, safety, security, and environment. For ease of reading, this section covers health, safety, and security commitments. Environmental commitments are covered in the Environmental Stewardship section.

PROGRAMS AND PRACTICES

Stantec applies health and safety principles when planning and executing projects, sharing best practices and lessons learned, and managing the continuous improvement cycle. Our programs connect to mental health, physical health (fitness for duty), freedom from injury, and protection from violence in the workplace in all its forms.

The following policy, system, and programs guide us as we operate our business and execute projects:

- **Health, Safety, Security, and Environment (HSSE) Policy:** Our [HSSE Policy](#) sets the Company's expectation: everyone working for Stantec is responsible and accountable for our health, safety, security, and environmental performance.
- **Occupational Health and Safety Management System:** We manage, monitor, and improve our health and safety performance with a formal OHSAS 18001:2007-certified management system (part of our Integrated Management System).
- **In Case of Crisis:** This smartphone application supplies on-demand, Stantec-specific HSSE and emergency response information to employees and subcontractors. Employees can quickly find relevant HSSE information, easily report issues, complete simple forms, access security support, and receive information about an emergency or a pandemic.
- **Stop Work Authority:** Stantec is committed to providing and maintaining a safe and healthy workplace. We believe that incidents and injuries are preventable and that a job is done well only if it is done safely. Time taken to confirm our understanding and to execute our HSSE roles and responsibilities is time well spent. Stantec's Stop Work Authority document is endorsed by our chief executive officer and available on our internal website.

INCIDENT PREVENTION

Stantec takes proactive measures to identify and address issues before they happen. The following components improve our safety culture:

- **SaferTogether™:** This term defines our HSSE culture at Stantec—safety is personal and important; it impacts the decisions and actions we take at work, at home, and in the community.
- **Leading indicators:** We conduct ergonomic assessments, hazard identification, and planned job observations and track our success with a leading indicator safety index (LISI). Starting in 2019, each employee must identify a minimum number of leading indicators, also called proactive safety measures, as part of the career development and performance review.
- **Critical risk controls:** We identified our 12 most critical risks that have the greatest potential to cause serious injuries, incidents, and fatalities; then we created a series of easy-to-use, concise guides that give information about identifying these hazards and implementing control measures to keep employees and others safe.
- **Hazard recognition, assessment, and control:** This process is designed to help employees identify hazards, assess risk, and then implement controls aimed at preventing incidents. In 2018, we introduced the Energy Wheel, a resource that employees can use to identify the 10 sources of energy that create hazards.

SaferTogether™

By strengthening our safety culture, we can reduce injuries, give employees the tools to get home safely each day, and improve our safety performance.

Through our SaferTogether training initiative, which began in 2016, we educate leadership and employees about why we must and how we can actively and consistently support a safety culture where everyone works together to be safe—at work, at home, and in our communities.



HAZARD ASSESSMENT

Our Energy Wheel outlines 10 energy sources that can pose risks and create hazards.

Familiar wording and symbols displayed on field equipment and forms assist employees to be more aware of their surroundings and to identify hazards early so they can more easily mitigate risk and reduce incidents.



②
Sage Grouse Survey
Elko, Nevada, United States

COMMUNICATION AND TRAINING

Achieving HSSE compliance and engagement takes more than telling employees about processes and how to use them. We must also inspire them to want to make safe choices and follow HSSE processes every day. Increasing leadership visibility and engagement, encouraging and recognizing safe and proactive behavior, and making safety meaningful are some ways that we continue building our safety culture.

We regularly communicate about and provide training on our corporate HSSE expectations, critical risks, and workplace best practices so that employees can keep themselves and others safe.

Our extensive array of training options means we can offer the right training for every employee and every type of work. We offer in-person safety trainings, facilitated by operational leadership and HSSE practitioners, plus e-learning options—from awareness-level courses (such as ladder safety; slips, trips, and falls; and hand safety) to certificate and regulatory required courses (such as HAZWOPER, confined space entry, and fall protection).

In 2018, 96% of our employees in North America completed face-to-face training (conducted by operational leadership) on our SaferTogether culture. Employees learned ways they can improve the safety culture so that safety becomes second nature and we have the knowledge, motivation, and tools to always take care of ourselves and others.

Our chief operating officer's quarterly safety communications share safety successes and areas of improvement. We celebrate safe work practices through recognition and awards and hold safety rallies in some locales.

Annually, as part of our career development and performance review process, employees are tested on their knowledge of applicable safe work practices.

METRICS

Stantec's 2018 total recordable incident rate (TRIR) improved from 0.55 in 2017 to 0.41 in 2018—a 25% improvement since 2017 and a 47% improvement since 2013. And we reported more than 28,000 leading indicators (proactive safety measures),

such as inspections, observations, and hazard identifications. As a result, our leading indicator safety index (LISI) score increased from 0.50 in 2017 to 1.03 in 2018—a 106% improvement since 2017 and a 267% improvement since 2015 (when we initiated the program).

Our TRIR and LISI statistics are improving; however, in 2018, we experienced the tragic loss of our colleague, Martin Vasquez, in a fatal traffic incident. This loss reminds us that, even though our safety culture is strong, one incident can have devastating effects. We continue to emphasize hazard recognition, focus on leading indicators, and identify and control critical risks.

SECURE WORKPLACES AND TRAVEL

To provide secure workplaces, we take preventive measures like locating offices in safe areas and providing appropriate office security.¹

In 2018, we rolled out new security guidelines and added security content to the In Case of Crisis application (described under Programs and Practices in Health, Safety, and Security), giving employees advice for handling security both internationally and domestically. In 2019, we will roll out new mandatory security training for all employees.

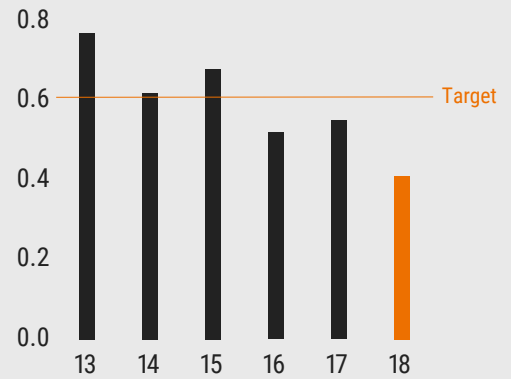
To reduce risks to employees at the office and when they travel and work on projects, we

- Provide and maintain Office Security and Workplace Violence Security communications, training, and guidance
- Conduct office security audits and implement resulting improvements
- Track global security trends and give advice about project-related threats
- Prepare risk mitigation plans and standards
- Provide security ground-truth² at project locations
- Monitor and give advice about security during live events
- Hold travel safety briefings
- Offer culture guides to improve travelers' experiences
- Support employees who experience problems while traveling

As a direct result of Stantec's travel security program, Stantec employees logged more than 46,000 airline trips in 2018—without incident.

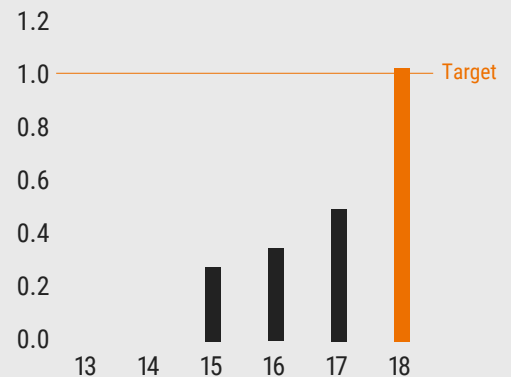
¹ Cybersecurity is covered in the Governance section.
² Ground-truth: Information collected by direct observation.

SAFETY STATISTICS BY YEAR



TRIR

A lagging indicator that tracks the number of recordable incidents that a company experiences during a year, normalized to 100 full-time employees. A low TRIR score is desirable.



LISI

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. A high LISI score is desirable.



SAFETY

“CREATIVE THINKING INSPIRES IDEAS. IDEAS INSPIRE CHANGE.”

This quote, by artist Barbara Januszkiewicz, is the mantra of Stantec’s Ideas Hub, where our experts share their inspirational ideas with the world.

Readers learn about the trends, innovations, and challenges that impact the built environment: sustainable, resilient design; cities that adapt to climate change; and the future of water.

→ [Learn more](#)

Thought Leadership

Our inventive and collaborative approach to problem-solving gives life to big ideas. To promote innovation and facilitate collaboration, in 2018, Stantec invested \$2.9 million into project grants and research and speaking opportunities.

INVESTING IN IDEAS

Our Greenlight Program awards project grants for innovative ideas and research proposed by employees and project teams. In 2018, almost 60% of those grants funded sustainability-related projects like investigating the effect of micro-plastics on drinking water, creating prefabricated designs for Passive House-certified buildings, and advancing the technology of autonomous transportation.

Stantec employees regularly present at conferences and publish research papers, journal articles, and reports about scientific advances on client projects. Our Publish & Speak Program awards employees money to cover time spent developing manuscripts for presentation at technical conferences and for publication in peer-reviewed technical journals.

Stantec also partners with academic researchers to access federal funding for research. In 2018, these partnerships attracted \$500,000 in federal funding.

INNOVATION FORUM


In 2018, we held our twenty-second annual Innovation Forum,¹ which recognizes and celebrates our most innovative projects and the people behind them. Thirty-eight employees from 10 countries gathered in Colorado, United States, to network and share best practices. Our theme—Becoming Iconic—emphasized our multi-disciplinary approach to designing with community in mind.

More than 90% of topics chosen for the forum related to sustainability. Topics included renewable energy design and financing, ecological and cultural preservation, social justice in transportation design, employee well-being, emergency response, electric and autonomous vehicle planning, social license to operate, water conservation, and Indigenous relations.

This carbon-neutral, eco-friendly event was webcast live; all employees could watch presentations, receive strategy updates from senior executives, and interact with presenters in real time using Yammer, our internal social media platform.

¹ Previously known as the Breckenridge Forum.




The Innovation Forum
Broomfield, Colorado, United States


“The Innovation Forum is about being inspired by our peers, jobs, and being proud to be part of the Stantec family.”
—Caterina Cigala (Belgium)

“At the forum, I learned what Stantec is really about, and I have a new pride in working here. I shared energy, passion, connections.”
—Michael Siegel (United States)

“The event was valuable, inspiring, a great experience for all.”
—Joanna Gascoigne (New Zealand)

“I was so nervous presenting at the conference since English is my second language, but I left feeling supported, connected, and inspired.”
—Janeth Pizarro (Peru)

“The forum provided mental nourishment.”
—Bernadette Bezy (United States)

“An excellent example of diversity, innovation, imagination, vision, passion, collaboration; makes me proud to work here.”
—Mary Murdoch (Canada)



CREATIVITY

**STANTEC'S FUNDING PILLARS:
FOUR PRIORITIES OF EVERY
COMMUNITY**

Education

Stantec co-created the annual Girls & Science event at the Denver Museum of Nature and Science in the United States, reaching more than 8,000 attendees in 2018.

→ [Learn more](#)

Environment

For the second year in a row, our Dutch colleagues set off for a weekend away with By the Ocean we Unite to conduct research to support reducing the amount of plastics in our waters.

→ [Learn more](#)

Health and Wellness

In the far north of Nunavut, Canada, Stantec's backing of the Polar Bike Project is a meaningful and fun way to support the health of Indigenous children.

→ [Learn more](#)

Arts

Music can connect diverse people and ideas. Since 2012, we have supported Atlantic Canada's Harvest Jazz & Blues Festival.

→ [Learn more](#)



COMMUNITY

Community Engagement

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


Stantec's Community Engagement Program has four funding pillars: education, environment, health and wellness, and the arts. In 2018, we donated \$3.6 million to organizations around the globe. Since we began tracking in 2007, our donations have exceeded \$20.5 million.

As part of our four-pillar focus, Stantec supports diversity in the communities where we live and work. We celebrate and get involved in activities that nurture inclusion in the broader marketplace; participate in community partnerships; and promote programs that enable engagement with women, members of visible minorities, Indigenous Peoples, people of diverse ethnic origins, and people with disabilities.

Stantec cares about the people who work for us; we want them to thrive at work and within their communities. Volunteer activities not only emotionally connect employees to Stantec but also inspire employees to have fun and make a difference in the world. To encourage volunteering, Stantec offers flexible workdays and Company-sponsored programs.

Annually, we hold a signature Company-sponsored volunteer event: Stantec in the Community Week. In addition, we encourage employees to take part in initiatives that support their personal causes. Under our Dollars for Doers Program, we donate \$500 to any charity for every 25 hours an employee spends volunteering.

Stantec proudly promotes post-secondary education too. Easing students' financial burdens better enables students to complete their studies. To assist students in pursuing their goals, each of our regions is given \$10,000 annually for scholarship awards.

 Stantec in the Community: Mulching in Toronto

Watch later Share



MORE VIDEOS

0:12 / 1:50

YouTube



COMPANY-SPONSORED VOLUNTEERING

During Stantec in the Community Week in 2018, **5,650 employees** supported 321 community organizations in 17 countries and 6 continents.

During this Company-sponsored volunteer event, teams bagged litter, painted walls, planted trees, served meals, even donated blood—whatever was most needed locally.

Other examples of our employees' volunteer efforts follow:

- Landscaped **125 square metres** (1,345 square feet) of communal space at a primary school in High Wycombe, United Kingdom
- Packaged **222** backpacks and **3,700 pounds** (1,678 kilograms) of school supplies for students in Plano, Texas, United States
- Donated enough blood in Calgary, Alberta, Canada, to save up to **78** lives
- Sorted **6,000 pounds** (2,722 kilograms) of food donations in Irvine, California, United States
- Took part in mapping a combined **425 square kilometres** (164 square miles) of developing areas in Ethiopia and Angola, Africa; the map provides valuable data to support non-governmental agencies that respond to crises
- Picked **1,009 pounds** (458 kilograms) of carrots at a community garden in Saskatoon, Saskatchewan, Canada
- Planted **1,752** trees across Australia and New Zealand
- Prepared **13,203** meals for people in need in Tampa, Florida, United States



Water Supply Centre
Campbell River
British Columbia, Canada

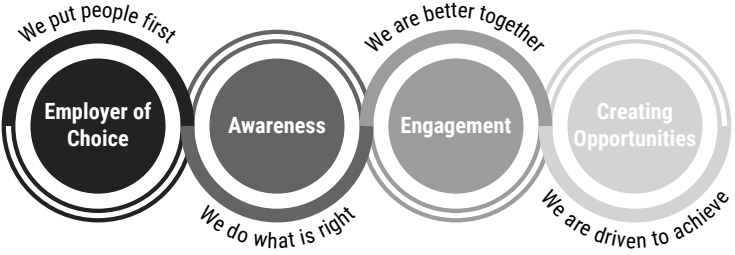
OUR APPROACH TO WORKING WITH INDIGENOUS PEOPLES IS GROUNDED IN STANTEC'S CORE VALUES

We put people first: We strive to be an employer of choice for Indigenous Peoples by proactively recruiting and creating an inclusive workspace.

We are better together: Our engagement efforts focus first on asking, "What does the community want and need, and how do Stantec's capabilities and values align with that?"

We do what is right: We bring awareness to our employees, clients, and communities about the benefits of linking Indigenous ways of knowing and seeing to Western knowledge and perspectives.

We are driven to achieve: We create opportunities for Indigenous employees and businesses by providing tangible training, employment, and contracting prospects.



Indigenous Connections

Shortly after Stantec's founding in 1954, our project work expanded from Edmonton, Alberta, to northern Canada. Since then, building and maintaining positive relationships with Indigenous Peoples has been a Company tenet.

INDIGENOUS RELATIONS

Stantec's Indigenous Relations program fosters positive, productive relationships with Indigenous communities and businesses. We move beyond platitudes and philanthropy: Stantec's formalized Indigenous Relations Practice publicly commits us to action.

We are members of the Canadian Council for Aboriginal Business (CCAB), which promotes Indigenous relationships and an economy based on shared prosperity. And our vice president of Indigenous Relations sits on CCAB's board of directors.

Stantec is working toward certification under CCAB's Progressive Aboriginal Relations (PAR) Program and, in 2018, successfully completed the first of three phases. PAR certification signals to Indigenous communities that a company is a good business partner, supports a workplace that is inclusive of Indigenous Peoples, and is committed to helping Indigenous communities prosper.

As an inaugural member of the CCAB's Procurement Champions Group, Stantec contributes to economic reconciliation by offering ways that Indigenous businesses can participate in our supply chain.

Our commitments include

- Removing project participation barriers for Indigenous subcontractors
- Creating jobs for Indigenous community members
- Mentoring Indigenous business owners, professionals, and students

More and more, Stantec partners with Indigenous-owned businesses to deliver our work, and we regularly provide services to established Indigenous businesses.

In 2018, we developed an opportunity assessment tool to improve the connection between our Indigenous Relations program and our Canadian project work. It adds value to Indigenous projects, helping us learn more about the communities and their relationships, values, needs, and ways of being.

In addition to our projects and relationships with Indigenous Peoples of the land that is now Canada, we closely work with these Indigenous communities:

- Native tribes and corporations, Alaska Tribal Advisory Committee, and the Native American Heritage Commission (United States)
- Māori (New Zealand)
- Aboriginal and Torres Strait Islander Peoples (Australia)
- Comunidad Campesina de Pallancata and Chocñihuaqui Peoples (Peru)
- Colla, Quechua, and Aymara Peoples (Chile)
- Ethnic minorities (People's Republic of China)

An example of our Indigenous connections outside of Canada can be seen in our Australian operations where our Indigenous Employment Policy has increased the number of Indigenous people we hire. And as part of a working group of Aboriginal and Torres Strait Islander Peoples, community groups, and decision makers from across our Australian business, Stantec is developing a Reconciliation Action Plan.

INDIGENOUS BUSINESS PARTNERSHIPS

Successful partnerships are built on mutual respect and common goals. For 19 years, Stantec has been the minority partner in and legal operator of numerous Indigenous Business Partnerships throughout Canada.

These partnerships provide direct investments that support economic growth. During the past 10 years, they generated more than \$200 million in gross revenue; in 2018, the seven active partnerships generated \$12.4 million.

Working with our Indigenous Business Partnerships means we can

- Create shared value for partners, clients, and Stantec
- Combine local knowledge with our technical capabilities to increase the number of successful projects on traditional lands
- Connect clients to local resources
- Provide local Indigenous community members with ways to build capacity through employment, training, and hands-on skills development
- Expose Indigenous Peoples to careers in science and engineering
- Offer longer term work that allows community members to build skill sets and take on roles with increasing levels of responsibility

INDIGENOUS CULTURES

More than 5,000 Indigenous cultures exist in our world.

Traditional territories cover 20% of the earth's surface.

Stantec acknowledges the traditional lands on which we work and live. And we recognize the Indigenous connection to lands, waters, and community.



LA Metro Division 14 Expo
Line Light Rail Operations
and Maintenance Facility
Santa Monica, California
United States



IN THIS SECTION

Ethical Business Practices

Corporate Governance

Strategy

Risk Management

Integrated Management

Cybersecurity and Customer Privacy

Supply Chain Management

Responsible Governance

Integrity means that we always work to the highest professional and ethical standards and operate our business in an open, honest, and responsible way.

Stantec recognizes that we must uphold our values to gain and maintain the trust of clients, shareholders, employees, business partners, and the public. We are committed to sound principles of corporate governance and to managing our risks and strategic growth in a way that reflects our triple-bottom-line responsibilities.



WATER FUTURES + 1: THE NEXUS BETWEEN WATER, ENERGY, FOOD, AND AGRICULTURE

Stantec's strategic planning process includes analyzing the megatrends that shape the world we operate in and the way we do our business.

Humans have a profound effect on the planet's environment and climate. Stantec recognizes that we all have the opportunity (and imperative) to reshape the planetary ecosystem.

Our Water Futures + 1 publication addresses the nexus between water, energy, food, and agriculture—an interconnection that will shape our world in the coming decades. Eight essays explore the critical uncertainties, challenges, and opportunities for global water security and the water industry in the face of climate change.

But we aren't stopping at water. We continue to explore the tremendous ways that nature-based solutions work symbiotically with built infrastructure solutions. Our next publication, Community Futures, will explore designing, supporting, and developing communities and cities around the world and shaping the infrastructure they depend on.

→ [Learn more](#)

Ethical Business Practices

Stantec's ethical business practices demonstrate our Company's values: we put people first, we do what is right, we are better together, and we are driven to achieve. We ask employees, partners, subcontractors, subconsultants, and vendors to live our Stantec values and take personal responsibility for their behaviors.

BUSINESS CONDUCT

Our [Code of Business Conduct](#) sets global standards that employees are expected to follow in their day-to-day work.

We expect employees to conduct business in accordance with high ethical standards. Stantec policies outline our practices and standards regarding conflicts of interest, anti-bribery and anti-competitive practices, harassment and discrimination, data privacy, political activities, political and charitable contributions, sponsorships, whistleblowing, insider trading, human rights, and health, safety, security, and the environment.

Annually, Stantec requires all employees to take Ethics and Business Conduct training. Employees must acknowledge that they have completed the training, thereby complying with our policies and meeting a requirement of their career development and performance review. In 2018, 99% of employees completed this training.

We influence our supply chain with our [Partner Code of Business Conduct](#), which details our values, standards, and expectations. This includes competing strictly on the merits of products and services and protecting human rights and the environment (described in the Supply Chain Management section).

INTEGRITY HOTLINE

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

Each Integrity Hotline report is assigned to a Corporate Integrity, Human Resources, or Legal representative, as appropriate, for a thorough review. Every effort is made to maintain the anonymity of the reporter.

If a report about a violation of our policies has been substantiated, we take appropriate disciplinary action, corrective action, or both. The vice president of Corporate Integrity follows up to confirm that reports have been properly addressed.

Integrity Hotline reports are aggregated every quarter and reported to our board of directors. Serious complaints are reported immediately to the chair of the board-level Audit and Risk Committee.

ANTI-COMPETITIVE BEHAVIOR AND ANTI-CORRUPTION

Our business is built on trust with our clients and our reputation for both fair and ethical business dealings.

Stantec employees must always avoid conflicts of interest when dealing with current and potential clients, subcontractors, sub-consultants, vendors, and competitors. To reduce risk, we employ mitigation strategies: operations are audited regularly for conflicts of interest and corruption risk, and the economic and political conditions of the markets we serve are evaluated during project pursuits.

Stantec's ethics and compliance programs comply with the Foreign Corrupt Practices Act (United States), the United Kingdom Bribery Act, the Corruption of Foreign Public Officials Act (Canada), and similar laws; and Stantec policies further prohibit the payment of bribes, kickbacks, political contributions to politicians, and improper charitable contributions and sponsorships. Requests for contributions and sponsorships follow a formal approval process, with legal counsel oversight if required.

We prohibit employees from using Company funds to contribute to political candidates and parties, and we do not reimburse employees who make personal contributions.

HUMAN RIGHTS

Protecting human rights is fundamental to our corporate values; this is evident in our corporate systems and policies, including our

- [Code of Business Conduct](#)
- [Human Trafficking and Modern Slavery Policy](#)
- Equal Employment Opportunity Practices
- Harassment and Discrimination Policy and Accommodation Practice (Canada and United States)
- Americans with Disabilities Act (United States)
- Disability Practice (United Kingdom)

Stantec also has systems and processes that comply with the Modern Slavery Act (United Kingdom) and has published a [Slavery and Human Trafficking Statement](#).

We support the principles in the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. As a signatory to the UN Global Compact, we commit to its human rights and labor principles.

We have policies and practices that 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, or any other basis protected by applicable law.

Our training educates employees about our Company's expectations, and we encourage employees to form or join an Employee Resource Group that supports diversity in gender, race, ethnicity, disability status, veteran status, sexual orientation, and gender identity (described in the Inclusion and Diversity section).

Stantec respects the rights of our employees to freedom of association and complies with legislation like the National Labor Relations Act (United States) that governs union organizing and collective bargaining.

SUSTAINABILITY MOMENTS

To keep sustainability top of mind in our work and personal activities, Stantec employees are asked to start Company and client meetings with a "Moment" about safety, security, the environment, ethics, or inclusion.

These Moments guide us to do what is right and create a safe, supportive, and responsible work culture. A series of thematic Moments is available to use on our internal website, but employees are encouraged to create and share their own.



ETHICS

Corporate Governance

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 diversity, board expertise, and executive compensation.

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

Stantec's Board Diversity Policy guides us when appointing board members. In 2018, Shelley Brown became a member of our board. Now, 40% of Stantec's board members are women (four women and six men).¹ Our board members are highly experienced in business, community, and ESG (environmental, social, and governance) topics.

In 2018, Stantec established a new board committee—the Health, Safety, Security, Environment, and Sustainability Committee—to oversee the overall framework for managing sustainability; health, safety, security, and environment risks; emergency preparedness; and nonfinancial risks arising from the Company's Integrity Management Program. The formation of this committee highlights the board's commitment to ESG (described in the Sustainability Governance section).

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

¹ In 2019, Stantec's board will be 44% female because one male board member is not standing for re-election.

BOARD COMPOSITION AND EXPERIENCE



Environmental and Social Factors

- 78% highly experienced
- 11% general experience
- 11% limited experience

Governance

- 100% highly experienced



Health, Safety, and Security

- 67% highly experienced
- 33% general experience

Risk Management

- 89% highly experienced
- 11% general experience

Strategy

Stantec recognizes that we have a significant opportunity: to be our clients’ trusted advisor as they adapt to a changing world.

Our strategic planning process includes tracking and evaluating megatrends and other forces that are reshaping the world we operate in and the way we conduct business. One trend could influence Stantec’s business, but the interconnection and collective impact of more than one trend could be significant. These trends and their interrelationships are recognized and addressed in our strategic growth initiatives and strategic investments.

Stantec’s response to climate change is one of five global dynamics addressed in our Strategic Plan. All our strategic growth initiatives and investments refer to Stantec’s role in addressing climate change, and we collaborate across our business lines to help clients thrive in a low-carbon economy.

See our [CDP Disclosure](#) for more information about how we integrate climate-related issues into our business objectives and strategy.

Risk Management

Responsibility for risk management and compliance is shared across the organization—from senior executives to frontline employees. Stantec systematically identifies and manages risks through a comprehensive Enterprise Risk Management (ERM) program that aligns with international standards and includes policies, practices, and systems that address our principal risks: project, supply chain, human capital, finance, currency volatility, global politics, and legislative.

We consistently apply the ERM Framework to identify, manage, monitor, and review our most significant and emerging risks. Using this framework, we further embed risk management approaches across the organization to support the business in making risk-aware decisions.

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 board-level 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.

IDENTIFIED MEGATRENDS

Demographic, Social, and Urbanization Changes

Climate Change and Resource Scarcity

Geopolitics and International Relations

Incremental and Breakthrough Technology

Economic Power and Market Shifts

STRATEGIC GROWTH INITIATIVES

Smart Cities

Invigorating Infrastructure

Coastal Restoration

Energy Remix

STRATEGIC INVESTMENTS

Urban Places

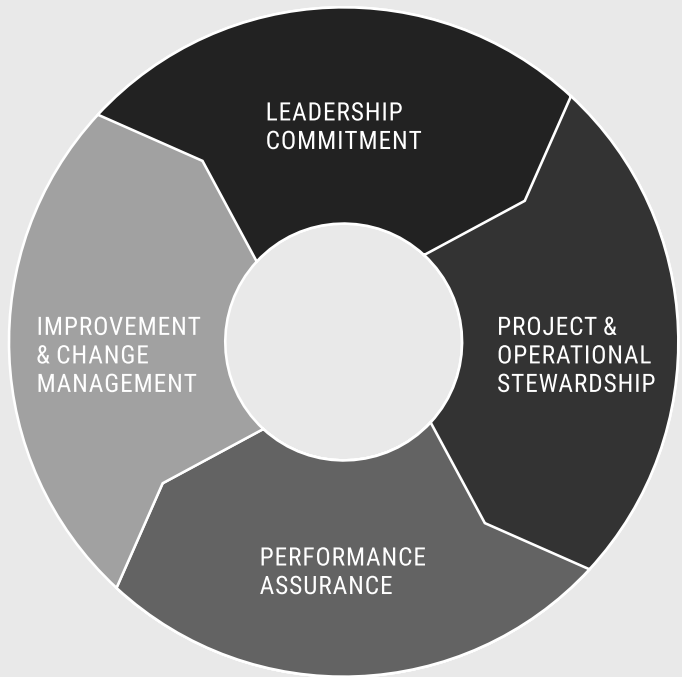
Resiliency



Lisbon-Durham Bridge
Maine, United States

CERTIFIED MANAGEMENT SYSTEMS

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



ISO 14001:2015 Environmental Management System

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

OHSAS 18001:2007 Occupational Health and Safety Management System

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

ISO 9001:2015 Quality Management System

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

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

Maintains data confidentiality, integrity, and availability.

Integrated Management

Stantec's certified Integrated Management System (IMS) delivers a disciplined and accountable framework that defines Company procedures, monitors risks and hazards, reduces inefficiencies, maximizes Company resources, and enables the implementation of our Sustainability Program.

We have certified management systems in Canada, the United States, the United Kingdom, Australia, New Zealand, Italy, the Netherlands, the Middle East, and Chile.

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

PROJECT MANAGEMENT FRAMEWORK

Our Project Management Framework specifies Stantec's expectations of project managers. It includes the critical tasks for managing risks and achieving quality delivery on typical projects.

At a project level, the framework also takes into account sustainability commitments like water use, air emissions, energy use, human rights, ethics, stakeholders, and Indigenous relations. Impacts are evaluated during the proposal and the health, safety, security, and environmental planning stages and then reviewed as part of project audits.

BUSINESS CONTINUITY

Our IMS incorporates planning for business continuity to decrease the impacts of events such as extreme weather resulting from climate change, which could prevent us from delivering services to our clients. To illustrate, in 2018, many Stantec employees in Florida were directly affected by hurricanes and employees in California were displaced due to fire. Teams quickly activated disaster recovery programs and kept the business functioning during these challenges.

AUDITS AND IMPROVEMENTS

Stantec has formal processes to encourage suggestions for improvement, address nonconformances, and identify opportunities for improvement and corrective action.

- We conduct internal practice audits annually that cover all regions and business lines (for compliance with ISO 14001, OHSAS 18001, ISO 9001, and IMS requirements)
- Our operations are audited by an external third party
- We solicit client feedback and conduct surveys to assess performance and identify and prioritize improvement areas
- We identify, review, approve, communicate, and document the impacts of changes to our practices and initiate change management procedures
- We review the consequences of unintended changes and act to mitigate any adverse effects



TECHNOLOGY

Cybersecurity and Customer Privacy

Cybersecurity incidents can disrupt or disable business operations, resulting in financial losses and reputational damage; therefore, Stantec's Cybersecurity Program aims to

- Protect the availability and reliability of our corporate network and systems
- Shield client data from theft, disclosure, or destruction
- Maintain the confidentiality of employees' personally identifiable information
- Align with applicable regulatory requirements
- Balance the need to protect our organization with the need to operate the business

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.

Our programs comply with applicable laws, including the General Data Protection Regulation (European Union), Defense Federal Acquisition Regulation Supplement (United States), and Cyber Essentials Plus (United Kingdom).

Stantec protects our systems and the people who entrust us with personal information in various ways:

- **Privacy Policy:** Our [Privacy Policy](#) limits the collection and use of data to only what is needed to operate our business. In accordance with legislation, our programs ensure the accuracy, confidentiality, integrity, and security of information and provide the right to request and correct data.
- **IT Service Management System:** Stantec is one of the only architectural and engineering firms that maintains an ISO/IEC 20000-1:2011-certified IT Service Management System (part of our Integrated Management System). This certification

assures that Stantec's IT support and service delivery processes (including security) meet the quality standards set by the British Standards Institute.

- **IT security programs:** Our IT security programs maintain data confidentiality, integrity, and availability (whether data is stored on our premises or in the cloud). Comprehensive security systems include web filtering, intrusion protection, multi-factor authentication, cloud access monitoring, cloud-based email filtering, next-generation firewalls, and advanced end-point protection, detection, and response.

As well, we have stringent requirements for external access to our systems and wireless network and train our staff on cybersecurity best practices.

- **Fraud detection:** Stantec has platform-integrated IT fraud detection systems, and our programs are subject to regular audit. The director of Enterprise Risk Management leads an Integrity Management team and Fraud Risk Assessment Program. Any actual or potential security problems are reported to the chief information officer, Risk Management team, or Integrity Management team, as appropriate.
- **Incident response:** Stantec has comprehensive security incident response processes for identifying, containing, eradicating, and recovering from security incidents.

Underpinning our Security Incident Response program is a robust system that tracks security incidents, orchestrates incident response activities, and provides multi-jurisdictional information about breach notification regulations.

- **Training and communication:** Technology is not enough to fully shield us from cybersecurity attacks and privacy breaches. We also need our employees to identify—and stop or report—problems as soon as they see them.

Our comprehensive Cybersecurity Training Program gives employees the tools required to do this, and communication from management keeps employees informed about protecting assets and thwarting scams.

Stantec has not had any significant breaches of data security over the past three years. If a problem is identified, the corporate Business Continuity Plan and IT Disaster Recovery Procedures go into effect.

Supply Chain Management

Stantec works with a diverse network of suppliers across global markets. Our commitment to responsible procurement includes an expectation that suppliers conduct their operations in an environmentally sustainable and socially responsible manner. We use our global supply chain to promote sustainable business practices and support local businesses around the world.

SUPPLIER SELECTION

Doing business with vendors, subcontractors, subconsultants, and partners who share our values limits Stantec’s risks and enhances our Company’s commitments to the environment and community.

In 2018, we evaluated our procurement approaches to enhance efficiency and streamline the overall process. We have proposed a new approach that will give us more visibility and control over spending. The implementation plan, still in the works, will address sustainability.

Although the overall process adjustments are still pending, Stantec has already begun to connect sustainability to procurement administration. For instance, in 2018, Stantec selected new corporate office supply and furniture vendors. We looked for and selected vendors who practiced sustainable behaviors within their operations and who

offered environmentally friendly and socially responsible products and services.

PARTNER CODE OF BUSINESS CONDUCT

Vendors, subcontractors, subconsultants, and partners are expected to apply business practices consistent with Stantec’s standards. Our Partner Code of Business Conduct—which covers employment practices, health and safety, environment, human rights, discrimination, anti-bribery, intellectual property, privacy, and more—reduces the potential for problems in our supply chain. We expect high-risk partners to sign our Partner Code of Business Conduct; to ensure they have similar values, we conduct due-diligence checks.

SUPPLIER DIVERSITY

Stantec recognizes that supply chain diversity can be a powerful economic engine of growth. We work with vendors of all sizes but encourage diverse and small business participation. For example,

- In 2018, our spending on small and disadvantaged subcontractors in the United States increased by US\$6.9 million to US\$92.3 million, which is 20% of our total US subcontracting costs.
- We are members of the Canadian Council for Aboriginal Business Procurement Champions Group (described in the Indigenous Relations section).



AWARDS

Stantec is a top-performing supplier on the UK Chartered Institute of Procurement & Supply Sustainability Index. We received high ratings in economic, environmental, and social categories: 97%, 98%, and 100%, respectively.

STANTEC’S VALUE CHAIN

Upstream

Leased buildings, vehicle fleet, vendors (for purchases of IT hardware and software, telecommunications, office supplies, technical supplies, and so forth)

Stantec operations

Employees, future employees, subcontractors, subconsultants, business travel

Downstream

Clients, communities, project partners



APPENDIX A

GRI CONTENT INDEX

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

The tables reference sections in this Sustainability Report (SR) and pages of our [Annual Report \(AR\)](#), [Management Information Circular \(MIC\)](#), [Annual Information Form \(AIF\)](#), [CDP Disclosure](#), and website, [stantec.com](#). Please also find citations, presented in brackets, to sections of the Sustainability Accounting Standards Board (SASB) Engineering and Construction Services Standards and the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) Recommendations.

Consider these points when reviewing this appendix:

- **Countries of Significant Operations** (represent 91% of global employees): Canada, United States, United Kingdom, Australia, and New Zealand.
- **Regions and associated countries:**
 - Canada
 - United States
 - Europe and Africa – United Kingdom, Continental Europe (Italy, the Netherlands, Turkey, Belgium, Czech Republic, Germany, Slovakia), and Ethiopia
 - Asia Pacific – Australia, New Zealand, and Asia (Taiwan, China)
 - Remaining geographies – India, Latin America and the Caribbean (Peru, Chile, Argentina, Barbados), and the Middle East (United Arab Emirates, Qatar, Bahrain, Saudi Arabia, Kuwait)
- **Data Compilation:** Numbers were compiled from Stantec’s Human Resources (HR) Information System, Health and Safety Database, and Eco-Footprint Database.
- **GRI Version:** All GRI disclosures below reference GRI Standards version 2016.

General Disclosures

GRI Standards and Disclosures		Direct Answers and Omissions, Public Report References, [SASB and TCFD Recommendations]
GRI 102: General Disclosures		
Organizational Profile		
102-1	Name of the organization	Stantec Inc. AIF, page 3.
102-2	Activities, brands, products, and services	SR, About Stantec and Sustainability for Our Clients. AR, pages 6 and M9-M10. [SASB IF-EN-401a.1]

102-3	Location of headquarters	Edmonton, Alberta, Canada. SR, back cover.																																																																													
102-4	Locations of operations	SR, About Stantec. Website, Find a Stantec Office .																																																																													
102-5	Ownership and legal form	AIF, pages 3-4 and 13-14.																																																																													
102-6	Markets served	SR, About Stantec. AR, pages 6 and M9-M10. AIF, page 12.																																																																													
102-7	Scale of organization	SR, About Stantec. AR, pages 6-9 and M4-M22. AIF, pages 9-12.																																																																													
102-8	Employee numbers and demographics	The number and percentage of employees by employment contract (permanent and temporary), type (full time and part time), region, and gender follows. SR, People-Centered Workplace.																																																																													
		<table border="1"> <thead> <tr> <th></th> <th>Total</th> <th>% Total</th> <th>Female</th> <th>% Female</th> <th>Male</th> <th>% Male</th> </tr> </thead> <tbody> <tr> <td>Total Company</td> <td>20,982</td> <td>100</td> <td>7,178</td> <td>34</td> <td>13,804</td> <td>66</td> </tr> <tr> <td>Full Time</td> <td>19,404</td> <td>92</td> <td>6,317</td> <td>33</td> <td>13,087</td> <td>67</td> </tr> <tr> <td>Part Time</td> <td>1,578</td> <td>8</td> <td>861</td> <td>55</td> <td>717</td> <td>45</td> </tr> <tr> <td>Permanent</td> <td>19,727</td> <td>94</td> <td>6,803</td> <td>34</td> <td>12,924</td> <td>66</td> </tr> <tr> <td>Temporary</td> <td>1,255</td> <td>6</td> <td>375</td> <td>30</td> <td>880</td> <td>70</td> </tr> <tr> <td>Canada</td> <td>7,885</td> <td>38</td> <td>2,842</td> <td>36</td> <td>5,043</td> <td>64</td> </tr> <tr> <td>United States</td> <td>8,912</td> <td>43</td> <td>3,000</td> <td>34</td> <td>5,912</td> <td>66</td> </tr> <tr> <td>Europe and Africa</td> <td>2,115</td> <td>10</td> <td>704</td> <td>33</td> <td>1,411</td> <td>67</td> </tr> <tr> <td>Asia Pacific</td> <td>923</td> <td>4</td> <td>333</td> <td>36</td> <td>590</td> <td>64</td> </tr> <tr> <td>Remaining Geographies</td> <td>1,147</td> <td>5</td> <td>299</td> <td>26</td> <td>848</td> <td>74</td> </tr> </tbody> </table>		Total	% Total	Female	% Female	Male	% Male	Total Company	20,982	100	7,178	34	13,804	66	Full Time	19,404	92	6,317	33	13,087	67	Part Time	1,578	8	861	55	717	45	Permanent	19,727	94	6,803	34	12,924	66	Temporary	1,255	6	375	30	880	70	Canada	7,885	38	2,842	36	5,043	64	United States	8,912	43	3,000	34	5,912	66	Europe and Africa	2,115	10	704	33	1,411	67	Asia Pacific	923	4	333	36	590	64	Remaining Geographies	1,147	5	299	26	848	74
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		<p>Notes:</p> <ul style="list-style-type: none"> Excludes workers who are not employees (agency and contractor resources)—under 5% of Stantec's workforce. Regional employment by contract and type is presented separately since most employees are full time (92%) and permanent (94%). 																																																																													
102-9	Supply chain	SR, Supply Chain Management.																																																																													
102-10	Significant changes to organization	In 2018, acquired seven companies and divested our Construction Services operation. SR, About Stantec.																																																																													
102-11	Precautionary principle	As a consulting firm recognized for building sustainable communities, our market position is 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 the CEO, Environmental Stewardship, Strategy, and Risk Management.																																																																													

102-12, 102-13 External initiatives and memberships in associations Examples of Stantec's memberships, subscriptions, and endorsements of external initiatives follow.

<p>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 Fitwel Certification System Global Reporting Initiative (GRI) Standards Green Building Councils</p>	<p>Institute for Sustainable Infrastructure, Envision Institute of Environmental Management and Assessment International Hydropower Association International Organization for Standardization (ISO) 9001, 14001, 20000 International Water Association (IWA) Leadership in Energy and Environmental Design (LEED) National Association for Environmental Management Natural Capital Coalition Occupational Health and Safety Assessment Series (OHSAS) 18001 Social and Labor Convergence Project Sustainable Apparel Coalition The Climate Registry UN Global Compact UN Guiding Principles on Business and Human Rights WasteMINZ Water Design-Build Council Water New Zealand Water Research Foundation Water UK WELL Building Standard</p>
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Strategy

102-14	Statement from senior decision maker	SR, Message from the CEO.
102-15	Key impacts, risks, and opportunities	SR, Strategy and Risk Management. AR, pages M44-M50. CDP Disclosure.

Ethics and Integrity

102-16	Values, principles, standards, and norms of behavior	SR, About Stantec and Ethical Business Practices. AR, page 4. Website, Purpose & Values . [SASB IF-EN-501a.3]
102-17	Mechanisms for ethics advice	SR, Ethical Business Practices. AR, pages M49-M52. MIC, page 27.

Governance

102-18	Governance structure	SR, Sustainability Governance and Corporate Governance. MIC, pages 27-30. Website, Corporate Governance Guidelines .
102-19	Delegating ESG authority	SR, Sustainability Governance.
102-20	Executive-level ESG responsibility	SR, Sustainability Governance. CDP Disclosure. [TCFD: Governance]

102-21	Consulting stakeholders on ESG topics	Stakeholder consultation on ESG topics is delegated to the director of Sustainability, who reports to the Executive ESG Committee. Results are shared with the board-level HSES Committee. SR, Sustainability Governance and Sustainability in Our Operations.
102-22	Composition of the highest governance body (board) and its committees	SR, Corporate Governance. MIC, pages 16-21 and 31-40. AIF, pages 15-18. [TCFD: Governance]
102-23	Chair of the board	Aram Keith was chair of the board in 2018. Douglas Ammerman will assume that role as of May 2019. MIC, pages 7 and 14. Website, Aram Keith and Douglas Ammerman .
102-24	Nominating and selecting the board	Stantec's Board Diversity Policy guides the nomination and selection of the directors of our board. MIC, pages 14 and 28-32.
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 31-34.
102-26	Board role in setting purpose, values, and strategies	SR, Corporate Governance. MIC, pages 31-32.
102-27	Collective board ESG knowledge	Stantec's Executive ESG Committee informs the board-level HSES Committee about economic, environmental, and social topics. SR, Corporate Governance. MIC, page 30. [TCFD: Governance]
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	The Executive ESG Committee and director of Sustainability identify and manage ESG impacts and provide information to the board. Through various mediums, the board also receives regular input from stakeholder groups. CDP Disclosure. [TCFD: Strategy and Risk Management]
102-30	Effectiveness of risk management processes	SR, Risk Management. AR, pages M44-M45. MIC, pages 31-32. CDP Disclosure. [TCFD: Strategy and Risk Management]
102-31	Review of ESG topics	SR, Sustainability Governance. MIC, pages 39-40. AIF, pages 11-12.
102-32	Board role in sustainability reporting	SR, About This Report.
102-33	Communicating critical ESG concerns	SR, Sustainability Governance.
102-34	Nature and number of ESG concerns	No critical ESG concerns were reported to the board in 2018.

102-35	Remuneration policies	MIC, pages 43-64 and 69-70.
102-36	Process for determining remuneration	MIC, page 47.
102-37	Stakeholder remuneration involvement	MIC, pages 15 and 42.
102-38, 102-39	Annual total compensation ratio and percentage 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.

Country	Annual Total Compensation Ratio: Highest to Median	Percentage Increase in Annual Total Compensation Ratio: Highest to Median
Total Company	11.1	Not Available
Canada	11.9	-3.9
United States	7.5	1.6
United Kingdom	9.2	-37.4
Australia	4.5	15.6
New Zealand	3.5	6.7

Notes:

- Total compensation includes base salary and annual bonus but does not include long-term incentives.
- Information for the 2018 UK acquisition of Peter Brett Associates has not yet been integrated into Stantec's HR Information System so is not included in these numbers.

Stakeholder Engagement

102-40	List of stakeholder groups	Stantec stakeholder groups include employees, clients, communities, investors, our supply chain (subcontractors, business partners, vendors), and regulators.
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 (0.3%) belong to the International Union of Operating Engineers Local 12 and have maintained a collective agreement for over 10 years, without interference from Stantec. SR, Ethical Business Practices.
102-42	Identifying and selecting stakeholders	Stakeholder engagement is an essential part of Stantec's Sustainability Program. Stakeholder groups are identified by Stantec's Executive ESG Committee during our materiality assessment process. For ESG topics, a pairwise evaluation determines the importance of one stakeholder to another. SR, Sustainability in Our Operations.
102-43	Approach to stakeholder engagement	Stantec engages with stakeholder groups in various ways (see the table that follows). An engagement exercise, specific to GRI material topics, will be performed during the next phase of our materiality assessment. SR, Sustainability in Our Operations.

<p>Employees</p> <ul style="list-style-type: none"> Employee engagement surveys Focus groups One-on-one meetings Integrity Hotline (third party) Post-acquisition surveys Inclusion and Diversity Councils Career Development and Performance Reviews Employee Resource Groups Developing Professionals Groups <p>Clients</p> <ul style="list-style-type: none"> Regular meetings with account managers Meetings and calls with account and project managers and senior leaders Brown-bag get-togethers to share lessons learned and best practices Client surveys, questionnaires, and requests for proposals Debriefs and bidder conferences for proposed projects Informal discussions at industry and professional association events Joint participation on technical committees <p>Communities</p> <ul style="list-style-type: none"> Stantec in the Community Week (across our Company) Locally driven engagement initiatives (varies by region and locale) 	<p>Investors</p> <ul style="list-style-type: none"> Annual General Meetings Earnings conference calls Investor conference presentations Meetings and calls with Investor Relations and Finance teams Investor disclosure requests Industry research and publications Informal discussions at industry and professional association events <p>Subcontractors and Business Partners</p> <ul style="list-style-type: none"> Subcontractor prequalifications Joint project work Meetings with project managers and senior leaders <p>Vendors</p> <ul style="list-style-type: none"> Contract negotiations Quarterly business reviews Meetings with Procurement team <p>Regulators</p> <ul style="list-style-type: none"> Review of regulations Interactions during project work Informal discussions at industry and professional association events Joint participation on technical committees
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102-44	Key topics and concerns raised	<p>Material topics presented in this report reflect ESG topics raised by stakeholder groups. Once the stakeholder survey from the updated materiality assessment is complete, we will summarize key topics and concerns raised.</p> <p>SR, Sustainability in Our Operations.</p>
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Reporting Practice		
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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	<p>Assessing materiality as part of our sustainability strategy ensures that our initiatives and reporting align with our business's and stakeholders' priorities.</p> <p>SR, Sustainability in Our Operations.</p>
102-47	List of material topics	<p>GRI material topics as well as 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.</p> <p>SR, Sustainability in Our Operations.</p>
102-48	Restatements of information	None.
102-49	Changes in reporting	No significant changes in material topics or topic boundaries.
102-50	Reporting period	<p>Calendar year 2018.</p> <p>SR, About This Report.</p>
102-51	Date of most recent report	Our 2017 Sustainability Report was published in May 2018.

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 complies with GRI Reporting Standards: Core option. All General Disclosures and topic-specific disclosures for material topics are included in this GRI Content Index. Full reporting demonstrates our commitment to transparency on important topics—those that apply to most organizations and that stakeholders are highly interested in. In addition to covering core requirements, this report covers all GRI 102: General Disclosures and covers all non-material topics (at a high level).
102-55	GRI Content Index	SR, GRI Content Index.
102-56	External assurance	Stantec commissioned ISOS Group , a leading sustainability report assurance and verification company, to conduct a third-party review of the content and quality of this report. Our greenhouse gas emissions inventory was independently verified by Bureau Veritas Group . SR, About This Report.

Material Topics

GRI Standards and Disclosures		Direct Answers and Omissions, Public Report References, [SASB and TCFD Recommendations]
Economic		
GRI 201: Economic Performance		
103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	Our economic performance and governance structures are covered in depth in our Annual Report and Management Information Circular.
201-1	Direct economic value generated and distributed	Our 2018 gross revenue was \$4.3 billion. SR, About Stantec. AR, pages 9 and M4-M42.
201-2	Financial implications and other risks and opportunities due to climate change	Because we are a professional services company operating in leased space, the impacts and risks of climate change to Stantec's operations are minimal. For us, climate action is a business opportunity: as subject-matter experts, we help clients prepare for, mitigate, and respond to a changing climate. SR, Sustainability at Stantec, Strategy, and Risk Management. AR, page M48. CDP Disclosure.
201-3	Benefit and retirement obligations	AR, pages M18-M22, M29-M30, M34-M35, M49, F6, F8, F19, and F43-46.
201-4	Government financial assistance	AR, page F63.
GRI 205: Anti-Corruption		
103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	SR, Ethical Business Practices. [SASB IF-EN-501a.3]
205-1	Operational risk assessment	We continually assess our global operations relating to corruption. The total number and percentage of operations assessed for corruption-related risks is deemed confidential and therefore omitted. Stringent control measures, in place throughout the organization, identify and mitigate the highest risks.
205-2	Communication and training	Yearly, board members and employees must take Ethics and Business Conduct training, which includes details about anti-corruption. In 2018, all board members and 99% of employees completed it. High-risk business partners must take the training, but specifics are deemed confidential so have been omitted. SR, Ethical Business Practices.
205-3	Confirmed incidents	None. [SASB IF-EN-501a.2]
GRI 206: Anti-Competitive Behaviors		
103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	SR, Ethical Business Practices. [SASB IF-EN-501a.3]
206-1	Legal actions for practices	None. [SASB IF-EN-501a.2]

Environmental								
GRI 302: Energy								
103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	SR, Sustainability at Stantec and Environmental Stewardship.						
302-1	Organization's energy consumption	Scope 1 and 2 consumption was 594,264 GJ (165,073 MWh). CDP Disclosure.						
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 energy consumption outside of our organization, we do influence clients to reduce their energy use. SR, Sustainability for Our Clients and Sustainable Development Goals. [SASB IF-EN-401a.2]						
302-3	Energy intensity	Stantec normalizes energy consumption by employee. Our 2018 Scope 1 and 2 intensity was 28.3 GJ (7.9 MWh) per employee. CDP Disclosure.						
302-4	Reductions in energy consumption	SR, Emissions and Resource Conservation. CDP Disclosure.						
302-5	Reductions in energy requirements of products and services	SR, GRI Content Index 302-2.						
GRI 305: Emissions								
103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	SR, Sustainability at Stantec and Environmental Stewardship. [SASB IF-EN-160a.2]						
305-1, 305-2, 305-3	GHG emissions: Direct (Scope 1), energy indirect (Scope 2), and other indirect (Scope 3)	Stantec's absolute emissions follow (presented in metric tons of CO ₂ equivalent [mtCO ₂ e]). SR, Emissions. CDP Disclosure. [TCFD: Metrics and Targets]						
		<table border="1"> <thead> <tr> <th>Scope 1</th> <th>Scope 2</th> <th>Scope 3</th> </tr> </thead> <tbody> <tr> <td>10,333 mtCO₂e</td> <td>37,810 mtCO₂e</td> <td>29,318 mtCO₂e</td> </tr> </tbody> </table>	Scope 1	Scope 2	Scope 3	10,333 mtCO ₂ e	37,810 mtCO ₂ e	29,318 mtCO ₂ e
Scope 1	Scope 2	Scope 3						
10,333 mtCO ₂ e	37,810 mtCO ₂ e	29,318 mtCO ₂ e						
305-4	GHG emissions intensity	Emissions normalized by employee follow (presented in metric tons of CO ₂ equivalent [mtCO ₂ e]). SR, Emissions. CDP Disclosure. [TCFD: Metrics and Targets]						
		<table border="1"> <thead> <tr> <th>Scope 1 and 2 per Employee</th> <th>Scope 3 per Employee</th> </tr> </thead> <tbody> <tr> <td>2.3 mtCO₂e</td> <td>1.4 mtCO₂e</td> </tr> </tbody> </table>	Scope 1 and 2 per Employee	Scope 3 per Employee	2.3 mtCO ₂ e	1.4 mtCO ₂ e		
Scope 1 and 2 per Employee	Scope 3 per Employee							
2.3 mtCO ₂ e	1.4 mtCO ₂ e							
305-5	Reduction of GHG emissions	Reductions of normalized emissions against baseline follow. SR, Emissions and Resource Conservation. CDP Disclosure.						
		<table border="1"> <thead> <tr> <th>Scope 1 and 2 per Employee</th> <th>Scope 3 per Employee</th> </tr> </thead> <tbody> <tr> <td>36% reduction, 2013 baseline</td> <td>2018 baseline</td> </tr> </tbody> </table>	Scope 1 and 2 per Employee	Scope 3 per Employee	36% reduction, 2013 baseline	2018 baseline		
Scope 1 and 2 per Employee	Scope 3 per Employee							
36% reduction, 2013 baseline	2018 baseline							
305-6, 305-7	Emissions of ozone-depleting substances (ODS), nitrogen oxides (NOx), sulfur oxides (SOx)	Because Stantec operates in offices, only GHGs are measured. ODS, NOx, SOx, VOx, hazardous air pollutants, and particulate matter are not applicable and are therefore omitted.						

GRI 307: Environmental Compliance

103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	The effectiveness of our management approach is evaluated during our compliance performance review. SR, Environmental Management. [SASB IF-EN160a.1]
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307-1	Environmental laws noncompliance	None.
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Social

GRI 401: Employment

103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	Stantec has numerous programs and practices in place to recruit and retain our employees. We track our progress using an employee engagement survey. SR, People-Centered Workplace.
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401-1	New hires and turnover	Total number and rate of new employee hires and turnover follow.
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	Total		Female		Male		Age: Under 30		Age: 30 to 50		Age: Over 50		Self-ID Minority	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Total Company														
New Hires	3,398	17.9	1,223	18.7	2,175	17.5	1,100	34.5	1,717	16.0	581	11.5	589	18.9
Total Turnover	3,017	15.9	1,070	16.4	1,947	15.7	596	18.7	1,695	15.8	726	14.4	538	17.3
Voluntary Turnover	2,243	11.8	843	12.9	1,409	11.4	503	15.8	1,300	12.2	440	8.7	406	13.0
Canada														
New Hires	1,430	19.4	532	19.8	898	19.3	441	39.1	729	16.8	260	13.8	263	20.7
Total Turnover	1,254	17.0	475	17.6	779	16.7	221	19.6	733	16.9	300	15.9	212	16.7
Voluntary Turnover	889	12.1	347	12.9	542	11.6	176	15.6	541	12.5	172	9.1	151	11.9
United States														
New Hires	1,189	14.4	426	15.2	763	14.0	408	28.5	547	12.9	234	9.0	306	18.0
Total Turnover	1,236	14.9	431	15.4	805	14.7	256	17.9	639	15.1	341	13.1	298	17.5
Voluntary Turnover	977	11.8	360	12.8	617	11.3	228	15.9	525	12.4	224	8.6	235	13.8
Europe and Africa														
New Hires	270	20.6	105	24.0	165	18.8	113	37.3	117	15.6	40	15.3	-	-
Total Turnover	169	12.9	62	14.2	107	12.2	48	15.8	95	12.7	26	9.9	-	-
Voluntary Turnover	135	10.3	49	11.2	86	9.8	42	13.9	76	10.2	17	6.5	-	-
Asia Pacific														
New Hires	182	21.1	77	24.9	105	19.0	52	34.4	118	21.8	12	7.1	-	-
Total Turnover	114	13.2	39	12.6	75	13.5	26	17.2	68	12.6	20	11.8	-	-
Voluntary Turnover	96	11.1	30	9.7	66	11.9	19	12.6	64	11.8	13	7.7	-	-
Remaining Geographies														
New Hires	327	28.8	83	28.1	244	29.1	86	48.0	206	24.9	86	66.7	20	14.6
Total Turnover	244	21.5	63	21.4	181	21.6	45	25.1	160	19.4	39	30.2	28	20.4
Voluntary Turnover	146	12.9	48	16.3	98	11.7	38	21.2	94	11.4	14	10.9	20	14.6

Notes:

- Excludes agency, contractors, and temporary resources.
- Information for the 2018 UK acquisition of Peter Brett Associates has not yet been integrated into Stantec's HR Information System so is not included in these numbers.

401-2	Benefits provided to full-time employees	The information provided in this section is standard for full-time employees in our significant locations of operation. SR, People-Centered Workplace.
401-3	Parental leave	Stantec provides parental leave in accordance with the local laws and regulations of the countries we operate in. Parental leave statistics are omitted because details are not tracked in the manner specified in the disclosure.

GRI 403: Occupational Health and Safety

103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	All programs and records discussed apply to Stantec employees. Subcontractors are assessed for their HSSE programs through our Subcontractor Management System, which includes safety statistics, compensation coverage, program verification, and more. Then subcontractors are expected to manage and communicate any incidents and share any lessons learned through investigation and reporting. SR, Health, Safety, and Security.
403-1	Workers representation in formal joint management-worker health and safety committees	Office safety and environment coordinators, designated for each office location, connect employees in local offices to our broader HSSE systems, resources, and professionals. The percentage of workers represented in management-worker health and safety committees is omitted because such committees are not commonly required of a professional service firm. When required by local regulations, we support the formation of office-based committees (we now have 107) but do not track the percentage of workers represented by them.
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Incident rates, lost day rates, and lost time incident rates by region are shown in the first table that follows. Injuries rates by gender, type, and region, and work-related fatalities by gender and region are shown in the second table that follows. SR, Health, Safety, and Security. [SASB IF-EN-320a.1]

	Total Recordable Incident Rate (TRIR)	Lost Day Rate (LDR)	Lost Time Incident Rate (LTIR)
Total Company	0.41	3.56	0.14
Canada	0.47	5.01	0.14
United States	0.42	3.13	0.13
Europe and Africa	0.09	-	-
Asia Pacific	0.79	5.92	0.66
Remaining Geographies	-	-	-

	Injuries						Work-Related Fatalities by Gender	
	Total	By Gender		By Type of Case			Female	Male
		Female	Male	Lost	Restricted	Medical		
Total Company	71	24	47	24	9	37	0	1
Canada	31	11	20	9	4	18	0	0
United States	33	9	24	10	5	17	0	1
Europe and Africa	1	1	0	0	0	1	0	0
Asia Pacific	6	3	3	5	0	1	0	0
Remaining Geographies	0	0	0	0	0	0	0	0

Notes for both tables:

- 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.
- Incident reports are submitted to a central database by people directly involved in the incident. Investigations are recorded within the region and business operating unit. Actions are proposed and addressed.
- One hundred employees work 200,000 hours in a calendar year.
- Total recordable incident rate (TRIR) = (recordable injuries x 200,000) ÷ hours worked.
- Lost day rate (LDR) = (lost days x 200,000) ÷ hours worked.
- Stantec's occupational disease rate is zero.
- Absentee rate is omitted. We do not track an absentee rate because so long as job requirements are met, employees are granted latitude in managing their time away from the office. Many locations offer flexible work schedules and eco-friendly virtual work options.
- Information for the 2018 UK acquisition of Peter Brett Associates has not yet been integrated into Stantec's HR Information System so is not included in these numbers.

403-3 Workers with high incidence or high risk of occupational disease None.

403-4 Health and safety topics covered in formal agreements with trade unions Stantec is a professional services firm with a very low number of employees covered under collective bargaining agreements, so this does not apply and is omitted.

GRI 404: Training and Education

103-1, 103-2, 103-3 Explanation of the material topic, boundary, and management approach SR, People-Centered Workplace.

404-1 Average hours of training per year per employee Following is the average hours of training per year that employees have taken by employment category and gender.

Employment Category	Average Hours of Training per Employee	
	Female	Male
Total Company	19.97	20.95
Managers	11.95	8.69
Professionals	24.55	22.60
Semiprofessionals	21.71	21.39
Administrative and Clerical	8.06	4.79
Skilled/Semi-Skilled	0.54	15.78

Note: Information for the 2018 UK acquisition of Peter Brett Associates has not yet been integrated into Stantec's HR Information System so is not included in these numbers.

404-2 Programs for upgrading employee skills and transition assistance programs During exit interviews, we provide information to employees about the portability of benefits. Transition assistance training is available when required.
SR, People-Centered Workplace.

404-3 Percentage of employees receiving regular performance and career development reviews The following table shows the percentage of Stantec employees who received career development and performance reviews by employment category and gender.
SR, People-Centered Workplace.

Employment Category	Percentage of Employees with CDPR Reviews	
	Female	Male
Total Company	85	85
Managers	96	93
Professionals	86	87
Semiprofessionals	76	79
Administrative and Clerical	88	84
Skilled/Semi-Skilled	100	95

Note: Information for the 2018 UK acquisition of Peter Brett Associates has not yet been integrated into Stantec's HR Information System so is not included in these numbers.

GRI 405: Diversity and Equal Opportunity

103-1, 103-2, 103-3 Explanation of the material topic, boundary, and management approach SR, People-Centered Workplace.

405-1 Diversity of governance bodies and employees Of ten board members, four (40%) were women, six (60%) were men, all were over 50, and no one identified as a minority group member.
The percentage of Stantec employees by employment category, gender, age, and self-identified minority status (tracked only in Canada and the United States) follows.
SR, People-Centered Workplace and Corporate Governance.
MIC, pages 28-30 and 41. AIF, pages 11-12.

Employment Category	Total	Female	Male	Age: Under 30	Age: 30 to 50	Age: Over 50	Self-Identified Minority (CA/US Only)
Total	20,198	34%	66%	18%	54%	28%	19%
Managers	1,054	19%	81%	0%	45%	54%	9%
Professionals	12,535	31%	69%	19%	57%	25%	20%
Semiprofessionals	4,705	27%	73%	21%	51%	28%	18%
Administrative and Clerical	1,864	83%	17%	12%	53%	35%	20%
Skilled/Semi-Skilled	40	5%	95%	8%	60%	33%	4%

Note: Information for the 2018 UK acquisition of Peter Brett Associates has not yet been integrated into Stantec's HR Information System so is not included in these numbers.

405-2 Ratio of basic salary and remuneration of females to males The base salary and base salary plus bonus ratio of females to males in our countries of significant operations follows.

Employment Category	Total		Canada		United States		United Kingdom		Australia		New Zealand	
	Base F:M	Base + Bonus F:M	Base F:M	Base + Bonus F:M	Base F:M	Base + Bonus F:M	Base F:M	Base + Bonus F:M	Base F:M	Base + Bonus F:M	Base F:M	Base + Bonus F:M
Total Company	0.75	0.74	0.77	0.76	0.75	0.74	0.76	0.76	0.61	0.60	0.67	0.67
Managers	0.86	0.85	0.93	0.92	0.78	0.76	1.00	1.06	0.82	0.84	0.82	0.83
Professionals	0.80	0.79	0.82	0.81	0.79	0.79	0.83	0.83	0.64	0.64	0.73	0.73
Semiprofessionals	0.88	0.88	0.88	0.88	0.89	0.89	0.90	0.90	0.71	0.71	0.75	0.75
Administrative and Clerical	1.28	1.28	0.99	0.99	1.00	1.00	0.82	0.82	1.28	1.28	0.75	0.75
Skilled/Semi-Skilled	0.68	0.67	1.18	1.18	0.01	0.01	0.01	0.01	-	-	-	-

Note: Information for the 2018 UK acquisition of Peter Brett Associates has not yet been integrated into Stantec's HR Information System so is not included in these numbers

GRI 406: Non-Discrimination

103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	Stantec is committed to workplace diversity, inclusion, and equality. Our policies and practices specifically prohibit harassment and discrimination based on characteristics such as race, ethnicity, sex, gender, color, creed, religious beliefs, citizenship status, national origin, age, marital status, sexual orientation, gender identity, gender expression, or disability. SR, People-Centered Workplace, Ethical Business Practices, and Supply Chain Management.
406-1	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 418: Customer Privacy

103-1, 103-2, 103-3	Explanation of the material topic, boundary, and management approach	The effectiveness of our management approach is evaluated during our compliance performance review. SR, Cybersecurity and Customer Privacy.
418-1	Substantiated complaints concerning breaches	None.

Non-Material Topics

GRI Standards and Disclosures		Direct Answers and Omissions, Public Report References, [SASB Recommendations]
202	Market presence	Stantec does not have a significant number of employees subject to minimum wage rules. For countries of significant operations, the average hourly rate of our lowest wage group is consistently higher than the minimum wage in that country. We hire local expertise when possible but do not track the percentage of senior management hired from the local community.
203	Indirect economic impacts	Stantec provides positive economic impacts to the communities where we live and work. As well, our Creativity & Innovation Program advances policy and new technologies. SR, Sustainability for Our Clients, Thought Leadership, Community Engagement, and Indigenous Connections.
204	Procurement practices	Our 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. SR, Supply Chain Management.
301	Materials	Stantec is a professional services firm, so most “products” are intellectual property. Even though the quantity of paper used for producing reports and drawings is nominal, we track paper use, reduce overall paper use, and purchase environmentally friendly paper. SR, Resource Conservation.
303	Water	Stantec is a professional services firm working primarily in leased office space, so we have very little influence over our water use and virtually no control over water in our operations. But we work hard to conserve water. Through the services we provide, we positively influence the water withdrawal, recycling, and reuse practices of our clients. SR, Sustainability for Our Clients, Sustainable Development Goals, Environmental Management, and Thought Leadership. [SASB IF-EN-401a.2]
304	Biodiversity	Stantec is a professional services firm working primarily in leased office space, so our operations have a low impact on biodiversity. Through the services we provide for clients, we have a significant impact in protecting and restoring biodiversity. SR, Sustainability for Our Clients, Sustainable Development Goals, Environmental Management, and Thought Leadership.
306	Effluents and waste	As a professional services firm working primarily in leased office space, Stantec produces minimal effluents and waste. We maintain a few internal laboratories that responsibly dispose of waste materials and have comprehensive spill prevention processes. Through the services we provide, we are able to minimize the effluent and waste produced by our clients. SR, Sustainability for Our Clients, Sustainable Development Goals, Environmental Management, and Thought Leadership.
308, 414	Supplier environment and social assessments	Because Stantec is a professional services firm, our supply chain includes vendors that are centrally procured, plus we work with project subcontractors and partners. <ul style="list-style-type: none"> • Our Procurement team uses standard sustainability language. • Our Subcontractor Management team screens subcontractors using numerous criteria, including environmental and social. We expect subcontractors to be ethical and follow our <u>Partner Code of Business Conduct</u>; high-risk subcontractors must acknowledge, in writing, that they will follow this code. SR, Ethical Business Practices and Supply Chain Management.

402	Labor management relations	As a professional services firm, Stantec has a very low number of employees covered under collective bargaining agreements. No policies specify the amount of time required to provide notice before a significant operational change; however, our practice is to provide ample notice. Our change management processes minimize employee impact of operational changes.
407	Freedom of association	SR, Ethical Business Practices. GRI Content Index 102-41. UN Global Compact Communication on Progress Principle 3.
408, 409	Child and compulsory labor	SR, Ethical Business Practices. UN Global Compact Communication on Progress Principles 4 and 5.
410	Security personnel trained in human rights	Two employees, both trained in protecting human rights, oversee our Security Program. Because we are a professional services firm, the program's goal is to protect our office-based employees from geopolitical threats, terrorism, crime, and natural disasters when in the office or traveling. SR, Health, Safety, and Security.
411	Incidents of violations involving the rights of Indigenous Peoples	Engaging with Indigenous Peoples and communities is critical to the success of our organization and projects. Stantec has an Indigenous Relations Program and seven Indigenous Business Partnerships that work with our project teams so that our client work protects the rights of Indigenous Peoples. Our focus is building strong partnerships and positive relationships. To the best of our knowledge, no violations have occurred as a result of Stantec's work with Indigenous Peoples. SR, Indigenous Connections.
412	Human rights assessments	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 occurrences. For project work done in countries where there are possible risks in our supply chain, our <u>Partner Code of Business Conduct</u> communicates our expectations about protecting human rights. SR, Ethical Business Practices.
413	Local community impact and development	Through project work, philanthropy, and employees who volunteer their time and expertise, Stantec supports the economic development of communities. Our programs connect to the arts, education, environment, and health and wellness, and, on our clients' behalf, our project work supports community partnerships. SR, Sustainability for Our Clients, Sustainable Development Goals, Community Engagement, and Indigenous Connections.
415	Political contributions	Company policy prohibits political contributions to individual politicians on the Company's behalf. We occasionally support measures on local ballots, after rigorous review. SR, Ethical Business Practices.
416	Customer health and safety	For the services we provide to clients, we make extensive efforts to design projects that are safe for the end user. During field work, we protect the health and safety of our employees, subcontractors, and clients when they are on site and the communities that have physical access to the site. Before starting any field work, we prepare a Risk Management Strategy to address potential health and safety impacts. We document and monitor these impacts throughout the life span of the project. Compliance is audited via a rigorous internal and external audit process. SR, Health, Safety, and Security.
417	Marketing and labeling	Our services are promoted to the relevant industry only. For marketing communications, we have no reported incidents of noncompliance with regulations.
419	Socio-economic compliance	Stantec has no significant fines or sanctions for noncompliance with laws or regulations in social and economic areas (including accounting and tax fraud, corruption, bribery, competition, the provision of products and services, and labor issues).

APPENDIX B

UNGC COMMUNICATION ON PROGRESS

Principles	Stantec Response
Human Rights	
<p>1 Businesses should support and respect the protection of internationally proclaimed human rights</p>	<p>Stantec has a corporate responsibility to respect human rights. We subscribe to the principles of the</p> <ul style="list-style-type: none"> • 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 <p>Our Code of Business Conduct Policy and related training cover ethics, integrity, harassment and discrimination, anti-corruption, government contracting, political activities, and social responsibility. 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.</p> <p>SR, Ethical Business Practices.</p>
<p>2 Businesses should make sure they are not complicit in human rights abuses</p>	<p>Stantec’s Partner Code of Business Conduct addresses potential abuses that could occur in our supply chain. Stantec monitors best practice commitments when reviewing terms and conditions and managing projects.</p> <p>SR, Ethical Business Practices and Supply Chain Management.</p>
Labor	
<p>3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p>	<p>Stantec does not engage in any practices that would impinge on freedom of association or the right to collective bargaining.</p> <p>SR, Ethical Business Practices.</p>
<p>4 Businesses should uphold the elimination of all forms of forced and compulsory labor</p>	<p>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.</p> <p>SR, Ethical Business Practices and Supply Chain Management.</p>
<p>5 Businesses should uphold the effective abolition of child labor</p>	<p>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 specifically prohibits child labor.</p> <p>SR, Ethical Business Practices and Supply Chain Management.</p>

6	Businesses should uphold the elimination of discrimination in respect of employment and occupation	Stantec has a comprehensive Harassment and Discrimination Policy that prohibits harassment or discrimination of employees based on characteristics such as race, ethnicity, sex, gender, color, creed, religious beliefs, citizenship status, national origin, age, marital status, sexual orientation, gender identity, gender expression, or disability. SR, People-Centered Workplace and Ethical Business Practices.
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Environment

7	Businesses should support a precautionary approach to environmental challenges	Stantec supports the precautionary approach, and numerous programs have been implemented to put this approach into practice. SR, Environmental Stewardship. GRI Content Index 102-11.
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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 ISO 14001:2015-certified Environmental 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.
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9	Businesses should encourage the development and diffusion of environmentally friendly technologies	Stantec is considered a leader in environmentally friendly designs and invests in developing innovative technologies and approaches (for example, a \$2.9 million investment in 2018 supports innovation, research and development, and collaboration). SR, Sustainability for Our Clients, Sustainable Development Goals, and Thought Leadership
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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 Code of Business Conduct training cover ethics, integrity, harassment and discrimination, anti-corruption, government contracting, political activities, and social responsibility. SR, Ethical Business Practices.
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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 significant 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 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.

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