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Corporate Responsibility to Respect Human Rights

Stantec Inc.

Corporate Responsibility to Respect Human Rights

This Statement explains the steps taken by Stantec during the prior financial year to prevent and reduce risk that forced labour or child labour is used in our supply chain. This Statement is provided in response to Canadian law requiring the submittal of an annual report to the Minister of Public Safety. Adhering to the requirements set by the Ministry, this Statement follows that format.

Identifying information

Questions marked with an asterisk (*) are mandatory.

1. *This report is for which of the following? (Required)

- Entity
- Government institution

2. *Legal name of reporting entity or government institution (Required)

Stantec Inc.

3. *Financial reporting year (Required)

2023

4. *Is this a revised version of a report already submitted this reporting year? (Required)

- Yes
- No

4.1 *If yes, identify the date the original report was submitted. (Required)

N/A

4.2 *Describe the changes made to the original report, including by listing the questions or sections that were revised (1,500 character limit). (Required)

N/A

5. For entities only: Business number(s) (if applicable):

Corporation Number: 301878-4
Business Number: 13052 1958 RC 0001

6. For entities only: *Is this a joint report? (Required)

- Yes
- No

6.1 *If yes, identify the legal name of each entity covered by this report. (Required)

N/A

6.2 Identify the business number(s) of each entity covered by this report (if applicable).

N/A

7. For entities only: *Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction? (Required)

- Yes
- No

7.1 *If yes, indicate the applicable law(s). Select all that apply. (Required)

- The United Kingdom's *Modern Slavery Act 2015*
- Australia's *Modern Slavery Act 2018*
- California's *Transparency in Supply Chains Act*
- Other, please specify:

8. For entities only: *Which of the following categorizations applies to the entity? Select all that apply. (Required)

- Listed on a stock exchange in Canada
- Canadian business presence (select all that apply):
 - Has a place of business in Canada
 - Does business in Canada
 - Has assets in Canada
- Meets size-related thresholds (select all that apply):
 - Has at least \$20 million in assets for at least one of its two most recent financial years
 - Has generated at least \$40 million in revenue for at least one of its two most recent financial years
 - Employs an average of at least 250 employees for at least one of its two most recent financial years

9. For entities only: *Which of the following sectors or industries does the entity operate in? Select all that apply. (Required)

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises

- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- Other, please specify:

10. For entities only: *In which country is the entity headquartered or principally located? (Required)

Canada

10.1 If in Canada: *In which province or territory is the entity headquartered or principally located? (Required)

Alberta

Annual Report

Reporting for entities

1. *What steps has the entity taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity? Select all that apply. (Required)

- Mapping activities
- Mapping supply chains
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Contracting an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Developing and implementing an action plan for addressing forced labour and/or child labour

- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
- Developing and implementing child protection policies and processes
- Developing and implementing anti-forced labour and/or -child labour contractual clauses
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists
- Auditing suppliers
- Monitoring suppliers
- measures to provide for, or cooperate in, remediation of forced labour and/or child labour
- Developing and implementing grievance mechanisms
- Developing and implementing training and awareness materials on forced labour and/or child labour
- Developing and implementing procedures to track performance in addressing forced labour and/or child labour
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour
- Engaging directly with workers and families potentially affected by forced

labour and/or child labour to assess and address risks

- Information not available for this reporting period
- Other, please specify:

2. Please provide additional information describing the steps taken (if applicable) (1,500 character limit).

As a responsible entity, we are committed to preventing and reducing the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by Stantec or the production of goods imported into Canada by Stantec. Stantec does not maintain manufacturing operations nor are we a significant importer of goods in any country in which we operate.

To protect human rights, we address the risks of modern slavery and human trafficking throughout our operations, including the policies outlined in Question 7 and the training programs outlined in Question 16.

Stantec encourages anyone (including employees, suppliers, partners, subcontractors, clients, and community members) to report unlawful actions or unethical behaviors that violate our policies via integrity@stantec.com. Concerns of any nature can also be confidentially and anonymously reported by employees or third parties using Stantec's Integrity Hotline via www.stantec.ethicspoint.com or a variety of toll-free numbers (managed by an independent hosting company in local languages).

Stantec continues to develop anti-forced labour and child labour contractual clauses for our suppliers and business partners which require compliance with all applicable laws and regulations and respect internationally recognized labour standards.

This most recent fiscal year commences our deepening evaluation of our supply chains in this area.

Stantec Inc.

Corporate Responsibility to Respect Human Rights

3. *Which of the following accurately describes the entity's structure? (Required)

- Corporation
- Trust
- Partnership
- Other unincorporated organization

4. *Which of the following accurately describes the entity's activities? Select all that apply. (Required)

- Producing goods (including manufacturing, extracting, growing and processing)
 - in Canada
 - outside Canada
- Selling goods
 - in Canada
 - outside Canada
- Distributing goods
 - in Canada
 - outside Canada
- Importing into Canada goods produced outside Canada
- Controlling an entity engaged in producing, selling or distributing goods in Canada or outside Canada, or importing into Canada goods produced outside Canada

5. Please provide additional information on the entity's structure, activities and supply chains (1,500 character limit).

Stantec provides professional consulting services to our clients throughout the world. Our subject matter expertise results in design services for projects that are constructed by others. Stantec requires that these services be performed by qualified professionals and, as such, these services do not lend themselves to the employment of individuals who may be subject to forced or child labour.

To provide our services, Stantec's supply chain includes:

- real estate suppliers and related services enabling us to operate office space;
- indirect vendors enabling us to do our consulting work (office supplies, furniture, IT infrastructure, travel, etc.);

- direct vendors, subcontractors, and subconsultants; and
- Stantec branding and marketing materials.

Stantec has conducted an initial evaluation of our supply chain which did not identify suppliers that use forced or child labour. Notwithstanding, our evaluation has identified the following areas that trigger reporting obligations:

- Stantec operates a native plant nursery in Indiana, United States which produces native plant and seed material for ecosystem restoration, stabilization, and erosion control. These operations represent less than 1% of our gross revenue. Stantec has assessed the nursery and found there to be little risk of forced or child labour.
- Stantec imports commercial items into Canada, including computer hardware and similar items. Stantec does not manufacture these items and does not oversee the related supply chains.

6. *Does the entity currently have policies and due diligence processes in place related to forced labour and/or child labour? (Required)

- Yes
- No

6.1 *If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour? Select all that apply. (Required)

- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts in operations, supply chains and business relationships
- Ceasing, preventing or mitigating adverse impacts
- Tracking implementation and results
- Communicating how impacts are addressed
- Providing for or cooperating in remediation when appropriate

7. Please provide additional information on the entity's policies and due diligence processes in relation to forced labour and child labour (if applicable) (1,500 character limit).

Policies

Stantec maintains its **Human Rights Policy**, **Human Trafficking and Modern Slavery Policy** and **Partner Code of Business Conduct** in relation to forced and child labour.

Since 2017, Stantec has issued an annual **Modern Slavery and Human Trafficking Statement** in compliance with the United Kingdom's *Modern Slavery Act 2015*. Stantec has also participated in the **United Nations Global Compact** since 2015, which confirms our commitment to its ten principles, including the elimination of all forms of forced and compulsory labour and effective abolition of child labour.

Due Diligence

Keeping our people up to date with their obligations to uphold the highest levels of ethical conduct is imperative to our business. By remaining vigilant and encouraging staff to actively report wrong-doing, or the suspicion of wrong-doing, we help to reinforce a strong ethical culture and our commitment to doing what is right.

Stantec continues to review the risks of forced and child labour in our activities and supply chain. Given our limited supply chain exposure, by using a risk-based approach in our review we consider the nature and location of our operations, the sectors and countries where we provide services, the type and complexity of our supply chain, and the level of control we have over our suppliers. We apply our risk management processes to identify and evaluate risks in our operations and supply chains, including risks related to forced and child labour.

8. *Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used? (Required)

- Yes, we have identified risks to the best of our knowledge and will continue to strive to identify emerging risks.
- Yes, we have started the process of identifying risks, but there are still gaps in our assessments.
- No, we have not started the process of identifying risks.

8.1 *If yes, has the entity identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply. (Required)

- The sector or industry it operates in
- The types of products it produces, sells, distributes or imports
- The locations of its activities, operations or factories
- The types of products it sources
- The raw materials or commodities used in its supply chains
- Tier one (direct) suppliers
- Tier two suppliers
- Tier three suppliers
- Suppliers further down the supply chain than tier three
- The use of outsourced, contracted or subcontracted labour
- The use of migrant labour
- The use of forced labour
- The use of child labour
- None of the above
- Other, please specify

9. *Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply. (Required)

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- None of the above
- Other, please specify

10. Please provide additional information on the parts of the entity's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the entity has taken to assess and manage that risk (if applicable) (1,500 character limit).

None

11. *Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains? (Required)

- Yes, we have taken remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.

11.1 *If yes, which remediation measures has the entity taken? Select all that apply. (Required)

- Actions to support victims of forced labour or child labour and/or their families, such as workforce reintegration and psychosocial support
- Compensation for victims of forced labour or child labour and/or their families
- Actions to prevent forced labour or child labour and associated harms from reoccurring
- Grievance mechanisms
- Formal apologies
- Other, please specify.

N/A

12. Please provide additional information on any measures the entity has taken to remediate any forced labour or child labour (if applicable) (1,500 character limit).

N/A

13. *Has the entity taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains? (Required)

- Yes, we have taken substantial remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

14. Please provide additional information on any measures the entity has taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains (if applicable) (1,500 character limit).

N/A

15. *Does the entity currently provide training to employees on forced labour and/or child labour? (Required)

- Yes
- No

15.1 *If yes, is the training mandatory? (Required)

- Yes, the training is mandatory for all employees.
- Yes, the training is mandatory for employees making contracting or purchasing decisions.
- Yes, the training is mandatory for some employees.
- No, the training is voluntary.

16. Please provide additional information on the training the entity provides to employees on forced labour and child labour (if applicable). (1,500 character limit).

Our training and awareness materials on forced labour and child labour are included in our annual ethics training that is required to be taken by all employees. These materials cover the definition and indicators of forced labour and child labour, legal and ethical implications, requirements for prevention and reduction, and the roles and responsibilities of different actors. We deliver the training and awareness materials through online courses. We also encourage feedback and suggestions from the participants to improve the quality and effectiveness of the materials.

17. *Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Required)

- Yes
- No

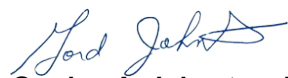
17.1 *If yes, what method does the entity use to assess its effectiveness? Select all that apply. (Required)

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour
- Tracking relevant performance indicators, such as levels of employee awareness, numbers of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and -child labour clauses
- Partnering with an external organization to conduct an independent review or audit of the organization's actions
- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators
- Other, please specify.

18. Please provide additional information on how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains (if applicable). (1,500 character limit).

We continue to make progress in evaluating and reducing the risk that forced labour or child labour may occur in our supplier chain or otherwise be used at any step of the production of goods by Stantec or goods imported into Canada by Stantec. However, we also recognize that this is an ongoing and evolving process that requires continuous improvement and collaboration. We are committed to reviewing and updating our policies and practices, engaging with our stakeholders, and reporting on our performance and impact. Stantec management continues to assess our effectiveness in ensuring that forced labour and child labour are not being used in our business and supply chain.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



Gordon A. Johnston, P.Eng.

President, CEO & Director

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Securities Exchange Listings

Stantec shares are listed on the Toronto Stock Exchange and the New York Stock Exchange under the symbol STN.

 ON THE COVER

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Flint, Michigan, USA