

## Stantec Inc. - Climate Change 2022

### C0. Introduction

#### C0.1

**(C0.1) Give a general description and introduction to your organization.**

Stantec Inc. is a global professional services company that trades on the TSX and on the NYSE. We offer project management, digital technology, engineering, architecture, design, and scientific consulting services to create a more sustainable world. Our 2021 gross revenue was \$4.6 billion. Our ability to design and deliver sustainable solutions for our clients is critical to our long-term competitiveness and key to us achieving a position as a top-rated global design firm.

At Stantec, we recognize that managing our business with a triple-bottom-line focus benefits our people, clients, communities, investors, and the planet. Environmental, social, and governance (ESG) initiatives position our Company for the future and 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. We take responsibility for the environmental impacts of our internal operations by choosing approaches that provide the least possible harm and highest possible benefits, provide an inclusive and equitable workplace for our employees, actively volunteer in and engaging with our communities, and demonstrate ethical business behavior.

Stantec is committed to sustainable operations, but we recognize that our most positive impact to the world comes from the services we deliver to clients. At Stantec, we support a more sustainable future for the clients and communities we serve. We walk the path with them, identifying and capturing ways to make their projects more sustainable. 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 and geopolitical trends, and evolving economic realities, we anticipate and address the long-term impacts of our design decisions. Sustainability runs deep at Stantec and is woven directly into the fabric of our leadership—each geography and business operating unit actively engage in creating a sustainable world.

#### C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2021	December 31 2021	No	<Not Applicable>

#### C0.3

**(C0.3) Select the countries/areas in which you operate.**

Argentina  
Australia  
Barbados  
Belgium  
Canada  
Chile  
China  
Czechia  
Ethiopia  
Germany  
India  
Italy  
Netherlands  
New Zealand  
Peru  
Qatar  
Taiwan, China  
Turkey  
United Arab Emirates  
United Kingdom of Great Britain and Northern Ireland  
United States of America

#### C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	STN
Yes, a CUSIP number	85472N
Yes, an ISIN code	CA85472N1096

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	<p>Stantec's board-level Sustainability Committee (internally called the Sustainability and Safety Committee) was established by the Board of Directors and has board-level oversight in managing climate-related issues. This committee was created to provide oversight on Stantec's climate change response as well as environmental, social, and health and safety performance. Emissions management is a standing committee agenda item. The Sustainability Committee ensures 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.</p> <p>An example of a climate-related decision made by the Sustainability Committee was the 2021 review and formal public commitment of two Science Based Target initiative (SBTI)-approved 1.5C emission reduction targets.</p>
Chief Financial Officer (CFO)	<p>Stantec's CFO interacts regularly with investors on climate-related topics and overall ESG performance. She is an ESG advocate within the organization, chairs our executive-level Sustainability Committee (internally called the Executive ESG Committee, which is accountable for our sustainability performance), and is responsible for communicating critical ESG knowledge and concerns to the CEO, her C-Suite colleagues, and the board-level Sustainability Committee.</p> <p>An example of a climate-related decision made by the CFO includes progression of a formal climate scenario analysis in 2021 using the GeSI-CDP Scenario Analysis Toolkit to quantify related risks and opportunities and analysis of options for incorporation of climate risks and opportunities into regulated financial disclosures.</p> <p>The executive-level Sustainability Committee our CFO chairs is responsible for overseeing Stantec's overall climate-related framework, including materiality, scenario planning, and climate-related risks and opportunities. The Committee reviews, assesses, and makes recommendations regarding Stantec's performance on an on-going basis and provides leadership, focus, and guidance to management.</p>

C1.1b

**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> <li>Reviewing and guiding strategy</li> <li>Reviewing and guiding risk management policies</li> <li>Monitoring implementation and performance of objectives</li> <li>Overseeing major capital expenditures, acquisitions and divestitures</li> <li>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</li> </ul>	<Not Applicable>	The board Sustainability Committee (internally called the Sustainability and Safety Committee) is responsible for overseeing Stantec’s overall climate-related framework, including risks and opportunities. The committee reviews, assesses, and makes recommendations regarding Stantec’s performance on an on-going basis and provides leadership, focus, and guidance to management. The board committee regularly reaches out to subject matter experts (internal to Stantec and in the broader industry) to better understand climate risks and opportunities. An example of a way in which climate-related issues are integrated into the board’s oversight via this committee is the board review of climate references in the risk management process and, specifically, the incorporation of climate change references into the annual report and sustainability report.

**C1.1d**

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	<p>For all board Sustainability Committee members, we do an annual review to confirm we have the appropriate competencies to carry out the business (as reflected in the annual Management Information Circular) and we have multiple board members with competence on climate-related issues. We encourage board members to further develop their climate change knowledge through continuing education. For example, one board Committee member recently completed the Diligent Climate Leadership certification program (an in-depth program for executives overseeing climate risk and sustainable growth strategies).</p> <p>When adding new board members, Stantec is purposeful about evaluating members for their climate competencies. This evaluation is performed by company subject matter experts (Stantec provides climate action services and has in-house expertise) and reflects industry performance. For example, the most recent member added to the board was specifically selected for their industry contributions to furthering sustainability. This individual has a graduate level degree in natural science, was CEO of an international consulting company that provided climate action services, is routinely called on to provide seminars and keynote speeches on sustainability-related topics (like carbon clash, investments in renewable energy, the future of the bioeconomy), and serves on the board of a leading forest-based bioindustry company.</p>	<Not Applicable>	<Not Applicable>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (Chief Practice and Project Officer)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Chief Financial Officer (CFO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	As important matters arise
Sustainability committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Environment/ Sustainability manager	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

**C1.2a**

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

There are multiple, senior-level hierarchies that monitor and respond to climate-related issues at Stantec.

1. The executive Sustainability Committee (internally called the Executive ESG Committee) provides oversight and guidance of Stantec's sustainability practices and commitments.

In recognition of the importance of climate action to our Company strategy, the executive-level Sustainability Committee members include C-Suite and senior corporate strategy leaders including:

- CFO (Committee Chair)
- COO, Global Operations
- Chief Practice and Project Officer
- Chief People and Inclusion Officer
- SVP of Corporate Strategy
- VPs of Environment/Sustainability, Risk Management, Practice Services, and Treasury
- Leader of Continental Europe Operations

The committee members were selected based on their commitment to sustainability, their understanding of climate-related implications on our business and the world at large, and their ability to impact organizational change in relation to climate action (both internal operations and client-facing services). Stantec C-Suite and senior corporate strategy leaders have voluntarily asked to be a part of this committee in recognition of the importance of climate action to our Company strategy. This Committee officially meets quarterly but interacts and communicates regularly to share information regarding environmental, social, and governance implications (potential risks and opportunities, as well as management approaches) on our business. In their leadership positions, the team then acts accordingly. The executive Sustainability Committee is accountable for climate performance and oversees assessment, management, and prioritization of climate risks and opportunities. As Committee chair, the CFO interacts with the CEO, her C-Suite colleagues, and board on climate-related issues. Additionally, the CFO provides updates because she is responsible for overseeing the financial and investor implications of climate change.

2. The reporting line hierarchy of the corporate sustainability function rolls up to the Chief Practice and Project Officer, who regularly receives updates on climate-related issues from the Environment/Sustainability VP. Because he is the line manager of corporate sustainability function at Stantec, this C-Suite member is responsible for providing the board Sustainability Committee (internally called the Sustainability and Safety Committee) quarterly operational updates, with climate-related sustainability issues being a standing agenda item. Additionally, the Chief Practice and Project Officer interacts with board members on climate-related sustainability issues outside of board meetings on an as-needed bases.

3. The Environment/Sustainability VP monitors climate issues, manages Stantec's climate performance, and leads Stantec climate action. She provides regular updates to the Chief Financial Officer, the Chief Practice and Project Officer, the overall executive Sustainability Committee, the CEO, and the board.

At Stantec, the "chief" positions all report to the CEO. The Environment/Sustainability VP reports to the Chief Practice and Project Officer.

**C1.3**

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	As seen in Stantec's most recent Management Information Circular and Sustainability Report, management are held accountable for the attainment of climate related goals including achievement of our 1.5C Science Based Targets (SBT), carbon neutrality, and net zero. At a company-wide level, Stantec has aligned our financing with a sustainability linked loan, with a key performance indicator (KPI) being attainment of our 1.5C SBTs.

**C1.3a**

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Management group	Non-monetary reward	Efficiency project	Managers with responsibility for ISO14001 and other quality management systems (geographic, sector, and functional service leaders) have KPIs related to emission reductions within their performance expectations. Geographic and functional service managers are recognized and rewarded for operational efficiencies that translate into bottom-line savings, which also provide us benefits in the form of emission reductions. Evaluation of performance relative to KPIs is included in the annual career development performance review process, which is conducted prior to the review and award of performance-based incentives.
Environment/Sustainability manager	Monetary reward	Emissions reduction project Emissions reduction target Efficiency project Behavior change related indicator	Success of the Stantec Environment/Sustainability VP is largely based on continual reductions to our emissions. Though a specific dollar amount has not been set for achieving a determined KPI, positive and negative results have a direct impact on this individual's annual raise and short-term incentive plan (STIP) award.
Chief Financial Officer (CFO)	Monetary reward	Emissions reduction target	Stantec's CFO is the chair of Stantec's executive Sustainability Committee (internally called the Executive ESG Committee) and is expected to further Stantec's ESG performance. This individual is also charged with managing investor relations. Investors are increasingly focused on evaluating investments through the lens of sustainability, ascribing greater market value to companies with a clear focus on ESG. One item of investor concern is Stantec's progression towards meeting emission reduction targets. Our CFO is directly involved with our real estate optimization strategy, which is a key component of our emissions reduction plan. Additionally, our CFO is responsible for meeting the conditions of our sustainability linked loan (with a KPI of achieving our 1.5C SBT).  Our CFO's STIP award is partially based on our success in ESG performance and maintaining positive relationships with investors. Thus, in an indirect manner, our CFO's monetary reward is connected to Stantec reducing our emissions.
Chief Executive Officer (CEO)	Monetary reward	Emissions reduction target	Stantec implemented a series of ESG and financial performance indicators that form the basis of the CEO Scorecard. This scorecard is used to assess the Company's achievement of its near-term business goals and to determine the STIP award. A climate-related assessment criterion is a part of this STIP scorecard with the KPI being Stantec meeting our 1.5C SBT as well as our carbon neutral and net zero pledges.

**C2. Risks and opportunities**

**C2.1**

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

**C2.1a**

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	1	5	This is the timing of our interim emission reduction and carbon neutrality goals.
Medium-term	5	15	This is the timing of our near-term SBT and our net zero transition.
Long-term	15	30	This is the timing of our science-based net zero goals

**C2.1b**

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

Stantec defines "substantive financial impact" of any risk, including climate-related risk, in two ways: cost (more than \$30M) and decrease of share price (more than 20%). We align the identification of our principal risks, including climate-related risk, with the strategic planning process, such that key initiatives of our company are considered against our stated risk appetite and are appropriately managed to ensure we can deliver value to our stakeholders. Risks, including climate-related risk, are ranked according to a series of financial and strategic business consequences, including impact to people, stakeholders/reputation/compliance, and clients/operations.

**C2.2**

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

More than once a year

**Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

### Description of process

#### RISKS:

To identify and assess climate-related risks Stantec follows the process defined in our Enterprise Risk Management (ERM) program, based upon ISO 31000 Risk Management – Principles and Guidelines which describes risk management as the logical and systematic method of identifying, analyzing, evaluating, treating, monitoring, and communicating risks associated with any activity, function or process in a way that will enable Stantec to minimize losses and maximize opportunities. Through a multi-disciplinary collaboration (e.g. legal counsel, ESG experts, business and discipline leaders), we evaluate risks related to climate among other key risks related to health and safety, ethics and conduct, organic growth, project delivery, information security, and market conditions. We recognize one risk may impact another area of the organization and may compound and/or create other risks. Our integrated, enterprise-wide risk management program allows us to address interdependencies.

Stantec identifies potential events that, if they occur, will adversely affect our ability to successfully implement our strategy. We define our principal risks as those that may adversely affect our ability to deliver value to our stakeholders, grouped into three categories: strategic risks, operational risks, and compliance & regulatory risks. Risks are analyzed, considering likelihood and impact, as a basis for determining how they should be managed. The potential size and scope of the impact are determined through discussions with subject matter experts and senior leadership. Under this model, risks are identified and assessed first for inherent risk (before considering risk mitigation), and secondly for residual risk (after considering risk mitigation). This view of residual risks allows management to assess whether current risk management techniques are sufficient, or if additional risk mitigation is required. We maintain a risk register and our risks are evaluated and updated on a quarterly basis using the "Plan-Do-Check-Act" cycle. To populate the risk register, the Stantec ERM director identifies risks jointly with executives, business operating unit directors, location leaders, and practice leaders.

For transitional risks, potential climate-related impacts are identified and analyzed with the Environment/Sustainability VP. Significant environmental impacts are also incorporated into Stantec's ISO 14001-certified Environmental Management System (EMS). Environmental risks, including those pertaining to climate, are considered within the EMS aspects and impact registers. For example, through this assessment, we identified risk of decreased revenues and business opportunity from governmental (public) clients if Stantec does not move towards having net zero operations, especially in the UK. We assessed this to be a strategic and operational risk because if we are unable to deliver on our commitments aligned with current regulations and show our role in meeting net zero goals, we may lose business opportunities. The likelihood was determined to be 'Likely' and the impact 'Medium' as the time horizon for this risk is long-term (15-30 years). We also identified the reputational risk of continuing to provide services that enable the hydrocarbon industry. This was assessed as a strategic and operational risk as it may cause decreased revenue from clients who are applying stringent ESG criteria within their supply chain, and the loss of staff who do not want to work on hydrocarbon-related projects. The likelihood was determined to be 'Likely' and the impact 'Medium' as the time horizon for this risk exceeding the 'substantial financial impact' threshold is 5-10 years.

For physical risks, through our EMS and analysis by the Environment/Sustainability VP, we identified risk in business interruption from increased weather events. We consider this to be an operational risk because it may impact our ability to deliver on projects and threaten the health and safety of staff carrying out site work. The likelihood was determined to be 'Very Likely' and the impact as 'Medium-high' because with our global presence, it is very likely that a weather event extreme enough to cause project delays will occur at some point in the year. This risk has a time horizon of 1-30 years (short-, medium- and long- term) because we may experience acute impacts from each weather event that is expected to increase in frequency over the next 30 years.

#### OPPORTUNITIES:

Identification of climate-related opportunities is a key part of our official strategic planning progress. Stantec leaders forecast three to five years ahead and Stantec business managers apply these forecasts to their local goals.

Our 2022/2023 planning cycle has begun and is following the same methodology as the previous exercise (completed in 2019), which comprised a deep dive review into megatrends, market conditions, and Stantec competitive advantages under the following categories: climate change and resource security; demographic, social, and urbanization changes; economic power, market shifts, and geopolitics; and incremental and breakthrough technology. The previous exercise resulted in the naming of strategic growth initiatives (Coastal Resilience, Ecosystem Restoration, Smart Cities/Urban Places, and Energy Transition). The results of the current planning exercises will likewise reflect the value Stantec places, financially and culturally, on initiatives related to climate action.

Examples of how our strategic planning process address physical and transitional opportunities are illustrated through a closer look at some of our growth initiatives.

Sea level rise is a chronic physical risk caused by long-term shifts in climate patterns. Stantec's Coastal Resilience and Ecosystem Restoration growth initiatives work together to address that risk. Our project work includes both natural and built solutions with a combination of ecosystem restoration, land management, and physical defenses. For example, Stantec is lead designer of a reconstructed wharf at the southern tip of Manhattan that will raise the waterfront esplanade approximately 5 feet (1.5 m) above its current elevation—11 feet (3.4 m) above Mean Sea Level—to protect the park and nearby community, as the 20-acre (8-hectare) Battery Park currently sits at an elevation that will be submerged as sea levels rise.

A business opportunity related to transitional risk is seen in Stantec's energy transition solutions. For an off-grid First Nations Community, Stantec designed the first fully integrated remote renewable energy-storage microgrid in Canada. This solution combined solar power, battery storage, and microgrid technology to replace approximately 34,000 gallons (130,000 liters) of diesel fuel per year. The team created a process replicable in other off-grid communities, with the ability to customize solutions based on the specific environmental and cultural context.

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### Value chain stage(s) covered

Downstream

### Risk management process

Integrated into multi-disciplinary company-wide risk management process

### Frequency of assessment

More than once a year

### Time horizon(s) covered

Short-term  
Medium-term  
Long-term

### Description of process

Through our project work, Stantec helps our clients identify and manage their climate risks. Each project has unique conditions that are addressed accordingly, but our overall project management process helps keep this top-of-mind for our project teams. Our integrated teams of professionals bring a consistent approach to sustainability across our various business operating units.

Stantec's Project Management (PM) Ecosystem specifies Stantec's expectations of project managers and provides a scalable PM Framework to promote a pragmatic and disciplined approach to project delivery. It includes the critical tasks for managing risks, including climate risks, and achieving quality delivery on typical projects.

At a project level, Stantec's PM Frameworks consider sustainability topics such as climate change, air and water quality, energy and resource use, human rights, ethics, stakeholder engagement, and Indigenous relations. Impacts are evaluated during the proposal and the health, safety, security, and environmental planning stages and then reviewed through project audits.

For projects with risks that have the potential for significant financial and/or reputational impacts, including impacts related to climate change, we have a formal risk review practice. The Project Risk Review Committee consists of senior Stantec leaders as well as relevant subject matter experts.

The project risk review happens as part of the go/no-go process. It is a forum to enable a candid and open discussion to evaluate risks, identify the probability/potential impact of such risks, establish mitigation measures, apply lessons learned from past projects, provide technical review and guidance, and consider the impact to Stantec's total risk portfolio. The process is triggered when a project meets a set of pre-established criteria. Project teams provide detailed information on the project (with information generated via consultation with internal safety, legal, tax, etc advisors/experts), that is then reviewed by a Business Operating Unit Risk Committee, Executive Leadership Risk Committee, or both (calling in subject matter expertise as needed). At the conclusion of the risk review the Committee makes recommendations. If the project is a "go", conditions are set, and continued oversight is provided.

## C2.2a

### (C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	<p>Stantec has staff dedicated to tracking current climate-related regulations that impact the geographies where we work (to manage our potential impacts), as well as regulations that impact jurisdictions where our clients are located (so that we can be prepared to support our clients in managing their potential impacts). These range from global frameworks such as the UN Paris Agreement to federal and local regulations in our major markets that directly impact our consulting and design work.</p> <p>Current regulatory risks include the following:</p> <ul style="list-style-type: none"> <li>- Potential decreased revenues and business opportunity from governmental (public) clients if Stantec does not achieve net zero operations. Our ability to deliver on this commitment is important to our clients because many of them have made similar commitments, and it allows us to sign up to external pledges such as the UK's The Association for Consultancy and Engineering's Net Zero pledge. If we are unable to deliver on our commitments that are aligned with current regulations and show our role in meeting net zero goals, we are likely to lose business opportunities.</li> <li>- Streamlined Energy &amp; Carbon Reporting regulations in the UK created local-level reporting requirements for Stantec (traditionally our emissions disclosures have been focused on the global corporate company). This created additional tracking, measuring, verification, and reporting requirements, resulting in increased effort and costs.</li> </ul> <p>Stantec staff closely track environmental regulations and the potential implications on our business. At a corporate level, our legal and sustainability teams, executive Sustainability Committee (internally called the Executive ESG Committee), and business operating unit leadership closely watch for potential regulation changes so that we can respond quickly to the impacts, both positive and negative. Quarterly, an ESG legal and regulatory update (jointly prepared by the corporate legal and sustainability teams) is provided to the board Sustainability Committee. Stantec's Market Research &amp; Intelligence team publishes regular internal bulletins alerting practitioners to current and emerging regulations. At a local level we also rely on subject matter experts and tracking systems to help us stay in tune.</p>
Emerging regulation	Relevant, always included	<p>We pay close attention to the evolving legal risks that Stantec and our clients are facing related to climate change, and their impact on our market reputation and professional liability. Relaxation or repeal of laws and regulations could impact the demand for our services. New environmental regulations, laws, and policies could result in increased costs for our clients or create the potential for litigation, possibly preventing a project from going forward and thus reducing the potential for our services.</p> <p>Examples include:</p> <ul style="list-style-type: none"> <li>- New reporting requirements, such as those from the SEC and CSA, will impact Stantec's reporting resources. Also, the rapid increase in clients requesting ESG/carbon audit services in response to new regulations could quickly strain Stantec's staff resources unless hiring and acquisitions can keep pace. Conversely, clients may decide to hire in-house expertise in lieu of hiring 3rd party consultants (e.g. Stantec), if the effort of tracking and complying with regulations increases significantly.</li> <li>- New environmental regulations, laws, and policies could result in increased costs and litigation exposure for our ourselves and our clients, possibly preventing a project from going forward and thus reducing the potential for our services.</li> <li>- Increasingly stringent building and infrastructure codes in reaction to climate change and emissions reporting will require practitioners to quickly update their design standards, and stay current with updated codes of ethics from their relevant professional bodies (e.g. AIA, ASHRAE). Stantec clients may face increased claims liability (and resulting increased indirect expenditures) if we commence implementation of a project without being aware of these new regulations. We must also be sure that our contractors and subcontractors are aware of these new regulations because we may be held accountable if we procure services or materials that don't comply.</li> <li>- As market regulatory requirements become more widespread, stringent and nuanced, Stantec may see an increase in the cost of keeping our practitioners up-to-date on the market impacts of the regulations on their sectors, clients and project delivery.</li> <li>- Specific to Stantec operational risks and our leased office space, landlords implementing facility upgrades or installation of on-site solar in response to emerging regulations may pass that cost on to Stantec as tenants, or implement energy budgets/net zero lease structures that impact our utility costs.</li> </ul>
Technology	Relevant, always included	<p>As clients rapidly adopt emerging technologies in order to accelerate their emissions reductions goals, there is a risk of these technologies having unintended negative consequences.</p> <p>Examples include the following:</p> <ul style="list-style-type: none"> <li>- Increased claims liability costs due to the increased prevalence of autonomous vehicles (AVs). Urban planning and development projects must address evolving AV technology and performance features in their planning and design considerations to achieve a safe public realm experience. The adoption of AVs may accelerate considerably in the coming years. If Stantec and our clients do not adapt our strategy and solutions in community development/planning projects, particularly those spanning multiple phases and multi-year roll-outs, we may risk claims liability related to accidents caused by decisions in city planning.</li> <li>- Large-scale geoenvironmental projects creating unintended consequences for indigenous communities/developing economies.</li> <li>- Stantec's consulting in energy-intensive industries (such as crypto-mining) may increase Scope 3 emissions for both Stantec and/or our clients. For Stantec, this will increase the level of difficulty in reducing emissions when regulatory bodies consider project emissions to be material.</li> </ul> <p>In addition, new technologies may not have been tested in the extreme climate conditions we are likely to experience in the future, and may fail or underperform compared to the level they did within their testing environment.</p> <p>Examples include:</p> <ul style="list-style-type: none"> <li>- HVAC technologies that do not maintain their stated efficiencies in the face of future increased cooling demand.</li> <li>- Direct air capture technologies failing to maintain initial performance levels as GHG concentrations increase.</li> <li>- An increase in the power demand of technologies installed in projects. This may result in client-controlled energy loads (e.g. process equipment) exceeding the initial assumptions made during the design phases of a facility, and the facility exceeding the desired operational carbon emissions.</li> </ul>
Legal	Not relevant, included	<p>Stantec pays close attention to legal risks related to climate change. Our evaluations, however, are less pertaining to Stantec's legal liability and more focused on the legal implications to our clients. For example, if Stantec provides water management services to a beverage manufacturing client that is cited for not managing their climate impacts, that could impact Stantec in the form of project delays or reputational damage. We are also closely monitoring the potential for claims if resilient design solutions recommended by Stantec are not accepted by clients as well as the implications of climate conditions changing faster than code.</p> <p>Our project risk evaluation process considers potential client legal implications as part of our "go-no go" process for potential projects. This is a risk factor we also monitor as projects progress.</p>

	Relevance & inclusion	Please explain
Market	Relevant, always included	<p>Market risks impacting Stantec operations include:</p> <ul style="list-style-type: none"> <li>- Variable pricing of energy attribute certificates and carbon offsets impact budgeting projections. This adds costs to our efforts to reduce market-based scope 2 emissions (renewable energy) and makes it harder to maintain our interim step of carbon neutral (balancing our emissions impact through offsets). It also takes focus from long-term emissions reduction programs and our efforts to drive additional options (balancing our emissions impact through insets as we work towards net zero).</li> <li>- Stantec fieldwork requires fleet with four-wheel-drive, high clearance, and extensive range. The slow pace of the EV availability impacts our adoption of EVs to lower our fleet emissions.</li> </ul> <p>Market risks impacting Stantec's project delivery include:</p> <ul style="list-style-type: none"> <li>- Construction materials supply chain disruptions that prolong project schedules impact our ability to efficiently plan staffing resources, resulting in fee overruns, low staff morale, and high turnover when projects are put on hold.</li> <li>- Volatile energy prices may invalidate life-cycle cost analyses and associated design decisions proposed by Stantec.</li> <li>- Lack of global action regarding climate financing/compensation limits the ability of vulnerable countries to adequately finance climate adaptation projects. Public agencies and private clients in countries suffering economically may not have the capital to initiate projects or maintain the contracting vehicles Stantec holds.</li> <li>- Widening social inequities due to climate change aggravate geopolitical instability. This may result in cancellation of public projects, disruptions to material supply chains, and non-compliance with sanctions, impacting Stantec's revenue stream varying degrees across our global locations and client types.</li> <li>- Unequal pace of adoption by countries of climate adaptation/mitigation projects could lead to friction between Stantec employees as different office locations see more or less opportunities to work on innovative, resilient projects.</li> <li>- Travel restrictions due to natural disasters (and pandemics) cause resource shortages and exacerbates localism, with impacts on quality of life for Stantec employees.</li> <li>- Climate migration, either regionally or globally, and migration from countries lagging in clean energy industries, may impact Stantec's global distribution of staff especially for consulting that cannot be done virtually.</li> </ul>
Reputation	Relevant, always included	<p>Our brand is built on "designing with community in mind", meaning we consider the social, environmental, and economic health of communities impacted by projects. If we are perceived as not addressing climate change and future extreme climate conditions in our design and project delivery, we risk being seen as not protecting communities, damaging our brand and market differentiator. For example smart technologies intended to raise quality of life increase the demand for mining of raw materials which impacts local communities and ecosystems. Stantec's role in providing services for mining clients could, by association, be implicated in the negative impact on biodiversity or Indigenous communities.</p> <p>This risk also applies to working for clients who do not follow our mitigation /adaptation recommendations. While we're in a position to offer advice and recommendations, we are not in a position to control how our clients use our advice. In one such example, a client did not follow our recommendations regarding migration patterns of marine species. A local non-profit protested the project. Through "guilt by association" the situation caused reputational damage to Stantec.</p> <p>Other examples include:</p> <ul style="list-style-type: none"> <li>- Growing public opposition to controversial projects (e.g. nuclear, pipelines) or, clients failing to address climate action, poses a safety threat to Stantec employees and timely delivery of our projects.</li> <li>- If Stantec presents a client with facility/infrastructure solutions designed to withstand future climate scenarios, but the client instructs Stantec to only design to present day design conditions resulting in facility damage/failure at a future date, Stantec could suffer reputational damage by association with the project.</li> <li>- As the impacts of climate change intensify in communities across the world, friction is increasing between companies taking action and those who are not (risk of greenwashing by association).</li> <li>- Stantec continuing to support oil and gas clients/hydrocarbon industries could be perceived as being complicit in climate change, exposing Stantec to reputational risk through association, and creating tension within practitioners.</li> </ul> <p>Stantec's Marketing and Communications team closely assess our market perceptions and we closely monitor for these potential scenarios during our go/no-go process. Per our ISO 9001 certified Quality Management System, we regularly survey our top clients, media (industry, general, and social), and engage external evaluators.</p>
Acute physical	Relevant, always included	<p>Extreme weather events create physical health risks to Stantec employees as follows:</p> <ul style="list-style-type: none"> <li>- Extreme heat causes unsafe conditions for site work/visits and risks heat-related illnesses unless the hours of outdoor work are significantly curtailed and conditions are monitored.</li> <li>- Curtailing site hours due to extreme weather conditions of any type increases our risk of not meeting project schedules and exceeding our fees if projects run over time.</li> <li>- Unhealthy air quality from wildfires increases vulnerabilities to respiratory illness in facilities with inadequate air filtration and ventilation systems. This creates a health risk for Stantec staff in leased spaces with inadequate HVAC systems.</li> </ul> <p>Events increasing the risk of operational disruption include:</p> <ul style="list-style-type: none"> <li>- Utility/transport system failure as a result of extreme weather may result in closed offices and difficulty for staff coming to work or accessing virtual work resources (e.g. due to server damage/disruption).</li> <li>- Stantec operates primarily out of leased space so the cost of physical damage to the buildings where our offices are located is usually not our responsibility. However, breaking a lease because a building has been damaged, the cost of interior renovations as a result of weather damage, or the inability to access an office while repairs are being made, can all have cost implications. Relocating office space on short notice disrupts staff schedules and commute routines, potentially leading to staff retention issues.</li> </ul> <p>Stantec risks claims if we do not design projects for an increased severity and frequency of extreme weather events. Building to current local/regional code is not a guarantee of maintaining safety in the face of future extreme weather conditions, particularly in jurisdictions where codes are not up to date.</p> <p>Examples include:</p> <ul style="list-style-type: none"> <li>- Liability claims if we do not design building air filtration and ventilation systems to adequately maintain indoor air quality in locations impacted by wildfires.</li> <li>- Extreme temperatures exert physical stress on construction materials and assemblies, strain the ability of power systems to maintain operational, and make it harder for building HVAC systems to maintain safe indoor conditions. Stantec risks claims if we do not design structures, building systems, and infrastructure components (e.g. bridges, roads) for future extreme conditions versus current design conditions.</li> </ul>
Chronic physical	Relevant, always included	<p>Chronic physical risks that impact the availability and behavior of natural resources (e.g. water) and energy sources (e.g. electricity), long-term shifts in climate patterns causing sea level rise, unpredictable precipitation, and chronic heat waves can all impact Stantec operations and our project work. For example, changes in water supply (too much water and too little water) can impact the flow of rivers and change the efficiency of hydropower as a renewable energy option. With unpredictable water resources, clients could decide to pursue other power options, thus reducing our hydropower market potential; or reconsider the initiation and planning of projects entirely resulting in lost work.</p> <p>Stantec operates primarily out of leased space so the cost of chronic, long-term physical damage to the buildings in which our offices are located is usually not our responsibility. However, chronic physical impacts of climate change do pose risks to our employees both in our direct operations and our ability to deliver projects. For example, repeated operational disruption and chronic health and safety issues resulting from climate change (e.g. respiratory issues from poor air quality) may result in reduced staff morale, increased staff turnover, increased absenteeism, additional use of health insurance benefits, project delays, and client dissatisfaction/claims.</p> <p>Continued business operation instability (pandemic, rapidly repeating harsh weather conditions, natural disasters, political strife) places a significant mental health strain on employees as they are repeatedly in crisis mode.</p> <p>These physical risks are taken into consideration taken by our corporate Real Estate, Health and Safety, and location leadership teams when determining the location of new office space; our Risk Management and Project Management teams when making go/no-go decisions for new projects.</p>

## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

No

## C2.3b



**(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	<p>Stantec regularly conducts assessments to evaluate climate-related risks with respect to our operations. Through identification and analysis with the Enterprise Risk Manager, SVP General Counsel, Environment/Sustainability VP and associated team members, the executive-level Sustainability Committee (internally called the Executive ESG Committee), and operational leaders, we have identified and evaluated climate-related risks but determined that none of the risks and their impacts meet our definition of substantive impact (which is an impact that would financially impact us by more than \$30 million and decrease share prices by more than 20%). Even so, we have incorporated identified climate-related risks into our risk registers. Associated risks are mitigated by the diversity of our business (across geographies, markets, and service types). Additionally, significant environmental impacts, including those pertaining to climate, are incorporated into Stantec's ISO 14001-certified EMS and impact registers. We follow ISO 14001 guidance to identify relevant environmental aspects and determine which activities have an impact on the environment under normal, abnormal, and emergency operating conditions and incorporate actions into our business continuity management system.</p> <p>Stantec will continue to regularly evaluate climate-related risks relevant to our role as consultants in the built and natural environments. We recognize there is currently no standardized way of making cost determinations of climate-related risks for our type of professional services business, so we will evolve our analysis approach per the time horizons defined as part of our climate-related risk assessments.</p> <p>The climate-related risks our clients face translates into significant business opportunities for Stantec. Our clients need to adapt to new technologies, address increased energy/fuel costs, navigate emerging regulations and/or disruptions in work, and Stantec offers the necessary subject matter expertise to assist. Stantec purposely maintains a balanced client portfolio so that if climate change minimizes the need for one service, we have another that can take its place. For example, we routinely help O&amp;G companies in their transition to a low carbon economy through distributed, renewable energy, remediation, and ecosystem restoration services.</p>

**C2.4**

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.4a**

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Markets

**Primary climate-related opportunity driver**

Access to new markets

**Primary potential financial impact**

Increased revenues through access to new and emerging markets

**Company-specific description**

In addition to avoiding/reducing greenhouse emissions, the removal of carbon dioxide from the atmosphere is an important tool for climate action. Carbon dioxide removal comprises technology-based and nature-based solutions (NbS). NbS include restoration of marine and upland systems such as shorelines, coastal environments, marshes, wetlands, prairies, woodland systems, and rangelands. They provide a multiplicity of benefits that can include carbon sequestration as well as conservation, biodiversity protection, expanded migratory corridors, enhanced water and air quality, soil health, heightened resilience, recreational access, and sustainable development opportunities for local communities. NbS are also paired with infrastructure development, providing blended solutions that lower carbon and enhanced resilience. Stantec sees considerable new market opportunities in NbS, which taps into our subject matter expertise in services such as ecosystem restoration, green infrastructure, GHG emissions accounting, and carbon offsets certification/verification.

Examples of our project opportunities include:

- Stantec met new water quality objectives for a rural treatment plant in Clifton, UK by designing an integrated constructed wetland that promoted nutrient uptake through ecological conditions and created diverse habitat.
- To restore the natural flow of a river in Columbus, Ohio, US, Stantec removed a legacy dam that was trapping pollutants and sediment. The natural channel design included creation of four wetlands, planting of native vegetation, and restoration of prime mussel habitat.

The NbS examples given above are categorized under the Ecosystem Restoration growth initiative portfolio. To service this emerging market, Stantec has experts in 10 discipline groups focused on ecosystem restoration. To date, we have restored 50,000+ acres and 1,000+ miles of streams and rivers.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

42000000

**Potential financial impact figure – maximum (currency)**

21000000

#### Explanation of financial impact figure

As climate change becomes more prevalent, a wider variety of clients need our services. Stantec has progressively seen a market change as governments and companies respond to the Paris Agreement and the UN Sustainable Development Goals (SDGs) and look to natural solutions that provide multiple benefits (e.g, conservation, carbon management, recreation, community goodwill). This is especially true for our Environmental Services teams who provide specialized expertise regarding biodiversity protection, ecosystem management, native habitat preservation, water conservation, etc.

To estimate our minimum financial impact, we estimated completing a similar number of projects as contained in our current backlog projections.

This breaks down as follows.

-700 (estimated number of projects in Stantec's 2021 current NbS backlog) x \$60,000 (average value of a NbS project) = \$42 million (estimated minimum financial impact)

To estimate our maximum financial impact figure, we looked to the United Nations. According to a 2021 UN report called "Ecosystem Restoration for People, Nature and Climate", by 2030, investments will need to be over US\$350 billion per year for land-based ecosystem restoration. Another study looks at the cost of the nature-based solutions on land needed to meet climate, biodiversity and land degradation targets; it states that by 2030 investments will need to be over US\$350 billion per annum (UNEP, WEF, ELD forthcoming). This does not include the cost of restoring marine ecosystems.

Using the \$350 billion figure, Stantec estimates that approximately 10% of that market is addressable to Stantec (due to factors such as geography and service limitations), or \$35 billion. Assuming that 20% of that amount will go to design services, the total applicable market size is \$7 billion. Our maximum estimate is based on Stantec capturing 3% of the applicable market.

This breaks down as follows.

-\$350 billion (UN estimates of total market size) x 0.10 (estimated % of the market addressable to Stantec) = \$35 billion (estimated addressable market)

-\$35 billion (estimated addressable market) x 0.2 (estimated % of the market applicable to Stantec) = \$7 billion (estimated portion of the market focused on design services)

-\$7 billion (estimated portion of the market focused on design services) x .03 (estimated % of the market Stantec could capture) = \$210 million (estimated maximum financial impact)

#### Cost to realize opportunity

1260000

#### Strategy to realize opportunity and explanation of cost calculation

To capitalize on the ecosystem services market opportunity identified in 2021, Stantec immediately formed a dedicated GHG/Carbon Technical group comprised of subject matter experts in ecosystem restoration, carbon sequestration, GHG inventories, the carbon offset market, natural capital valuations, and climate resilience. This team sees considerable market potential in supporting the growing number of client net zero commitments by providing a high value alternative to offsets by offering carbon sequestration created through ecosystem restoration

Since forming, the GHG/Carbon Technical team has accelerated our win of ecosystem services project. An example project won by this team can be seen in Louisiana, USA, where Stantec was hired to provide services to help with shoreline restoration – restoring 50 acres (20 hectares) of submerged aquatic vegetation. In addition to sequestering an estimated 42 tons of carbon each year (after maturation), it also supports costal restoration and an accessible public nature appreciation area near the city of New Orleans.

We have estimated the cost to realize this opportunity by applying our current marketing model of business development. On average, business development costs represent 2-5% of projected revenue, typically 3%. We have applied this against the minimum financial impact number noted above.

This breaks down as follows.

-700 (estimated number of projects in Stantec's 2021 current NbS backlog) x \$60,000 (average value of a NbS project) = \$42 million (estimated minimum financial impact)

-\$42 million (estimated minimum financial impact) x .03 (estimated % of cost to develop a business opportunity) = \$1.26 million

#### Comment

##### Identifier

Opp2

##### Where in the value chain does the opportunity occur?

Downstream

##### Opportunity type

Products and services

##### Primary climate-related opportunity driver

Development of climate adaptation, resilience and insurance risk solutions

##### Primary potential financial impact

Increased revenues through access to new and emerging markets

##### Company-specific description

At a time when communities around the world are being negatively impacted by failure to act on climate, Stantec sees immense market potential in helping clients take immediate climate action. Stantec has been providing services related to climate change planning, mitigation, and adaptation for decades. While we have seen considerable success in this space, our current subject matter expertise (strategic consulting and technical design work) is distributed across each of Stantec's business operating units and geographies. With the market for addressing climate change evolving so rapidly and impacting every aspect of our professional sphere of influence, we saw an opportunity to accelerate our influence in the climate mitigation and adaptation space by enhancing creative cross-discipline, cross-business line collaboration. In 2021, Stantec launched a climate action leadership team that includes Climate Solutions subject matter expertise, world renown climate scientists, and SDG Impact specialties. This team is empowered with the ability to network and leverage the global expertise of Stantec practitioners for a multi-disciplinary approach to climate action. The business development focus of the climate action team compliments, and coordinates with, our strategic growth initiatives (Coastal Resilience, Ecosystem Restoration, Smart Cities/Urban Places, and Energy Transition) and the Stantec Institute for Water Technology & Policy (which explores the real-world impacts of a changing climate on the sustainability of water and the role of emerging technologies in water science and policy). At the intersection of these initiatives, Stantec recognizes the market potential for technology-based, nature-based, and policy-based solutions that address the greatest challenges communities and clients face in the path to decarbonization and a circular economy, from clean energy technologies to climate financing.

Example Climate Solutions projects include Stantec's design of a 154-MW solar system in New South Wales, Australia, our support of the African Single Electricity Market development with the European Commission, and our planning of a retail site redevelopment to create an energy-efficient community hub in British Columbia, Canada.

##### Time horizon

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

1480000000

**Potential financial impact figure – maximum (currency)**

2000000000

**Explanation of financial impact figure**

Stantec's climate action backlog is tracked by mapping project coding available in Stantec's financial system against the climate action categories of climate strategy, energy efficiency, renewables, alternative transport, green infrastructure, coastal resilience, nature-based solutions, and water conservation/management. As disclosed in our 2021 Sustainability Report (Appendix C. SASB Standards Index, page 97), Stantec's climate action backlog for 2021 was 29% of our total backlog of \$5.1 billion, or \$1.48 billion. We estimated our minimum opportunity as continuation of our existing backlog.

This breaks down as follows:

-\$5.1 billion (Stantec total 2021 backlog) x .29 (percentage of climate action backlog) = \$1.48 billion (Stantec climate action backlog)

To estimate our maximum potential financial impact figure, The team is estimating that they can grow this business by 35% in coming years. So, our maximum opportunity assumes a 35% growth in climate action backlog.

This breaks down as follows:

-\$1.48 billion (Stantec climate action backlog) x 1.35 (35% market growth) = \$2 billion (potential climate action backlog).

**Cost to realize opportunity**

34500000

**Strategy to realize opportunity and explanation of cost calculation**

In 2021, Stantec launched a global climate action team to empower our diverse range of global professionals with the expertise they need to help clients see projects through a climate lens—and then act on what they find. We appointed a Climate Solutions Leader in each of our major geographic regions (Australia/New Zealand, Canada, Continental Europe, UK, and US) and a global SDG Impact Leader. To support their efforts, this team has direct access to world renown climate scientists that are part of our Environmental Services business operating unit.

Working as a global team, the climate action team has already influenced Stantec's organizational culture and climate change services strategy by connecting people across business lines, supporting global and regional key client accounts, and driving regional engagement of climate-related service offerings.

The cost of response to this opportunity is assumed to be the cost of these new positions plus the cost to act on the business opportunities created by the team. We used the current 2021 climate action backlog (\$1.48 billion) as calculated in the financial impact section above and estimated our cost to be approximately 75% of that total since not all backlog is typically won in a single year. Then we estimated the cost of winning this work by using our internal estimating model that values the cost of business development to be typically 3%.

This breaks down as follows:

-\$150,000 (estimated salary for a senior level role) x 6 (number of new Stantec roles) = \$900,000 (estimated salary costs) x 1.3 (average overhead burden/fringe) = \$1.2 million (estimated cost of establishing these new roles)

-\$1.48 billion (Stantec existing climate action backlog) x 0.75 (estimated percent of backlog won in a single year) = \$1.11 billion (estimated amount of backlog won in a single year )

-\$1.11 billion x 0.03 (estimated percentage cost of business development) = \$33.3 million (estimated cost to win an equivalent amount of climate action backlog as reported in 2021)

-\$1.2 million (estimated cost of establishing new roles) + \$33.3 million (estimated cost to win an equivalent amount of climate action backlog as reported in 2021) = \$34.5 million (estimated cost to realize opportunity)

**Comment**

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**C3. Business Strategy**

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**C3.1**

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**(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?**

**Row 1**

**Transition plan**

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

**Publicly available transition plan**

<Not Applicable>

**Mechanism by which feedback is collected from shareholders on your transition plan**

<Not Applicable>

**Description of feedback mechanism**

<Not Applicable>

**Frequency of feedback collection**

<Not Applicable>

**Attach any relevant documents which detail your transition plan (optional)**

<Not Applicable>

**Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

Stantec's strategy is directly influenced by climate-related risks and opportunities. While we have not yet publicly disclosed a time-bound action plan that clearly outlines how Stantec will pivot our entire business model towards a trajectory that aligns with climate science recommendations, we do have a business growth strategy focused on supporting climate action. We have committed to a 1.5°C-aligned emissions reduction target and have also disclosed a net zero plan. Our four strategic initiatives (Coastal Resilience, Ecosystem Restoration, Smart Cities/Urban Places, and Energy Transition) are directly connected to climate action. We have a dedicated Climate Solutions team in place. And, we align our services/revenue to the SDGs. As disclosed in our 2021 Sustainability Report, approximately 53% of our 2021 revenue is directly aligned with the SDGs (up from 49% in 2020) and 29% of our backlog is directly aligned with climate action (renewable energy, climate mitigation, climate adaptation, up from 17% in 2020).

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

**C3.2**

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

	<b>Use of climate-related scenario analysis to inform strategy</b>	<b>Primary reason why your organization does not use climate-related scenario analysis to inform its strategy</b>	<b>Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future</b>
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

**C3.2a**

**(C3.2a) Provide details of your organization's use of climate-related scenario analysis.**

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	Bespoke physical scenario	Company-wide	4.1°C and above	<p>We called this the "Business as Usual" scenario and considered this the likely outcome if society does not make concerted efforts to cut greenhouse gas emissions.</p> <p>In this scenario we anticipated:</p> <ul style="list-style-type: none"> <li>-Persistent drought</li> <li>-Severe natural disasters are commonplace</li> <li>-Ecosystems devastated</li> <li>-Increased flooding and desertification with coastline erosion</li> <li>-Large geographies uninhabitable with coastal /island living impossible</li> <li>-Disjointed climate action by companies</li> <li>-Insurance companies and programs go bankrupt</li> <li>-Socio-economic gap is irreparable</li> <li>-Climate refugees in the millions</li> <li>-Food quality diminished and health issues/famine expand</li> <li>-Social polarization grows</li> <li>-Social unrest is perpetual</li> <li>-Some renewables but primary reliance on fossil fuels continues</li> <li>-Biomass fuel demand increases</li> <li>-Technology compounds damage from resource extraction</li> </ul>
Physical climate scenarios	Bespoke physical scenario	Company-wide	2.1°C - 3°C	<p>We called this the "Progress with Political Inertia" scenario and considered this the likely outcome if society makes some progress on concerted efforts to cut greenhouse gas emissions.</p> <p>In this scenario we anticipated:</p> <ul style="list-style-type: none"> <li>-Intense natural disasters</li> <li>-Regions uninhabitable with coastal /island living possible in some locations, but not insurable</li> <li>-Ecosystem degradation with slow growing habitat degradation</li> <li>-Ineffective legislative action</li> <li>-Hybrid use of renewables and fossil fuels</li> <li>-Socio-economic gap grows</li> <li>-Health impacts from poor air/water and higher death rates</li> <li>-Climate refugees in the hundreds of thousands</li> <li>-Back and forth tug-of-war with politics</li> <li>-Ineffective and unstable governance</li> <li>-Life indexes improve disproportionately</li> </ul>
Physical climate scenarios	Bespoke physical scenario	Company-wide	1.5°C	<p>We called this the "Aggressive Action" scenario and considered this the likely outcome if society makes a great deal of progress on concerted efforts to cut greenhouse gas emissions.</p> <p>In this scenario we anticipated:</p> <ul style="list-style-type: none"> <li>-Natural disasters continue for some time and then plateau</li> <li>-Water supplies and habitats improve</li> <li>-Desalination adopted</li> <li>-Renewables explode</li> <li>-Fossil fuel extraction/use halted</li> <li>-Emissions reporting standardized and enforced</li> <li>-AVs are the norm</li> <li>-Responsible mining also depends heavily on recovery/recycling</li> <li>-Social justice prioritized</li> <li>-Middle class grows world-wide</li> <li>-Climate refugees supported</li> <li>-Embodied carbon decreases via robust circular economy</li> <li>-Smart grids a majority</li> <li>-Coastal living insurable</li> <li>-Cross-border collaboration prioritized and global conflicts reduced</li> <li>-Ranked voting becomes the norm</li> <li>-Supply chains valued for low-carbon</li> <li>-Productivity grows</li> <li>-Technology (carbon capture) and nature-based solutions explode</li> </ul>

**C3.2b**

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

**Row 1**

**Focal questions**

Focal Question: Identify opportunities for growth and operational changes that might be necessary to address changing climate conditions, while we serve communities.

Stantec approached the scenario planning exercise by considering the implications of these scenarios with a broad perspective to help us

- Understand how current or potential trajectories result in risks we need to plan for and mitigate
- Identify opportunities for growth and to change how we do things, while we serve communities

We explored the three scenarios and what opportunities and risks these future scenarios may pose to our business. The outcome of the workshop was a list of potential opportunities and risks that apply to Stantec due to climate change. We discussed commonalities and items that might be missing from our current risk management and strategy planning.

For each scenario, we considered:

- Potential direct and indirect impacts
- Both risks and opportunities
- Consequences to our stakeholder groups such as investors, employees, clients
- A broad range of impacts (such as brand, profitability, sectors and geographical locations we work in and those we plan to expand in, services we need to operate, access to funds, etc.)
- What happens to new and existing infrastructure of Stantec and of our clients

**Results of the climate-related scenario analysis with respect to the focal questions**

The results have informed Stantec's strategic decisions and actions in a number of ways. Based on Stantec's climate-related scenario analysis using our bespoke scenarios (using RCP 2.6, RCP 4.5, and RCP 8.5 physical climate scenarios), we've identified significant business opportunities that have the potential to generate future revenue and expand our growth as a leader in the natural, energy, transport, and water spaces. For example, with increasing chronic physical risks such as drought in the Western United States, Stantec expects additional market opportunities as it relates to resilient water infrastructure and "One Water" (water reuse and conservation) services.

Our analysis also helped us better focus our strategic investments around climate action.

- Coastal Resilience: Through management, infrastructure, and nature-based solutions, we help communities adapt to rising sea levels and extreme weather events due to climate change
- Ecosystem Restoration: Our science and planning help communities protect, restore, monitor, and respond to biodiversity loss, climate change, and environmental degradation
- Smart Cities/Urban Places: Using technology and planning, we help communities address resource security and conservation, wellness, accessibility, mobility, equity, and congestion
- Energy Transition: We help clients shift and adapt to a low-carbon future through renewable energy, distributed power, battery storage, new technology, and policies
- Climate Solutions: We share knowledge, strengthen expertise, and collectively apply innovative solutions to climate risks and challenges
- Institute for Water Technology & Policy: We develop systems-based water solutions through research, technology development, and informing regulatory and policy frameworks.

We also identified climate-related risks. For example, extreme temperatures can cause unsafe conditions for outdoor work (heat-related stress, hypothermia) limiting the number of hours our staff can carry out field work and site observations. We are proactively changing our practices in order to keep our staff safe in changing temperature conditions. An additional example can be seen through our flexible workplace strategy that allows employees the choice of where they work (from home, from the office, or hybrid). This has enabled us to re-think our office spaces and right-size into more efficient buildings. It also provides us more flexibility in the event of office closures due to severe weather in that our employees are already set up with work-from-home alternatives.

**C3.3**

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>Stantec's strategic planning process tracks and evaluates megatrends and other forces that are reshaping the world we operate in and the ways we conduct business. With strong expertise across the buildings, energy and resources, environmental services, infrastructure, and water sectors, Stantec is well positioned to address new opportunities that are emerging as a result of climate change, urbanization, market shifts, and technology.</p> <p>A substantive strategic decision was Stantec's decision to acquire Cardno, a US/Australia environmental engineering firm, adding approximately 2,700 environmental scientists, engineers, ecological restoration specialists, and sustainability experts to our global family. Cardno most directly grows our environmental services capabilities (increasing our US presence in this space by 60%) with a specific focus on ESG advisory services</p> <p>Over the next decade, market research indicates an incremental US\$2 trillion in climate-related engineering and design opportunities worldwide. The potential to increase Stantec revenues by addressing the climate-related risks and opportunities has directly influenced our company's strategic growth. We identified climate change services as a key company focus and formalized our Climate Solutions strategy. Also, during our previous strategic planning process, we named and funded four climate action-related growth areas that present the greatest revenue opportunity:</p> <ul style="list-style-type: none"> <li>-Coastal Resilience</li> <li>-Ecosystem Restoration</li> <li>-Smart Cities/Urban Places</li> <li>-Energy Transition</li> </ul> <p>The growth potential of all initiatives started immediately, producing a benefit in the short-term (1-5 years) with the large implications for our business coming at the medium- (5-15 years) and long-term (15-30 years), which is consistent with the time horizons defined as part of our climate-related risk assessments.</p>

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Supply chain and/or value chain	Yes	<p>Climate change has impacted Stantec's value chain strategy by influencing what we purchase and how we interact with our clients. A substantive strategic decision is our announcement of a targeted 30% reduction of our existing worldwide real estate footprint by 2023 (against a 2019 baseline). We also continue to actively incorporate sustainability and energy efficiency into our request for proposal process for selection of vendors and office locations.</p> <p>Stantec's value chain includes:</p> <p>Upstream (IT hardware/software, travel providers, telecommunications, office supplies, technical supplies, and other materials): We recognize the items we choose can influence responsible behaviors. We participate in the circular economy, through programs such as furniture refurbishment and computer take-back and include sustainability considerations in our vendor selection process. We require vendors to provide activity data for emissions reporting. We see the impact in the medium- and long-term as it will take time for their new products to provide climate-related benefits to Stantec.</p> <p>Stantec Operations (leased buildings, vehicle fleet, travel providers, employees, future employees, subcontractors, and subconsultants): Stantec works to positively manage our operational performance. We recognize the potential impact of climate on leased office space locations, actively select buildings based on energy efficiency and wellness criteria, and track emissions. Our employees passionately care about the impact of climate change and are extremely engaged in encouraging Stantec to take action. We see the impact in the short- and medium-term because Stantec has the ability to directly control interactions with vendors and landlords.</p> <p>Downstream (clients): Our most strategic area of positive influence in addressing climate change comes from our work on projects. Clients are recognizing climate change and asking for our technical advice on how to respond. To be intentional and coordinated in our response, we have established Stantec's Climate Solutions team, and the new SDG Impact Leader role. We see immediate growth potential with the strategic change to our business coming at the medium- and long-term.</p> <p>All references of short- (1-5 years), medium- (5-15 years), and long-term (15-30 years) are consistent with the time horizons defined as part of our climate-related risk assessments.</p>
Investment in R&D	Yes	<p>Innovation is an essential element of our past and future success. Our innovation strategy combines proven ideas with curiosity, creativity, and technology-forward approaches to find new ways to meet client challenges, increase efficiency, and improve profitability. Our innovation strategy directly addresses climate risks and opportunities.</p> <p>To promote innovation and facilitate collaboration, Stantec annually invests approximately \$3 million into grants and research at a corporate level in support of a formal Creativity &amp; Innovation Program. Additionally, throughout the business we put a strong focus on funding innovation, research &amp; development, and thought leadership at a local level so that we can stay at the forefront of our fields.</p> <p>While many innovation investments provide a return in the short-term (1-5 years), overall this is an investment in the future that is anticipated to produce the most benefit in the medium- (5-15 years) and long-term (15-30 years), which is consistent with the time horizons defined as part of our climate-related risk assessments.</p> <p>Stantec's Innovation Office centrally drives the development of products and services by mobilizing an incubator which underwrites hundreds of company-funded grants for employee practitioners to develop client-facing, creative project solutions. Annually, the organization selects a targeted number of staff innovations for deeper investment and companywide deployment. A substantive strategic decision is the funding of three Innovative Business Opportunities. For example, Stantec GenerationAV™ is a Stantec-funded program created in concert with the re-launch of Stantec's Innovation Office, designed to identify, incubate, accelerate, and operationalize client-focused research into scalable infrastructure solutions that further the environmental and social benefits of self-driving cars.</p> <p>Another strategic R&amp;D investment example is connected to Stantec's net zero commitment. We are using our Innovation Office to develop new ideas and opportunities to transition Stantec's purchase of carbon offsets to creation of insets (providing "additionality" as it relates to carbon capture and sequestration). We are funding/piloting a series of innovative ideas within Stantec with the future intent of sharing them with clients to help clients meet their net zero aspirations.</p>
Operations	Yes	<p>Stantec recognizes the impact of climate change on how we operate. This is a key employee engagement item (employees want Stantec to take a leadership position), an element of our business development efforts (sustainable behavior is good for our brand), and important to our investors (we are considered a socially responsible investment choice).</p> <p>To address this impact, we have a Corporate Sustainability team dedicated to influencing sustainable behavior throughout our operations, our risk teams incorporate climate change into our business contingency planning, and our strategy teams incorporate climate change in our business planning. The opportunity to increase profitability (through lower costs) has influenced our operational strategy, making sustainability a key element of business management decisions. For example, reduced travel and a smaller real estate footprint lowers both our emissions and costs.</p> <p>Across the business we have thousands of employees with technical expertise to address and adapt to the impacts of climate change (with expertise including hazard-resistant design, hydro-climate variability, energy conservation, environmental health, food security, water supply planning, circular economy, capacity building, climate change vulnerability, shoreline protection, and ecosystem protection). To be purposeful and operationally efficient in engaging our experts, capacity building, and responding to project opportunities, we established Stantec's Climate Solutions team, a cross-business operating unit working group focused on addressing client-facing climate change service opportunities.</p> <p>As an example of a substantive strategic decision, in 2021 Stantec acquired six companies to expand our sustainability service capabilities. By bringing expertise in advisory services, scientific knowledge, power delivery engineering, and sustainable mining, these firms will help with the portfolio expansion of the four key growth areas identified through our climate-related risk assessment (Coastal Resilience, Ecosystem Restoration, Smart Cities/Urban Places, and Energy Transition).</p> <p>Stantec has seen growth in all initiatives, with benefit in the short-term (1-5 years), medium- (5-15 years) and long-term (15-30 years), which is consistent with the time horizons defined as part of our climate-related risk assessments.</p>

C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

Financial planning elements that have been influenced	Description of influence
Row 1 Revenues Indirect costs Acquisitions and divestments Access to capital	<p><b>REVENUES:</b> Because climate change presents an opportunity for Stantec to sell additional sustainability services, Stantec plans for increased revenues as part of our financial planning process. The magnitude of impact of this opportunity is high because sustainability services are a significant part of our business offerings. Stantec offers such services in each of our business operating units and in each of the geographies where we operate. Based on project coding in our financial system, we track our sustainability-related revenue in two ways: SDG-related revenue and looking in more detail at SDG13 Climate Action, revenue supporting climate change mitigation/adaptation project outcomes. As the percentage of sustainability-related revenue increases year-over-year, it justifies additional investment in our sustainability service offerings. We expect the opportunities presented by sustainability-related revenue to impact Stantec's financial planning process in the short- (1-5 years) and mid-term (5-15 years) horizons. We see addressing climate risks through our consulting services as a key element of the company's growth. As previously noted, our four strategic growth initiatives (Coastal Resilience, Ecosystem Restoration, Smart Cities/Urban Places, and Energy Transition) are all connected to climate change prevention, mitigation, and adaptation.</p> <p><b>INDIRECT COSTS:</b> Stantec has budgeted money to support emissions management and reporting. In 2021, we validated our SBT and developed our carbon neutrality to net-zero plan that will have an associated cost (for carbon neutral this includes the purchase of renewable energy and offsets, for net-zero this involves investments towards additionality). Our company's largest non-personnel related operational costs are leased real estate. Our greatest impact at reducing emissions comes from consolidating office space to reduce our office square feet per employee (a cost savings) and selecting energy-efficient buildings (sometimes at a price premium). In 2021, we implemented the new flexible working plan (established in 2020) to give options to our employees post-pandemic. Some employees will work from home full-time, some will come back to the office, and some will take a hybrid approach. This change will give our employees choice to work in the way that best suits their needs and will allow us to reduce our leased real estate by approximately 30%. By using a standard, modular interior design, our offices are configured to more cost-effectively accommodate fluctuations in employee count. Overall, office consolidation efforts save the company millions of dollars of operating costs annually. Additional examples of lowering direct costs through emissions reduction efforts include the benefits Stantec has received by reducing the amount of overhead travel and reduced paper usage. We are managing post-pandemic travel expectations to maintain a significant reduction in travel compared to 2019. We expect the emission reducing opportunities presented by office consolidation and other cost-cutting measures to impact Stantec's financial planning process in the short-term (1-5 years).</p> <p><b>ACQUISITIONS:</b> Stantec has an aggressive growth strategy that is based on acquisitions. When we look for firms to acquire, we look for companies that align with our business culture, grow our geographic presence, and strengthen our service areas. The impact of this opportunity is medium-high because the acquisitions we make tend to improve our standing as sustainability subject matter experts. For example, our 2021 acquisitions of Cardno (United States/Australia), Paleo Solutions (United States), Cox McClain (United States), and Driven by Values (Netherlands) expanded our environmental service capabilities. The purchase of Engenium (Australia) supports sustainable mining and the energy transition, and GTA Consultants (Australia) supports green infrastructure. Additionally, our acquisition strategy has played a key factor in reducing our per person emissions as many of the companies we acquire operate out of geographies with more efficient energy sources, occupy energy-efficient buildings, and have lower per person square foot ratios of office space. Stantec has a growth strategy based on acquisitions and expects the impact to Stantec's financial planning to be in the short- (1-5 years), medium- (5-15 years), and long-term (15-30 years).</p> <p><b>ACCESS TO CAPITAL:</b> Stantec is considered a socially responsible investment option and we routinely find that ESG investing is a predominant decision factor for many of our top investors. As Stantec improves our corporate successes in responding to climate change (ratings, recognition, awards) and increases the percentage of our revenue related to sustainable project outcomes, we positively impact our ability to attract environmentally and socially responsible investors. For example, as we improve our position on sustainability-related investor indices, we have seen increased interest from existing and new investors that have a focus on ESG. As a demonstration of our commitment to long-term sustainable action, in 2021, we established a sustainability linked loan where we are evaluated for our success in reducing emissions against our SBT. Actions such as this have a significant positive impact on Stantec. The magnitude of impact is considered high. We have seen the investor and financial institution interest in ESG grow consistently. Because these entities are still figuring out their needs, we expect the impact to Stantec's financial planning to be in the medium (5-15 years) and long-term (15-30 years).</p> <p>All time horizons referenced are consistent with the time horizons defined as part of our climate-related risk assessments.</p>

**C4. Targets and performance**

**C4.1**

**(C4.1) Did you have an emissions target that was active in the reporting year?**

- Absolute target
- Intensity target

**C4.1a**

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

**Target reference number**

Abs 1

**Year target was set**

2021

**Target coverage**

Company-wide

**Scope(s)**

- Scope 1
- Scope 2

**Scope 2 accounting method**

Market-based

**Scope 3 category(ies)**

<Not Applicable>

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

14791



**Base year Scope 2 emissions covered by target (metric tons CO2e)**

27487

**Base year Scope 3 emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

42278

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

100

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

&lt;Not Applicable&gt;

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

47

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

22407.34

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

14014

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

3161

**Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

17175

**% of target achieved relative to base year [auto-calculated]**

126.331988972686

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain target coverage and identify any exclusions**

This target covers our full Scope 1 and Scope 2 market-based emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

The largest contributing emission reduction initiative to achieve this target is our use of renewable energy through self-generation, purchase of green tariffs, and purchase of energy attribute certificates. This dramatically lowered our market-based Scope 2. Additional reductions came from office consolidation. In 2021, independent of the pandemic, we furthered our office consolidations, decreasing the number of leased offices by eight. This is a part of our flexible workplace strategy, which was created with the objectives of reducing our operational emissions, giving employees choice, and saving operational costs.

We do recognize that results show us meeting our 2030 SBT. While we are very proud of the progress made through our emission reduction actions, we note that a significant portion of our 2021 emissions reductions is due to office closures as a result of required COVID-19 pandemic lockdowns that remained in place for the majority of the year. For this reason, we have not marked this target as achieved because we believe our significant drop in 2021 is partially temporary and reflective of not only our emissions management strategies but also the external impacts of pandemic conditions. Our modelling projections indicate a rebound in emissions once staff return to the office in 2022 that will be tempered by Stantec's purposeful efforts to right-size our office space, move to energy-efficient alternatives, and use renewable energy, putting us on-track for long-term emissions reductions consistent with our SBT.

**List the emissions reduction initiatives which contributed most to achieving this target**

&lt;Not Applicable&gt;

**Target reference number**

Abs 2

**Year target was set**

2021

**Target coverage**

Company-wide

**Scope(s)**

Scope 3

**Scope 2 accounting method**

&lt;Not Applicable&gt;

**Scope 3 category(ies)**

Category 6: Business travel

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3 emissions covered by target (metric tons CO2e)**

31061

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

31061

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

&lt;Not Applicable&gt;

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

&lt;Not Applicable&gt;

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

70.14

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

47

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

16462.33

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

12923

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

12923

**% of target achieved relative to base year [auto-calculated]**

124.244194847887

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain target coverage and identify any exclusions**

This target covers our Scope 3 business travel emissions. This represents over 70% of our 2019 baseline Scope 3 emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

Stantec is taking ambitious steps to reduce our Scope 3 business travel emissions by reducing our overall travel through management mandates. This includes an operational commitment to travel less, a new travel management system that gives visibility to results and encourages travel reduction behaviors, and an approval hierarchy that serves as quality control to in support of the commitment.

Stantec recognizes the numbers we are presenting show that our 2021 emissions reductions already meet our SBT 2030 targets. However, we have not marked this target as achieved because we believe a portion of our 2021 results are temporary due to the impacts of COVID-19 pandemic conditions where business travel was essentially non-existent for the majority of the year. Because we recognize this as a temporary situation that will adjust back in a post-pandemic world, we do not consider our emissions targets to be achieved yet. Our modelling projections show a rebound in emissions in 2022 once in-person meetings are reinstated, and travel for project work increases. However, enforcing our strategic travel management mandates will avoid a return to pre-pandemic travel frequency and put us on track to reduce business travel over the long-term consistent with our SBT.

**List the emissions reduction initiatives which contributed most to achieving this target**

&lt;Not Applicable&gt;

**C4.1b****(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).****Target reference number**

Int 1

**Year target was set**

2013

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

Scope 2

**Scope 2 accounting method**

Location-based

**Scope 3 category(ies)**

&lt;Not Applicable&gt;

**Intensity metric**

Metric tons CO2e per unit FTE employee

**Base year**

2013

**Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)**

0.96

**Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)**

2.64

**Intensity figure in base year for Scope 3 (metric tons CO2e per unit of activity)**

&lt;Not Applicable&gt;

**Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)**

3.6

**% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure**

100

**% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure**

100

**% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure**

&lt;Not Applicable&gt;

**% of total base year emissions in all selected Scopes covered by this intensity figure**

100

**Target year**

2021

**Targeted reduction from base year (%)**

40

**Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]**

2.16

**% change anticipated in absolute Scope 1+2 emissions**

40

**% change anticipated in absolute Scope 3 emissions**

0

**Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)**

0.63

**Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)**

1.1

**Intensity figure in reporting year for Scope 3 (metric tons CO2e per unit of activity)**

&lt;Not Applicable&gt;

**Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)**

1.73

**% of target achieved relative to base year [auto-calculated]**

129.86111111111111

**Target status in reporting year**

Achieved

**Is this a science-based target?**

No, but we are reporting another target that is science-based

**Target ambition**

&lt;Not Applicable&gt;

**Please explain target coverage and identify any exclusions**

Because Stantec is a professional services firm with growth ambitions based on acquisitions (meaning we are always adding staff and locations), we normalized our first set of emission reduction targets based on number of employees to make it easier to see our relative emissions reduction progress. We set an intensity emissions reduction goal of 40% per employee Scope 1 and 2 emissions (with a baseline of 2013).

At the time the target was set, we applied SBT criteria as best we could to our type of company (when setting this target, SBT did not yet apply to professional service firms) and considered the Sectoral Decarbonization Approach methodology, which referenced a need for 55% carbon intensity reduction in 'service space' per square meter by 2050.

Initially, our target completion date was set for 2028 but we were able to implement ambitious business changes that significantly accelerated our progress such that we met our intensity target reductions by 2021. These intensity targets were replaced by a new, approved absolute SBT that aligned with the 1.5C scenario.

**Plan for achieving target, and progress made to the end of the reporting year**

<Not Applicable>

**List the emissions reduction initiatives which contributed most to achieving this target**

The largest contributing emission reduction initiative taken to achieve this target were our office consolidation. For example, between 2017 (our peak number of offices) and 2021 (the current reporting year), due to consolidation efforts we reduced our office location count by 135 and were therefore able to decrease our Scope 1 and 2 location-based emissions by approximately 15,000 mtCO<sub>2</sub>e. While not an emissions reduction initiative, the regular lockdowns during the pandemic in 2020 and 2021 also contributed to the lower reported emissions figures.

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**Target reference number**

Int 2

**Year target was set**

2018

**Target coverage**

Company-wide

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not Applicable>

**Scope 3 category(ies)**

Category 1: Purchased goods and services

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 6: Business travel

**Intensity metric**

Metric tons CO<sub>2</sub>e per unit FTE employee

**Base year**

2018

**Intensity figure in base year for Scope 1 (metric tons CO<sub>2</sub>e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 2 (metric tons CO<sub>2</sub>e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3 (metric tons CO<sub>2</sub>e per unit of activity)**

1.32

**Intensity figure in base year for all selected Scopes (metric tons CO<sub>2</sub>e per unit of activity)**

1.32

**% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure**

90.5

**% of total base year emissions in all selected Scopes covered by this intensity figure**

90.5

**Target year**

2021

**Targeted reduction from base year (%)**

20

**Intensity figure in target year for all selected Scopes (metric tons CO<sub>2</sub>e per unit of activity) [auto-calculated]**

1.056

**% change anticipated in absolute Scope 1+2 emissions**

0

**% change anticipated in absolute Scope 3 emissions**

20

**Intensity figure in reporting year for Scope 1 (metric tons CO<sub>2</sub>e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 2 (metric tons CO<sub>2</sub>e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3 (metric tons CO<sub>2</sub>e per unit of activity)**

0.83

**Intensity figure in reporting year for all selected Scopes (metric tons CO<sub>2</sub>e per unit of activity)**

0.83

**% of target achieved relative to base year [auto-calculated]**

185.606060606061

**Target status in reporting year**

Achieved

**Is this a science-based target?**

No, but we are reporting another target that is science-based

**Target ambition**

&lt;Not Applicable&gt;

**Please explain target coverage and identify any exclusions**

Because Stantec is a professional services firm with growth ambitions based on acquisitions (meaning we are always adding staff and locations), we normalized our first set of emission reduction targets based on number of employees to make it easier to see our relative emissions reduction progress.

Stantec has been progressively centralizing corporate vendors as an effort to reduce costs, but also to provide more visibility to our spend. This consolidation effort made it feasible to efficiently track our Scope 3 emissions. In 2018, we made enough progress in working with our vendors to accurately and consistently track our emissions in a repeatable manner. We therefore set our Scope 3 baseline year as 2018 with a goal of 20% reduction of per employee Scope 3 emissions.

Initially, our target completion date was set for 2028, but we were able to implement ambitious business changes that significantly accelerated our progress such that we met our intensity target reductions by 2021. These intensity targets were replaced by a new, approved, absolute SBT that aligned with the 1.5C scenario.

**Plan for achieving target, and progress made to the end of the reporting year**

&lt;Not Applicable&gt;

**List the emissions reduction initiatives which contributed most to achieving this target**

The largest contributing emission reduction initiative taken to achieve this target was a focus on reducing our business travel. We put management programs in place that incentivized reduced travel and required extra levels of approval for required travel. In 2021, we reduced emissions from travel by 13,748 mtCO<sub>2</sub>e. While not an emissions reduction initiative, the COVID-19 government-imposed travel restrictions also contributed to the lower reported emissions figures.

**C4.2****(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Net-zero target(s)

**C4.2c****(C4.2c) Provide details of your net-zero target(s).****Target reference number**

NZ1

**Target coverage**

Company-wide

**Absolute/intensity emission target(s) linked to this net-zero target**

Abs1

Abs2

**Target year for achieving net zero**

2050

**Is this a science-based target?**

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next 2 years

**Please explain target coverage and identify any exclusions**

Stantec's commitment to achieve net-zero will be accomplished in four phases.

-Phase 1: We have set two near-term 1.5C SBTs and have an ambitious program in place to reduce emissions.

-Phase 2: We are reducing our market-based Scope 2 emissions to zero through the use of renewable energy (self-generated, green tariffs, and purchase of energy attribute certificates). For our residual Scope 1+3 emissions, we are purchasing CDP-approved, certified carbon offsets to neutralize our impact. We call this phase carbon neutrality and will accomplish this company-wide for our 2022 emissions.

-Phase 3: Stantec will continue to reduce emissions and use renewable energy. For residual Scope 1+3 emissions, we will progressively transition away from offsets towards insets (actions Stantec takes to balance our residual emissions).

-Phase 4: We intend to move towards SBTi's Net Zero Standard and are in the process of evaluating and modelling exactly how to confidently achieve the stringent emission reduction requirements.

**Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?**

Yes

**Planned milestones and/or near-term investments for neutralization at target year**

Stantec plans to address net zero according to SBTi Net Zero Standard requirements. This involves neutralizing a maximum of 10% of our baseline emissions in the net-zero target year. Please see the "explain target" part of this question (above) for an explanation of our phased approach. These net zero neutralizations are anticipated to be nature-based solutions and engineered carbon capture.

**Planned actions to mitigate emissions beyond your value chain (optional)****C4.3**

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

#### C4.3a

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(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	9	0
To be implemented*	1	5000
Implementation commenced*	3	1900
Implemented*	2	17400
Not to be implemented	0	0

#### C4.3b

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**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative category & Initiative type**

Low-carbon energy consumption	Low-carbon electricity mix
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**Estimated annual CO2e savings (metric tonnes CO2e)**

17000

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

200000

**Payback period**

No payback

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Stantec has made a big play in utilizing renewable energy to lower our market-based Scope 2. This is being done by selecting buildings with on-site renewable energy, working with utility companies to purchase green tariffs, and purchasing unbundled energy attribute certificates through a centralized broker. There are no cost-savings from this initiative. The investment is based on actual costs in 2021.

**Initiative category & Initiative type**

Company policy or behavioral change	Site consolidation/closure
-------------------------------------	----------------------------

**Estimated annual CO2e savings (metric tonnes CO2e)**

400

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

12670000

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

<1 year

**Estimated lifetime of the initiative**

3-5 years

**Comment**

In 2021, Stantec implemented our new flexible workplace strategy that involves a rethink of how we use our office space. By allowing some employees to work from home full-time, some to work in a hybrid home/office mix, and some to be in the office full-time, we are able to reduce our office footprint and associated operational emissions. This flexible approach also creates new opportunities to enhance global collaboration and support employees in their personal work preferences. By implementing this new workplace strategy, we have committed to reduce our existing real estate footprint by 30% by 2023 (from 2019).

Stantec targets a total cost savings value of roughly \$38 million to \$45 million, to be fully realized by 2023. While the cost details used to calculate this figure are not available publicly, they are based on IFRS office lease expenses + net office lease expenses + net office space expenses + fit-out and furniture depreciation. The projected savings totals were publicly disclosed in our 2020 Annual Report (see page M11). Discussions note that optimized occupancy costs are expected to drive an initial incremental earning of approximately \$0.10 per share. With further reduction in our occupancy footprint, we expect to increase earnings per share by an additional \$0.25 to \$0.30 by the end of 2023. The annual monetary savings estimate above is based on breaking down the lower figure of \$38 million over a 3-year period (\$38 million/3 years = \$12.67 million per year).

**C4.3c**

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	Stantec manages, monitors, and improves our environmental performance with a formal Environmental Management System (EMS) that is ISO 14001-certified. Our EMS has set reduction goals. Offices are audited annually for performance against those goals.
Dedicated budget for low-carbon product R&D	<p>Stantec's "product" is technical service to our clients in the fields of project management, digital technology, engineering, architecture, design, and scientific consulting. We put a strong focus on research and development (R&amp;D) and innovation to further the industry and give us technical advantages. In 2021, we invested \$3 million at a centralized, corporate level to promote innovation and facilitate collaboration (with additional innovation funding invested locally).</p> <p>An example of our R&amp;D investment can be seen through our Innovative Business Opportunity called Stantec Generation AV. Together with our best-in-class industry partners we are helping clients deploy autonomous vehicles in a way that benefits communities. The long-term benefits of self-driving vehicles are extensive: they are expected to reduce traffic accidents and the resulting injuries and fatalities of humans and wildlife, curb emissions, allow city planners to focus on green space instead of roads, and give commuters time back in their days.</p> <p>Additionally, our innovation funding directly supports our net zero transition as subject matter experts are given access to resources to pilot new ideas in support of Stantec's transition from offsets to insets that also could potentially be deployed as client, low-carbon solutions.</p>
Internal incentives/recognition programs	<p>Managers with responsibility for our EMS and quality management systems (primarily geographic and regional leaders) typically have one or more KPIs within their performance expectations related to improving the cost-efficiency of our organization, which has a direct connection to lowering our emissions. Evaluation of performance relative to KPIs is included in the annual career development performance review process which is conducted prior to the review and award of performance-based incentives.</p> <p>The procurement team is specifically recognized for their efforts to reduce our emissions. Activities include co-locating offices to more efficient buildings (space and energy), sustainability criteria with vendors, reducing paper consumption, and reducing overhead business travel.</p> <p>Our C-Suite is also incentivized to reduce emissions. In 2021, a KPI related to meeting emissions reductions targets was added to their STIP award.</p>
Employee engagement	Employees are encouraged to participate in programs that reduce our company emissions and resource use. We have an environmental point of contact in each office to gather information and share best practices. We have Green Teams around the company filled with passionate advocates that actively work to reduce emissions. In 2021, Stantec's Developing Professionals Group (a company-wide volunteer-based organization that brings together people who are beginning their careers) rolled out their sustainability action plan and will be key in helping Stantec accelerate our efforts to drive change around emissions reductions and climate action.

**C4.5**

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

Yes

**C4.5a**



**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.**

**Level of aggregation**

Group of products or services

**Taxonomy used to classify product(s) or service(s) as low-carbon**

Other, please specify (We utilize the UN Sustainable Development Goals (SDGs) framework to guide our in-house taxonomy (using the 169 sub-targets))

**Type of product(s) or service(s)**

Other	Other, please specify (Core SDGs: clean water and sanitation (SDG 6), affordable and clean energy (SDG 7), industry innovation and infrastructure (SDG 9), sustainable cities and communities (SDG 11), climate action (SDG 13), life below water (SDG 14), life on land (SDG 15))
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**Description of product(s) or service(s)**

Stantec is a professional services company that provides project management, digital technology, engineering, architecture, design, and scientific consulting services. We support our clients in numerous ways that result in avoided emissions. Projects delivered by our comprehensive range of Business Lines and sectors include innovations such as renewable power design, battery storage, waste-heat to-energy, landfill gas destruction, improved forest management, and transportation demand management. We are also leaders in the implementation of sustainability frameworks including LEED, BOMA Best, Envision, etc and regularly implement energy-efficiency best practices into the design of buildings and infrastructure. Our climate adaptation/mitigation programs assist clients in developing climate strategies and inventories for quantifying and addressing emissions sources. In many cases, this involves switching to cleaner sources of energy and improving process efficiencies.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

No

**Methodology used to calculate avoided emissions**

<Not Applicable>

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

<Not Applicable>

**Functional unit used**

<Not Applicable>

**Reference product/service or baseline scenario used**

<Not Applicable>

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

<Not Applicable>

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

<Not Applicable>

**Explain your calculation of avoided emissions, including any assumptions**

<Not Applicable>

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

53

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**C5. Emissions methodology**

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**C5.1**

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**(C5.1) Is this your first year of reporting emissions data to CDP?**

No

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**C5.1a**

**(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?**

**Row 1**

**Has there been a structural change?**

Yes, an acquisition

**Name of organization(s) acquired, divested from, or merged with**

Significant organizational changes in 2021 include the Stantec acquisition of six companies (locations) including:

- Cardno (United States/Australia, 2,750 professionals)
- Cox McLain Environmental Consulting (United States, 70 professionals)
- Driven by Values (Netherlands, 28 professionals)
- Engenium (Australia, approximately 170 professionals)
- GTA Consultants (Australia, 135 professionals)
- Paleo Solutions (United States, 75 professionals)

**Details of structural change(s), including completion dates**

The six acquisitions were finalized in the following months of 2021:

- Cardno (December)
- Cox McLain Environmental Consulting (December)
- Driven by Values (November)
- Engenium (May)
- GTA Consultants (March)
- Paleo Solutions (September)

**C5.1b**

**(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?**

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in boundary	Stantec has incorporated the information into our 2021 emissions for three of the acquisitions noted above, which include Engenium, GTA Consultants, and Paleo Solutions. We did not include the acquisitions that were finalized late in the year (November/December 2021), which include Cardno, Cox McLain, and Driven by Values.

**C5.1c**

**(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?**

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	Stantec made minor adjustments to our base year emissions (2019), not due to the new acquisitions but rather as a part of the validation process with the Science Based Target initiative. The changes made were only to Scope 3. In business travel we added emissions related to hotels and in purchased goods and services we added furniture, mobile phones, and computers. For both, we also made some minor updates to how global warming potential factors were applied. Additionally, we calculated emissions for employee commuting. As noted above, the Cardno, Cox McLain, and Driven by Values acquisitions were not included in our 2021 emissions calculations because the acquisitions happened so late in the year. When all acquisitions are included in 2022 calculations, we will re-evaluate the need to adjust our baseline at that point in time.

**C5.2**

**(C5.2) Provide your base year and base year emissions.**

**Scope 1**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

14791

**Comment**

**Scope 2 (location-based)**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

33475

**Comment**

**Scope 2 (market-based)**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

27487

**Comment**

**Scope 3 category 1: Purchased goods and services**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

3809

**Comment**

**Scope 3 category 2: Capital goods**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

1480

**Comment**

**Scope 3 category 4: Upstream transportation and distribution**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 5: Waste generated in operations**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 6: Business travel**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

31061

**Comment**

**Scope 3 category 7: Employee commuting**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

7934

**Comment**

**Scope 3 category 8: Upstream leased assets**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

**Scope 3 category 9: Downstream transportation and distribution**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

**Scope 3 category 10: Processing of sold products**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

**Scope 3 category 11: Use of sold products**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

**Scope 3 category 12: End of life treatment of sold products**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

**Scope 3 category 13: Downstream leased assets**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

**Scope 3 category 14: Franchises**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

**Scope 3 category 15: Investments**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

**Scope 3: Other (upstream)**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

**Scope 3: Other (downstream)**

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

### C5.3

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**(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Climate Registry: General Reporting Protocol

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

### C6. Emissions data

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#### C6.1

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**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

14014

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

#### C6.2

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**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

#### C6.3

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

**Scope 2, location-based**

24330

**Scope 2, market-based (if applicable)**

3161

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

#### C6.4

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**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

#### C6.5

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**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

## Purchased goods and services

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

2301

### Emissions calculation methodology

Hybrid method

Spend-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

17

### Please explain

We have collected information from centralized vendors in order to carry out our calculations. For example, the number of sheets, size and stock of paper purchased; the number, manufacturer and model of mobile phones purchased. Spend data for computers and furniture is collected from Stantec financial systems.

Paper data is normalized to an 8.5" x 11" equivalent. The value is then multiplied by an emission factor to determine the total tons of CO<sub>2</sub>e per 500 sheet packages. The emission factor varies based on the recycled content of the paper. Resources: 2018 British Columbia, Best Practices for Quantifying GHG Emissions. Mobile phone emissions are calculated using life cycle emissions multiplied by the number of devices purchased. For Computers and Furniture, we use a spend-based method using emission factors from EPA.

## Capital goods

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

As a global professional services company that provides services in project management, digital technology, engineering, architecture, design, and scientific consulting, the only capital goods relevant to Stantec is the one office building we own. Total spend for this office equates to less than 0.01% of total supplier spend. As such, Scope 3 emissions associated with capital goods are estimated to be less than significant, and therefore not relevant to Stantec's overall Scope 3 emission profile.

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

778

### Emissions calculation methodology

Other, please specify (Line loss is calculated based on emissions from electricity consumption.)

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

To calculate line loss we used the country-specific average % electricity lost in the transmission and distribution, based on the output and proportion of unallocated/estimated grid losses. We then extracted the facility emissions from electricity and applied the latest transmission and distribution loss factors for the United States (eGrid v1 2019 summary tables) and Canada (National Inventory Report 1990-2019-Part 3 - Annex 13) in order to calculate the total line loss emissions.

## Upstream transportation and distribution

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

As a professional service organization, Stantec's upstream transportation and distribution emissions are primarily from office equipment suppliers. Based on the estimated emissions calculated according to GHG Protocol guidance, this category represents less than 1% of Stantec's carbon footprint and is therefore considered not relevant.

## Waste generated in operations

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Stantec operates from shared office spaces in leased buildings or home offices. Our waste generation is minimal and essentially office/kitchen wastes from employees that are collected and comingled with other tenants' wastes. Based on the estimated emissions calculated according to GHG protocol guidance, this category represents less than 1% of Stantec's carbon footprints and is therefore considered not relevant.

Though we are unable to track our waste generation, Stantec does implement management systems and motivates employees to minimize waste generation at the location level and to recycle/compost all waste we can. For example, in the Netherlands we recycle or compost almost 70% of plastic, organic, paper, and residual waste with efforts underway to eventually eliminate all disposed waste.

## Business travel

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

12923

### Emissions calculation methodology

Hybrid method  
Spend-based method  
Distance-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

54

### Please explain

Distance travelled data for flights, rental cars, and rail travel are provided by centralized suppliers. Spend data for personal car and hotel use is collected from Stantec financial systems.

Airline travel is documented and tracked through a consolidated travel booking system (distance travelled, locations--from and to). Travel is classified based on short, medium-or long-range flight. A different CO2e factor per km is applied based on the length of each flight.

Rental car travel is documented and tracked through a consolidated travel booking system (distance travelled, car-type). A different CO2e factor per mile/km is applied based on car-type.

For personal cars for business use, miles/km reimbursed are tracked through our expense management system. A CO2e factor per mile/km is applied. This is the item not provided by suppliers.

For rail, a km/mile travelled per rail using a CO2e factor is calculated.

Hotel spend for business travel is tracked through Stantec's internal financial systems and is not provided by vendors.

## Employee commuting

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

2422

### Emissions calculation methodology

Average data method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Employee commuting is calculated using estimated average commute distances (estimated by country), multiplied by the estimated percentage of staff that drive to work to give an estimated annual mileage (based on staff surveys). This is then multiplied by the emission factor for an average internal combustion engine car using DEFRA emission factors.

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Stantec leases all but one office building (which makes up less than 1% of total square footage of office space). Therefore, all upstream leased assets (office buildings) have already been reported in the Scope 2 category and are not relevant to Scope 3. This avoids the risk of double counting in our calculations.

## Downstream transportation and distribution

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Downstream transportation and distribution is not a relevant category for us because Stantec is a global professional services company, providing a broad range of services and solutions in project management, digital technology, engineering, architecture, design, and scientific consulting. We are purposely a design consultant. We are not responsible for the procurement or purchasing of construction materials, this is typically the responsibility of another party (e.g. the general contractor). Due to the nature of our business, we do not have downstream transportation and distribution requirements.

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Processing of sold products is not a relevant category for us because Stantec is a global professional services company, providing a broad range of services and solutions in project management, digital technology, engineering, architecture, design, and scientific consulting. Due to the nature of our business, we do not manufacture or produce goods and thus do not have a sold, physical product.

## Use of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Use of sold products is not a relevant category for us because Stantec is a global professional services company, providing a broad range of services and solutions in project management, digital technology, engineering, architecture, design, and scientific consulting. Due to the nature of our business, we do not manufacture or produce goods and thus do not have a sold product.



## End of life treatment of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

End of life treatment of sold products is not a relevant category for us because Stantec is a global professional services company, providing a broad range of services and solutions in project management, digital technology, engineering, architecture, design, and scientific consulting. Due to the nature of our business, we do not manufacture or produce goods and thus do not have a sold product.

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Downstream leased assets is not a relevant category for us because Stantec is a global professional services company, providing a broad range of services and solutions in project management, digital technology, engineering, architecture, design, and scientific consulting. Due to the nature of our business, we do not have downstream leased assets.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Franchises is not a relevant category for us because Stantec is a global professional services company, providing a broad range of services and solutions in project management, digital technology, engineering, architecture, design, and scientific consulting. Due to the nature of our business, we do not own any franchises.

## Investments

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Investments is not a relevant category for us because Stantec is a global professional services company, providing a broad range of services and solutions in project management, digital technology, engineering, architecture, design, and scientific consulting. Due to the nature of our business, we are not capital intensive and do not have any relevant investments.

## Other (upstream)

### Evaluation status

Not evaluated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

**Other (downstream)**

**Evaluation status**

Not evaluated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

C6.7

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**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

C6.10

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**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.000003753

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

17175

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

4576800000

**Scope 2 figure used**

Market-based

**% change from previous year**

48

**Direction of change**

Decreased

**Reason for change**

Stantec's emissions decrease in the reporting year is primarily due to the increase in renewable energy procurement, onsite renewable energy generation, office consolidation, and work-from-home initiatives. Onsite generation, purchase of green tariffs through utilities, and purchase of energy attribute certificates contributed to 17,000 mtCO2e saved. Additionally, by allowing some employees to work from home, we've been able to reduce real estate emissions by 400 mtCO2e. While not an emissions reduction initiative, the regular lockdowns during the pandemic also contributed to the lower reported emissions figures.

Please Note: Because our SBT is now using Scope 2 market-based, we recalculated our previous revenue intensity figure to align (the 2020 intensity figure is now 0.000007246) and performed our calculation.

---

**Intensity figure**

0.78

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

17175

**Metric denominator**

full time equivalent (FTE) employee

**Metric denominator: Unit total**

22148

**Scope 2 figure used**

Market-based

**% change from previous year**

53

**Direction of change**

Decreased

**Reason for change**

Stantec's emissions decrease in the reporting year is primarily due to the increase in renewable energy procurement, onsite renewable energy generation, office consolidation, and work-from-home initiatives. Onsite generation, purchase of green tariffs through utilities, and purchase of energy attribute certificates contributed to 17,000 CO2e saved. Additionally, by allowing some employees to work from home, we've been able to reduce real estate emissions by 400 CO2e. While not an emissions reduction initiative, the regular lockdowns during the pandemic also contributed to the lower reported emissions figures.

Please Note: Because our SBT is now using Scope 2 market-based, we recalculated our previous employee intensity figure to align (the 2020 intensity figure is now 1.64) and performed our calculation.

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## C7. Emissions breakdowns

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### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

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#### C7.1a

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**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	13928	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	11	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	75	IPCC Fifth Assessment Report (AR5 – 100 year)

## C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	5545
United States of America	7300
United Kingdom of Great Britain and Northern Ireland	416
Australia	128
New Zealand	213
Other, please specify (Smaller countries of operation)	412

## C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

### C7.3c

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Fleet	7780
Natural Gas	5944
LPG	25
Fuel Oil	240
Propane	25

## C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	10492	0
United States of America	9974	0
United Kingdom of Great Britain and Northern Ireland	270	0
Australia	1134	1089
New Zealand	87	0
Other, please specify (Smaller countries of operation )	2373	2072

## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

### C7.6c

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Electricity	24330	3161

**C7.9**

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

**C7.9a**

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	17914	Decreased	52.17	Stantec occupies multiple offices with solar panels on the building. We also have multiple utility companies that provide the option of green tariffs. Additionally, through a central vendor, we have been able to purchase a significant number of unbundled energy attribute certificates. These factors have allowed us to reduce our market-based Scope 2 emissions.  Formula: Change in Scope 1+2 emissions attributed to 'change in renewable energy consumption/previous year Scope 1+2 market-based emissions*100 =(17,914/34,341)*100=52.17%
Other emissions reduction activities	0	No change	0	Stantec office consolidation is accounted for in change in physical operating conditions.
Divestment	0	No change	0	Stantec did not divest of any companies in 2021.
Acquisitions	1143	Increased	3.33	Stantec made six acquisitions in 2021 with three happening at the end of the year. The three acquisitions included in Stantec's 2021 emissions came with new office space and employees. The impact of the remaining acquisitions will be accounted for in next year's emissions.  Formula: Change in Scope 1+2 emissions attributed to acquisitions/previous year Scope 1+2 market-based emissions*100 = (1,143/34,341)*100=3.33%
Mergers	0	No change	0	Stantec did not merge with any companies in 2021.
Change in output	0	No change	0	Stantec had no significant changes in output in 2021.
Change in methodology	0	No change	0	Stantec had no changes in methodology in 2021 that impacted our Scope 1 and 2 numbers.
Change in boundary	0	No change	0	Stantec had no changes in boundary in 2021 beyond acquisitions.
Change in physical operating conditions	394	Decreased	1.15	Stantec has continued our efforts to optimize our physical office footprint/reduce the amount of space we occupy per person as a primary strategy to reduce emissions. When we move into new office space, we purposefully look for energy efficient building options to occupy. This has allowed us to reduce our Scope 1+2 emissions.  Formula: Change in Scope 1+2 emissions attributed to other emission reduction activities/previous year Scope 1+2 market-based emissions*100 = (394/34,341)*100=1.15%
Unidentified	0	No change	0	
Other	0	No change	0	

**C7.9b**

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

**C8. Energy**

**C8.1**

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

**C8.2**

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

**C8.2a**

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	67005	67005
Consumption of purchased or acquired electricity	<Not Applicable>	63148	5317	68465
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	63148	72322	135470

**C8.2b**

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Sustainable biomass**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

NA

**Other biomass**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

NA

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

NA

**Coal**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

NA

**Oil****Heating value**

HHV

**Total fuel MWh consumed by the organization**

737

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self- cogeneration or self-trigeneration**

&lt;Not Applicable&gt;

**Comment**

Fuel Oil Number 6 used in offices. For MWh total, TCR default emission factors 2021 used for conversion from BTU/square foot to MWh/litre.

**Gas****Heating value**

HHV

**Total fuel MWh consumed by the organization**

32705

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self- cogeneration or self-trigeneration**

&lt;Not Applicable&gt;

**Comment**

Natural gas use in our offices. For MWh total, TCR default emission factors 2021 used for conversion from BTU/square foot to MWh/cubic meters.

**Other non-renewable fuels (e.g. non-renewable hydrogen)****Heating value**

HHV

**Total fuel MWh consumed by the organization**

33563

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self- cogeneration or self-trigeneration**

&lt;Not Applicable&gt;

**Comment**

This represents the sum of propane, LPG, diesel and motor gasoline use.



**Total fuel****Heating value**

HHV

**Total fuel MWh consumed by the organization**

67005

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self- cogeneration or self-trigeneration**

&lt;Not Applicable&gt;

**Comment**

This represents the sum of fuel consumed in Stantec's operations (natural gas, propane, fuel oil, LPG, diesel and motor gasoline).

**C8.2e**

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**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.**

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Low-carbon energy mix, please specify (Contract is for renewable energy for business tariff, which 87% of the fuel mix comes from low carbon or renewable sources.)

**Country/area of low-carbon energy consumption**

United Kingdom of Great Britain and Northern Ireland

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

1065

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Kingdom of Great Britain and Northern Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2021

**Comment**

Stantec is guaranteed 100% renewable electricity supply, from wind or hydro assets, at a number of our UK offices. The generation is matched to Renewable Energy Guarantees of Origin (REGOs) enabling zero emission reporting for the market-based methodology. We consumed 1065 MWh of renewable energy over the 2021 reporting period.

---

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Renewable energy mix, please specify

**Country/area of low-carbon energy consumption**

United States of America

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

35

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2021

**Comment**

---

**Sourcing method**

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

**Energy carrier**

Electricity

**Low-carbon technology type**

Hydropower (capacity unknown)

**Country/area of low-carbon energy consumption**

Italy

**Tracking instrument used**

GO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

63

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Norway

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2021

**Comment**

---

**Sourcing method**

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

**Energy carrier**

Electricity

**Low-carbon technology type**

Renewable energy mix, please specify (Wind or Hydro )

**Country/area of low-carbon energy consumption**

Netherlands

**Tracking instrument used**

GO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

252

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Netherlands

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

Stantec is guaranteed 100% renewable electricity supply, from wind or hydro assets at our Delft and Arnhem, Netherlands, offices. The generation is matched to Renewable Energy Guarantees of Origin (REGOs) enabling zero emission reporting for the market-based methodology. We consumed 252 MWh of renewable energy over the 2021 reporting period.

---

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Hydropower (capacity unknown)

**Country/area of low-carbon energy consumption**

New Zealand

**Tracking instrument used**

GO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

858

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

New Zealand

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2013

**Comment**

Stantec is committed to the energy transition towards renewable energy. We purchased energy attributes under the New Zealand Energy Certificate System for hydropower, which can be reflected in our market-based emissions. We retired 858 MWh of renewable energy over the 2021 reporting period.

---

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Country/area of low-carbon energy consumption**

United States of America

**Tracking instrument used**

US-REC

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

27084

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2012

**Comment**

Stantec is committed to the energy transition towards renewable energy. We have purchased unbundled RECs for wind power in the US, which can be reflected in our market-based emissions. We retired 27,119 MWh of renewable energy over the 2021 reporting period.

---

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Country/area of low-carbon energy consumption**

Canada

**Tracking instrument used**

Other, please specify (RECs)

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

33270

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Canada

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2013

**Comment**

Stantec is committed to the energy transition towards renewable energy. We have purchased unbundled RECs for Wind power in Canada which can be reflected in our market-based emissions. We retired 33,270 MWh of renewable energy over the 2021 reporting period.

---

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Country/area of low-carbon energy consumption**

Norway

**Tracking instrument used**

GO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

92

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Italy

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2011

**Comment**

Stantec is committed to the energy transition towards renewable energy. We have purchased unbundled RECs for solar power in Italy, which can be reflected in our market-based emissions. We retired 92 MWh of renewable energy over the 2021 reporting period.

---

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Country/area of low-carbon energy consumption**

United Kingdom of Great Britain and Northern Ireland

**Tracking instrument used**

REGO

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**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

209

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Kingdom of Great Britain and Northern Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2007

**Comment**

Stantec is committed to the energy transition towards renewable energy. We have purchased unbundled RECs for Wind power in the UK, which can be reflected in our market-based emissions. We retired 209 MWh of renewable energy over the 2021 reporting period.

---

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Country/area of low-carbon energy consumption**

Netherlands

**Tracking instrument used**

REGO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

109

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Kingdom of Great Britain and Northern Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2007

**Comment**

Stantec is committed to the energy transition towards renewable energy. We have purchased unbundled RECs for Wind power in the UK, which we applied to our operations in the Netherlands, this is reflected in our market-based emissions. We retired 109 MWh of renewable energy over the 2021 reporting period.

---

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Country/area of low-carbon energy consumption**

Italy

**Tracking instrument used**

REGO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

41

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Kingdom of Great Britain and Northern Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2007

**Comment**

Stantec is committed to the energy transition towards renewable energy. We have purchased unbundled RECs for Wind power in the UK, which we applied to our operations in Italy, this is reflected in our market-based emissions. We retired 41 MWh of renewable energy over the 2021 reporting period.

---

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Country/area of low-carbon energy consumption**

Germany

**Tracking instrument used**

REGO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

10

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Kingdom of Great Britain and Northern Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2007

**Comment**

Stantec is committed to the energy transition towards renewable energy. We have purchased unbundled RECs for Wind power in the UK, which we applied to our operations in Germany, this is reflected in our market-based emissions. We retired 10 MWh of renewable energy over the 2021 reporting period.

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Country/area of low-carbon energy consumption**

Czechia

**Tracking instrument used**

REGO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

60

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Kingdom of Great Britain and Northern Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2007

**Comment**

Stantec is committed to the energy transition towards renewable energy. We have purchased unbundled RECs for Wind power in the UK, which we applied to our operations in the Czech Republic, this is reflected in our market-based emissions. We retired 60 MWh of renewable energy over the 2021 reporting period.

## C8.2g

**(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.****Country/area**

Canada

**Consumption of electricity (MWh)**

33270

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

33270

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

United States of America

**Consumption of electricity (MWh)**

27119

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

27119

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

United Kingdom of Great Britain and Northern Ireland

**Consumption of electricity (MWh)**

1274

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1274

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Australia

**Consumption of electricity (MWh)**

1503

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1503

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

New Zealand

**Consumption of electricity (MWh)**

858

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

858

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Netherlands

**Consumption of electricity (MWh)**

361

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

361

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Italy

**Consumption of electricity (MWh)**

104

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

104

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Belgium

**Consumption of electricity (MWh)**

92

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

92

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

India

**Consumption of electricity (MWh)**

402

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

402

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

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**Country/area**

Other, please specify (Smaller geographies where Stantec operates.)

**Consumption of electricity (MWh)**

3482

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

3482

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

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**C9. Additional metrics**

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**C9.1**

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**(C9.1) Provide any additional climate-related metrics relevant to your business.**

**C10. Verification**

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**C10.1**

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**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

**C10.1a**

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**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.**

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

FINAL\_Stantec CY2021 - GHG Verification Statement Limited 4.20.22.pdf

**Page/ section reference**

Pages 1 and 2.

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

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**C10.1b**

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(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

FINAL\_Stantec CY2021 - GHG Verification Statement Limited 4.20.22.pdf

**Page/ section reference**

Pages 1 and 2.

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 2 approach**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

FINAL\_Stantec CY2021 - GHG Verification Statement Limited 4.20.22.pdf

**Page/ section reference**

Pages 1 and 2.

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

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## C10.1c

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(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

**Scope 3 category**

Scope 3: Purchased goods and services

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Scope 3: Business travel

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

FINAL\_Stantec CY2021 - GHG Verification Statement Limited 4.20.22.pdf

**Page/section reference**

Pages 1 and 2.

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

87

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## C10.2

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(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

## C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C5. Emissions performance	Year on year change in emissions (Scope 1)	14064-3	Stantec's Scope 1 year-over-year change in GHG emissions between 2020 to 2021 was a 4% increase. FINAL_Stantec CY2021 - GHG Verification Statement Limited 4.20.22.pdf
C5. Emissions performance	Year on year change in emissions (Scope 2)	14064-3	Stantec's Scope 2 (location-based) year-over-year change in GHG emissions between 2020 to 2021 was a 4% decrease. FINAL_Stantec CY2021 - GHG Verification Statement Limited 4.20.22.pdf
C5. Emissions performance	Year on year change in emissions (Scope 2)	14064-3	Stantec's Scope 2 (market-based) year-over-year change in GHG emissions between 2020 to 2021 was an 85% decrease. FINAL_Stantec CY2021 - GHG Verification Statement Limited 4.20.22.pdf
C4. Targets and performance	Year on year change in emissions (Scope 1 and 2)	14064-3	Stantec's Scope 1 and 2 (market-based) year-over-year change in GHG emissions between 2020 to 2021 was a 50% decrease. FINAL_Stantec CY2021 - GHG Verification Statement Limited 4.20.22.pdf
C4. Targets and performance	Year on year change in emissions (Scope 3)	14064-3	Stantec's Scope 3 year-over-year change in GHG emissions between 2020 to 2021 was a 9% decrease for Purchased Goods & Services, 36% decrease for fuel & energy-related activities, and 3% decrease for business travel. FINAL_Stantec CY2021 - GHG Verification Statement Limited 4.20.22.pdf

## C11. Carbon pricing

### C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

### C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

### C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

**Credit origination or credit purchase**

Credit purchase

**Project type**

Forests

**Project identification**

Evio Kuinaje Ese Eja Cuana, Madre de Dios, Peru Project certified by the Verra Registry with retired Verified Carbon Units and additional certifications of CCB-Biodiversity Gold and CCB-Climate Gold.

**Verified to which standard**

CCBS (developed by the Climate, Community and Biodiversity Alliance, CCBA)

**Number of credits (metric tonnes CO2e)**

7300

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

7300

**Credits cancelled**

Yes

**Purpose, e.g. compliance**

Voluntary Offsetting

**Credit origination or credit purchase**

Credit purchase

**Project type**

Forests

**Project identification**

Great Bear Carbon Credit Limited Partnership for the Great Bear (Haida Gwaii) Forest Carbon Project

**Verified to which standard**

Other, please specify (Government of British Columbia Carbon Registry (Canada))

**Number of credits (metric tonnes CO2e)**

1270

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

1270

**Credits cancelled**

Yes

**Purpose, e.g. compliance**

Voluntary Offsetting

---

**Credit origination or credit purchase**

Credit purchase

**Project type**

Forests

**Project identification**

Rimba Raya Biodiversity Reserve, Indonesia Project certified by the Verra Registry with retired Verified Carbon Units and additional certifications of CCB-Gold.

**Verified to which standard**

CCBS (developed by the Climate, Community and Biodiversity Alliance, CCBA)

**Number of credits (metric tonnes CO2e)**

1150

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

1150

**Credits cancelled**

Yes

**Purpose, e.g. compliance**

Voluntary Offsetting

---

**Credit origination or credit purchase**

Credit purchase

**Project type**

Forests

**Project identification**

Boone Forestlands Improved Forest Management Project, United States certified according to the American Carbon Registry.

**Verified to which standard**

ACR (American Carbon Registry)

**Number of credits (metric tonnes CO2e)**

1840

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

1840

**Credits cancelled**

Yes

**Purpose, e.g. compliance**

Voluntary Offsetting

---

**Credit origination or credit purchase**

Credit purchase

**Project type**

Forests

**Project identification**

Wester Coshieville Forest Conservation and Talla, Gameshope and Carrifran Peatland Restoration by Forest Carbon Ltd.

**Verified to which standard**

Other, please specify (UK Woodland and Peatland Carbon Code)

**Number of credits (metric tonnes CO2e)**

150

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

150

**Credits cancelled**

Yes

**Purpose, e.g. compliance**

Voluntary Offsetting

---

**Credit origination or credit purchase**

Credit purchase

---

**Project type**

Other, please specify (Carbon Capture)

**Project identification**

Climeworks removal of CO2 through innovative carbon capture technology

**Verified to which standard**

Not yet verified

**Number of credits (metric tonnes CO2e)**

2

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

2

**Credits cancelled**

Please select

**Purpose, e.g. compliance**

Voluntary Offsetting

---

**C11.3**

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**(C11.3) Does your organization use an internal price on carbon?**

No, but we anticipate doing so in the next two years

**C12. Engagement**

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**C12.1**

---

**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

**C12.1a**

---

**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Information collection (understanding supplier behavior)

**Details of engagement**

Collect climate change and carbon information at least annually from suppliers

**% of suppliers by number**

90

**% total procurement spend (direct and indirect)**

90

**% of supplier-related Scope 3 emissions as reported in C6.5**

95

**Rationale for the coverage of your engagement**

Stantec views sustainable procurement not only as an expectation that suppliers conduct their operations in an environmentally and socially responsible manner; but also, as a strategy to reduce operational risks through accountability. To continue to be a climate leader in our industry, it is critical we annually collect supplier GHG emissions to accurately account for our Scope 3 emissions.

This engagement area references our diverse network of suppliers and vendors as centrally managed by our Corporate Procurement team. Stantec's upstream suppliers include vehicle fleet and vendors (for purchases of IT hardware and software, telecommunications, furniture, office supplies, technical supplies, etc). The climate-related supplier engagement strategy covers 90% of Stantec's centrally managed suppliers because we are currently only able to effectively engage with suppliers in Canada, US, UK, NZ, and AU. For logistical and due to unique local, cultural considerations, our smaller operations outside of these geographies are not integrated into our centralized, corporate systems. We have estimated that only about 10% of our suppliers and spend do not have consistent engagement on climate considerations.

Stantec is able to use our global supply chain to promote sustainable business practices and support local businesses around the world.

Our supplier climate-related engagement is carried out with a variety of mechanisms.

- Our Partner Code of Business Conduct is available publicly on our website and shared with suppliers as part of the procurement process.
- We require that corporate suppliers provide emissions data for the items we purchase from them, provide recycling support, work with us to implement behavior changes with our staff that reduces our impact, and that they disclose their climate impacts.
- We incorporated sustainability considerations into our supplier evaluation process and climate-related considerations have a direct impact on our supplier selection and management. These are the suppliers that provide data for essentially all Scope 3 reporting. We interact with these suppliers via our Corporate Procurement Group and our IT Services Group.

**Impact of engagement, including measures of success**

We expect suppliers to meet our standards at a minimum in order to work with us. We request suppliers have environmental certifications, ask them to participate in the circular economy, and ask them to regularly report on emissions so that we can track performance. When a supplier's environmental responsibility program does not meet our criteria, we work with them to make improvements.

Success of our supplier engagement strategy is measured by the percentage of the number of suppliers who report emissions data to us annually. If at least 80% of relevant suppliers comply and report their emissions, we deem this engagement strategy successful.

An example of a new supplier in 2021 that involved exceptional climate-related supplier engagement is as follows: At a global corporate level, we transitioned our travel vendor to Egencia, a company that was selected largely because of their focus influencing employee behaviors to minimize Stantec's airline travel-related carbon footprint. Egencia is providing us travel details that directly support the calculation of our Scope 3 business travel.

In the current reporting year, Stantec engaged with 18 relevant suppliers for emissions details related to our Scope 3. All of the suppliers, 18 of them (100%), complied with our request to report their direct emissions, making this engagement strategy successful.

Beyond requiring emissions data from suppliers for Scope 3 reporting, ongoing examples of our 2021 supplier engagement success include:

- Purchasing computer equipment that is EPEAT and Energy Star-certified
- Requiring our vendors for computers and cell phone devices have a takeback program in place that includes responsible and ethical disposal
- Centralizing our print management system to require paper with post-consumer recycled content and proper disposal of print devices/materials
- Working with our promotional materials vendor to sustainably source promotional items (such as beeswax wraps and water bottles made of recovered ocean plastics)
- Working on landlord initiatives that result in real estate energy saving measures
- Incorporating environmental sustainability program requirements into the proposal process for new suppliers.

**Comment**

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**C12.1b**

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**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement & Details of engagement**

Collaboration & innovation	Run a campaign to encourage innovation to reduce climate change impacts
----------------------------	---

**% of customers by number**

60

**% of customer - related Scope 3 emissions as reported in C6.5**

0

**Please explain the rationale for selecting this group of customers and scope of engagement**

Each of Stantec's business operating units and geographies provide services that directly address climate change and 29% of Stantec's backlog is related to climate action services. We have multi-disciplinary teams ranging from marine scientists specializing in Arctic communities to coastal hazard and risk mitigation experts to architects delivering sustainable designs across the world. We provide stand-alone sustainability services and routinely "sell" sustainability as part of our project approach. This level of consulting and enabling clients to achieve higher outcomes comes in many forms, from exploring clean energy options to revitalizing existing buildings and infrastructure, to making more informed material choices, for example.

To maintain our status as a climate leader in our industry, it is critical we continuously educate our clients on our sustainability practices and encourage forward thinking, climate-conscious design approaches in our projects. Accordingly, Stantec has a program in place to engage clients on climate change using a variety of delivery modes (e.g. educational webinars, blog posts, targeted thought leadership, on-on-one conversations, conference presentations, trainings). All clients are eligible to attend. We estimate engaging with approximately 60% of customers through our methods.

In addition, we also have dedicated teams that are focused on connecting our project work to the broader SDGs. We have identified that 53% of our revenue is related to project work that supports the core SDGs Stantec has a direct influence on (SDGs 6, 7, 9, 11, 13, 14, 15). The climate change and SDG service numbers overlap and reinforce each other.

Stantec has formalized roles connected to driving positive SDG impact and furthering climate action. An example of how we include sustainability criteria into existing project work can be illustrated through our Buildings business operating unit. Stantec committed to the American Institute of Architecture's 2030 Commitment requiring that, by 2030, all designs for new buildings, developments, and major renovations will be carbon neutral. As a signatory to the Commitment, Stantec has set up a multi-layered program of sustainability workshops and client education, energy benchmarking, energy modelling, and annual reporting of our portfolio KPIs.

**Impact of engagement, including measures of success**

Stantec has examples of participating in initiatives around the world (like the above) and deem ourselves successful when project metrics are met and when we win repeat project work. We have three criteria we use to measure the success of our customer engagement strategy: an 80% customer satisfaction score, a position in the top 10 of sustainability-related industry rankings, and a growing portion of our revenue associated with projects and services that have a sustainability impact.

We measure a customer satisfaction score as part of our ISO 9000-certified Quality Management System. In 2021, more than 90% of customers surveyed said that they were satisfied with our work, with many noting our positive impact in meeting climate change mitigation goals.

Our success with industry rankings related to climate change action comes from multiple sources. For example, in 2021, Stantec was ranked by Corporate Knights as #1 in our peer group in the 100 Most Sustainable Companies in the World.

To assess the percentage of our projects and services with a sustainability impact we map our project work to the SDGs that we have a direct influence on based on our role as consultants in the built environment. Our inter-disciplinary internal committee meets regularly to identify opportunities, share best practices, improve tracking mechanisms, and increase our SDG-related project activity. Stantec engages with customers on topics aligned with the broad range of SDGs, resulting in 53% of our revenue related to project work focused on the core SDGs Stantec has a direct influence on (SDG 6 Clean Water and Sanitation, SDG 7 Affordable and Clean Energy, SDG 9 Industry Innovation and Infrastructure, SDG 11 Sustainable Cities and Communities, SDG 13 Climate Action, SDG 14 Life Below Water, and SG 15 Life on Land). This is up from 45% in 2019 and 49% in 2020.

**C12.1d**

**(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

Stantec value chain partners include subcontractors, academic institutions, industry peers, and specialty partners.

For subcontractors that help us deliver our projects (for example, drillers, archaeologists, laboratories, surveyors, etc), we utilize a formal subcontractor management system to evaluate whether they meet our environmental standards. To become prequalified, a subcontractor must complete the Subcontractor Questionnaire, which is reviewed and scored by Stantec subject matter experts. A company not meeting our minimum environmental criteria is either eliminated from consideration or provided support to improve their programs. Our Partner Code of Business Conduct—which outlines Stantec environmental expectations—is available publicly and shared with our subcontractors as part of the contracting process.

For our industry peers, our climate-related engagement strategy is based on thought leadership, influence and participation in activities that push the whole industry towards accomplishing more. For example, Stantec has been a vocal proponent of climate-resilient infrastructure. We were active in developing/evolving the Envision and PIEVC frameworks, which enable companies like us to build sustainable and climate resilient buildings and infrastructure. Stantec also supports strategic industry initiatives and commitments such as the Pledge to Net Zero in the UK that was initiated by the Institution of Civil Engineers and the Association of Consulting Engineers, both organizations in which we hold leadership roles.

In 2021, Stantec has made a significant investment in engaging industry partners through establishment of the Stantec Institute for Water Technology & Policy. Water is increasingly becoming a scarce resource in the face of climate change, yet management approaches are often inefficient and wasteful. Stantec embraces the need for a circular, closed-loop water economy but also recognize that existing systems and regulations make change difficult. Creating the desired future requires collaboration between technical and policy experts. Our new Institute for Water Technology & Policy engages scientists, engineers, and technology specialists across the globe to investigate questions at the forefront of transforming the water industry's future. Our mission is to develop technological and policy solutions that preserve water resources amidst the changing climate.

**C12.2**

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**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**

No, but we plan to introduce climate-related requirements within the next two years

**C12.3**

---

**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

**Row 1**

**Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate**

Yes, we engage directly with policy makers

Yes, we engage indirectly through trade associations

Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

No, but we plan to have one in the next two years

**Attach commitment or position statement(s)**

<Not Applicable>

**Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy**

Stantec has an executive Sustainability Committee in place (internally called the Executive ESG Committee) that is tasked with reviewing commitments before they are made to ensure our engagement activities are consistent with our overall climate change strategy. With the recommendation of this Executive Committee, the C-Suite gives final approval.

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**C12.3a**

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**(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?**

**Focus of policy, law, or regulation that may impact the climate**

Adaptation and/or resilience to climate change  
Renewable energy generation

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

Stantec's International Development Team in Belgium supports the European Union in implementing its climate change programs across developing countries of the world. This includes input to our client's annual Conference of Parties organized by the UN Framework Convention on Climate Change and active participation in establishing building climate governance.

**Policy, law, or regulation geographic coverage**

Global

**Country/region the policy, law, or regulation applies to**

<Not Applicable>

**Your organization's position on the policy, law, or regulation**

Support with no exceptions

**Description of engagement with policy makers**

Below are a few examples of Stantec's policy engagement in support of the European Commission:

- Stantec was part of a team at COP26 associated with the EuroClima+ project, which helps 18 Latin American governments build climate governance.
- Stantec is managing the European Union's largest external aid consultancy contract for sustainable energy (EU Global Technical Assistance Facility) which aims to increase investments in sustainable energy by assisting partner countries in Latin America, Asia, the Middle East, Africa, the Caribbean, and the Pacific to expand their capacities in the renewable energy sector.
- Stantec is actively supporting the development of the African Single Electricity Market (AfSEM) program, to create one of the largest electricity markets in the world,

Examples of engagement efforts under these projects include developing master plans, monitoring systems, tariff frameworks, roadmaps, and policy papers.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

<Not Applicable>

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**C12.3b**

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**(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.**

**Trade association**

Edison Electric Institute (EII)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We are not attempting to influence their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

This organization states ... "Showcasing the innovative partnerships, clean energy and infrastructure projects, and game-changing technologies that customers want in order to deliver America's energy future today." EEI actively supports the energy transition. Stantec agrees with the climate change position of EEI.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

7500

**Describe the aim of your organization's funding**

Stantec supports this organization to further their mission and for marketing opportunities related to the energy transition.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

National Mining Association

**Is your organization's position on climate change consistent with theirs?**

Mixed

**Has your organization influenced, or is your organization attempting to influence their position?**

We are not attempting to influence their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

This organization states ... "The association supports the responsible production of our abundant domestic coal and mineral resources, recognizing the important benefits these commodities provide ... Mining plays a critical role in providing responsibly produced raw materials that make modern life possible and fuel America's economic growth. These products are vital to society, including its transition to a low-carbon future. Minerals, metals, and metallurgical coal for steel are irreplaceable components of renewable energy, electrification, green and resilient infrastructure and the energy storage integral for meeting global emission reductions. Coal continues to provide a significant portion of reliable and affordable baseload energy in the U.S. and across the globe, ensuring energy access and security in support of global sustainable and economic development goals. The NMA is committed to advancing solutions and reasonable policies, along with other industries across all sectors of the economy, to reduce emissions consistent with the best available science."

Stantec has a number of employees who are active in this organization and we make a small corporate contribution. We feel it is important to support this organization since a low carbon world depends on sustainable mining for its mineral needs. Stantec is supportive of NMA's position related to energy transition and works with this organization in on a number of ESG-related topics.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

6900

**Describe the aim of your organization's funding**

The financial contribution Stantec makes is quite small. We feel it is important to support this organization since a low carbon world depends on sustainable mining for its mineral needs. We support this organization because it creates marketing opportunities and offers professional development for our staff in the areas of net zero mining and remediation, a skills capacity building need of the industry. With relationships we've developed through this organization, we have been able to further our efforts around our strategic actions named Sustainable Mining by Design and Net Zero Mining.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is not aligned

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**Trade association**

American Petroleum Institute

**Is your organization's position on climate change consistent with theirs?**

Inconsistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We are not attempting to influence their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

This organization states ... "The U.S. natural gas and oil industry is working to address the risks of climate change and build a lower-carbon future. Learn how we're striving to create a cleaner tomorrow while meeting the world's growing need for affordable, reliable energy." Stantec agrees with their official statement regarding the need for an energy transition. However, we also recognize that this organization promotes the continued extraction/use of fossil fuels.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

2640

**Describe the aim of your organization's funding**

Stantec is not actively engaged with this organization beyond basic membership. Participation in this association is considered a marketing access point to O&G clients for our service areas related to energy transition and ecosystem restoration.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is not aligned



## C12.3c

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**(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.**

**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Institute for Sustainable Infrastructure

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

40000

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

ISI is an organization that takes active steps to address climate change mitigation and adaptation in the context of built environment infrastructure. In collaboration with the Zofnass Program for Sustainable Infrastructure at the Harvard University Graduate School of Design, they developed Envision, a framework for addressing sustainability, resiliency and social equity in infrastructure projects. Stantec has been a leader in the delivery of Envision-certified projects since its inception as the framework aligns with our brand promise of designing with community in mind. By addressing large civil infrastructure projects, Envision filled a void in the sustainability certification ecosystem.

Stantec's SVP Strategy sits on ISI's board. Stantec played a role in creating the Envision framework. Stantec senior staff members actively participate in efforts to adapt the Envision framework for applicability in additional infrastructure-type projects and to promote its utilization in infrastructure development. Stantec has used the framework on various projects, including wastewater and road projects that were the first of their kind in the world to achieve certification. Stantec has been integral in introducing the Envision framework to Europe and certified the Naples-Bari rail line as the first Envision project in Europe, receiving Platinum rating (the highest level available).

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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## C12.4

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**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

stn-2021-sustainability-report.pdf

**Page/Section reference**

Full document

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

**Comment**

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**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

stn-2021-annual-report.pdf

**Page/Section reference**

Management's Discussion and Analysis, page M-1

**Content elements**

Governance  
Strategy  
Risks & opportunities

**Comment**

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## C15. Biodiversity

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### C15.1

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**(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?**

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	<p>Stantec is a professional services firm working primarily in leased office space, so our physical operations have a low impact on biodiversity. Our ability to protect and restore biodiversity comes through the environmental services we provide for clients. For more information on our client-facing services, visit <a href="http://Stantec.com">Stantec.com</a> &gt; Markets &gt; Coastal &amp; Marine, Environment and Services &gt; Environmental Services.</p> <p>When issues arise related to biodiversity, our Executive Sustainability Committee (internally called the Executive ESG Committee) as well as the board Sustainability Committee (internally called the Sustainability and Safety Committee) provide governance and oversight. For example, when our Ecosystem Restoration team was approached by the UN to join the UN Decade of Ecosystem Restoration partnership, it was the Executive ESG Committee that reviewed the internal application, evaluated implications of this commitment, and recommended to the C-Suite that we join.</p>	<Not Applicable>

**C15.2**

**(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Other, please specify (UN Decade on Ecosystem Restoration Partnership Framework)	Other, please specify (UN Decade on Ecosystem Restoration Partnership Framework)

**C15.3**

**(C15.3) Does your organization assess the impact of its value chain on biodiversity?**

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

**C15.4**

**(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Other, please specify (This is a strategic growth area for Stantec services)

**C15.5**

**(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?**

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

**C15.6**

**(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Other, please specify (GRI 304)	As part of our GRI Content Index, noted that biodiversity is not a material topic for Stantec operations. <a href="#">stn-2021-sustainability-report.pdf</a>

**C16. Signoff**

**C-FI**

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

## C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer	Chief Financial Officer (CFO)

## SC. Supply chain module

### SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Please see the introduction listed in the Climate Change questionnaire.

### SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	4576800000

### SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

### SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

### SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	Stantec is a consulting company that provides project management, digital technology, engineering, architecture, design, and scientific consulting services for clients around the world. Each of our projects solves a unique challenge that would require us to set up customized tracking mechanisms on a project-by-project basis. At year-end 2021, Stantec had more than 45,000 active projects in our central financial system making tracking our emissions at a project level a momentous task. At this moment, there is nothing immediately identifiable that would make it easier to provide customized emissions tracking for the volume of active projects we complete each year.

### SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

### SC1.4b

**(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.**

As noted above, Stantec is a consulting company that provides project management, digital technology, engineering, architecture, design, and scientific consulting services for clients around the world. Each of our projects solves a unique challenge that would require us to set up customized tracking mechanisms on a project-by-project basis. At year-end 2021, Stantec had more than 45,000 active projects in our central financial system making tracking our emissions at a project level a momentous task. The sort of tracking we could provide is related to project-funded travel as that detail is accounted for on a project level. For emissions tracking beyond travel, the level of effort involved to provide such tracking would increase costs for our customers and put our focus on tracking versus action. We have instead decided to put our efforts into improving the environmental and social performance of our project work, whether it be instituting new energy efficiency concepts into a building design, suggesting co-generation options for a water treatment plant design, generating renewable energy, or the use of nature-based solutions that sequester carbon. At an operational level, our goal is to focus on real action versus more tracking. Upon request, when included in the project scope, we are able to provide information on emissions of the associated project designed by our subject matter experts.

**SC2.1**

**(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.**

**SC2.2**

**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

No

**SC4.1**

**(SC4.1) Are you providing product level data for your organization's goods or services?**

No, I am not providing data

**Submit your response**

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

**Please confirm below**

I have read and accept the applicable Terms