Stantec

Management Information Circular

STN TSX NYSE

March 22, 2022

Bull, Housser and Tupper LLP Offices
Vancouver, British Columbia

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Invitation to Shareholders

Dear Fellow Shareholder:

The Stantec board of directors and management team invite you to attend the annual general meeting of shareholders of Stantec Inc. Details of the meeting follow:

Date: Thursday, May 12, 2022

Time: 10:30 AM (MDT)

Place: Virtual Meeting
via live audio webcast online at
http://web.lumiagm.com/216420437
password: stantec2022 (case sensitive)

At Stantec, we believe in being SaferTogether—looking out for the health and safety of ourselves and those around us, whether we are at work, at home, or in our communities. This year, to proactively address the public health impact of COVID-19, and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, Stantec will hold a **virtual-only meeting. You will not be able to attend the meeting physically**.

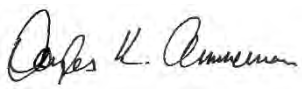
As a shareholder, you have the right to vote your shares on all matters that come before the meeting. Your vote is important and we facilitate voting by allowing you to vote by proxy at any time prior to the meeting. We encourage you to do so and have enabled voting on the Internet, by phone, or by mail. You can also vote by attending the virtual meeting by logging in online at http://web.lumiagm.com/216420437. Please refer to the instructions in the section titled *How To Attend the Virtual Meeting* beginning on page 9 in the accompanying Management Information Circular for further details.

The circular provides details about all matters that come before the meeting, such as information about our director nominees and their compensation, our auditor, our corporate governance practices, and our executive compensation program. Further information regarding the meeting, together with copies of this letter and all of our meeting materials are available on our website at stantec.com and under our profile on SEDAR at sedar.com and on EDGAR at sec.gov.

Please return your voting instructions as soon as possible to ensure that your vote is recorded.

Thank you for your continuing support.

Sincerely,



Douglas K. Ammerman, Chair
Board of Directors

Gordon A. Johnston, P.Eng.
President & CEO

Notice of Annual General Meeting and of Availability of Proxy Materials

Notice is hereby given that Stantec Inc. ("**Stantec**" or the "**Company**") will hold its annual general meeting:

When: Thursday, May 12, 2022
10:30 AM (MDT)

Where: Virtual Meeting
via live audio webcast online at
http://web.lumiagm.com/216420437
password: stantec2022 (case sensitive)

The meeting will be held to address the following business:

Business of the Meeting		For more information
1	Receive Stantec's financial statements for the year ended December 31, 2021, together with the auditor's report on those statements	Page 12 of the Circular and Stantec's 2021 Annual Report
2	Elect each of the directors of Stantec to hold office until the end of the next annual meeting or until their successors are appointed	Pages 12 and 15 of the Circular
3	Appoint the auditor of Stantec and authorize the directors to fix the auditor's remuneration	Page 13 of the Circular
4	Consider a nonbinding advisory resolution on Stantec's approach to executive compensation	Page 14 of the Circular
5	Transact any other business as may properly be brought before the meeting	

The board has fixed the close of business on March 22, 2022, as the record date for the determination of shareholders entitled to notice of and to vote at the meeting. Only shareholders of record on that date are entitled to vote on the matters listed in this Notice.

NOTICE-AND-ACCESS

As permitted by Canadian securities regulators, Stantec is using the "notice-and-access" mechanism for delivery of its Management Information Circular ("**Circular**") for our annual general meeting to both registered and beneficial shareholders. This means that our Circular is being posted online for you to access, rather than being mailed out. This Notice includes information on how to access our Circular online and how to request a paper copy. Notice-and-access gives shareholders more choice, substantially reduces our printing and mailing costs, and is environmentally friendly as it reduces paper and energy consumption.

WHERE YOU CAN ACCESS THE CIRCULAR

On our website: stantec.com
under Investors // Financial Information

On SEDAR: sedar.com

On EDGAR: sec.gov

It is very important that you read the Circular carefully before voting your shares.

VOTING

Please note that you cannot vote by returning this Notice. Enclosed with this Notice, you will find a form of proxy or a voting instruction form that you can use to vote your shares of Stantec.

You may vote your shares on the Internet, by phone or mail. Please refer to the instructions on your separate proxy or voting instruction form on how to vote using these methods.

REGISTERED SHAREHOLDERS:

Computershare must receive your proxy form or you must have voted by Internet or telephone before 10:30 AM (MDT) on Tuesday, May 10, 2022.

BENEFICIAL SHAREHOLDERS:

Your intermediary must receive your voting instructions with sufficient time for your vote to be processed before 10:30 AM (MDT) on Tuesday, May 10, 2022, in accordance with your intermediary's instructions. If you vote by Internet or telephone, you must do so prior to 10:30 AM (MDT) on Tuesday, May 10, 2022.

This year, to help keep our communities, shareholders, employees, and other stakeholders safe, we will hold a virtual-only meeting, which will be conducted via live audio webcast. Please see the attached Circular on how to participate at the meeting.

HOW TO REQUEST A PAPER COPY OF THE CIRCULAR

Upon request, Stantec will provide a paper copy of the Circular to any shareholder, free of charge, for a period of one year from the date the Circular is filed on SEDAR. Here is how you can request a paper copy:

Before the Meeting

If your request is made before the date of the meeting, the Circular will be sent to you within three business days of receipt of your request. To ensure receipt of the paper copy in advance of the voting deadline and meeting date, we estimate that your request must be received no later than 10:30 AM (MDT) on Monday, May 2, 2022 (this factors the three-business day period for processing requests as well as typical mailing times).

Registered Shareholders	Beneficial Shareholders
Call Computershare's fulfillment service line at 1-866-962-0498 (toll-free). Please note that you will be asked to provide the control number indicated on your form of proxy.	Call Broadridge's fulfillment service line at 1-877-907-7643. Please note that you will be asked to provide the 16-digit control number indicated on your voting instruction form.

After the Meeting

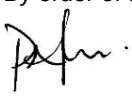
If the request is made on or after May 12, 2022, the Circular will be sent to you within ten calendar days of receiving your request. Call 1-844-916-0609 for a copy of the Circular.

Please note that you will not receive another form of proxy or voting instruction form; please retain your current one to vote your shares.

If you have any questions regarding this Notice, notice-and-access, or the meeting, please call

- Computershare at 1-800-564-6253 (if you are a registered shareholder) or
- Broadridge Investor Communication Solutions at 1-844-916-0609 (if you are a beneficial shareholder)

By order of the board of directors,



Paul J. D. Alpern
Senior Vice President, Secretary and General Counsel
March 22, 2022

General Information

You have received this Circular because you owned common shares of Stantec Inc. as of the close of business on March 22, 2022 (the “Record Date”) and are entitled to notice of and vote at our annual general meeting of shareholders on Thursday, May 12, 2022 (or a reconvened meeting if the meeting is postponed or adjourned).

This Circular and other securityholder materials are being sent to both registered and beneficial owners of Stantec’s common shares. If you are a beneficial shareholder, and Stantec’s agent has sent these materials directly to you, your name, address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Please note that this year we are holding a virtual only meeting to protect the health and safety of our communities, shareholders, employees, and other stakeholders from the risks associated with the COVID-19 pandemic.

Management is soliciting your proxy for the meeting, and the costs for doing so (including costs to mail materials to our beneficial shareholders via their intermediaries) are borne by Stantec. In addition to soliciting proxies by mail, Stantec may also solicit proxies via telephone, email, or in person. If determined advisable, Stantec may retain an agency to solicit proxies for Stantec in Canada and the United States. All costs associated with the solicitation of proxies by or on behalf of the Company will be borne by Stantec.

In this Circular, unless otherwise noted or the context otherwise requires, references to “we”, “us”, “our”, “Stantec” or the “Company” refer to Stantec Inc. “You”, “your” and “shareholder” refer to holders of Stantec’s common shares. The “board of directors” or “board” refer to the board of directors of Stantec Inc.

You will find additional information regarding our business in our Annual Information Form for the fiscal year ended December 31, 2021, as well as our audited consolidated financial statements and accompanying management’s discussion and analysis for the year ended December 31, 2021. Copies of these documents along with our other public documents are available on our website at stantec.com, on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at sedar.com and on the Electronic Data Gathering, Analysis, and Retrieval (“EDGAR”) system at sec.gov.

Unless stated otherwise, the information provided in this Circular is given as of March 22, 2022, and all dollar amounts are expressed in Canadian dollars.

Notice-and-Access

As permitted by Canadian securities regulators, Stantec is utilizing notice-and-access to deliver this Circular to both registered and beneficial shareholders. “Notice-and-access” is a set of rules that allows issuers to post electronic versions of proxy-related materials online, via SEDAR and one other website, rather than mailing paper copies of such materials to shareholders. Under notice-and-access, shareholders still receive a proxy form or voting instruction form enabling them to vote at the meeting. However, instead of receiving a paper copy of the meeting materials, shareholders receive a notice which contains information on how they may access the materials online and how to request a paper copy. The use of notice-and-access directly benefits Stantec by substantially reducing our printing and mailing costs and is more environmentally friendly.

Shares Eligible to Vote

As of March 22, 2022, the Company had 111,173,641 common shares issued and outstanding. Each share carries the right to one vote on each matter that comes before the meeting.

Principal Shareholders

To the knowledge of the Company, the following shareholders beneficially own, directly or indirectly, or exercise control or direction over 10% or more of Stantec's common shares

Name of Holder	Number of Voting Securities Owned	Percentage of Outstanding Voting Securities Owned
Jarislowsky, Fraser Limited(1)	11,391,174	10.24%
Mackenzie Financial Corporation(2)	11,759,379	10.56%

(1) *Information as at December 31, 2021, based on Schedule 13G filed by Jarislowsky, Fraser Limited on February 14, 2022.*
(2) *Information as at February 28, 2022, based on Schedule 13G/A filed by Mackenzie Financial Corporation on March 3, 2022.*

Your Vote Is Important

As a shareholder, it is very important that you read the following information on how to vote your shares and then vote your shares, either by proxy or by attending the meeting virtually.

About Voting

Who can vote

You are entitled to vote at the meeting if you held common shares of Stantec at the close of business on March 22, 2022. Shareholders will vote on three items of business and any other matters that may properly come before the meeting. A simple majority of votes (50% plus one vote) cast at the meeting in person or by proxy is required to approve each matter to be considered at the meeting.

How to vote your shares in advance

Voting your shares in advance of the meeting is the easiest way to vote. The voting process is different depending on whether you are a registered or non-registered (beneficial) shareholder.

REGISTERED SHAREHOLDERS:

You are a registered shareholder if your shares are held in your name.

If you are not sure whether you are a registered shareholder, please contact Stantec's transfer agent, Computershare, at

- 1-800-564-6253 (North America)
- 1-514-982-7555 (International)

You will receive a **form of proxy**.

BENEFICIAL SHAREHOLDERS:

You are a beneficial shareholder if your shares are held in the name of your nominee (usually a bank, trust company, securities dealer or other financial institution) and you are the beneficial owner of the shares.

The vast majority of our shares are held by beneficial shareholders.

You will receive a **voting instruction form** from your intermediary.

How to vote in advance – Registered Shareholders

Voting by proxy is the most common way to vote. It means you appoint a person or entity (your proxyholder) to attend the meeting and vote your shares for you. Your proxyholder does not need to be a shareholder, but this person or company must attend the meeting and vote on your behalf. See "Appointing a proxyholder to vote at the meeting" below.

If you do not appoint your own proxyholder, Douglas K. Ammerman and Gordon A. Johnston, the Stantec representatives named on the proxy form will act as your proxyholder and will vote your shares according to your instructions. Your proxyholder will have discretion to vote on amendments or variations to the business of the meeting or any other matters to be voted on at the meeting.

How to Vote By Proxy as a Registered Shareholder	
Internet	Visit the website shown on your proxy form. Refer to your holder account number and control number on your proxy form and follow the online instructions.
Phone	Call the toll-free telephone number shown on your proxy form. Refer to your holder account number and control number on your proxy form and follow the instructions. *Please note: you cannot appoint anyone other than the Stantec representatives named on your proxy form if you vote by telephone.*
Mail	Complete, sign, and date the proxy form following the instructions provided; return it by mail using the envelope provided.

How to vote in advance – Non-registered (beneficial) Shareholders

If you are a beneficial shareholder, you must send your voting instructions to your nominee who will vote for you. You will receive a request for voting instructions for the number of shares held for your benefit. Follow the instructions on your voting instruction form and send your voting instructions to your nominee. If you are a beneficial shareholder, you will likely have an earlier deadline for the return of your voting instruction form, so please be sure to send the form early, to allow enough time for your nominee to receive your voting instructions and then send them to Stantec's transfer agent, Computershare, before the proxy cut-off.

Most nominees delegate responsibility for obtaining voting instructions from their clients to Broadridge Financial Solutions Inc. ("Broadridge"). Broadridge usually mails a scannable voting instruction form that can be completed via phone, mail, or over the Internet at proxyvote.com. Your voting instruction form provides you with the right to appoint a person or company (your proxyholder) to attend the meeting and vote your shares for you.

How to vote in advance – employees holding shares under the Employee Stock Purchase Plan ("ESPP")

If you hold shares through Stantec's ESPP in Canada, you can direct Manulife, the plan trustee to vote your employee shares as you instruct. Follow the instructions on your proxy form:

How to Vote By Proxy as an Employee Shareholder	
Internet	Visit the website shown on your proxy form. Refer to your holder account number and control number on your proxy form and follow the online instructions.
Phone	Call the toll-free telephone number shown on your proxy form. Refer to your holder account number and control number on your proxy form and follow the instructions. *Please note: you cannot appoint anyone other than the Stantec representatives named on your proxy form if you vote by telephone.*
Mail	Complete, sign, and date the proxy form following the instructions provided; return it by mail using the envelope provided.

If you hold shares through Stantec's ESPP in the United States, you will receive a voting instruction form that will contain instructions on how to vote your shares.

Your employee shares will be voted for or against or will be withheld from voting only in accordance with your instructions. If your proxy form or voting instruction form is not received according to the procedures above, your employee shares will not be voted at the meeting.

Send your voting instructions right away

Take some time to read this Circular and then vote your shares. Regardless of which method you choose to vote, we must receive your voting instructions by **10:30 AM (Mountain Daylight Time) on May 10, 2022** to ensure your shares are voted at the meeting.

If you are a non-registered (beneficial) shareholder, you will need to allow enough time for your nominee (or their representative) to receive your voting instructions and then submit them to Stantec's transfer agent, Computershare.

If the meeting is postponed or adjourned, you must send your voting instructions **at least 48 hours** (not including Saturdays, Sundays and holidays) **before the time the meeting is reconvened**.

How to attend the virtual meeting

Use your smartphone, tablet or computer to attend our virtual meeting. You can attend the meeting as a guest or participate in the meeting online as described below.

Virtual Meeting Checklist

Make sure you have the following to access the meeting online:

1. The latest version of Chrome, Safari, Edge or Firefox as your Internet browser
2. The Stantec meeting ID: **216-420-437**
3. The meeting password: **stantec2022** (case sensitive)
4. Your user name and/or control number (see below)

Attending as a guest

Attending the meeting as a guest means you can listen to the meeting, ask questions and engage with management, members of the board, and other shareholders. However, as a guest attendee, you are not able to vote at the meeting.

How to log in You should log in at least 30 minutes before the start of the meeting	Go to http://web.lumiagm.com/216420437 on your smartphone, tablet or computer. Click "**Login**" and enter the password: **stantec2022** (case sensitive). Click "**Guest**" and complete the online form.

Voting your shares in real time

Registered shareholders and duly appointed proxyholders can vote at the meeting, ask questions, and engage with management, members of the board, and other shareholders.

How to log in You or your proxyholder should log in at least 30 minutes before the start of the meeting	Go to http://web.lumiagm.com/216420437 on your smartphone, tablet or computer. Click "**Login**" and enter the password: **stantec2022** (case sensitive). If you are a registered shareholder, enter the 15-digit control number on your proxy form as your user name. If you are a registered shareholder and you appointed someone else to be your proxyholder (a third party proxyholder), or if you are a non-registered (beneficial) shareholder and you appointed yourself or someone else as your proxyholder, that person will receive an email notification from Computershare with a control number that will also serve as their user name (see below).

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If you are a registered, beneficial or employee shareholder and you are appointing someone other than the Stantec representatives named in your proxy form or voting instruction form to attend the meeting as your proxyholder, you must register them with Computershare at https://www.computershare.com/Stantec. Detailed instructions for appointing a third-party proxyholder to vote at the meeting are provided below.

Appointing a proxyholder to vote at the meeting

As a shareholder, you have the right to appoint a person or entity (your proxyholder) to attend the meeting and vote your shares for you. **You may appoint someone else other than Douglas K. Ammerman and Gordon A. Johnston to represent you at the meeting.** Your proxyholder does not need to be a shareholder, but this person or company must attend the meeting and vote on your behalf.

REGISTERED SHAREHOLDERS:

If you want to appoint someone other than the Stantec representatives named in your proxy form to attend the meeting and vote your shares for you, print the name of the person or company you are appointing in the space provided on the proxy form in your package of materials. Follow the instructions for submitting your form of proxy to Computershare.

After you submit your proxy form to Computershare, you MUST register your proxyholder with Computershare.

Go to https://www.computershare.com/Stantec by 10:30 AM (MDT) on May 10, 2022 to register your proxyholder and provide the contact information required. Computershare needs this information so they can confirm their registration and send an email notification with a control number. Your proxyholder needs the control number in order to participate in the meeting and vote your shares. Your proxyholder should receive an email notification after 10:30 AM (MDT) on May 10, 2022.

Your proxyholder must vote your shares according to your instructions, but will have discretion to vote on amendments or variations to the business of the meeting or any other matters to be voted on at the meeting.

BENEFICIAL SHAREHOLDERS:

If you want to participate in the meeting and vote your shares in real time, print your name in the space provided on your voting instruction form to instruct your nominee to appoint yourself as proxyholder.

After you submit your voting instruction form to your nominee, you MUST register yourself as a third-party proxyholder.

Go to https://www.computershare.com/Stantec by 10:30 AM (MDT) on May 10, 2022 to register yourself and provide your contact information. Computershare requires this information so they can confirm the registration and send you an email notification with a control number. You need the control number in order to participate in the meeting and vote your shares. You should receive your email notification after 10:30 AM (MDT) on May 10, 2022.

If you are a beneficial shareholder located in the United States and wish to participate or vote at the meeting, or, if permitted, appoint a third party as your proxyholder, you must follow the instructions provided in the voting instruction form to obtain a valid legal proxy from your intermediary. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Computershare. Requests for registration from beneficial shareholders located in the United States that wish to vote at the meeting or, if permitted, appoint third parties as their proxyholders must be sent by e-mail or by courier to: uslegalproxy@computershare.com (if by e-mail); or Computershare Trust Company of Canada, Attention: Proxy Department, 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, Canada (if by courier), and in both cases, must be labeled “Legal Proxy” and received no later than the voting deadline of 10:30 AM (MDT) on May 10, 2022.

Once you log in to the meeting, remember to stay connected to the Internet so you can vote when the balloting begins.

Changing your vote

REGISTERED SHAREHOLDERS

If you are a registered shareholder and have voted by proxy, you may revoke your proxy in one of several ways:

- By providing new voting instructions on a proxy form with a later date or at a later time if you are voting by telephone or on the Internet. Any new voting instructions must be received by Computershare before 10:30 AM (MDT) on May 10, 2022, or, if the meeting is adjourned or postponed, by 10:30 AM (MDT) on the business day before the date of the reconvened meeting.
- By delivering a revocation of proxy to the registered office of Stantec (to the attention of our corporate secretary at Suite 400, 10220 – 103 Avenue NW, Edmonton, Alberta, T5J 0K4) any time before 10:30 AM (MDT) on May 11, 2022, or, if the meeting is adjourned or postponed, before 10:30 AM (MDT) on the business day before the date of the reconvened meeting.

You may also revoke your proxy in any other manner permitted by law.

BENEFICIAL SHAREHOLDERS

If you are a beneficial shareholder, you may revoke your voting instructions by contacting the person who serves your account. However, you are subject to the same time constraints as noted above for registered shareholders.

If you are an employee shareholder and have voted by submitting your proxy, you may revoke it by providing new voting instructions with a later date or at a later time if you are voting by telephone or on the Internet. However, any new voting instructions will take effect only if received by 10:30 AM (MDT) on May 10, 2022, or, if the meeting is adjourned or postponed, by 10:30 AM (MDT) on the second-last business day before the date of the reconvened meeting.

Matters you will be voting on

You will be voting on

- The election of Stantec's directors
- The appointment of Stantec's auditor
- A nonbinding advisory vote on Stantec's approach to executive compensation

Please see the Business of the Meeting section of this Circular for more information.

Other Business

As of March 22, 2022, no director or executive officer of the Company was aware of any variation, amendment, or other matter to be presented for a vote at the meeting.

Confidentiality of your vote

Under normal conditions, your vote will be kept confidential because the Company's transfer agent tabulates proxies and votes. However, confidentiality may be lost if a question arises about a proxy's validity, revocation, or any other like matter. Loss of confidentiality may also occur if the board decides that disclosure is in the best interest of the Company or its shareholders.

Business of the Meeting

1 Financial Statements

Our audited consolidated financial statements for the year ended December 31, 2021, will be placed before the meeting. Our financial statements are contained in our 2021 Annual Report, available on our website at stantec.com and on SEDAR at sedar.com. Our Form 40-F is available on EDGAR at sec.gov. If you want a free copy of any of these documents, please contact our corporate secretary at Suite 400, 10220 – 103 Avenue NW, Edmonton, Alberta, T5J 0K4.

2 Election of Directors

Nine directors will stand for election at the meeting. The persons listed in the Nominees for Election to the Board of Directors section of this Circular will be presented for election at the meeting as management's nominees. We believe that each person nominated is well qualified to be a director of Stantec. Each has confirmed his or her willingness to serve if elected. If any nominee is unable to serve as a director for any reason arising before the meeting, the person named in your proxy has the discretion to vote for another nominee at the meeting. Each director elected at the meeting will hold office until the next annual meeting of shareholders or until his or her successor is duly elected or appointed.

The director nominees follow:

Douglas K. Ammerman	Shelley A. M. Brown	Gordon A. Johnston
Martin A. à Porta	Patricia D. Galloway	Donald J. Lowry
Richard C. Bradeen	Robert J. Gomes	Marie-Lucie Morin

Majority Voting Policy for Directors

To ensure accountability to shareholders, the board has adopted a policy that requires any nominee in an uncontested election who receives a greater number of votes "withheld" than votes "for" his or her election as a director (i.e., the nominee is not elected by at least a majority of 50% + 1 vote) to immediately tender his or her resignation to the Corporate Governance and Compensation Committee of the board. The committee will consider the resignation and promptly recommend to the board whether to accept it. Any director who tenders his or her resignation will not participate in the committee recommendation or board consideration regarding whether to accept the resignation.

The board expects that resignations will be accepted unless exceptional circumstances warrant a contrary decision. The board will act on the committee's recommendation no later than 60 days following the certification of the shareholder vote. We will promptly publicly disclose the board's decision in a news release that will be provided to the Toronto Stock Exchange and filed on SEDAR at sedar.com and EDGAR at sec.gov. If the board refuses the resignation, the reasons underlying this decision will be fully disclosed in the news release.

We recommend that you vote **FOR** the election of the nominees listed above. Unless otherwise instructed, the management representatives designated in the enclosed proxy intend to vote **FOR** the election of each of the nominees.

3 Appointment of Auditor

The board recommends that PricewaterhouseCoopers LLP ("PwC") be appointed as our auditor for the 2022 fiscal year.

At the direction and under the supervision of the Company's Audit and Risk Committee, in 2021, Stantec completed a comprehensive tender process for the selection of our external auditor. Effective June 1, 2021, the board, on the recommendation of the Audit and Risk Committee, appointed PwC as Stantec's auditor for the remainder of the 2021 fiscal year following the requested resignation of Stantec's previous auditor, Ernst & Young LLP ("EY"). EY had served as Stantec's auditor since December 11, 1993. The recommendation to appoint a new auditor is in line with governance best practices to periodically rotate this function, ensuring the continuity of independence and transparency for Stantec's shareholders.

Additional documents related to the change of auditors, including the notice of change of auditors and the acknowledgements of that notice by PwC and EY, are set out in Schedule A to this Circular. There were no "reportable events" within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*.

External Auditors' Fees

The table below presents fees incurred by Stantec for work performed by its former external auditors, EY, during the fiscal years ended December 31, 2020, and December 31, 2021, and by its current auditors, PwC, during the fiscal year ended December 31, 2021.

		PricewaterhouseCoopers LLP	Ernst & Young LLP	
Category	Note	2021 ($)	2021 ($)	2020 ($)
Audit fees	1	4,429,400	132,600	5,811,200
Audit-related fees	2	-	24,800	390,800
Tax fees	3	799,000	404,900	827,000
All other fees	4	6,300	-	17,200
Total		5,234,700	562,300	7,046,200

(1) *Audit fees: Audit services provided by PwC and EY (collectively, the External Auditors) for the audit and review of Stantec's financial statements or services normally provided by the External Auditors in connection with statutory and regulatory filings or engagements, including quarterly reviews, accounting consultation, statutory audit of in-scope subsidiaries and international financial reporting standard consultation.*

(2) *Audit-related fees: Assurance and related services provided by the External Auditors. These services can include attest services not required by statute or regulation and review engagements.*

(3) *Tax fees: Professional services rendered by the External Auditors for income tax compliance and tax advice relating to mergers, acquisitions, financing structures and tax planning, and including the following in 2021: an aggregate $360,400 for income tax compliance provided by both PwC and EY, $546,900 for global mobility services provided by PwC, and $296,600 paid for tax due diligence provided by EY related to the Cardno Limited acquisition.*

(4) *All other fees: Non-audit assurance fees and related services provided by the External Auditors.*

We recommend that you vote **FOR** the appointment of PricewaterhouseCoopers LLP as our auditor to hold office until the close of the next annual shareholder meeting at remuneration to be fixed by the board. Unless otherwise instructed, the management representatives designated in the enclosed proxy intend to vote **FOR** this appointment.

4 Nonbinding Advisory Vote on Executive Compensation

In 2021, Stantec held a shareholder advisory vote on the Company's approach to executive compensation. Of the votes cast, 96.69% approved the Company's approach. The Company is again providing shareholders the opportunity to cast an advisory vote at the meeting on the Company's approach to executive compensation, as disclosed in the Executive Compensation Overview section of this Circular (beginning on page 45). The Compensation Discussion and Analysis subsection sets out how we compensate our executives, what our named executive officers are paid, and how their compensation is linked to Stantec's performance. We invite any shareholder to forward comments about our approach to executive compensation to Marie-Lucie Morin, chair of the Corporate Governance and Compensation Committee, c/o Stantec Inc., attention to the corporate secretary at Suite 400, 10220 – 103 Avenue NW, Edmonton, Alberta, T5J 0K4.

At the meeting, shareholders will be asked to vote on the following advisory resolution:

> *Resolved, on an advisory basis, and not to diminish the role and responsibilities of the Board of Directors, that the shareholders accept the approach to executive compensation disclosed in the Company's Management Information Circular delivered in connection with the 2022 annual general meeting of shareholders of the Company.*

Because this is an advisory vote, the results are not binding on the board. However, the Corporate Governance and Compensation Committee of the board will review and analyze the results of the vote and consider them when reviewing our executive compensation philosophy, policies, and programs. The Company will also disclose the results of this vote as part of its report on voting results for the meeting.

We recommend that you vote **FOR** the adoption of the advisory resolution on our approach to executive compensation. Unless otherwise instructed, the management representatives designated in the enclosed proxy intend to vote **FOR** this resolution.

Nominees for Election to the Board of Directors

Description of Nominees

The following tables give information as of December 31, 2021, about the nominees for election to the board, including their background and key qualifications relevant to serving on our board. All nominees are current directors of Stantec.

Douglas K. Ammerman
Corporate Director

Laguna Beach, California, United States
Age: 70
Director since 2011
Independent Director

Douglas Ammerman is a retired partner of KPMG LLP. Mr. Ammerman was with KPMG for almost 30 years, and, during that time, he served as a national practice partner, as the managing partner of the Orange County office, and as a member of KPMG's nominating committee for its board of directors. He holds a master's degree in business taxation from the University of Southern California, as well as a Bachelor of Arts degree with an accounting emphasis from California State University at Fullerton. Mr. Ammerman is past president and director emeritus of the Pacific Club and served in the Reagan Administration as Special Assistant to the Secretary of Interior.

Key Qualifications

- ✓ Public accounting
- ✓ Public company board experience
- ✓ Professional services management

Board and Committee Attendance During 2021

Board of Directors (chair)	6 of 6	100%
Audit and Risk	5 of 5	100%
Corporate Governance and Compensation	6 of 6	100%
Sustainability and Safety	4 of 4	100%

Other Public Board Directorships

Fidelity National Financial, Inc. (NYSE – FNF)	Audit (chair)
Dun & Bradstreet Holdings, Inc. (NYSE – DNB)	Audit (chair)

Total Equity at Risk (Common Shares and Deferred Share Units)

Value at Risk	$6,095,730

Martin A. à Porta
Corporate Director

Zug, Switzerland
Age: 51
Director since 2021
Independent Director

Martin à Porta is an experienced executive and consultant with 25 years of experience working in and supporting professional services and industrial companies, including Siemens, where he worked for more than a decade in several progressively senior roles around the world. Most recently, Mr. à Porta served as the President and CEO of Pöyry Plc, an international consulting and engineering company, providing services in power generation, transmission, and distribution; forestry; biorefining and chemicals; mining and metals; infrastructure; water, and environmental services. Mr. à Porta currently provides transformation, growth, and strategic consulting services for a number of companies and serves on the board of directors of UPM Biofore, a leading forest-based bioindustry company based in Helsinki, Finland. He holds a master of science degree in engineering studies from ETH Zurich, Swiss Federal Institute of Technology.

Key Qualifications

- ✓ Executive leadership
- ✓ Sustainability
- ✓ Industry experience

Board and Committee Attendance During 2021

Board of Directors	6 of 6	100%
Corporate Governance and Compensation	6 of 6	100%
Sustainability and Safety	4 of 4	100%

Other Public Board Directorships

UPM-Kymmene Corporation (NASDAQ Helsinki – UPM)	-

Total Equity at Risk (Common Shares and Deferred Share Units)

Value at Risk $1,060,299

Richard C. Bradeen
Corporate Director

Montréal West, Québec, Canada
Age: 65
Director since 2018
Independent Director

Richard Bradeen served as senior vice president of Strategy, Mergers & Acquisitions, Pension Investments, Corporate Audit Services and Risk Assessment from February 2009 to October 2013 for Bombardier Inc., Montreal, a leading worldwide manufacturer of planes and trains. He started his career at Bombardier in 1997 as vice president of Acquisitions. Before that, Mr. Bradeen served as a partner and a member of the Partnership Board of Directors of Ernst & Young. He joined Ernst & Young in 1978 and over 19 years held increasingly senior roles, including as president of the Corporate Finance group in Toronto.

Key Qualifications

- ✓ Corporate finance
- ✓ Managing and leading growth
- ✓ Global acquisitions

Board and Committee Attendance During 2021

Board of Directors	6 of 6	100%
Audit and Risk	5 of 5	100%
Corporate Governance and Compensation	6 of 6	100%

Other Public Board Directorships

Superior Plus Corp. (TSX – SPB)	Audit (Chair); Human Resources and Compensation

Total Equity at Risk (Common Shares and Deferred Share Units)

Value at Risk $1,540,713

Shelley A. M. Brown
Corporate Director

Saskatoon, Saskatchewan, Canada
Age: 65
Director since 2018
Independent Director

Shelley Brown has more than 25 years of board experience serving on not-for-profit, association, and for-profit corporate boards, including Deloitte Canada, the Accounting Standards Board Oversight Council, and the University of Saskatchewan Board of Governors. She brings expertise in strategic planning, good governance, finance, and risk management. During her distinguished 40-year career in accounting, Ms. Brown was a partner in two of the world's largest professional services firms. As chair of the Canadian Institute of Chartered Accountants, she played a key role in uniting Canada's accounting profession, culminating in the creation of the Chartered Professional Accountants of Canada. She is also a recognized leader in diversity and inclusion, having been listed on Canada's Top 100 Most Powerful Women for four years, earning her a position on the Women's Executive Network Hall of Fame. In 2018, Ms. Brown was recognized as a Member of the Order of Canada for her professional and community contributions.

Key Qualifications

- ✓ Financial expert
- ✓ Corporate governance
- ✓ Corporate control environments and risk assessment

Board and Committee Attendance During 2021

Board of Directors	6 of 6	100%
Audit and Risk (chair)	5 of 5	100%

Other Public Board Directorships

NorZinc Ltd. (TSX – NZC)	Audit (chair); Nomination

Total Equity at Risk (Common Shares and Deferred Share Units)

Value at Risk	$1,134,993

Patricia D. Galloway
Corporate Director

Cle Elum, Washington, United States
Age: 64
Director since 2020
Independent Director

Patricia Galloway has served in several executive positions and has over 30 years of experience in corporate risk management. Dr. Galloway is chair of Pegasus Global Holdings, Inc.® (Pegasus-Global), a firm that performs risk management, management, and strategic consulting business services. From July to December 2018, Dr. Galloway served on the board of SCANA Corporation as chair of the Special Litigation Committee. Her service ended with the merger of SCANA and Dominion Energy, Inc. From 2008 to 2018, Dr. Galloway served as chief executive officer of Pegasus-Global. She also served on the U.S. National Science Board from 2006 to 2012. Prior to that, from 1981 to 2008, Dr. Galloway held various positions with The Nielsen-Wurster Group, Inc., including chief executive officer and principal, and president and chief financial officer. Dr. Galloway was the first woman President of the American Society of Civil Engineers. She also serves as an arbitrator on construction and energy litigation cases. Dr. Galloway holds a Bachelor of Science degree in civil engineering from Purdue University, a Certificate in Dispute Resolution from the Pepperdine law school, Straus Institute, a Ph.D. in Infrastructure Systems Engineering (Civil) from Kochi University of Technology (Japan), and an M.B.A. from the New York Institute of Technology.

Key Qualifications

- ✓ Corporate governance
- ✓ Corporate risk management
- ✓ International megaproject delivery and execution

Board and Committee Attendance During 2021

Board of Directors	6 of 6	100%
Corporate Governance and Compensation	6 of 6	100%
Sustainability and Safety	4 of 4	100%

Other Public Board Directorships

Granite Construction Inc. (NYSE – GVA)	Nominating and Corporate Governance (chair); Risk

Total Equity at Risk (Common Shares and Deferred Share Units)

Value at Risk	$583,425

Robert (Bob) J. Gomes
Corporate Director

Edmonton, Alberta, Canada
Age: 67
Director since 2009
Non-Independent Director

Bob Gomes joined Stantec in 1988 as an urban land project manager. Over 29 years with Stantec, his career became progressively more senior and spanned many of Stantec's business lines. He held both operational and practice positions. From May 15, 2009, until his retirement on December 31, 2017, Mr. Gomes served as president & CEO of Stantec. He holds a degree in civil engineering from the University of Alberta and has served on the board of directors for the Edmonton Economic Development Corporation and a number of non-profit and charitable boards throughout his career.

Key Qualifications

- ✓ Executive leadership
- ✓ Strategic planning and execution
- ✓ Industry experience

Board and Committee Attendance During 2021

Board of Directors	6 of 6	100%
Sustainability and Safety	4 of 4	100%

Other Public Board Directorships

-

Total Equity at Risk (Common Shares and Deferred Share Units)

Value at Risk $15,419,888

Gordon (Gord) A. Johnston
President and CEO of Stantec Inc.

Edmonton, Alberta, Canada
Age: 56
Director since 2018
Non-Independent Director

Gord Johnston is the current president & CEO of Stantec. He has over 35 years of private and public sector experience in the design and project management of infrastructure projects throughout North America and abroad. Mr. Johnston has held increasingly senior roles since joining Stantec in 1990, including serving as the Water business line leader, as executive vice president of the Infrastructure business operating unit, and as an active participant in Stantec's acquisition sourcing and integration efforts. He earned Bachelor of Science and Master of Engineering degrees in civil engineering from the University of Alberta, and is a registered professional engineer, certified project management professional, and Envision Sustainability Professional.

Key Qualifications

- ✓ Engineering industry experience
- ✓ Managing and leading growth
- ✓ Strategic planning and execution

Board and Committee Attendance During 2021

Board of Directors	6 of 6	100%

Other Public Board Directorships

-

Total Equity at Risk (Common Shares, PSUs and RSUs)

Value at Risk $19,199,964

Donald (Don) J. Lowry, ICD.D, F.ICD
Corporate Director

Edmonton, Alberta, Canada
Age: 70

Director since 2013

Independent Director

Don Lowry has more than 30 years of industry experience in the utilities, telecommunications, and power generation sectors. From January 1998 until March 2013, Mr. Lowry served as president & CEO of EPCOR Utilities Inc. For 12 years, Mr. Lowry served as chair of Capital Power Corporation, a publicly traded company formed when EPCOR spun off its generation business in July 2009. Following his retirement in April 2021, Capital Power Corporation honoured Mr. Lowry with the title of Chair Emeritus in appreciation of his distinguished service. Mr. Lowry was also the chair of Canadian Oilsands Limited until February 2016, when the company was acquired. In 2011, he was named Alberta Business Person of the Year by *Alberta Venture* magazine and, in January 2014, was named Alberta Resource Person of the Year for 2014 by the Alberta Chamber of Resources. He also acted as chair of the International Triathlon Union for the grand final events held in Edmonton in 2014, 2015 and 2016. Mr. Lowry holds a Bachelor of Commerce (honors) and Master of Business Administration degrees from the University of Manitoba and is a graduate of the Harvard Advanced Management Program and the Banff School of Management. He obtained his Institute of Corporate Directors designation (ICD.D) in January 2016 from the Rotman School of Business. In 2020, Mr. Lowry was recognized by the Institute of Corporate Directors as an "F.ICD Fellow", which is the highest honour a director can receive in Canada.

Key Qualifications

- ✓ Strategic growth, oversight and insight
- ✓ Corporate governance and executive compensation
- ✓ Capital markets and risk management

Board and Committee Attendance During 2021

Board of Directors	6 of 6	100%
Audit and Risk	5 of 5	100%
Sustainability and Safety (chair)	4 of 4	100%

Other Public Board Directorships

-

Total Equity at Risk (Common Shares and Deferred Share Units)

Value at Risk $5,234,456

Marie-Lucie Morin, P.C., C.M.
Corporate Director

Ottawa, Ontario, Canada
Age: 64
Director since 2016
Independent Director

Marie-Lucie Morin was Executive Director at the World Bank from 2010 to 2013. Previously Ms. Morin pursued a 30-year career in Federal Public Service. She was appointed National Security Advisor to the Prime Minister and Associate Secretary to the Cabinet in 2008, having served as Deputy Minister for International Trade and Associate Deputy Minister of Foreign Affairs. Earlier in her career with the Department of Foreign Affairs and International Trade, Ms. Morin completed assignments in San Francisco, Jakarta, London, and Moscow. In 1997 she was appointed Ambassador to Norway with accreditation to Iceland. Ms. Morin served as advisor for the Canada Transport Act Review which tabled its report to Parliament in 2015. Ms. Morin was named Chevalier de la Légion d'honneur in 2012, was sworn into the Queen's Privy Council in 2015 and became a member of the Order of Canada in 2016. Ms. Morin presently serves on corporate and not-for-profit boards; she is a member of the National Security and Intelligence Review Agency (NSIRA).

Key Qualifications

- ✓ International business and government affairs
- ✓ Strategic planning and execution
- ✓ Corporate governance

Board and Committee Attendance During 2021

Board of Directors	6 of 6	100%
Corporate Governance and Compensation (chair)	6 of 6	100%

Other Public Board Directorships

Chorus Aviation Inc. (TSX – CHR)	Governance, Safety and Sustainability (chair); Human Resources and Compensation
Sun Life Financial Inc. (TSX, NYSE – SLF)	Management Resources; Risk

Total Equity at Risk (Common Shares and Deferred Share Units)

Value at Risk	$1,971,986

Additional Information about Director Nominees

Director Voting Results from Our 2021 Annual General Meeting

A summary of the voting results from our 2021 annual general meeting follows:

Director	Votes in Favor	% in Favor	Votes Withheld	% Withheld
Douglas Ammerman	76,179,635	86.16	12,232,232	13.84
Martin à Porta	88,237,866	99.80	173,951	0.20
Richard Bradeen	87,149,126	98.57	1,262,741	1.43
Shelley Brown	86,774,266	98.15	1,637,601	1.85
Patricia Galloway	87,193,884	98.62	1,217,983	1.38
Bob Gomes	86,609,413	97.96	1,802,454	2.04
Gord Johnston	87,719,125	99.22	692,742	0.78
Don Lowry	87,539,435	99.01	872,432	0.99
Marie-Lucie Morin	86,506,141	97.84	1,905,726	2.16

Director Attendances

The number and percentage of board and committee meetings each director attended in 2021 follows:

Director	Board Meetings Attended		Committee Meetings Attended		Total Meetings Attended	
Douglas Ammerman	6 of 6	100%	15 of 15	100%	21 of 21	100%
Martin à Porta	6 of 6	100%	10 of 10	100%	16 of 16	100%
Richard Bradeen	6 of 6	100%	11 of 11	100%	17 of 17	100%
Shelley Brown	6 of 6	100%	5 of 5	100%	11 of 11	100%
Patricia Galloway	6 of 6	100%	10 of 10	100%	16 of 16	100%
Bob Gomes	6 of 6	100%	4 of 4	100%	10 of 10	100%
Gord Johnston	6 of 6	100%	-	-	6 of 6	100%
Don Lowry	6 of 6	100%	9 of 9	100%	15 of 15	100%
Marie-Lucie Morin	6 of 6	100%	6 of 6	100%	12 of 12	100%

Director Independence

The board has determined that all director nominees, except Mr. Gomes and Mr. Johnston, are independent within the meaning of applicable Canadian securities laws. Mr. Gomes, as past president & CEO of Stantec, and Mr. Johnston, as current president & CEO of Stantec, are not considered independent.

At each meeting, independent directors meet without management

Director Nominee	Independent	Non-Independent	Reason for Non-Independence
Douglas Ammerman	✓		
Martin à Porta	✓		
Richard Bradeen	✓		
Shelley Brown	✓		
Patricia Galloway	✓		
Bob Gomes		✓	Past President & CEO of the Company
Gord Johnston		✓	President & CEO of the Company
Don Lowry	✓		
Marie-Lucie Morin	✓		

Director Compensation

Our directors play a central role in enhancing shareholder value. Because of this, our director compensation program is designed to attract and retain highly qualified people to serve on our board and takes into account the risks and responsibilities of being a director. The program is also designed to align the interests of our directors with those of our shareholders and to discourage inappropriate risk-taking.

Our philosophy is to align compensation with the median compensation of directors for our compensation peer companies (disclosed on page 50 of this Circular), using a program design that reflects market best practices. The Corporate Governance and Compensation Committee of our board is responsible for reviewing and making recommendations to the board regarding board compensation matters. The committee regularly reviews our director compensation program and recommends to the board any adjustments it considers necessary and appropriate to remain competitive with director compensation trends for firms of similar size and complexity to Stantec. In 2021, our director compensation program remained the same as 2020. However, in late 2021, the board, on the recommendation of the Corporate Governance and Compensation Committee, approved changes to the design of our board compensation for 2022. These changes are described in further detail in the Director Compensation Update section of this Circular (beginning on page 27).

The disclosure below reflects our director compensation program for 2021. Gord Johnston, Stantec's president & CEO, does not receive any additional compensation for his service as a director; his compensation is fully earned as president & CEO of Stantec.

Components of Compensation

All-Inclusive Annual Cash Retainer

In 2021, our non-management directors received an all-inclusive annual cash retainer (in lieu of board and committee meeting fees), reflecting market best practices. In the board's view, directors should be paid for their oversight and judgment, as required by the role, and meeting attendance is a minimum requirement of directors. This approach and component of compensation provides a predictable level of cash compensation for the Company and its directors.

The following table shows the annual cash retainers for our non-management directors in 2021. For consistency, the cash retainers for Canadian, U.S., and international directors are all paid in U.S. dollars.

Description of Annual Retainer	Amount (US$)(1)
Director cash retainer	50,000
Chair cash retainers:	
Board	125,000
Audit and Risk Committee	21,000
Corporate Governance and Compensation Committee	18,000
Sustainability and Safety Committee	18,000

(1) *The Canadian dollar equivalent is set forth in the Director Compensation Summary table on page 26 of this Circular.*

Equity-Based Compensation

In 2021, our non-management directors received equity-based compensation in fixed number and fixed value equity grants. Quarterly, each non-management director received 800 deferred share units (DSUs) (fixed number equity grant) and C$17,500 in either common shares or DSUs (fixed value equity grant). For the fixed value equity grant, each non-management director elects to receive either common shares (purchased on the Toronto Stock Exchange) or DSUs.

Director DSU Plan

Each DSU has the same value as one of our common shares; however, DSUs carry no voting rights, cannot be transferred, and carry no right to be exchanged into our common shares. DSUs vest on issuance and will be exercised and paid out in cash upon a director's death or retirement from Stantec. Each DSU will be valued at the weighted-by-volume average of the closing market price of our common shares for the last 10 trading days of the month of the death or retirement of the director.

DSUs are granted on the first day of each quarter, and once granted, the number of DSUs is not adjusted, even if the director dies or retires in the quarter to which a grant of DSUs relates. The number held by directors and the number that directors are entitled to receive are appropriately adjusted for changes in our outstanding common shares that occur because of any stock split, consolidation, or other corporate change. DSUs have associated dividend equivalent rights and, therefore, accumulate additional units equal to the value of dividends paid on Stantec's common shares over the life of the units.

Fixed Number Equity Grant – Director DSU Awards in 2021

A summary of the value of DSUs awarded in 2021 to our non-management directors as a fixed number equity grant follows:

Title	Value of DSUs Awarded in 2021 to Each Director ($)[1]	Increase in Value of DSUs Awarded in 2021 for Dividend Adjustment ($)
Director	167,912	1,312

(1) *The value of each DSU is calculated using the grant date fair value for each allotment. These values—$41.28, $53.80, $55.31, and $59.50 for the first, second, third, and fourth quarters of 2021—represent the closing price of Stantec's shares on the TSX on the day preceding the first trading day of each quarter.*

Fixed Value Equity Grant – Director Elections in 2021

A summary of the election made by each of our non-management directors for their fixed value equity grant follows:

Director	Value Awarded in 2021 ($)	Form of Equity
Douglas Ammerman	$70,000	DSUs
Martin à Porta	$70,000	DSUs
Richard Bradeen	$70,000	DSUs
Shelley Brown	$70,000	Common Shares
Patricia Galloway	$70,000	DSUs
Bob Gomes	$70,000	DSUs
Don Lowry	$70,000	DSUs
Marie-Lucie Morin	$70,000	DSUs

Outstanding Share-Based Awards for Directors

Listed below are the total outstanding share-based awards held by each of our non-management directors as of December 31, 2021[1].

Director	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested ($)	Number of Shares or Units of Shares That Have Vested (#)[2]	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed ($)[3]
Douglas Ammerman	-	-	53,815	3,774,584
Martin à Porta	-	-	4,579	321,171
Richard Bradeen	-	-	20,953	1,469,643
Shelley Brown	-	-	11,152	782,201
Patricia Galloway	-	-	8,318	583,425
Bob Gomes	-	-	20,969	1,470,766
Don Lowry	-	-	52,033	3,649,595
Marie-Lucie Morin	-	-	28,115	1,971,986

(1) *Our non-management directors do not receive any form of option-based awards. Mr. Gomes, who served as president & CEO of Stantec until retiring on December 31, 2017, holds options he earned while serving as CEO. Mr. Gomes does not receive any option-based compensation as a director. His outstanding option-based awards are disclosed in the section below.*

(2) *Represents DSUs held by each director.*

(3) *The volume weighted average price of Stantec shares for the last 10 trading days of 2021 ($70.14) was used to calculate the aggregate value. The number of DSUs has been rounded down to the closest whole unit for this table; however, payout value is calculated using the unrounded number.*

Outstanding Option-Based Awards Held by Mr. Gomes

Listed below are the total outstanding option-based awards held by Mr. Gomes as of December 31, 2021. These awards were earned by Mr. Gomes while serving as president & CEO before his retirement on December 31, 2017.

Directors do not receive any option-based compensation

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date	Value of Total Unexercised In-the-Money Options ($)[1]
Bob Gomes	56,700	32.01	March 3, 2022	3,694,864
	37,644	31.75	May 16, 2022	

(1) *The closing price of Stantec shares of $71.07 as of December 31, 2021, was used to calculate the aggregate value.*

Other Compensation

Our directors are reimbursed for their reasonable out-of-pocket expenses to travel to meetings. They do not receive stock options or any other benefits or perquisites related to their service on our board. On retirement or resignation from the board, a director is not entitled to and does not receive any form of retirement compensation. The only payment received by a director is the earned value of his or her DSUs.

Directors' Total Compensation for 2021

The table below summarizes our non-management directors' compensation for the fiscal year ended December 31, 2021:[1]

		Share-Based Awards ($)				
Director	Fees Earned ($)[2]	Fixed Number Equity Grant (DSUs) ($)[3]	Fixed Value Equity Grant (Common Shares or DSUs) ($)[4]	Dividend Equivalents on DSUs ($)	All Other Compensation ($)	Total ($)
Douglas Ammerman	219,398	167,912	70,000	1,312	-	458,622
Martin à Porta	62,685	167,912	70,000	784	-	301,381
Richard Bradeen	62,685	167,912	70,000	1,312	-	301,909
Shelley Brown	89,013	167,912	70,000	1,312	-	328,237
Patricia Galloway	62,685	167,912	70,000	1,312		301,909
Bob Gomes	62,685	167,912	70,000	1,312	-	301,909
Don Lowry	85,252	167,912	70,000	1,312	-	324,476
Marie-Lucie Morin	85,252	167,912	70,000	1,312	-	324,476

(1) *Directors do not receive any form of option-based awards, non-equity incentive plan compensation, or pension.*

(2) *Annual cash retainers are paid in US dollars. The amounts above have been converted to Canadian dollars using an annual average exchange rate of 1.2537.*

(3) *Directors' DSUs granted in the 2021 calendar year are valued using the fair value at the grant date for each of the four allotments issued in 2021. DSUs awarded for 2021 include allotments of 800 each quarter. Directors also receive adjustments for dividends earned on the DSUs issued.*

(4) *Directors can choose to receive common shares or DSUs as part of the fixed value equity grant of $17,500 per quarter.*

Director Equity Ownership

To align the interests of our directors with those of our shareholders, each non-management director is required to own a certain value in Stantec common shares or DSUs. In accordance with Stantec's Director Equity Ownership Policy, each non-management director is required to hold at least $750,000 in equity within five years of his or her appointment to the board. The chair of the board is required to hold at least $1,500,000 in equity.

The following table provides information about the number and value of common shares and DSUs owned by our non-management directors on December 31, 2021. The value of each Stantec common share is based on the closing price of $71.07 on December 31, 2021. The value of each DSU is $70.14 (the volume-weighted average trading price of Stantec shares for the last 10 trading days up to and including December 31, 2021).

Director	Number of Stantec Shares Owned, Controlled, or Directed	Value of Stantec Shares Owned, Controlled, or Directed ($)	Total DSUs	Value of DSUs Held ($)	Total Value of Stantec Shares Owned, Controlled, or Directed, and DSUs (Total at Risk)($)	Meeting Requirement?
Douglas Ammerman	32,660	2,321,146	53,815	3,774,584	6,095,730	Yes
Martin à Porta	10.400	739,128	4,579	321,171	1,060,299	Yes
Richard Bradeen	1,000	71,070	20,953	1,469,643	1,540,713	Yes
Shelley Brown	4,964	352,791	11,152	782,201	1,134,993	Yes
Patricia Galloway[1]	-	-	8,318	583,425	583,425	In Progress
Bob Gomes	196,273	13,949,122	20,969	1,470,766	15,419,888	Yes
Don Lowry	22,300	1,584,861	52,033	3,649,595	5,234,456	Yes
Marie-Lucie Morin	-	-	28,115	1,971,986	1,971,986	Yes

(1) *Dr. Galloway, appointed to the board on May 7, 2020, has until May 7, 2025 to meet the equity ownership requirements of the Director Equity Ownership Policy.*

2022 Director Compensation Update

In 2021, Stantec's share price appreciated over 70%. As a result, our director compensation exceeded the median of our peer group. The Corporate Governance and Compensation Committee engaged its independent compensation consultant, Mercer (Canada) Limited, to review our program. The primary driver for the increase in our director compensation was our fixed number equity grant. At a higher share price, the grant date fair value of DSUs awarded each quarter increased substantially. While this aligned with shareholder returns, Stantec's long-term philosophy is to align our director compensation with the median of our peers (disclosed on page 50 of this Circular). The fixed number equity grant resulted in significant variability in director pay. In response, the board, on the recommendation of the Corporate Governance and Compensation Committee, approved changes to the design of our executive compensation program effective January 1, 2022. Those changes are summarized below:

- **Replaced the fixed number equity grant with a fixed value equity grant**. Discontinuing the practice of granting a fixed number of DSUs each quarter provides greater predictability in director pay and aligns with market best practices and the compensation program used for Stantec's management team.

- **Recalibrated the fixed value equity grant**. In light of eliminating the fixed number equity grant, the fixed value of equity granted to our directors was set around the 50th percentile of our peer group.

- **Increased flexibility for cash- vs. equity-based compensation**. Directors are now given an option to direct 100% of their compensation to equity-based compensation (thus redirecting their annual cash retainer to DSUs) and, for directors who have met or exceeded their equity ownership requirements, they are permitted to reduce the weighting of their equity-based compensation to 30% (thus increasing the cash component of their pay).

Denominating our directors' compensation fully as a fixed value (as opposed to a fixed number of units) supports our objectives of: (i) compensating our directors for oversight, rather than for fluctuations in share price, (ii) enabling Stantec to maintain a consistent balance between cash and equity compensation, and (iii) ensuring greater parity among directors who join the board at different stages. The recalibrated fixed value of compensation for 2022 is as follows:

Compensation Component	Board Member	Chair of the Board
Cash Retainer	USD $65,000	USD $175,000
Fixed Value Equity Remuneration (DSUs or Common Shares)	USD $135,000	USD $175,000
Total Annual Retainer	USD $200,000	USD $350,000

Directors who have not met their share ownership requirements must direct at least two-thirds of their annual compensation to the fixed value equity component of their pay. All directors are permitted to elect to receive up to 100% of their annual compensation in the form of equity (DSUs or common shares). Where directors have met their share ownership requirements, they can reduce the fixed value equity component of their total compensation to 30% and increase the weighting of their cash compensation to 70% of the total fixed annual retainer.

Statement of Corporate Governance Practices

One core value at Stantec is we do what is right. We embrace the highest standards of personal and professional integrity. Our ideals are those shared by all good companies—sound governance, transparent accounting, and long-term shareholder value. These high standards reflect not only the legal and regulatory requirements of corporate governance but also existing and emerging practices. Information about the corporate governance practices that support our board's mandate is provided below. The policies and position descriptions noted—including our Code of Business Conduct and our Corporate Governance Guidelines—are available on our website at stantec.com, or you may contact us for a free copy of the policies or guidelines. The Code of Business Conduct is available on SEDAR at sedar.com and EDGAR at sec.gov.

Ethical Business Conduct

The board has adopted a comprehensive Code of Business Conduct (the "Code") that provides a framework for our directors, officers, and employees to support ethical decision making and to protect the Company's reputation and the integrity of its services. All Stantec employees must certify at least annually that they have read and understand the Code. The Corporate Governance and Compensation Committee reviews the Code at least annually to ensure it complies with all legal requirements and aligns with best practices. If amendments are needed, recommendations are made to the board for approval.

The board believes that providing a forum for employees to raise concerns about ethical conduct and treating all complaints seriously fosters a culture of ethical conduct at Stantec. Our Code outlines procedures for reporting and investigating observations and concerns raised by Stantec employees.

We closely monitor compliance with our Code. Officers, employees, stakeholders, and members of the public can report concerns regarding breaches of the Code through our Integrity Hotline, which is managed by an independent third party. Complaints can be submitted by telephone, online, or mail. All complaints are kept confidential, and requests for anonymity are respected to the extent possible.

Copies of all complaints are reviewed by the chairs of the Audit and Risk Committee and the Sustainability and Safety Committee. A quarterly report, presented to both committees, summarizes the status of any active investigations of complaints and the resolution of all complaints made through the Integrity Hotline.

The board believes that having directors exercise independent judgment when considering transactions and agreements is effective. At any board meeting, if a director or executive officer has a material interest in a matter being considered, he or she will not be present for discussions relating to the matter and will not participate in any vote on the matter.

Timely Communication

Stantec is committed to providing timely, accurate, and balanced disclosure of material information consistent with legal and regulatory requirements. Materiality to us means that an event or information would reasonably be expected to have a significant effect on the price or value of Stantec's shares. The Company will disclose both positive and negative information—in keeping with the rules of the TSX and NYSE and applicable securities laws—on a timely basis, except when confidentiality issues require a delay.

The Company has established a Disclosure Committee to support the CEO and CFO in identifying material information, to determine how and when to disclose it, and to ensure that all material disclosures comply with relevant securities legislation.

The Disclosure Committee meets to review and evaluate other disclosures and potential disclosures before the release of our regular quarterly and annual disclosure documents and when requested by the CEO or CFO.

Differences between TSX and NYSE Rules

As a Canadian reporting issuer on the TSX and NYSE, Stantec ensures that its corporate governance practices meet or, in some cases, exceed, legal and regulatory requirements. As a foreign private issuer under US securities laws, we are not required to comply with many of the NYSE corporate governance listing standards; however, our governance practices do comply with them in all material respects except those noted below.

Section 303A.08 of the NYSE's Listed Company Manual requires shareholder approval of all equity compensation plans and material amendments to them, regardless of whether the securities to be delivered under such plans are newly issued or purchased on the open market (subject to a few limited exceptions).

TSX rules require shareholder approval of security-based compensation arrangements only for arrangements that involve the delivery of newly issued securities. TSX rules require shareholder approval of security-based compensation plans when they are first introduced and thereafter as follows:

- Every three years for all unallocated options, rights, or other entitlements under an arrangement with a rolling percentage maximum, or
- At the time of and for any amendment to the arrangements (unless the amendment relates to an arrangement previously approved by shareholders and includes specific authority for certain TSX-specified types of amendments)

Stock purchase plans—in which securities are purchased in the public market and no financial assistance or discount is provided by the Company for the purchase of securities—are not subject to the shareholder approval requirement under TSX rules; however, shareholder approval is required under NYSE rules. We comply with the TSX rules.

Composition of Our Board

Director nominees put forward for election to our Board of Directors are recommended based on their relevant expertise and experience, their ability to exercise thoughtful, independent judgment when serving as a board member, and their alignment with our adherence to best practices in good corporate governance. We assess these skills and qualities while considering the Company's current affairs and needs. The following subsections describe how we reached our slate of qualified nominees for our 2022 Board of Directors.

Independence of Directors

Our Corporate Governance Guidelines mandate that our board have a majority of independent directors. Further, all members of the board's Audit and Risk Committee and Corporate Governance and Compensation Committee must be independent. The Sustainability and Safety Committee may include both independent and non-independent directors.

The board has determined that all director nominees, except Mr. Gomes and Mr. Johnston, are independent within the meaning of applicable Canadian securities laws because they do not have any material direct or indirect relationship with Stantec that, in the view of the board, could reasonably be expected to interfere with the exercise of their independent judgment. Mr. Gomes, as past president & CEO, and Mr. Johnston, as current president & CEO, are not considered independent.

The board's policy states that the independent directors must meet without management and non-independent directors present following every regularly scheduled and ad-hoc board and board committee meeting. In 2021, the independent directors met without management and without Mr. Gomes following all meetings of the board and its committees.

Identifying Nominees to the Board

The Corporate Governance and Compensation Committee is responsible for identifying and recommending any suitable director candidates to the board. As part of fulfilling this mandate, the committee maintains an evergreen list of potential suitable candidates. Current directors are regularly asked to provide names of potential candidates, and the committee has the authority to engage outside advisors to help identify them. The director evergreen list is reviewed and updated by the committee at least annually.

The committee manages succession planning for each board member and for board and committee chairs. Succession plans are reviewed annually. When succession planning and maintaining the director evergreen list, the committee considers the following:

- The competencies, diversity and skills of the board as a whole
- The skills of current board members in tandem with their anticipated length of service left on the board
- Any gaps in the competencies, diversity and skills of the current board that need to be addressed
- Whether any additional skills are required that could be beneficial, considering the opportunities and risks our Company faces

Candidates are screened to ensure they are financially literate; can be accountable, think strategically, and work effectively in a team; and have integrity, excellent communication skills, and relevant experience. The successful candidate must be able to attend all board meetings and come prepared to make an informed, productive contribution.

Inclusion and Diversity

At Stantec, our commitment to inclusion and diversity at all levels of the Company is critical to our success because it allows us to attract and retain top global talent. Stantec is involved in several prominent organizations and partnerships around the world that support our efforts in inclusion and diversity in the workplace. We are a member of numerous organizations, including Catalyst (Global), Workplace Pride (Global), Stonewall (UK), Rainbow Tick (New Zealand), the Canadian Centre for Diversity and Inclusion, and Pride at Work Canada. In 2021, we received several rewards and endorsements including being:

- listed on the Bloomberg Gender Equality Index for the third year
- recognized by Forbes as one of the World's Top Female Friendly Companies and one of America's Best Employers for Diversity
- named one of the top 50 STEM Workplaces for Indigenous STEM professionals by the American Indian Science and Engineering Society for the second year
- recognized as Employer of the Year by Women in Transportation International
- an endorsed employer with WORK180 (Australia), which promotes high standards for women in the workplace
- designated as a Military Friendly Company, Brand, and Supplier Diversity by Viqtory—an independent organization that rates companies on their military and veteran efforts in the United States
- awarded the bronze award from the Defence Employer Recognition Scheme in the United Kingdom

The board recognizes the benefits of promoting diversity and, to that end, has a formal written Diversity Policy in place. This policy confirms our commitment to creating opportunities for diverse candidates for appointment to the board and senior management roles. The board believes that diversity is important because it produces a range of perspectives, experience, and expertise that results in effective stewardship. Further, a board promotes better corporate governance when it has highly qualified directors and senior managers who come from diverse backgrounds and who reflect the changing demographics of our communities and our Company's evolving client and employee base.

To support the Company's diversity objectives when identifying, considering, and selecting candidates for election or re-election to the board and for senior management roles, the Corporate Governance and Compensation Committee considers the following:

- Diversity—including gender, age, ethnicity, disability, indigenous status, and geographical background—of the existing directors of the board, senior management, and potential nominees
- The level of representation of women, indigenous peoples, persons with disabilities, and members of visible minorities (each a "Designated Group") on the board and in senior management positions. When sourcing

candidates—internally or externally using a recruitment firm—the committee ensures that the candidates considered include members from one or more Designated Groups.

In 2021, three of nine (33%) of our board nominees are women. No director nominees are indigenous peoples, persons with disabilities, or members of a visible minority (as defined under applicable Canadian corporate law). Four of Stantec's fifteen executive officers (27%) are women. Two executive officers are a member of a visible minority; no officers are indigenous peoples or persons with disabilities.

Diversity is represented at all levels of our Company. Although greater representation of Designated Groups on the board and in senior management is important to the Company's inclusion and diversity aspirations, the board does not believe that quotas or a set formulaic approach results in identifying and selecting the best candidates. While the Company has not established fixed targets for the representation of Designated Groups on the board or in senior management, we are committed to tracking and enhancing inclusion and diversity metrics in the organization. In 2021, two of the Company's five Named Executive Officers ("NEOs") are women: Theresa Jang, a woman and visible minority, is Stantec's Chief Financial Officer, and Catherine Schefer is Stantec's COO (Global). The Company's broader executive team is also increasingly diverse. Susan Walter acts as executive vice president (Infrastructure) and in early 2021, Asifa Samji, a woman and visible minority, was appointed Chief Human Resources Officer.

At an operational level, Stantec is committed to shaping a culture of opportunity where everyone can bring their whole selves to work in an environment that is welcoming, accepting, safe, and supporting. The Company's Inclusion and Diversity Plan sets out strategic initiatives for inclusion and diversity. Inclusion and Diversity Councils are now based in all of our major geographical locations —Canada, the United States, Continental Europe & the Middle East, Asia Pacific, the United Kingdom & Ireland, and Latin America —each council manages these initiatives and reports their progress directly to executive leadership, the CEO and the board. Stantec also provides unconscious bias training to address unintended barriers to inclusion within our organization.

Employee Resource Groups ("ERGs")—groups of colleagues who share a common diversity affinity or background—are supported by the Inclusion and Diversity Councils and focus on building awareness and appreciation for the various dimensions of diversity found among Stantec employees. Everyone at Stantec is welcome to join any of our ERGs, they are open to all employees. ERGs include, among others, Women@Stantec, Pride@Stantec, BLK@Stantec (Black), IndigenousConnections@Stantec, Latinos@Stantec, Asians@Stantec, PWD@Stantec (Persons with Disabilities), and MAVA@Stantec (Military and Veterans Advocates). In 2021, we achieved a new milestone as we established our 67th ERG chapter by welcoming our Neurodiversity ERG in the UK. ERGs contribute to our Company brand as an inclusive organization, build our diversity pipeline, create greater depth in our talent pool, and strengthen diversity in our succession planning.

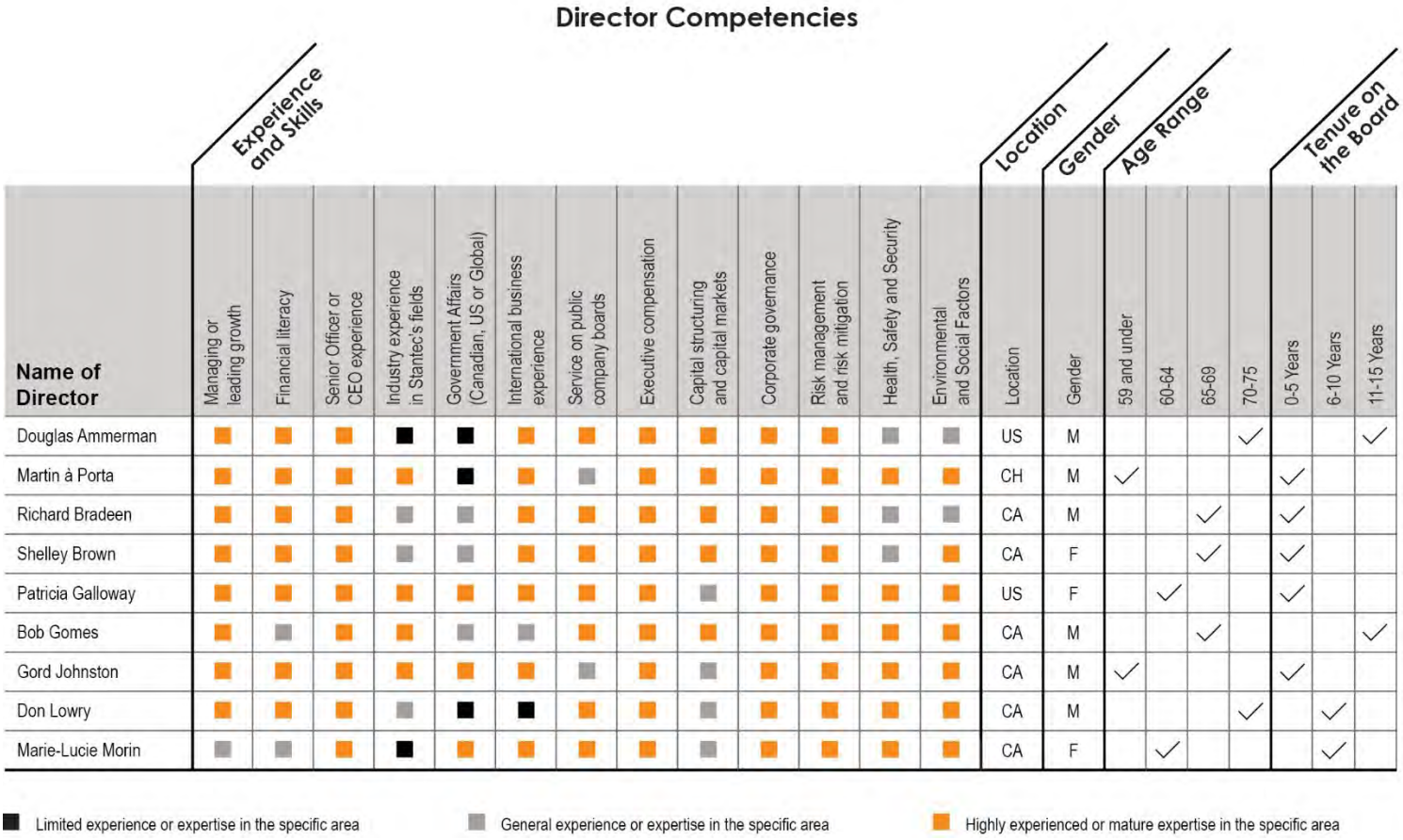
This year, we incorporated an Inclusion Index as part of our Global Employee Engagement Survey as well as a diversity census where employees were able to self-identify as a member of a particular demographic such as ethnicity, disability, and sexual orientation. Overall, Stantec saw a 94% positive perception of Inclusion among employees and Inclusion was Stantec's second highest scoring dimension/index, behind only safety.

To continue our focus on inclusion and diversity in leadership, the board included an inclusion and diversity measurement in our corporate scorecard (see page 52 for complete scorecard details). Our Executive Leadership Team is accountable for achieving these objectives as part of their short-term incentive compensation.

Director Competencies Matrix

To assist in the nomination process, the Corporate Governance and Compensation Committee maintains an up-to-date matrix of competencies. Annually, each director assesses his or her own expertise in the competencies listed in the matrix and advises the committee of any additional areas of expertise. This matrix is also used to evaluate potential board candidates and is reviewed annually by the committee.

The following competency matrix outlines our director nominees' current and relevant expertise, plus their location, gender, age range, and tenure on Stantec's board of directors.



Board of Directors Information

Role and Duties of the Board of Directors

Mandate of the Board

Stantec's Corporate Governance Guidelines contain principles pursuant to which the board governs the Company's business. The board is responsible for the stewardship of our Company. To carry out this role, the board oversees the conduct, direction, and results of the business. In turn, management is mandated to conduct the day-to-day business and affairs of Stantec and is responsible for implementing the board's strategies, goals, and directions.

The board and its members act in the best interests of our Company at all times, and the board's actions reflect its responsibility to establish the appropriate ethical standards and proper business practices expected at Stantec. The board approves all matters expressly required under the *Canada Business Corporations Act*, other applicable legislation, and our articles and by-laws.

Position Descriptions

The board has developed written position descriptions for the CEO, and chairs of the board, Audit and Risk Committee, Corporate Governance and Compensation Committee, and Sustainability and Security Committee. Position descriptions are reviewed annually by the Corporate Governance and Compensation Committee and updated as required. They can be found in our Corporate Governance Guidelines on our website at stantec.com.

Independent Chairs

Our board is led by a nonexecutive, independent chair. The chair provides leadership and enhances our board's effectiveness by ensuring relationships between the board, management, shareholders, and other stakeholders are effective, efficient, and further the best interests of the Company. We believe that separating the positions of CEO and chair helps the board function independently of management. Our Audit and Risk Committee, Corporate Governance and Compensation Committee, and Sustainability and Security Committee chairs are also independent.

Oversight of Strategic Planning

The board has ultimate oversight of strategic planning at Stantec. Stantec's strategic planning process was updated in 2019 and now consists of three-year cycles between comprehensive strategic review years and interim planning years. In a comprehensive planning year, the long-range (three-year) plan is developed. In interim years, the planning cycle focuses on implementation and execution of the long-range plan. Stantec's three-year Strategic Plan was publicly announced on December 3, 2019. Accordingly, 2021 was the second year of execution and implementation. In August 2021, the board and management reviewed and assessed the results of the second year of the strategic planning cycle. The board—having a responsibility to monitor management's progress in implementing the Strategic Plan—focused its attention on the execution of established objectives in the Plan and the impact of macro-economic and market factors, the COVID-19 pandemic and other key global trends and dynamics on the Company's strategy actions and long-term forecasts. The Strategic Plan is kept live and current throughout the year by continually tracking market and performance trends and regularly reviewing the effectiveness of progress in implementation. Strategic planning updates are reported to the board on a quarterly basis.

Enterprise Risk Management

The board provides oversight and carries out its risk management mandate primarily through the Audit and Risk Committee. Although not involved in day-to-day risk management activities, this committee ensures that the Company has an appropriate risk management system that allows management to bring the Company's risks to the board's attention.

The Audit and Risk Committee's oversight role is designed to

- Ensure that management has developed appropriate methods to identify, evaluate, mitigate, and report on the principal risks inherent in the Company's business and strategic direction
- Ensure that the Company's systems, policies, and practices are appropriate and address our principal risks
- Review the Company's risk appetite, risk tolerance, and risk retention philosophy

The Company strategically manages risk through its Enterprise Risk Management system. We have adopted the integrated framework for risk management designed by the Committee of Sponsoring Organizations of the Treadway Commission, which provides a framework to identify, evaluate, treat, monitor, and report key risks. Our risk profile is reviewed quarterly by key members of our Executive Leadership Team and the Audit and Risk Committee, and a risk report is presented to the board annually. Quarterly updates to that report are provided to the Audit and Risk Committee, which then reports the findings to the board.

In addition to regularly evaluating our Company's significant risks, the Audit and Risk Committee completes a formal risk assessment for

- Each proposed acquisition within Stantec's core markets with an enterprise value in excess of $150 million, or outside of core markets with an enterprise value in excess of $100 million
- Any acquisition, regardless of enterprise value, with atypical risks compared to the Company's current service and business model

Executive Leadership Succession Planning

The Corporate Governance and Compensation Committee oversees executive leadership succession planning, particularly for the CEO. Succession planning for the remaining members of the Executive Leadership Team is primarily a CEO function. As mandated by the board, the Corporate Governance and Compensation Committee oversees the CEO's succession planning strategy for executive management. Each quarter, the CEO submits to the committee a report about critical and long-term succession planning measures for the CEO and other key leadership positions at Stantec. At every in-person meeting, the board hears presentations from and meets with key employees who are potential successor candidates for executive positions. After each meeting, the committee and board meet in-camera without the CEO present to discuss and evaluate the CEO and executive leadership succession plans.

Serving on Our Board

Orientation

The Corporate Governance and Compensation Committee is responsible for the orientation program for all new directors; the committee reviews the program when each new director is appointed.

New board members receive a comprehensive orientation manual that includes the following:

- Corporate by-laws and all board-approved Company policies, including our Code of Business Conduct and Insider Trading Prohibition Policy
- Summaries of key Company programs and practices that are in place to manage the board's governance and stewardship responsibilities
- Terms of Reference for each board committee
- Biographies of all board members and members of management—including senior management team members—who regularly interact with the board
- Copies of the previous year's meeting minutes, committee work plans, annual materials, and Strategic Plan

- An overview of the Company's services and business model
- Other materials that the Corporate Governance and Compensation Committee deems appropriate

Before their first board meeting, new board members meet with the following members of management during a full-day orientation session:

- The CEO, CFO, secretary and general counsel, and senior counsel to learn about our business and Strategic Plan, acquisition program, and risk management strategies, as well as their legal duties and obligations as directors of Stantec
- The chair of the board and, when appropriate, other directors before their first board meeting to learn about their role on the board and to ask questions about what is expected of board members at Stantec

Continuing Education

The Corporate Governance and Compensation Committee ensures that an appropriate and robust continuing education program is in place for directors of the board. This program gives directors timely access to information about our business and the risks facing the Company and our industry. The committee discusses the continuing education program quarterly and focuses on prevailing topics of interest influenced by management, industry, and global dynamics. Topics that are most important to Stantec are then presented on.

Management supports the continuing education program by providing directors with updates on developments in the geographic areas where the Company is active, with communications from the CEO to employees, and with any other information that management considers to be of interest to the board. Board meetings are routinely held at offices where the Company has a substantial business presence so that the board can interact with regional project managers and local leaders. Though this practice was suspended in 2020 due to the novel coronavirus outbreak, we adjusted to the pandemic related restrictions and successfully maintained interaction between the board and management through the use of communication technology.

Directors are encouraged to attend seminars, conferences, and other continuing education programs to help them stay current on relevant issues such as corporate governance, corporate ethics, and financial and accounting practices. The Company has a director education reimbursement policy in place, and Stantec supports outside director education that is relevant to a director's continued service on our board.

As part of the continuing education program, directors receive at each meeting a quarterly legal and regulatory update that summarizes materials published by major proxy advisory firms and legal and accounting firms, plus other periodicals that are likely to be of interest.

As part of the board's continuing education program, board members receive various presentations from management and external experts, and the CEO and other members of management routinely inform the board about strategic changes in our industry. Topics presented in 2021 included the following:

Presentation	Presenter(s)	Attendance
Pay Equity Study	Asifa Samji, Chief Human Resource Officer	Full Board
Sustainability, Carbon Neutrality, and Net Zero	Carrie Sabin, Vice President, Sustainability	Full Board
Stantec's South American Operations	John Adams, Senior Vice President, International Mark Venning, Regional Business Leader	Full Board
Climate Change Risks and Related Opportunities	Bob Seager, Executive Vice President, Environmental Services	Full Board
Middle East Operational Review	Cath Schefer, Chief Operating Officer, Global	Full Board

Assessments

The Corporate Governance and Compensation Committee manages a detailed annual assessment of each director's contribution and performance, of the board's performance as a whole, and of the contributions and performance of the board committees. The committee specifically reviews areas that the board believes members could have contributed more. The purposes of the assessment are to increase the effectiveness of the board as a whole and of individual board members and to provide an opportunity for board members to give feedback. To get that feedback, a detailed confidential survey, developed by the Corporate Governance and Compensation Committee, is sent to all board members. Board members are asked to comment on the board's performance as a whole and of individual members (thus a peer review is performed for each individual director).

The general counsel receives completed board surveys in mid-October, then prepares a summary report. Responses are kept confidential to allow directors to be candid when completing them. The survey results and the committee's report and recommendations are presented to and discussed by the board at its November meeting. Board members can identify any concerns during the meeting or confidentially with the chair of the board or the Corporate Governance and Compensation Committee. Completing the detailed and robust assessment of the board and each director in November means that the board can properly evaluate who it should recommend to stand for election the following spring.

In 2021, upon completing the annual assessment process, the board determined that the directors, committees, and board are effective and demonstrated independent judgment when fulfilling their roles and mandates.

Overboarding

Annually, the Corporate Governance and Compensation Committee assesses our board for any overboarding concerns. When reviewing the number of other public company boards our directors serve on, the Corporate Governance and Compensation Committee follows guidelines published by the major proxy advisory firms and the New York Stock Exchange. The Corporate Governance and Compensation Committee considers any director who serves on more than five public company boards to be overboarded. As for members of the Audit and Risk Committee, three audit committee memberships is considered to be a reasonable limit. The board will consider four memberships for Audit and Risk Committee members with demonstrable financial expertise. Exceptions to this limit are considered by the Corporate Governance and Compensation Committee on a case-by-case basis and depend on a director's attendance record, performance, expertise, and contributions to the board. A director who is an active executive-level employee of another company is expected to serve on no more than two public company boards (including Stantec's).

Age and Term Limits

The Company has a term limit for its directors. Directors will generally not stand for re-election once they have reached 15 years of service on the board. The Corporate Governance and Compensation Committee, in consultation with the chair of the board and our CEO, reviews each director's continuation on the board once a year, and each director is given the opportunity to confirm his or her desire to continue as a board member.

Although the board has not adopted a formal policy regarding a mandatory retirement age for directors, it believes that once a director reaches age 72, his or her continued service on the board should be reviewed by both the Corporate Governance and Compensation Committee and the board.

Board Succession Planning

The Corporate Governance and Compensation Committee maintains a succession planning framework and critical and long-term succession plans for the chairs of the board and committees. Annually, each director is asked to confirm his or her intention to stand for re-election in the coming year and in the next three to five years so that the committee can plan for anticipated vacancies and manage turnover risk.

Committee Reports

Audit and Risk Committee

Mandate

The Audit and Risk Committee's mandate is to

- Oversee the quality, integrity, and timeliness of Stantec's financial reporting
- Satisfy itself that adequate internal controls exist, including internal control over financial reporting and disclosure controls and procedures
- Monitor and review risk management systems, including review and oversight of cybersecurity
- Oversee the internal audit function and compliance with legal and regulatory requirements
- Review and assess the qualifications, independence, and performance of Stantec's external auditor

Membership and Experience of Committee Members

Audit and Risk Committee members are Shelley Brown (chair), Richard Bradeen, and Don Lowry. Douglas Ammerman attends all meetings as a non-voting, independent ex-officio member. Mr. Bradeen also serves on the Corporate Governance and Compensation Committee, and Mr. Lowry chairs the Sustainability and Safety Committee. The board believes that having overlapping committee memberships provides the Audit and Risk Committee with the breadth and transparency to appropriately oversee Stantec's risk management program.

A description of each committee member's education and experience—relevant to the committee's audit and risk responsibilities—follows.

Shelley Brown (Chair)	During a distinguished 40-year career in accounting, Ms. Brown was an audit partner in two of the world's largest professional services firms with a client base comprised of large public companies. Ms. Brown is a Chartered Professional Accountant and has more than 25 years of board experience serving on not-for-profit, association, and for-profit corporate boards, including Deloitte Canada, the Accounting Standards Board Oversight Council, and the University of Saskatchewan Board of Governors. Ms. Brown chairs the audit committee of NorZinc Ltd.
Richard Bradeen	For over 15 years at Bombardier Inc., Mr. Bradeen held increasingly senior roles, most recently as senior vice president of Strategy, Mergers & Acquisitions, Pension Investments, Corporate Audit Services, and Risk Assessment. Before that, Mr. Bradeen served as a partner and a member of the Partnership Board of Directors of Ernst & Young. He joined Ernst & Young in 1978 and held increasingly senior roles over a 19-year period, including that of president of the Corporate Finance Group. Mr. Bradeen holds a Bachelor of Commerce degree from Queens University. He chairs the audit committee of Superior Plus Corp.
Don Lowry	Mr. Lowry—past president & CEO of EPCOR Utilities Inc., and past chair of Canadian Oilsands Limited and Capital Power Corporation—has more than 30 years of industry experience in the utilities, telecommunications, and power generation sectors, making him a valuable asset to the committee. Mr. Lowry holds a Bachelor of Commerce (honors) and Master of Business Administration degrees from the University of Manitoba and is a graduate of the Harvard Advanced Management Program and the Banff School of Management. He is a fellow of the Institute of Corporate Directors, which is the highest distinction for corporate directors in Canada, further signifying his sound commitment to leadership in the boardroom.

Independence of Committee Members

Each member of the Audit and Risk Committee is considered “independent” and “financially literate” (as defined under applicable Canadian and US securities laws and exchange rules) and is an “audit committee financial expert” (as defined under the U.S. Securities and Exchange Commission rules).

Key Activities for 2021

The Audit and Risk Committee met five times in 2021. In accordance with its internal work plan and Terms of Reference, the committee provided guidance and oversight on the following:

- Integrity of the Company’s annual and quarterly financial statements and financial reporting processes, and compliance with accounting and finance based legal and regulatory requirements
- External auditor’s qualifications, independence, performance, and reports, including conducting a comprehensive tender process for audit services and overseeing the transition of auditors
- Internal audit function and processes, including ongoing engagement with the chief audit executive
- Compliance with the Company’s business ethics and integrity policies, including reviewing quarterly reports from the Company’s risk and integrity management teams ensuring, among other things, there are no material related-party transactions or breaches of the Company’s Code of Business Conduct
- Risk identification, evaluation, mitigation, and reporting processes of management for the Company’s principal risks
- Systems for identifying and mitigating the Company’s fraud risk

Auditor Oversight

Preapproval Policies and Procedures

The Audit and Risk Committee must preapprove audit and non-audit services performed by our independent auditor to ensure that providing those services does not impair the auditor’s independence. Unless a type of service to be provided has received general preapproval, it requires specific preapproval by the committee. Any proposed services exceeding preapproved costs also require specific preapproval by the committee.

Related Party Transactions

The Audit and Risk Committee oversees the Company’s risk management program, inclusive of its business ethics and integrity policies. Among other things, the committee provides oversight of the Company’s comprehensive Code of Business Conduct Policy. Under that policy, directors, officers and employees of Stantec have a duty to be free from the influence of any conflicting interest when representing Stantec. In dealings with current or potential clients, subconsultants, suppliers, contractors, and competitors, directors, officers and employees are required to act in the best interests of Stantec to the exclusion of any personal advantage. In the event a material related party transaction was identified, management would advise the chair of the Audit and Risk Committee and the related party would be recused from all discussions and negotiations pertaining to the transaction. If the transaction was approved, Stantec would publicly disclose details of the transaction as required by applicable law and regulation. There were no material related party transactions in 2021.

Additional Information

More information about the Audit and Risk Committee, its members, and the Terms of Reference can be found in our Annual Information Form dated February 23, 2022, which is filed on our website at stantec.com, on SEDAR at sedar.com, and as an exhibit to our Form 40-F on EDGAR at sec.gov. You can also contact us for a free copy of the Terms of Reference.

Corporate Governance and Compensation Committee

Mandate

The Corporate Governance and Compensation Committee's mandate is to

- Ensure that an appropriate and effective corporate governance system is in place for the board's overall stewardship responsibility and the discharge of its obligations to the stakeholders of the Company
- Propose new nominees to the board, ensure that a continuing education program for the board is in place, and assess the performance of the board, the committees of the board, and the individual directors
- Review compensation levels of leadership team members and the board, evaluate the performance and compensation of the CEO, and consider succession planning for the positions of CEO and other key executives

Membership and Experience of Committee Members

The Corporate Governance and Compensation Committee members are Marie-Lucie Morin (chair), Martin à Porta, Richard Bradeen, and Patricia Galloway. Douglas Ammerman attends all committee meetings as a non-voting, independent ex-officio member. Richard Bradeen serves as a member of the Audit and Risk Committee, and Martin à Porta and Patricia Galloway serve on the Sustainability and Safety Committee. The board believes that having representation from all committees ensures that the Corporate Governance and Compensation Committee has the skills and experience to appropriately oversee and manage Stantec's governance and compensation practices.

A description of each committee member's experience—relevant to the committee's corporate governance and executive compensation responsibilities—follows:

Marie-Lucie Morin (Chair)	During her distinguished career in the public sector, Ms. Morin held several senior positions, including executive director for Canada, Ireland and the Caribbean at the World Bank; National Security Advisor; and Associate Secretary to the Cabinet. All required a detailed understanding of governance and compensation-related matters. She has extensive policy, management, governance and communications experience, and has served on many boards and advisory committees. Ms. Morin currently serves on the management resources committee of Sun Life Financial Inc. and chairs the governance, safety, and sustainability committee of Chorus Aviation Inc.
Martin à Porta	Mr. à Porta is an experienced executive with 25 years of experience working in and supporting professional services and industrial companies. His industry experience and market insight bring an important perspective to the committee. He serves on the remuneration committee of UPM Biofore, a publicly traded forest-based bioindustry company, and has an extensive understanding of governance systems and executive compensation practices.
Richard Bradeen	Mr. Bradeen possesses governance and executive compensation expertise having served on the management committee at Bombardier Inc. and chairing its pension investment committee. As senior vice president of Strategy, Mergers & Acquisitions, Pension Investments, Corporate Audit Services and Risk Assessment, Mr. Bradeen routinely evaluated compensation and other governance related policies. Prior thereto, he was a partner and a member of the Partnership Board of Directors of Ernst & Young. His strong background in corporate finance, coupled with his strong understanding of risk management, makes him a valued addition to the committee. Mr. Bradeen currently serves as a member of the human resources and compensation committee at Superior Plus Corp.

Patricia Galloway	Having served in several senior executive and governance roles, Dr. Galloway brings to the committee over 40 years of experience in corporate risk management, international business growth and corporate governance. She chairs the nominating and governance committee for Granite Construction, Inc., and has strong familiarity with governance principles. As a Leadership Fellow of the National Association of Corporate Directors, she routinely follows industry trends and best practices in executive compensation programs. Dr. Galloway's diverse background and expertise brings substantial value to the committee's operation.

Independence of Committee Members

The board has determined that each member of the Corporate Governance and Compensation Committee is "independent" (as defined under applicable Canadian and US securities laws).

Key Activities for 2021

The Corporate Governance and Compensation Committee met six times in 2021. In accordance with its internal work plan and Terms of Reference, the committee executed the following key projects during the year:

- Conducted a thorough benchmarking analysis of Stantec's peer group and director compensation levels
- Reviewed industry trends and benchmarking data for executive compensation through the second year of the pandemic, and provided oversight and direction on executive compensation matters
- Assessed the impact of the ongoing COVID-19 pandemic on executive compensation decision-making
- Reviewed and updated the Company's corporate governance policies and practices in accordance with regulatory changes and best practices
- Conducted board, committee, and individual director assessments

The committee's Terms of Reference can be found on Stantec's website at stantec.com, or contact us for a free copy.

Sustainability and Safety Committee

Mandate

The Sustainability and Safety Committee's mandate is to

- Oversee Stantec's framework for managing health, safety, security, and environment risks
- Review the Company's emergency preparedness for response to major safety or security incidents
- Oversee the Company's sustainability program
- Monitor and review non-financial risks from the Company's integrity management program

Membership and Experience of Committee Members

The Sustainability and Safety Committee members are Don Lowry (chair), Martin à Porta, Patricia Galloway, and Bob Gomes. Douglas Ammerman attends all meetings as a non-voting, independent ex-officio member.

A description of each committee member's education and experience—relevant to the committee's responsibilities—follows:

Don Lowry (Chair)	Mr. Lowry has extensive knowledge and expertise relating to health and safety programs and development, innovation, and sustainability in the utilities, telecommunications, and power generation sectors. Mr. Lowry's leadership experience and clarity of purpose and direction across multiple business sectors provides the committee with valuable insight and perspectives that contribute to the committee's operation.
Martin à Porta	As former president and CEO of Pöyry PLC and, prior thereto, CEO of Siemens Building Technologies Division Europe, Mr. à Porta possesses a strong understanding of what supports sustainable value. He is routinely called upon to provide seminars to top Universities across the world, including Harvard, MIT and the Hult International Business School. His keynote speeches have included, among other topics, the future of the bio-economy, carbon clash, and investments in renewable energy in Africa. He is the former SVP of Fire Safety Solutions for Siemens, and thus possesses extensive familiarity with health and safety programs. Mr. à Porta's hands-on experience and robust understanding of sustainability and safety issues makes him a key contributor to the committee.
Patricia Galloway	Specializing in megaproject construction in the energy and infrastructure industries, Dr. Galloway possesses a wealth of knowledge and expertise pertaining to health, safety, security and environment risks. She has worked on major energy matters including renewables (wind, solar, hydro and geothermal) and has substantial experience working with clients in both the public and private sectors. Among her many achievements, she is a business mentor for many female professionals in the A/E/C industry having served as the first woman president of the American Society of Civil Engineers. She served six years on the National Science Board and oversaw many of the United States' leading science and engineering research projects. Dr. Galloway's knowledge and experience makes her a tremendous asset to the committee.
Robert Gomes	Mr. Gomes has over 40 years of relevant industry experience in operational and management roles. While serving as president & CEO of Stantec until his retirement on December 31, 2017, he oversaw Stantec's Sustainability program. Under his leadership, Stantec developed a health, safety, security, and environment framework, which equipped Stantec for international expansion and growth into a top 10 global design firm. Mr. Gomes's industry knowledge and experience managing, mitigating, and responding to health- and safety-related risks and incidents makes him a valued contributor to the committee.

Independence of Committee Members

The Corporate Governance Guidelines of the Company allow both independent and non-independent board members to serve on the Sustainability and Safety Committee. Mr. Lowry, Mr. à Porta, and Dr. Galloway are independent. Mr. Gomes, as past CEO of the Company, is not independent.

Key Activities for 2021

The Sustainability and Safety Committee met four times in 2021. In accordance with its internal work plan and Terms of Reference, the committee completed the following:

- Oversaw the implementation of key performance indicators (KPIs) relating to Stantec's Supervising for SaferTogether program, a program designed to enhance Stantec's safety culture among supervisors, project managers, and team leads
- Reviewed the Company's workplace security framework with the Company's Senior Director of Global Security and Security Operations Manager
- Provided oversight and perspective in relation to the Company's annual Sustainability Report
- Reviewed the legislative and regulatory context of health, safety, security, environment, and sustainability matters
- Reviewed the Company's health and safety measures and initiatives undertaken in relation to the pandemic
- Reviewed and approved the Company's carbon emissions reduction strategy, including its commitment to carbon neutrality in 2022 and net zero by 2030
- Provided leadership and stewardship to the Company's safety incident reviews
- Reviewed the Company's insurance program and its adequacy relative to health, safety, security and environment risks

The committee's Terms of Reference can be found on Stantec's website at stantec.com, or contact us for a free copy.

Sustainability

Stantec's Sustainability Program is built on the premise that positive economic results are enabled when we effectively manage our environmental, social, and governance (ESG) concerns. Our comprehensive Sustainability Policy and certified management systems guide us when implementing best practices that meet the letter and spirit of the laws and regulations in locations where we do business and encourage us to improve our ESG impacts.

#1	Gender Equality Index	A-	Terra Carta Seal	SBT
Ranked the most sustainable corporation within Industry Peer Group	**Listed for third consecutive year**	**Listed as climate leader for fourth consecutive year**	**Sustainable Markets Initiative**	**Target validated against a 1.5°C Trajectory**
2022 Corporate Knights Global 100	*2022 Bloomberg*	*2021 CDP Climate Change*	*His Royal Highness, Prince of Wales*	*Science Based Target Initiative*

Stantec is a participant of the United Nations (UN) Global Compact and actively supports the UN Sustainable Development Goals (SDGs). Our CFO is a member of the CFO Taskforce for the Sustainable Development Goals under the UN Global Compact Sustainable Finance Programme. In addition, Stantec is a signatory to the UN Women's Empowerment Principles and we participate in three UN Ambition Accelerator programs. We disclose climate information to CDP (Carbon Disclosure Project), externally validate our emissions, and have committed to a 1.5 ºC science-based emissions reduction target. Our annually published Sustainability Report is compliant with GRI (Global Reporting Initiative), SASB (Sustainability Accounting Standards Board) and TCFD (Task Force on Climate-related Financial Disclosures) reporting standards.

Corporate Culture

Sustainability is a part of Stantec's corporate culture. The tone is set at the top with our CEO being one of the few leaders in our industry to be Envision certified (a certification program for sustainable infrastructure). Our Executive ESG Committee is chaired by our CFO and includes active participation of our COO Global, Chief Project and Practice Officer, Chief Human Resources Officer, and SVP of Strategy, among others.

Operational sustainability initiatives are expected components of corporate activities and sustainability services are offered in every business operating unit and geographic location we serve.

The board Sustainability and Safety Committee provides additional oversight, leadership and stewardship of Stantec's program. Environmental and social matters are regularly discussed among the committee.

As noted on page 52 of this Circular, our leadership scorecard for STIP awards includes objectives that hold executives accountable for meeting ESG criteria.

Risk Management

Stantec's Enterprise Risk Management program includes a variety of ESG considerations. Specific to climate change risks, we have carbon management and reduction programs in place, and we incorporate weather-related risk reviews when we look at new office space. The Executive ESG Committee and the board Sustainability and Safety Committee are responsible for overseeing responses to these risks.

Corporate Strategy

Sustainability is a key component of Stantec's corporate strategy. We track megatrends—climate change, demographic and social shifts, changing economics, and technology innovations—and have identified a series of key value creators—people, innovation, excellence, and growth. We focus our efforts on four strategic growth initiatives that allow Stantec to be our clients' trusted advisor as we adapt together to a changing world. Each of these strategic growth initiatives—coastal resilience, ecosystem restoration, smart cities and urban places, and energy transition—have a direct tie back to sustainability.

ESG Commitments

In 2021, Stantec made a series of bold commitments to address climate change. These include commitments to reduce our absolute scope 1 and 2 GHG emissions 47% by 2030 from a 2019 base year, and to reduce our absolute scope 3 GHG emissions from business travel by 47% within the same timeframe. This is a 1.5ºC target that has been validated and approved by Science Based Targets initiative. Beyond this emissions reduction target, we commit to achieving carbon neutrality in 2022 and then net zero by 2030.

Also in 2021, Stantec added a sustainability-linked loan (SLL) structure to our $1.1 billion syndicated senior credit facilities (the Credit Facilities), aligning our financing strategy with our continued commitment towards environmental, social and governance leadership. The SLL has an interest rate mechanism that aligns the cost of funding with targets linked to Stantec's GHG emissions reductions targets and Bloomberg Gender-Equality Index score. Any savings realized on the Credit Facilities from achieving these goals will be directed towards activities or organizations that have a positive influence on environmental or social matters. Stantec is the first organization globally to link the SLL to its Bloomberg score and the first in Canada to direct proceeds back into the communities we serve to further climate action and social equity.

For more information about Stantec's Sustainability Program, we invite you to read the Company's comprehensive Sustainability Report available at stantec.com/sustainability.

Shareholder Engagement

The board values our shareholders' perspective and we are committed to a robust shareholder engagement program. Feedback from shareholders on our strategy, operations, corporate governance, executive compensation, and sustainability practices are important considerations in board discussions throughout the year.

Over the course of 2021, our team held 192 virtual meetings and conference calls with 444 qualified institutional investment professionals from the buy-side. Over the course of those meetings, we met with shareholders representing approximately 52% of our shares outstanding, including all of our top-20 active investors. Executive officers participated in 169 of these meetings.

We communicate with our shareholders and other stakeholders through various channels, including our annual and quarterly reports, management proxy circular, annual information form, sustainability report, news releases, our website, presentations at industry and investor conferences, and individual shareholder meetings. Some of our long-standing shareholder engagement practices include

- Holding meetings with shareholders and prospective shareholders, ESG (environment, social, and governance) rating firms, and shareholder advocacy groups (for example, the Canadian Coalition for Good Governance)
- Holding four quarterly earnings calls with financial analysts and institutional investors to present financial and operating results for the quarter. All calls are webcast and include executive presentations to analysts and institutional investors as well as open question-and-answer sessions
- Conducting site tours and attending industry conferences with our executive officers in Canada and the United States where analysts and investors are in attendance (all of these events were held virtually in 2021)
- Maintaining a confidential ethics hotline, investor.relations@stantec.com, and website to encourage shareholders and the public to contact us with questions or concerns

Shareholders and other stakeholders can also communicate with the board by mail, marking the envelope as confidential (Integrity Hotline, c/o Stantec, 400 – 10220 – 103 Ave NW, Edmonton, AB T5J 0K4). The board strives to respond to all applicable correspondence in a timely matter.

Executive Compensation Overview

Performance and Compensation Summary

Below are the Company's key performance highlights from 2021 and their relationship to our executive pay, as well as the significant changes to the policies and practices that relate to executive compensation.

Our Performance in 2021

In 2021, a year marked by unrelenting business disruption caused by the COVID pandemic, Stantec remained operationally resilient. Despite the challenges presented by the pandemic, we delivered record earnings, executed on our growth strategy by adding over 3,500 people through six acquisitions, and reinforced our position as a global leader in sustainability.

Our value—We Are Better Together—guided and inspired the Company throughout the year. Amidst a backdrop of prolonged uncertainty and change, our workforce found new ways to innovate, connect with clients, and support each other and our communities in profoundly impactful ways. One such example was being called upon to address the catastrophic impacts to critical infrastructure caused by flooding in British Columbia. Our strong and diverse team rose to the occasion, mobilized quickly, and delivered solution-oriented advice to accelerate recovery efforts. This, along with our broader commitment to the health and safety of our people and the clients and communities we serve, reflect who we are and how we do business. Despite many business disruptions associated with the pandemic, along with extreme weather events affecting many of the communities we serve, Stantec remained strategically focused, reinforced its long history of keeping community at the heart of our work, and emerged from 2021 stronger than ever.

Below are specific achievements and strategic activities in 2021 that contributed to our financial performance and overall positive results:

- **Growth through acquisitions**. Stantec completed six strategic acquisitions, bolstering the Company's presence in key business lines and geographies and driving synergistic organic growth. Of particular note, Stantec's acquisition of the North America and Asia Pacific engineering and consulting groups of Cardno Limited added approximately 2,750 professionals in regions and sectors that align with Stantec's growth objectives, nearly doubling the Company's Australia footprint, and strengthening our global platform for responding to climate change and environmental concerns.

- **Continued resilience to COVID-19**. Stantec acclimatized to the new norms of working through the pandemic, generating record returns while most of our people continued working from home. The strength and reliability of our business continuity and collaboration systems paired with clear communication from our leadership team resulted in our overall employee engagement scores increasing by 6% from pre-pandemic levels (a testament to how strongly connected our people remain to each other and our clients).

- **Sustainability leadership.** Stantec elevated its leadership position in sustainability by adopting independently verified science-based greenhouse gas (GHG) emission reduction targets and committing to achieve carbon neutrality for 2022 and net zero by 2030. In addition to our science-based emissions targets, we became the first company in the world to incorporate the Bloomberg Gender Equality Index score as a metric in our credit facility. In recognition of our efforts, Stantec was named one of the world's 100 most sustainable corporations, and the first among its peer group, by Corporate Knights. We were also awarded an A- Climate Leader score from CDP for the fourth year in a row, and were one of 45 companies to receive the inaugural Terra Carta seal for driving innovation and momentum towards a sustainable market by His Royal Highness, the Prince of Wales.

- **Continuous profitability and growth.** Stantec closed 2021 with diluted earnings per share of $1.80 and adjusted diluted earnings per share of $2.42, each an all-time high and 26.8% and 9.0% increases, respectively, compared to 2020 results from continuing operations. Supported by strong project execution and optimization of our real estate footprint, net income from continuing operations increased 26.1%, or $41.6 million, to $200.7 million on a year-over-year basis. On an adjusted basis, net income from continuing operations increased 8.4%, or $21.0 million, to $269.9 million, representing 7.4% of net revenue.

For more information about the Company's performance in 2021, we invite you to review our 2021 Annual Report, available on our website at stantec.com, on SEDAR at sedar.com, and on EDGAR at sec.gov. The Definitions section and Reconciliation of Non-IFRS Financial Measures of that report are hereby incorporated by reference.

Key Highlights of Executive Compensation for 2021

At Stantec, we are driven to achieve. Our executive compensation program is designed to align pay-with-performance, attract and retain key talent, and maximize long-term, sustainable value to shareholders. Having completed a comprehensive review and update of Stantec's executive compensation program in 2019 (replacing stock options with RSUs, rebalancing the Company's LTIP mix to put greater weight on pay-for-performance, and introducing a relative performance metric for our PSUs), 2021 demonstrated that our executive compensation program is working as intended:

- Fueled by strong financial results and impressive accolades in sustainability, our compensation program rewarded executives for their excellent performance, demonstrating a strong link between pay and performance
- Our people remained connected and engaged with low voluntary turnover and improved employee engagement scores, demonstrating our ability to attract and retain top talent
- In 2021, Stantec's share price rose by over 70%, reflecting market confidence in the continued execution of our strategy

We are proud of what Stantec accomplished in 2021. Despite unrelenting market disturbances, Stantec's leadership team and employees rallied together to achieve incredible results. The Company grew its earnings and backlog to record highs and executed its growth strategy by completing six strategic acquisitions. What's more, the Company achieved these results while strengthening its sustainability leadership position. Stantec's launch of a sustainability-linked credit facility, its commitment to science-based carbon emission reductions, and its broader support of client projects that advance the quality of life in communities across the globe were all important factors when assessing our executives' 2021 compensation. Based on this, and the board's review of the Company's annual leadership scorecard (described in further detail on page 52 of this circular), our Named Executive Officers earned a range of 135% to 160% of their target annual STIP in 2021 (up from 120% the prior year). This payout level reflects our executives' solid performance in 2021 and links their personal success with the success of the Company.

COVID-19 Impacts on Executive Compensation Decision-Making

Because of Stantec's operational resilience, Stantec managed through the second year of the pandemic without materially adversely affecting its financial health. In light of this, the board did not make any changes to the targets prescribed by the Company's annual leadership scorecard, nor did it make any changes to the performance metrics applicable to the Company's long-term incentives.

Effective Risk Management Features

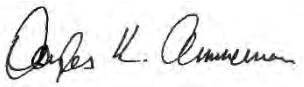
To create longer-term shareholder value and mitigate risk, we incorporate various other measures into our executive compensation program. We do the following:

- Offer an appropriate mix of fixed and at-risk compensation
- Set predetermined minimum and maximum payout limits on our short- and long-term performance-based incentives, which include performance targets that encourage profitable decisions, but not undue risk-taking
- Require each executive to own three times and our CEO to own five times his or her base salary in Stantec equity
- Require our CEO to retain Stantec shares for one year following his retirement from the Company
- Prohibit all employees from speculating in the securities of the Company or purchasing financial instruments that are designed to hedge or offset a decrease in the value of equity securities of the Company
- Commit to the principle that compensation paid to our executives based on financial information that has since been restated should be returned, as outlined in our Executive Compensation Clawback Policy

Shareholder Engagement

At our 2021 annual general meeting of shareholders, we invited you to cast your vote on our executive compensation practices. Of the votes cast, 96.69% were “For” our approach to executive compensation. The Corporate Governance and Compensation Committee continually assesses and modifies, as appropriate, our executive compensation program to ensure it effectively meets our compensation objectives, is clearly understood and supported by our shareholders, and aligns with executive compensation best practices.

We welcome feedback from shareholders on all aspects of our compensation program. You are invited to contact us regarding executive compensation and to take advantage of your “say on pay” again in 2022.



Douglas K. Ammerman, Chair
Board of Directors

Marie-Lucie Morin, Chair
Corporate Governance and Compensation Committee

Compensation Discussion and Analysis

Named Executive Officers

This Compensation Discussion and Analysis (CD&A) describes our executive compensation policies and program for 2021 and focuses on the following Named Executive Officers (they appear in the Summary Compensation Table on page 62).

Name	Position Title in 2021
Gord Johnston	President and Chief Executive Officer
Theresa Jang	Executive Vice President and Chief Financial Officer
Stu Lerner	Executive Vice President and Chief Operating Officer, North America
Cath Schefer	Executive Vice President and Chief Operating Officer, Global
Steve Fleck	Executive Vice President and Chief Practice and Project Officer

Compensation Strategy

At Stantec, we put people first. Our compensation strategy ensures we have the right compensation plans in place to attract and retain the people we need to carry out our business goals and objectives. Our compensation program is designed to:

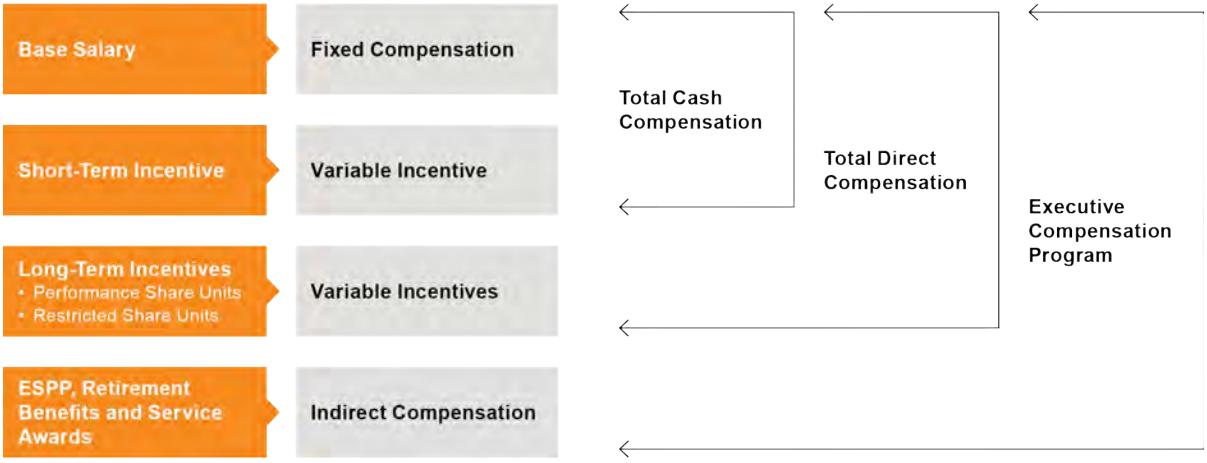
- Support our overall Strategic Plan, including our sustainability goals
- Align our executives' personal success with the Company's success
- Align with both governance and industry best practices
- Align with our stated risk appetite and encourage prudent risk taking at the executive level
- Keep us competitive for attracting, motivating and retaining top talent
- Have a total cost that is appropriate for the size and structure of our business

Our compensation objectives—designed to support this compensation strategy—establish a transparent link between pay and performance and clearly define performance and accountability at Stantec. Our compensation objectives follow:

- Target executive total direct compensation at about the 50th percentile of the market
- Provide opportunities to earn above the 50th percentile when management and Stantec exceed the objectives outlined in our short- and long-term incentive programs
- Balance short- and long-term incentives to ensure our executives are focused on both the near- and long-term
- Place more weighting on equity-based compensation than on cash compensation to better align executive and shareholder interests over time
- Place significant weighting on at-risk compensation in both short- and long-term incentives and less weighting on base salaries
- Provide two vehicles (PSUs and RSUs) in our LTIP to help balance the benefits and limitations of each
- Align our executives' compensation with long-term sustainable shareholder returns

Components of Compensation and Pay Mix

In 2021, our executive compensation program was composed of base salary, short-term incentive cash payments, long-term incentives, Employee Share Purchase Plan contributions, retirement plan contributions, and service awards.



Each year, the Corporate Governance and Compensation Committee reviews the pay components described above, as well as the mix and relative weighting of each component. Our target total direct compensation mix is designed to align with market practices and our compensation philosophy. We weight variable at-risk components more heavily than fixed components so that the total pay our executives receive will increase or decrease based on our Company's performance. We weight long-term equity-based components heavier for our CEO and CFO than for our other NEOs. The board believes that weighting their long-term equity performance more heavily than their salary and short-term incentives will ensure that the CEO and CFO are not motivated to achieve short-term objectives at the expense of long-term shareholder returns.

The diagrams below illustrate the target total direct compensation relative weightings of base salary, short-term incentive, and long-term incentives in 2021 for our NEOs:

- 60% LTIP
- 20% STIP
- 20% Salary

- 47% LTIP
- 22% STIP
- 31% Salary

- 32% LTIP
- 28% STIP
- 40% Salary

Compensation Benchmarking

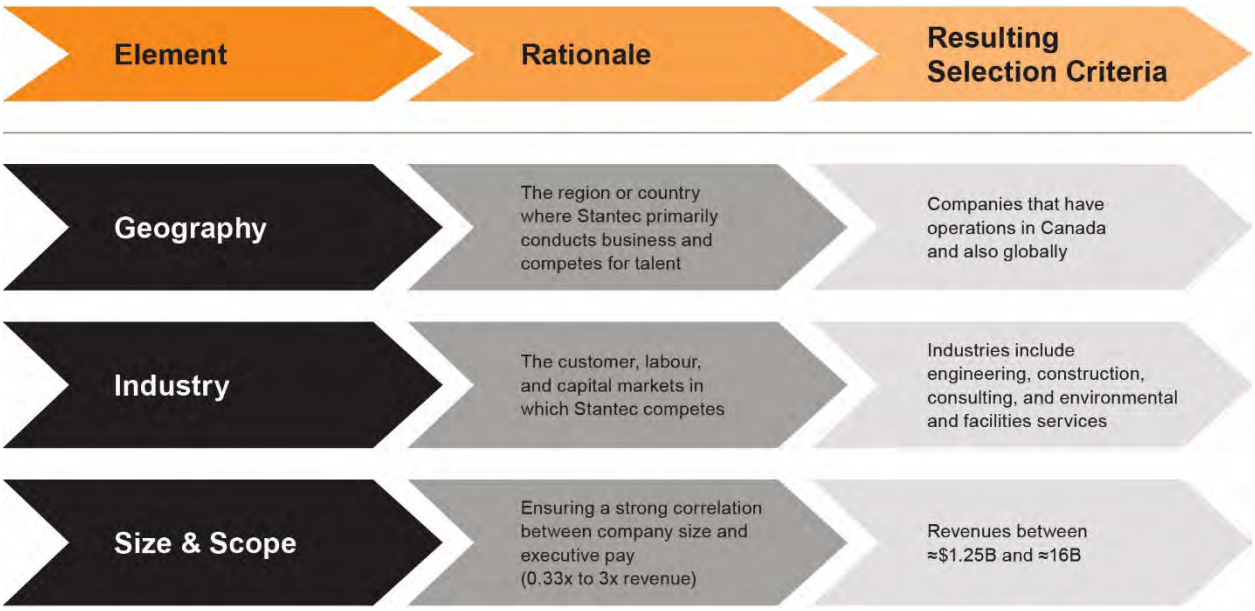
The Corporate Governance and Compensation Committee reviews and benchmarks Stantec's compensation and pay mix for its executives against a comparator peer group to ensure we provide competitive compensation. In 2021, the Company's peer group comprised the following:

Company Name	GICS Sub-Industry Classification	Corporate Headquarters	Annual Revenue ($) (millions)[1]	Market Capitalization ($) (millions)[2]
Aecon Group Inc.	Construction and Engineering	Canada	3,966	1,043
Arcadis NV	Construction and Engineering	Netherlands	5,053	5,139
CAE Inc.	Aerospace and Defense	Canada	3,294	9,972
Colliers International Group Inc.	Real Estate Services	Canada	4,622	8,415
Finning International Inc.	Trading Companies and Distributors	Canada	7,011	5,486
Granite Construction Inc.	Construction and Engineering	US	4,602	2,068
John Wood Group PLC	Construction and Engineering	UK	9,606	2,188
KBR Inc.	Construction and Engineering	US	7,967	7,887
Mastec Inc.	Construction and Engineering	US	9,819	8,289
Quanta Services, Inc.	Construction and Engineering	US	15,126	17,876
SNC-Lavalin Group, Inc.	Construction and Engineering	Canada	7,081	5,196
Sweco AB	Consulting Engineering and Architecture	Sweden	3,121	6,402
Tetra Tech Inc.	Environmental and Facilities Services	US	3,295	10,029
Tutor Perini Corporation	Construction and Engineering	US	6,268	733
Worley Limited	Construction and Engineering	Australia	9,104	5,626
WSP Global Inc.	Construction and Engineering	Canada	9,636	19,366
Stantec Inc.	Construction and Engineering	Canada	3,582	7,469

(1) *Revenue figures are provided on a trailing 12-month basis as of September 30, 2021, and have been converted to Canadian dollars based on the Bank of Canada's daily average exchange rate over the same period.*

(2) *Market capitalization figures are as of February 7, 2022, and have been converted to Canadian dollars based on the Bank of Canada's daily exchange rate as at December 31, 2021.*

The committee conducts routine reviews to ensure that the peer group includes our Company's primary competitors for top talent and fairly reflects Stantec's size, scale, and complexity. Further, the geographic configuration of our peer list is intended to closely resemble the global footprint of the Company. The methodology and selection criteria for assembling our peer group is illustrated below:



The Corporate Governance and Compensation Committee uses data from our peer list and other relevant factors like individual performance and tenure to develop a base salary and a total compensation target for each executive. To further align pay-for-performance, actual compensation is measured against benchmark data but is driven by executive and company performance.

See below for a more detailed discussion about each component of our compensation program. We also discuss how our 2021 performance impacted the pay decisions for each component.

Base Salary

We target base salary at the 50th percentile of our peer group, then adjust salaries as appropriate to recognize our executives' various levels of responsibility and experience, breadth of knowledge, and overall individual performance. Base salaries are reviewed annually. Increases, if any, are made based on individual contributions, increased scope and responsibilities, and to remain competitive with the market.

Short-Term Incentive Plan (STIP)

Our STIP is designed to reward the achievement of our annual business objectives by providing immediate income in the form of cash. At the start of 2021, the Company identified key financial and nonfinancial performance measures from our Strategic Plan to form the basis of the STIP performance scorecard. This scorecard is used to assess the Company's achievement of its near-term business goals and to determine each executive's 2021 STIP award. Our performance measures—based on our four value statements—follow:

We Put People First	We Are Better Together	We Do What Is Right	We Are Driven to Achieve
Inclusion and Diversity	Account Management	Health, Safety, Security and Environment	Overall Revenue Growth
Employee Retention	Backlog per Employee	Quality Management	Acquisition Net Revenue Growth
Employee Engagement	Strategic Pursuits	Sustainability	Organic Net Revenue Growth
			Operational Effectiveness
			Project Margin
			Admin and Marketing Costs
			Adjusted Net Income(1)
			Adjusted Earnings per Share (EPS) Growth(1)

(1) *Adjusted EPS is calculated as adjusted net income divided by the weighted average number of common shares outstanding during the year. Adjusted EPS and adjusted net income are non-IFRS measures. The Definitions and Reconciliation of Non-IFRS Financial Measures sections of our 2022 Annual Report (available on our website at stantec.com, on SEDAR at sedar.com, and on EDGAR at sec.gov) are hereby incorporated by reference.*

For 2021, the measures set in the scorecard represent target performance. Targets are based on the findings of our comprehensive review of peer performance and industry factors, plus on our own performance expectations. Achieving these measures means that our executives should expect to earn STIP amounts at their target levels because their performance will have met our expectations. This approach is in keeping with our total direct compensation goal of paying compensation that is at the 50th percentile of the market for industry-level performance.

Scorecard Assessment and Weighting by Measure

Individual objectives in the scorecard carry no formal, predetermined individual weighting. Rather, the Corporate Governance and Compensation Committee assesses actual performance on each metric, then evaluates Company performance as a whole using discretion and sound judgment. This enables the board to determine the relative importance of either failing to achieve or exceeding expectations on any individual metric for the Company as a whole in a given year. While there is no formula, the board gives the most weight to the financial metrics in the scorecard. The board believes that achieving the nonfinancial performance measures in the scorecard positions the Company for success, but that the financial metrics are most closely tied to generating shareholder value and thus correlate best when aligning pay with performance.

In addition to scorecard objectives, each executive is assigned certain individual business objectives for the year that relate to the performance of the executive's individual role and the executive's own achievements. Again, no relative weight is given to individual objectives when determining the final STIP award. This discretionary approach balances the formulaic approach of our LTIP and allows the board to consider macro- and industry-wide trends when evaluating an executive's

performance. The board's discretion is exercised in a manner that holds executives accountable and demonstrably links their pay to the performance of the Company.

In 2021, no adjustments were made to the performance scorecard to account for COVID-19. The Corporate Governance and Compensation Committee did, however, factor in management's response to the pandemic as part of its broader assessment of 2021 STIP awards. Management's proactive response to the pandemic, including maintaining strong and effective communication with staff, positively influenced our NEOs' STIP awards for 2021. The Company's Pandemic Response Plan and protocols adopted to protect the health and safety of Stantec's employees and their families, clients, and communities remained a high priority for Stantec in 2021. Accordingly, our leadership team received credit for their exceptional response, dedication, communication and teamwork.

STIP Targets

Our executives are assigned a STIP target expressed as a percentage of their base salary. STIP targets were the same in 2020 and 2021. Depending on the Company's performance as well as the executives' achievement of individual objectives, executives may earn between 0% and 200% of their target.

The table below outlines the CEO's and other NEOs' STIP targets for 2021 (expressed as a percentage of each NEO's base salary):

Position Title	STIP Minimum	STIP Target	STIP Maximum
CEO	0%	100%	200%
All other NEOs	0%	70%	140%

2021 STIP Award Results

In early 2022, the Corporate Governance and Compensation Committee reviewed the 2021 completed scorecard, the final report on the results of the scorecard metrics, and draft figures for our Company's annual financial performance.

A summary of the completed scorecard and performance assessment is outlined in the table below:

Metrics		Performance Measure	Board Assessment of Performance
WE PUT PEOPLE FIRST			
Inclusion and Diversity (I&D)	Improvement in inclusivity scores; increase I&D initiatives to increase engagement within the Stantec employee community and with underrepresented groups around the globe	Qualitative	Exceeding
Employee Retention	Low voluntary turnover	< 12%	Exceeding
Employee Engagement	Improvement in employee engagement scores	> 55%	Exceeding
WE ARE BETTER TOGETHER			
Account Management	Grow net revenue with top clients	> 4%	Not Meeting
Strategic Pursuits	Win/loss ratio for strategic pursuits (by number)	> 40%	Exceeding
	Win/loss ratio for strategic pursuits (dollar weighted by pursuit value)	> 33%	Meeting
Backlog	Weighted average for each full-time employee	> $130,000	Exceeding
WE DO WHAT IS RIGHT			
Health, Safety, Security and Environment	Decrease total recordable injury rate	< 0.50	Exceeding
	Improve leading indicator safety index	1	Exceeding
Sustainability	Achieve progress towards 2022 Carbon Neutrality Pledge	Qualitative	Exceeding
Quality Management	Improve ISO-compliance audit results	> 90%	Exceeding
WE ARE DRIVEN TO ACHIEVE			
Overall Revenue Growth	Grow net revenues at a 5-year rolling average rate	10.0%	Not Meeting
Acquisition Growth	Increase net revenue through acquisition	3.0%	Exceeding
Organic Growth	Increase net revenue organic growth	3.0%	Not Meeting

Operational Effectiveness	Achieve adjusted EBITDA[1] as % of net revenue	14.5 – 16.0%	Meeting
Project Margin	Achieve project margin as % of net revenue	52.0 – 54.0%	Meeting
Admin and Marketing Costs	Achieve SG&A efficiency as % of net revenue	37.0 – 39.0%	Meeting
Net Income	Achieve adjusted net income[1]	> 6.5%	Exceeding
DSO Management	Improve DSO to target	< 90 days	Exceeding
Provision Reductions	Reduce provisions as % of net revenue	< 5.0%	Exceeding
Earnings Growth	Grow adjusted diluted EPS[1] annually	2.2%	Exceeding

(1) *Organic growth, adjusted EBITDA, adjusted net income, days sales outstanding (DSO), and adjusted diluted EPS are non-IFRS and other financial measures that do not have a standardized meaning under IFRS and, therefore, may not be comparable to similar measures presented by other issuers. Additional disclosure for these non-IFRS and other financial measures, incorporated by reference, is included in the Definitions of Non-IFRS and Other Financial Measures section of our 2021 Annual Report, available on SEDAR at SEDAR.com, EDGAR at sec.gov, and the company's website at stantec.com.*

After reviewing the completed scorecard—along with our 2021 financial results and the assessment of our performance against the industry generally—the committee concluded that the CEO's STIP should be 160% of his target. In establishing this award, the CEO and our remaining NEOs received positive credit for the Company's leadership position in sustainability. While no formulaic weighting was attached to this accomplishment, Stantec's ESG profile has become an increasingly important factor in weighing the Company's nonfinancial strategic achievements. Further, while no adjustments were made to the performance scorecard to account for COVID-19, the committee considered the impact of the pandemic on Stantec's industry as a whole and put greater weight on the Company's strength in earnings (reflecting prudent financial management) and low voluntary staff turnover (reflecting the Company's commitment to connecting with its employees and ensuring a strong level of engagement through the pandemic). This, together with industry and investor recognition for Stantec's strong ESG performance, positively influenced our executives' pay (thus establishing a clear link between executive compensation and ESG factors).

All NEOs received STIP awards above target as outlined and described further below, reflecting a strong combined effort.

Executive	STIP Target	STIP Award as a % of STIP Target	STIP Payout as a % of Base Salary	STIP Actual Payout ($)
Gord Johnston, CEO	100%	160%	160%	$1,760,000
Theresa Jang, CFO	70%	160%	112%	$728,000
Stu Lerner, COO[1]	70%	135%	95%	$550,907
Cath Schefer, COO[2]	70%	135%	95%	$529,576
Steve Fleck, CPO	70%	135%	95%	$519,750

(1) *Mr. Lerner is paid in USD. His STIP was US$439,425. The STIP payout above has been converted to Canadian dollars using the annual average USD:CAD exchange rate of 1.2537.*

(2) *Ms. Schefer is paid in GBP. Her STIP was GBP307,125. The STIP payout above has been converted to Canadian dollars using the annual average GBP:CAD exchange rate of 1.7243.*

Ms. Jang's 2021 STIP award was set at 160% of target. In 2021, Ms. Jang provided outstanding leadership to our financial services team as they continued operating remotely through the pandemic. As a result, the Company was able to execute on several strategic initiatives, including restructuring its credit facility as a sustainability-linked loan, aligning Stantec's financing strategy with its continued commitment towards environmental, social and governance leadership. Ms. Jang's collaborative leadership style, coupled with her dedication to the Company's capital structure, has strengthened investor confidence in Stantec and directly contributed to the Company's success in 2021.

Mr. Lerner, Ms. Schefer, and Mr. Fleck's STIP awards were all set at 135% of target, representing a strong team effort managing and leading Stantec's operations and functional service teams (FST) through 2021. Mr. Lerner and Ms. Schefer were instrumental keeping our people connected and engaged on projects as we supported each other and our clients from remote offices. Mr. Fleck managed our FST group exceptionally well, reducing overall cost allocations to the Company, and continuing his legacy of strengthening our practice driven initiatives, project management and execution.

Long-Term Incentive Plan (LTIP)

Our LTIP is designed to align our executives' compensation with long-term shareholder interests. Being fully equity-based, our LTIP's value to our executives is dependent on share price performance, which in turn benefits all shareholders. As configured, our LTIP is made up of performance share units (PSUs), which are tied to our relative total shareholder return (TSR) and return on equity (ROE), and restricted share units (RSUs), which vest at the end of a three-year service period and settle entirely in cash. The board believes using two forms of long-term incentive vehicles balances the benefits and limitations of using just one vehicle, while still maintaining a relatively simple long-term incentive structure.

Each executive position has a target value of long-term incentives to be granted; this value is a percentage of the executive's base salary. The following table outlines the targets for our CEO and other NEOs in 2021.

Position Title	LTIP Target
CEO	300%
CFO	150%
COO (North America)(1)	120%
Other NEOs	80%

(1) *Mr. Lerner's LTIP target was increased from 80% to 120% in 2021, reflecting the fact that approximately 80% of the Company's consolidated net revenue is earned in North America (accounting for a significant majority of the Company's operations). There were no other changes to LTIP targets as compared to 2020.*

Below are the key terms that apply to each component of our long-term incentive plan:

Performance Share Units (PSUs)

Subject to a performance multiplier, PSUs are notional share units that mirror the market value of Stantec's common shares. PSUs have associated dividend equivalent rights and therefore accumulate additional units equal to the value of dividends paid on Stantec shares over the life of the units. These units vest upon completing a service condition that starts on the first day of a three-year performance period. To eliminate any dilutive effects, all PSUs granted under the LTIP are settled in cash only, not shares.

Annually, the Corporate Governance and Compensation Committee reviews and approves the performance objectives that will be applied to each grant of PSUs. Performance objectives for each grant year are used to determine the ultimate number of PSUs that will vest on the completion of the three-year performance cycle. The number of PSUs that will vest can range from 0% to 200% of the number of units granted to each executive.

Stantec uses both an absolute (ROE) and relative (TSR) metric for our PSUs. The weighting between these metrics is set at 60% for ROE and 40% for relative TSR. The board believes using a relative metric in addition to an absolute metric provides a more complete picture of our executives' individual and company performance.

Our 2021 LTIP grant occurred in May. Supported by peer data and the Company's Strategic Plan, the Corporate Governance and Compensation Committee approved the following performance levels. These dictate the value of PSUs each executive will earn on payout, as outlined in the table below:

Return on Equity (weighted 60%)	No Payout	Miss	Plan	Exceed
Company's average return on equity rate(1)	4.0%	8.0%	10.6%	13.0%
Return on Equity award amount	0%	50%	100%	200%
Relative Total Shareholder Return (weighted 40%)	**No Payout**	**Miss**	**Plan**	**Exceed**
Company's relative TSR percentile ranking	25%	37.5%	50%	100%
Relative TSR award amount	0%	50%	100%	200%

(1) *Meaning the average of the Company's adjusted return on equity for the fiscal years 2021, 2022, and 2023, where the net income of the Company is adjusted to exclude the effect of extraordinary, unusual, and/or nonrecurring items. The Company's average return on equity rate is a non-IFRS measure that does not have a standardized meaning under IFRS and, therefore, may not be comparable to similar measures presented by other issuers.*

Return on Equity Test

If the Company's adjusted average ROE rate is below the "No Payout" performance level, the performance factor to be applied to the PSUs is 0%, and therefore the ROE portion of the award is also zero. If the rate is above the "No Payout" performance level, the performance factor to be applied to the return on equity portion of the award is interpolated on a linear basis between the performance levels identified above, maxing out at the "Exceed" level. If the ROE rate is above "Exceed," the performance factor to be applied to the return on equity portion of the award is capped at 200%.

Relative Total Shareholder Return (TSR) Test

Stantec calculates TSR relative to our compensation peer group (disclosed on page 50 of this circular) over a three-year period. TSR measures the appreciation of our common shares as well as dividends paid during the performance period assuming dividend reinvestment. If the Company's relative TSR is below the "No Payout" performance level, the performance factor to be applied to the PSUs is 0%, and therefore the relative TSR portion of the award is also zero. If Stantec's relative TSR is above the "No Payout" performance level, the performance factor to be applied to the relative TSR portion of the award is interpolated on a linear basis between the performance levels identified above, maxing out at the "Exceed" level.

PSUs are paid out at their cash value, which is determined after completion of a three-year performance cycle. During the vesting period, the PSU value will fluctuate with any change in Stantec's share price.

Restricted Share Units (RSUs)

RSUs are notional share units that have the same value as our common shares; however, RSUs carry no voting rights, cannot be transferred, and carry no right to be exchanged into our common shares. RSUs align our executives' and shareholders' interests in share return growth. They promote employee and executive retention through time-based vesting. RSUs are settled in cash and cliff vest on the third anniversary of their grant date. They have associated dividend equivalent rights and therefore accumulate additional units equal to the value of dividends paid on Stantec's common shares over the life of the units. The payout value of our RSUs is equal to the number of vested RSUs (including dividend equivalent rights earned thereon) multiplied by the volume weighted average trading price of Stantec's common shares for the five (5) trading day-period ending on the vesting date.

Options and Share Appreciation Rights (SARs)

Options and SARs were replaced with RSUs for our LTIP grant in 2019 and beyond. Therefore, the Company has discontinued its use of stock options and SARs. At the time of their use, SARs mirrored the terms of our stock options but could only be settled via a cashless exercise (where no underlying shares were issued upon exercise). Ms. Schefer holds SARs that were granted to her prior to 2019. For historical reporting purposes only, the following table outlines the dilution and burn rate of Stantec's stock options and SARs for the past three fiscal years. Percentages shown are for December 31 of 2019, 2020 and 2021.

Rate	Description	2019	2020	2021
Dilution	Dilution represents the current dilution from share options. Dilution is calculated as the total number of share options outstanding, divided by the number of common shares outstanding.	3.64%	1.91%	0.76%
Burn Rate	Burn rate shows the size of annual share option grants. Burn rate is calculated as the total number of share options issued in a year, divided by the number of common shares outstanding.(1)	-	-	-

(1) *No options or SARs were granted in 2019, 2020 or 2021.*

A detailed description of the LTIP is attached to this circular as Schedule B.

Other Compensation

Our executives do not receive perquisites or other compensation apart from their eligibility to participate in the retirement, health benefits, and service award programs generally available to our employees. Details of our retirement benefits and service awards are set out below.

Retirement Benefits

All executives are eligible to participate in the Stantec retirement plans offered to Stantec employees. We do not offer any special perquisites or benefits designed specifically for our executives.

For Canadian employees, we offer four retirement plans: a Group Registered Retirement Savings Plan (Group RRSP), a registered Employee Share Purchase Plan (ESPP), a non-registered ESPP, and a Group Tax-Free Savings Account (Group TFSA). None of the retirement plans involve the issuance of Stantec shares from treasury.

Under the Group RRSP, Stantec matches employee contributions at 100% of the first 3% of the employee's base salary. Group RRSP contributions are invested in the employee's choice of 17 investment funds, including the option to invest in Stantec shares. Under the registered and non-registered ESPPs, employees purchase Stantec shares. Stantec matches ESPP employee contributions at 50% of the first 4% of the employee's base salary (a maximum of 2% of the employee's base salary). The maximum that Stantec can contribute is 5% of an employee's base salary (3% for the Group RRSP and 2% for the registered and non-registered ESPPs). Under the Group TFSA, contributions are invested in the employee's choice of 17 investment funds, including the option to invest in Stantec shares.

Stantec's US employees are eligible to participate in the Stantec 401(k) Plan. Stantec matches employee contributions at 100% of the first 3% and 50% of the next 2% of the employee's base salary. The 401(k) contributions are invested in the employee's choice of 16 investment funds. US employees can also participate in the ESPP; Stantec matches these contributions at 0.5% of eligible compensation when the employee contributes 1% and at 1% of eligible compensation when the employee contributes 2% or more.

UK Pension Plan

UK employees are eligible to participate in a defined contribution pension plan. The plan allows our staff to accumulate funds for income at retirement. Pursuant to the terms of the pension scheme, employees are required to make a minimum contribution of 4.5% of their pensionable salary (defined as their base salary as of April 1 each year). In return, employees receive a standard employer contribution of 6.5% of pensionable salary. In addition, employer contributions are increased nominally to account for age, a 25% match on personal employee contributions, and a 2% match on annual pensionable salary above £50,000 (being the UK Upper Earnings Limit). Employees can elect whether they make contributions to the pension plan through salary exchange, or not. Contributing funds through a salary exchange (a salary sacrifice mechanism in the UK) results in slightly favorable National Insurance (NI) source deductions.

All UK employees are eligible to participate in the defined contribution pension scheme as soon as they commence employment, and membership can continue until age 75. Early retirement can be taken from age 55 (increasing to age 57 in 2028).

Ms. Schefer is an active member of the Company's UK defined contribution pension scheme. Below are her accumulated balances as of December 31, 2020 and 2021.

Name	Accumulated value at start of year ($)	Compensatory ($)[2]	Accumulated value at year-end ($)
Cath Schefer	993,463	61,918	1,055,381

(1) *Ms. Schefer's pension scheme balance is held in GBP (£). The amounts above have been converted to Canadian dollars using an annual average exchange rate of 1.7243.*

(2) *Represents the employer portion of contributions made to Ms. Schefer's pension fund. There are no above-market or preferential earnings credited to her account. Ms. Schefer's accumulated year-end balance includes both employee and employer contributions.*

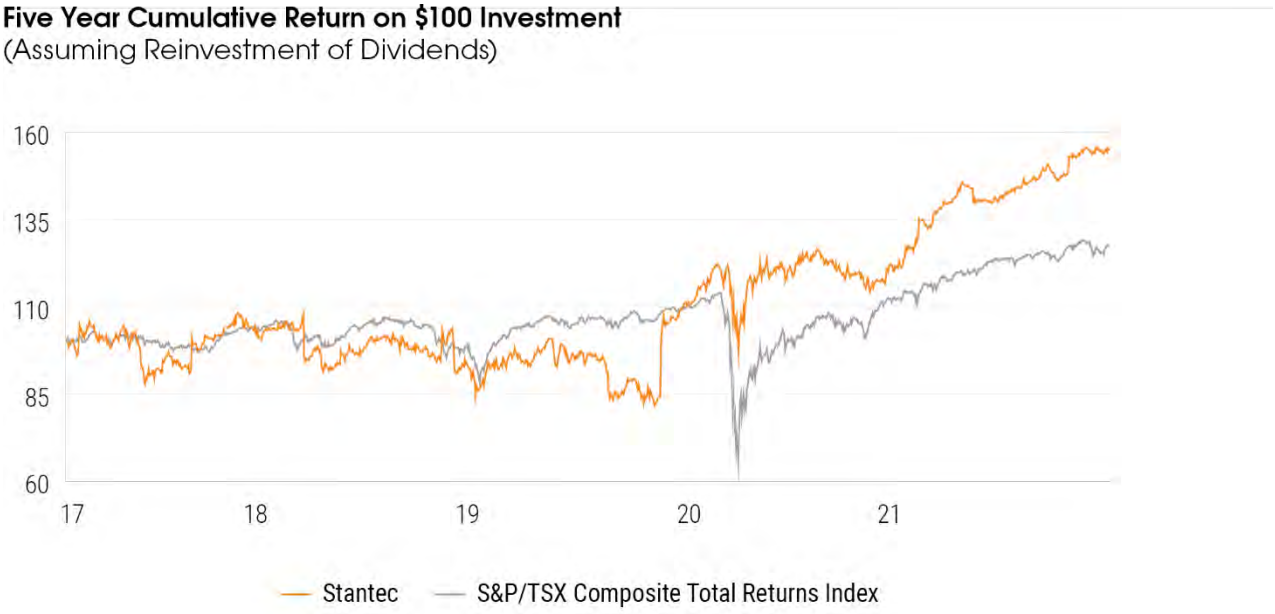
Service Awards

Globally, Stantec's Service Award program recognizes and celebrates our employees for their valued contributions and sustained commitment to Stantec's success. All regular full- and part-time employees are eligible for the award, provided they remain in continuous and uninterrupted service with Stantec for the required number of years.

Exact awards vary by country. Stock awards are given in North America with Canadian employees receiving a one-time lump-sum contribution of $500 to the employee's non-registered ESPP for every 5 years of service to a maximum award of $2,000 for 20 years of service. The $2,000 award will continue for each 5 years of service after that. US employees receive the same awards but in US dollars.

Performance Graph

The following graph compares the total shareholder return for $100 invested in our common shares on the TSX from January 1, 2017 until December 31, 2021 (assuming reinvestment of dividends), to the total return on the S&P/TSX Composite Total Returns Index over the same period.



Stantec's five-year total shareholder return has significantly outperformed the S&P/TSX Composite Total Returns Index's. Further analysis shows that Stantec's performance modestly lagged the S&P/TSX Composite Index during the first few years of the performance period, but has outpaced the Index since 2020. Stantec's performance over this period has been largely aligned with executive compensation. That's because a large part of our executive's pay is awarded in the form of long-term incentives that closely track to the value of our common shares. PSUs granted to executives in 2017 and 2018 paid out below target. This was during the period when Stantec's performance was trailing the S&P/TSX Composite Index. STIP awards were also lower during this time. Recently, however, Stantec's performance has materially outperformed the S&P/TSX Composite Total Returns Index. This has generated substantial shareholder value. Correspondingly, our executives' pay has increased and recent STIP payout levels have been above target. Similarly, the performance multiplier on our PSUs has improved and options have settled in-the-money. If Stantec's performance continues its current trajectory, shareholders should expect to see healthy returns as our executives see higher realized pay too.

The table and graphs below show the target and actual payout levels of our short- and long-term incentives for our CEO over the past five years calculated as of December 31, 2021:

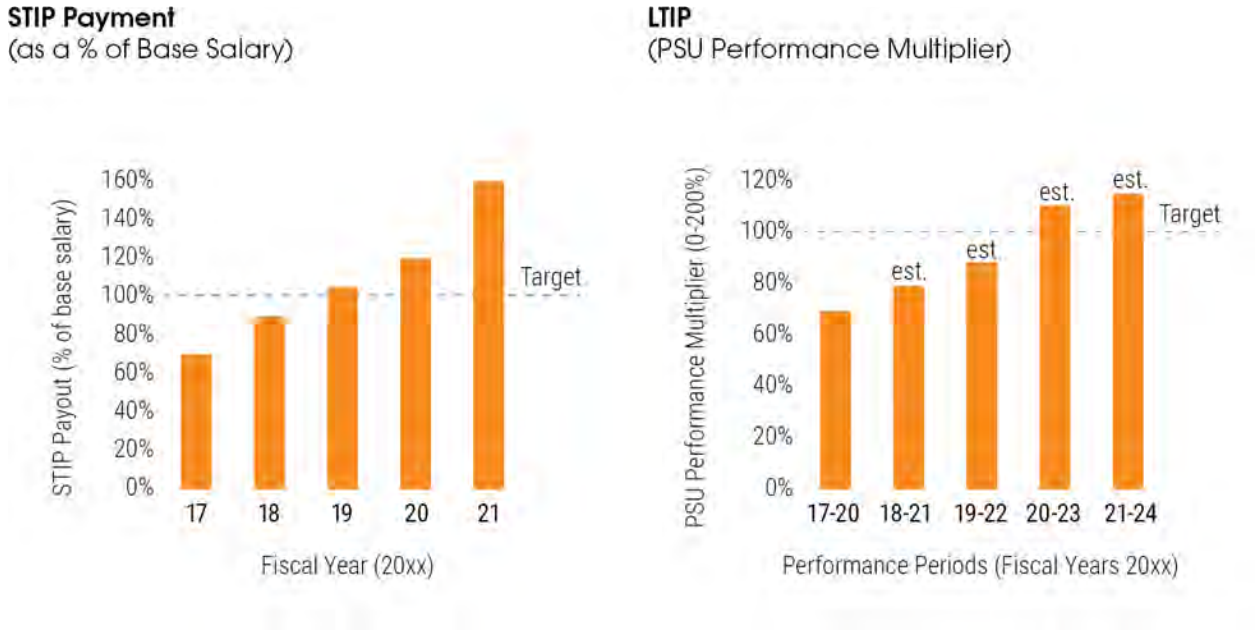
Year	Base Salary ($)[1]	STIP				LTIP			
		Target (% of base salary)	Target Payout ($)	Actual (% of base salary)	Actual Payout ($)	Target (% of base salary)	Grant Date Fair Value ($)[2]	PSU Perf. Multiplier (%)[3]	Actual/ Estimated Payout ($)[4]
2021	1,100,000	100	1,100,000	160	1,760,000	300	3,300,000	115.2	4,963,090
2020	950,000	100	950,000	120	1,140,000	300	2,850,000	110.5	5,345,005
2019	850,000	100	850,000	105	892,500	200	1,700,000	88.5	3,565,371
2018	780,000	100	780,000	90	702,000	200	1,560,000	79.2	3,405,845
2017	850,000	100	850,000	70	595,000	200	1,700,000	69.5	2,871,174

(1) *Mr. Gomes was CEO in 2017. Mr. Johnston became CEO on January 1, 2018; his initial base salary was set at $780,000.*

(2) *Represents the grant date fair value of the CEO's LTIP award. In 2017 and 2018, the LTIP was awarded in the form of PSUs (two-thirds) and stock options (one-third). In 2019 thru 2021, the LTIP was awarded in the form of PSUs (80%) and RSUs (20%).*

(3) *The performance multipliers applied to PSUs granted in 2017 and 2018 are based on actual payout results. The performance multipliers for 2019, 2020, and 2021 are based on the payout expected as a result of Stantec's performance during the life of the units (calculated as of December 31, 2021).*

(4) *For 2017 and 2018, represents the aggregate value of the CEO's PSUs and the in-the-money portion of his stock options. For the purposes of this disclosure, the values of the PSUs for 2017 and 2018 are based on actual payout results. The values of the PSUs for 2019, 2020, and 2021 are based on the Company's best estimate of the performance multiplier to be applied to the awards as indicated in the table above. The volume weighted average price of Stantec shares for the last 5 trading days of 2021 ($70.14) was used to calculate the value of the PSUs. The strike price for stock options awarded in 2017 and 2018—$31.75, and $32.98—was used to calculate the in-the-money value of stock options using Stantec's closing share price for 2021 ($71.07). Where stock options were exercised, the value represents the actual payout results.*



Our Decision-Making and Approval Process

The Corporate Governance and Compensation Committee determines the compensation strategy for executives on behalf of the board and administers executive compensation policies. Based on the strategy, the committee develops compensation objectives; programs are then designed to effectively achieve those objectives.

Annually, the committee reviews and approves the compensation programs available to Company executives as well as the performance criteria associated with the STIP and PSUs. With the recommendation of the committee, the board sets the CEO's compensation. The compensation for each NEO, other than the CEO, is approved by the CEO—with

recommendations and guidance from the committee—and is in keeping with the minimum and maximum awards for the STIP amounts and long-term incentive grants set out in our compensation programs.

Independent Advice

The Corporate Governance and Compensation Committee has adopted a preapproval policy regarding management's use of the board's compensation consultant, Mercer (Canada). Under the terms of this policy, the committee will

- Not approve the use of a board consultant by management if that use could compromise the independence of the consultant as an advisor to the board
- Preapprove the terms of any use of a consultant by management, including fees and proposed terms of service

In 2021, the committee retained Mercer (Canada) Limited to advise it on various compensation matters. Mercer provided an analysis of our director compensation program, assisted with performance metric level-setting, and provided services in relation to executive compensation benchmarking.

The table below outlines the fees paid to Mercer for its executive compensation engagement and the fees paid to Mercer and its affiliates for other services provided to the Company.

Fees Paid to Mercer (Canada) Limited in 2020 and 2021

Financial Year	Executive Compensation-Related Fees ($)	All Other Fees ($)[1]
2020	31,030	98,381
2021	58,540	76,754

(1) *In 2020 and 2021, management purchased various off-the-shelf compensation data surveys from Mercer. Fees were incurred in U.S. dollars. The amounts shown above have been converted to Canadian dollars at the 2020 and 2021 average annual exchange rates of 1.3412 and 1.2537, respectively. The 2020 and 2021 figures include fees paid for expatriate tables procured by Stantec's global mobility team (US$4,770 in 2020; US$5,900 in 2021).*

Risk Mitigation in Our Compensation Programs

As part of its mandate, the Corporate Governance and Compensation Committee continually reviews our compensation programs to align pay outcomes with the Company's risk management strategies and to discourage inappropriate risk-taking by our executives. The committee has not identified any risks related to Stantec's executive compensation programs that are reasonably likely to have a material adverse effect on the Company. The following components of our executive compensation programs mitigate risk:

Mix of Fixed and At-Risk Pay

- We offer our executives an appropriate mix of fixed and at-risk pay, as well as short- and long-term incentives

Balanced Program

- We offer various target levels of base salary, STIP, and LTIP, depending on the executive's position in the Company; our CEO's compensation is most heavily weighted toward equity-based vehicles
- We offer various performance metrics for both STIP and LTIP to support our pay-for-performance philosophy and respond to our shareholders' expectations

Fixed Limits on Variable Compensation

- Both the STIP and LTIP are designed to include the possibility of a zero payout, as well as a predefined maximum (a cap) to prevent excessive compensation levels
- The PSUs in our LTIP program have performance hurdles, and both our PSUs and RSUs have a time-based vesting component

Employment Contracts

- Our executives have entered into employment agreements that include non-competition and non-solicitation restrictive covenants
- These employment agreements have a “double trigger” provision: a termination payment will be made only after a change of control occurs, and following that, the executive (a) is terminated without cause or (b) resigns because of a material diminution in his or her salary, authority, duties, or responsibility or because a material change was made to the geographic location where he or she must perform his or her services
- NEOs receive reasonable severance when terminated without cause and no payments when retiring

Share Ownership Requirements

We believe that equity ownership plays a key role in aligning executive interests with shareholder interests; therefore, the board has adopted the following share ownership requirements for executive officers:

Position Title	Equity Ownership as a Multiple of Base Salary
CEO	5x
CFO, COO, CBO, CPO and Executive Vice Presidents	3x

Under the CEO and Executive Vice President Share Ownership Policies, each executive must comply with the ownership requirement specified above within five years of his or her appointment to the position. Compliance with each policy is measured using a multiple of the executive’s base salary at the time of appointment to his or her position. If an executive’s base salary increases by more than 20% (cumulatively over the five years) from the salary in effect on the date of his or her appointment to the position, the executive will be required to comply with the applicable policy using the higher salary but will have an additional two years to achieve the share ownership requirement.

The table below sets out the following:

- The common shares, PSUs, and RSUs held by each NEO. The value of common shares was calculated using the closing price of Stantec shares on December 31, 2021 ($71.07); the values of PSUs and RSUs were calculated using the volume weighted average price of Stantec shares for the last 5 trading days of 2021 ($71.25).
- Each NEO’s ownership interest, demonstrating compliance with our policy as of December 31, 2021.
- The total amount of equity held by the NEO that is at risk.

Name	Value of Stantec Shares Owned, Controlled, or Directed ($)	Value of RSUs Held ($)	Base Salary for Testing Compliance ($)	Eligible Value as a Multiple of Base Salary[1]	Meeting Policy?	Value of PSUs Held ($)	Total Value at Risk ($)[2]
Gord Johnston	5,953,321	2,649,356	1,100,000	7.82	Yes	10,597,287	19,199,964
Theresa Jang	1,184,808	733,526	575,000	3.34	Yes	2,933,842	4,852,176
Stu Lerner	1,154,959	386,678	488,943	3.15	Yes	1,546,741	3,088,378
Cath Schefer	1,569,155	411,481	474,182	4.18	Yes	1,645,813	3,626,449
Steve Fleck	1,222,759	431,756	550,000	3.01	Yes	1,726,929	3,381,444

(1) *The value of PSUs held by executive officers does not count toward our minimum equity requirements; therefore, these values are not included in this calculation. For our CEO, a minimum of two times base salary must be held in shares, while the remaining requirement can be held in shares and/or RSUs. For our other NEOs, the entire equity requirement can be held in shares or RSUs.*

(2) *The total value at risk for each executive is the value of the NEO’s common shares, PSUs, and RSUs.*

Share Retention Requirements

For one year following retirement from his CEO role, the CEO must maintain the same level of common share ownership that he was required to hold on the day before his retirement. We believe this policy discourages short-term, high-risk decision-making before the CEO departs.

Executive Compensation Clawback Policy

The board may—at its sole discretion, to the full extent permitted by law, and to the extent it determines that it is in the Company's best interests to do so—require reimbursement of full or partial compensation from an executive or former executive in the following situations:

- Amount of a bonus or incentive compensation was calculated based or contingent on achieving certain financial results that were subsequently the subject of or affected by a restatement of all or a portion of the Company's financial statements
- Amount of the bonus or incentive compensation that would have been awarded to or the profit realized by the executive had the financial results been properly reported was lower than the amount actually awarded or received

Anti-Hedging Policy

Under the Company's Insider Trading Prohibition Policy, directors and executives are prohibited from speculating in the securities of the Company and may not sell securities of the Company short or buy or sell a call or put option. Directors and executives are not permitted to purchase forward contracts or any similar instruments—such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds—that are designed to hedge or offset a decrease in the value of equity securities of the Company.

2021 Compensation Details

Summary Compensation Table for Named Executive Officers

The following table summarizes the compensation for our CEO, CFO, and the next three most highly compensated executive officers, collectively referred to as our named executive officers (NEOs).

Stu Lerner resides in the United States and was paid in US dollars (USD). Cath Schefer resides in the United Kingdom and was paid in British pound sterling (GBP). All other NEOs reside in Canada and are paid in Canadian dollars (CAD). In the table below, all amounts are stated in Canadian dollars. For Mr. Lerner's compensation, the Canadian dollar equivalents are based on the average annual USD to CAD currency exchange rate, which was $1.2537 in 2021, $1.3412 in 2020, and $1.3267 in 2019. For Ms. Schefer's compensation, the Canadian dollar equivalents are based on the average annual GBP to CAD currency exchange rate, which was $1.7243 in 2021, $1.7200 in 2020, and $1.6942 in 2019.

Name and Principal Position[1]	Year	Salary ($)[2]	Long-Term Compensation ($)		Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compensation ($)[3]	Total Compensation ($)
			Share-Based Awards[4]	Option-Based Awards[5]	Annual Incentive Plan Bonus	Long-Term Incentive Plans			
Gord Johnston	2021	1,100,016	3,300,003	-	1,760,000	-	-	140,433	6,300,452
President & CEO	2020	931,548	2,849,952	-	1,140,000	-	-	107,320	5,028,820
	2019	847,313	1,700,002	-	892,500	-	-	58,845	3,498,660
Theresa Jang	2021	650,013	974,981	-	728,000	-	-	39,914	2,392,908
Executive Vice	2020	562,331	862,512	-	483,000	-	-	30,605	1,938,448
President & CFO	2019	475,001	380,000	-	349,125	-	-	17,011	1,221,137
Stu Lerner	2021	582,977	676,784	-	550,907	-	-	38,805	1,849,473
Executive Vice	2020	511,670	434,364	-	439,377	-	-	42,032	1,427,443
President & COO	2019	413,829	215,967	-	185,738	-	-	30,214	845,748
(North America)									
Cath Schefer	2021	560,896	488,266	-	529,576	-	61,918	25,604	1,666,260
Executive Vice	2020	492,185	414,582	-	433,440	-	50,466	24,168	1,414,841
President & COO	2019	465,905	237,918	-	216,011	-	45,436	18,938	984,208
(Global)									
Steve Fleck	2021	550,017	440,000	-	519,750	-	-	44,272	1,554,039
Executive Vice	2020	461,819	375,984	-	394,800	-	-	36,808	1,269,411
President & CPO	2019	443,279	356,202	-	327,075	-	-	30,320	1,156,676

(1) *Mr. Lerner became the chief operating officer (North America) effective January 1, 2020. Prior thereto, he was the executive vice president of Stantec's Infrastructure group. Ms. Schefer became the chief operating officer (Global) effective October 1, 2019. Prior thereto, she was the executive vice president of Stantec's global regional operating unit. All other NEOs have been in their current roles since January 1, 2019.*

(2) *Because of payroll cut-off dates, the salary earned by NEOs in the first pay period of a year is based on the previous year's salary. In 2020, all NEOs agreed to a 10% base salary reduction for a six-month period in response to economic disruption caused by the COVID-19 pandemic.*

(3) *Represents the value of additional performance share units (PSUs) and restricted share units (RSUs) credited to each NEO to account for the issuance of dividend equivalent rights on their total unit holdings, payments made to the NEO's registered retirement savings plan and Employee Share Purchase Plan, and payments for Milestone Service Awards. Ms. Schefer's value includes a car allowance of £6,360 per annum.*

(4) *In 2021, 2020, and 2019, NEOs received their share-based awards in the form of PSUs (80%) and RSUs (20%). Values stated for 2021 represent the grant date fair value of the PSUs and RSUs granted on May 10, 2021, at a price of $53.45, representing the closing price of Stantec's shares on the TSX on the day before the grant date.*

(5) *The Company ceased awarding stock options and SARs in 2019.*

Outstanding Option- and Share-Based Awards

The following table summarizes all option- and share-based awards outstanding for each NEO as at December 31, 2021.

	Option-Based Awards				Share-Based Awards		
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date	Value of Total Unexercised In-the-Money Options[1] ($)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested ($)[2]	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed ($)
Gord Johnston	-	-	-	-	186,389	13,873,466	-
Theresa Jang	-	-	-	-	51,602	3,880,913	-
Stu Lerner	8,071	31.75	May 16, 2022	756,910	30,374	2,291,545	-
	11,540	32.98	May 15, 2023				
Cath Schefer	10,095	32.98	May 15, 2023	384,519	26,147	1,944,445	-
Steve Fleck	-	-	-	-	28,947	2,113,520	-

(1) *The closing price of Stantec shares of $71.07 as of December 31, 2021, was used to calculate the aggregate value.*

(2) *Represents the value of PSUs awarded to the NEOs in 2019, 2020, and 2021, and RSUs awarded in 2019, 2020 and 2021. PSUs were valued based on the payout expected as a result of Stantec's performance during the life of the units (thus, for the purpose of this disclosure, a multiplier of 88.5% was applied to PSUs granted in 2019, a multiplier of 110.5% was applied to PSUs granted in 2020, and a multiplier of 115.2% was applied to PSUs granted in 2021). The number of PSUs that actually vest and pay out is dependent on Stantec's actual performance applicable to the period to which such PSUs relate. The volume weighted average price of Stantec shares for the last 5 trading days of 2021 ($71.25) was used to calculate the value of the PSUs and RSUs.*

Incentive Plan Awards—Value Vested or Earned during the Year

The following table summarizes the value of all option- and share-based awards that vested during 2021, along with the STIP awards (non-equity incentive plan compensation) earned during 2021:

Name	Option-Based Awards—Value Vested during the Year ($)[1]	Share-Based Awards—Value Vested during the Year ($)[2]	Non-Equity Incentive Plan Compensation Value Earned during the Year ($)
Gord Johnston	643,030	1,290,588	1,760,000
Theresa Jang[3]	-	-	728,000
Stu Lerner[4]	81,808	164,117	550,907
Cath Schefer[4]	71,540	143,571	529,576
Steve Fleck	115,442	231,646	519,750

(1) *Represents the value that would have been realized if the options and SARs under the option-based awards had been exercised on the vesting date. For the purpose of this disclosure, one-third of the options and SARs granted to NEOs in 2018 vested in 2021.*

(2) *Represents the value of PSUs issued as part of the 2018 compensation that vested and paid out in 2021.*

(3) *As Ms. Jang was appointed as EVP and CFO on January 1, 2019, she did not have option- or share-based awards that vested or were earned during the year.*

(4) *Mr. Lerner is paid in USD; Ms. Schefer is paid in GBP. Mr. Lerner and Ms. Schefer's non-equity incentive plan compensation values earned during 2021 were converted into Canadian dollars using the average annual exchange rate of CAD to USD and GBP of 1.2537 and 1.7243, respectively.*

Gains Realized through Options Exercised in 2020 and 2021

The following table shows the value of gains realized for NEOs following the exercise of stock options in 2020 and 2021:

	2020 ($)	2021 ($)[1]
Gord Johnston	602,405	1,867,423
Theresa Jang	0	0
Stu Lerner	17,700	283,946
Cath Schefer [2]	79,236	413,614
Steve Fleck	143,252	648,775

(1) *Represents the actual gain realized on the exercise of options. The gain reflects the difference between the exercise price and strike price on the date of exercise.*

(2) *Gains realized reflect the value of gains realized following the exercise of SARs.*

Equity Compensation Plan Information

The following table sets forth as at December 31, 2021, the number of securities to be issued upon exercise of outstanding options, the weighted exercise price of the outstanding options, and the number of securities remaining for issuance under all equity plans previously approved by shareholders. As at December 31, 2021, the Company did not have any equity plans that had not been approved by shareholders nor are any such plans in effect as of the date of this circular.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options (a) (#)	Weighted Average Exercise Price of Outstanding Options (b) ($)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c) (#)[1]
Equity compensation plans approved by security holders	848,278	32.37	4,125,652

(1) *This number is equal to the maximum number of Stantec options authorized to be issued under Stantec's LTIP (8,550,728), less the 848,278 options issued and outstanding under the plan as at December 31, 2021, and less 3,576,798 options exercised.*

Employment Agreements

Employment Agreements

Stantec has a written employment agreement with each NEO. The terms and conditions are competitive and reflect the compensation and risk management measures described elsewhere in this circular.

Non-Competition and Non-Solicitation

All employment agreements include non-competition or non-solicitation covenants of varying scope and duration. Mr. Johnston's agreement restricts him from (a) soliciting Stantec staff or clients for whom Stantec has undertaken business development efforts during the last year of his employment and (b) competing with Stantec's business in Canada or the United States. These restrictions apply for two years following the termination of his employment. Ms. Jang's, Mr. Lerner's, Ms. Schefer's, and Mr. Fleck's agreements restrict them from soliciting Stantec staff or clients for one year following the termination of their employment.

Confidentiality

Each employment agreement contains a confidentiality covenant that applies indefinitely. Following the termination of a NEO's employment, all notes, data, and other information accumulated or developed by the NEO must be returned to the Company. All information remains confidential, and NEOs are prohibited from using the information in a manner that is detrimental to the Company's interests.

The following table summarizes the restrictive covenants mentioned previously:

Executive	Non-Competition	Non-Solicitation of Staff and Clients	Confidentiality Covenant
Gord Johnston	2 years after departure	2 years after departure	Indefinitely after departure
Theresa Jang	None	1 year after departure	Indefinitely after departure
Stu Lerner	None	1 year after departure	Indefinitely after departure
Cath Schefer	None	1 year after departure	Indefinitely after departure
Steve Fleck	None	1 year after departure	Indefinitely after departure

Clawback Policy and Equity Ownership Requirements

Each employment agreement includes an obligation on the executive's part to comply with Stantec's CEO or Executive Vice President Share Ownership Policy, as applicable, and an acknowledgement and agreement to adhere to the Company's Executive Compensation Clawback Policy.

Benefits on Termination and Change of Control

The following table summarizes the payments due to each NEO upon termination of employment or upon a change of control followed by a termination of employment without cause or a resignation by the executive for good reason.

Benefits on Termination and Change of Control for Our NEOs

Name	Resignation	Termination without Cause	Change of Control and "Double Trigger" Conditions Fulfilled[1]	Retirement[2]
Short-Term Incentive	None	None other than what may be calculated in the severance payment (described below)	None other than what may be calculated in the severance payment (described below)	None
Vested Stock Options	Must be exercised within 90 days of resignation date; options remaining unexercised after that date are cancelled	Must be exercised within 90 days of termination date; options remaining unexercised after that date are cancelled	Must be exercised within 90 days of termination date; options remaining unexercised after that date are cancelled	Remain outstanding and exercisable in accordance with the original life of the option
Unvested Stock Options	Cancelled	Cancelled	All options immediately vest and must be exercised within 90 days of termination date; options remaining unexercised after that date are cancelled	Remain outstanding and vest in accordance with their original vesting schedule
Restricted Share Units (RSUs)	Cancelled	Cancelled	All RSUs immediately vest and are paid out within two and one-half (2 ½) months following the termination date	Remain outstanding and vest in accordance with their original vesting schedule
Performance Share Units (PSUs)	Cancelled	Cancelled	All PSUs vest based on the actual performance of the Company between the grant date and termination date; paid out within 60 days of termination date	Remain outstanding, vest and pay out in accordance with the performance objectives actually achieved during the life of the unit on the settlement date originally scheduled
Other Benefits, including the Group RRSP and the ESPP	None other than payout of vested benefits	None other than payout of vested benefits	None other than payout of vested benefits	None other than payout of vested benefits
Severance Payment	None	Unpaid salary earned to the termination date, together with a payment equal to • Two times (2x) the annual base salary existing as at the termination date, plus • Two times (2x) the CEO's Historical STI Amount[3] in the case of the CEO. For all other NEOs, the payment is • One times (1x) the annual base salary existing as at the termination date, plus • One times (1x) the NEO's Historical STI Amount	Unpaid salary earned to the termination date, together with a payment equal to • Two times (2x) the annual base salary existing as at the termination date, plus • Two times (2x) the CEO's Historical STI Amount[3] in the case of the CEO. For all other NEOs, the payment is • One times (1x) the annual base salary existing as at the termination date, plus • One times (1x) the NEO's Historical STI Amount	None

(1) *The "double trigger" provisions are fulfilled if a change of control occurs and within 12 months following the change of control, (a) the executive's employment is terminated without cause or (b) the executive terminates his or her employment with good reason. For the purpose of each executive's employment agreement, a change of control would occur when (a) a person acquires more than 50% of Stantec's common shares, (b) the nominees of a person holding at least 30% of Stantec's common shares are elected as directors and comprise a majority of Stantec's board, or (c) all or substantially all of Stantec's assets are sold to a third party. For the purpose of each executive's employment agreement, "good reason" means the executive's salary, authority, duties, or responsibility is materially diminished or a material change is made to the geographic location where the executive must perform his or her services.*

(2) *Retirement means a termination of employment after attaining age 60 with at least 10 years of service with the Company, if mutually agreed by the executive and the Company.*

(3) *For the purpose of each executive's employment agreement, "Historical STI Amount" means the average amount of the last three short-term incentive cash payments paid to the executive. In the case of Ms. Schefer, the "Historical STI Amount" means the greater of: (a) the average amount of the last three short-term incentive cash payments paid to her, and (b) her current STI Target (being 70% of base salary).*

Termination Payment Calculation

The following table presents the incremental payments we would have to make to each NEO if a triggering event—a termination without cause or a change of control payment trigger—occurred on the last business day of Stantec's most recently completed fiscal year, in this case, 2021:

Name	Termination Payout on a Without-Cause Termination ($)	Termination Payout on a Change in Control ($)
Gord Johnston	4,023,032	4,023,032
Theresa Jang	1,066,076	1,066,076
Stu Lerner	832,714	832,714
Cath Schefer	953,523	953,523
Steve Fleck	874,642	874,642

(1) *On a termination without cause or a termination following a change of control (assuming double-trigger conditions are satisfied), all unvested long-term incentives (RSUs and PSUs) are forfeited. The amounts in the table above reflect the severance payment required in the event of a termination without cause or change of control with a double-trigger event.*

Additional Information

Currency

Unless otherwise indicated, the dollar amounts presented in this Management Information Circular are in Canadian dollars.

Interest of Certain Persons in Matters to be Acted On

To our knowledge, other than the election of directors, none of our directors or executive officers, or any associate or affiliate of any such person, has any material interest, direct or indirect, by way of securities or otherwise, in any matter to be acted on at the meeting.

Interest of Management and Others in Material Transactions

To our knowledge, none of our: (i) directors or executive officers, (ii) shareholders of the Company that beneficially own, or control or direct, directly or indirectly, more than 10% of the Company's outstanding voting securities, or (iii) any associate or affiliate of persons referred to in (i) and (ii), has or has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company.

2022 Shareholder Proposals

Shareholder proposals must be submitted no later than December 22, 2022, to be considered for inclusion in next year's Management Information Circular for the purposes of Stantec's 2023 annual meeting of shareholders.

Continuous Disclosure

To obtain copies of this circular, our Annual Information Form for the year ended December 31, 2021, or our Annual Report (which includes our Management's Discussion and Analysis and Consolidated Financial Statements) for the year ended December 31, 2021, do one of the following:

- Go to the Company's website at stantec.com and print copies
- Request mailed copies from the corporate secretary at Suite 400, 10220 – 103 Avenue NW, Edmonton, Alberta, T5J 0K4

You can also access the Company's disclosure documents and any reports, statements, or other information that the Company files with Canadian provincial securities commissions or other similar regulatory authorities on SEDAR at sedar.com or EDGAR at sec.gov. Financial information for Stantec is provided in the Management's Discussion and Analysis and Consolidated Financial Statements (both found in our Annual Report) for the year ended December 31, 2021.

Shareholder Feedback

Stantec maintains a comprehensive investor communications program. We welcome comments and feedback from shareholders and invite you to comment using the following contact information:

Investor Relations

Telephone: 780-917-7114
Fax: 780-917-7330
Email: ir@stantec.com

General Inquiries

Stantec Inc.
Suite 400, 10220 – 103 Avenue NW
Edmonton, Alberta T5J 0K4
Canada

Telephone: 780-917-7000
Fax: 780-917-7330
stantec.com

Directors' Approval

Our board of directors has approved the contents of this circular and the distribution of this circular to our shareholders.

Paul J. D. Alpern
Senior Vice President, Secretary and General Counsel

Schedule A

Change of Auditor Reporting Package

NOTICE OF CHANGE OF AUDITOR

Pursuant to NI 51-102 (Section 4.11)

TO: Alberta Securities Commission
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission Authorité des marches financiers
New Brunswick Financial and Consumer Services Commission
Nova Scotia Securities Commission
Prince Edward Island Office of the Superintendent of Securities
Superintendent of Securities (Newfoundland and Labrador)
Office of the Yukon Superintendent of Securities
Nunavut Securities Office
Office of the Superintendent of Securities (Northwest Territories)

AND TO: Ernst & Young LLP
PricewaterhouseCoopers LLP

Stantec Inc. (the "**Company**") hereby gives notice pursuant to Section 4.11 of National Instrument51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") of the termination of Ernst & Young LLP ("**EY**") as the auditor of the Company and the appointment of PricewaterhouseCoopers LLP("**PwC**") in its place. The Company confirms that:

1. The Audit and Risk Committee ("**ARC**") has conducted a comprehensive tender process for external audit services.

2. After careful review of the proposals received and due consideration of all relevantfactors, the ARC recommended to the Board of Directors that PwC be appointed as the Company's auditor for the Company's financial year ending on December 31, 2021.

3. Effective June 1, 2021 (the "**Effective Date**"), EY, at the request of the Company,has resigned as auditors of the Company and PwC has been appointed as auditorsof the Company to fill the vacancy until the next annual meeting of shareholders ofthe Company.

4. The resignation of EY and the appointment of PwC was considered and approvedby the ARC and the Board of Directors of the Company.

5. There have been no modified opinions in EY's reports for the Company's two mostrecently completed financial years ended December 31, 2020 and 2019 or for anyperiod subsequent to the most recently completed period for which an audit reportwas issued and preceding the Effective Date.

6. There were no reportable events (as defined in Section 4.11 of NI 51-102) in connection with the audits for the period commencing at the beginning of the Company's two most recently completed financial years and ending on the Effective Date.

DATED as of the 1st day of June, 2021.

Ernst & Young LLP
Calgary City Centre
2200 215 2nd Street SW
Calgary AB T2P 1M4

Tel: +1 403 290 4100
Fax: +1 403 290 4165
ey.com

Building a better working world

Alberta Securities Commission
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
Financial and Consumer Services Commission, New Brunswick
Nova Scotia Securities Commission
Authorité des marches financiers
Office of the Superintendent of Securities, Prince Edward Island
Office of the Superintendent of Securities Service, Newfoundland and Labrador

June 1, 2021

Stantec Inc.
10220 103 Ave NW
Edmonton AB T5J 0K4

Attention: Theresa B.Y. Jang, Chief Financial Officer

Stantec Inc. - Notice of Change of Auditor

Dear Sirs/Mesdames:

In connection with our recent resignation as auditor of Stantec Inc., we acknowledge receipt of the Notice of Change of Auditor, dated June 1, 2021.

We agree with the statements set out in the Notice of Change of Auditor.

If you have any questions or comments relating to this matter, please do not hesitate to contact the undersigned directly at your convenience.

Yours sincerely

Ernst & Young LLP

Ernst & Young LLP
Chartered Professional Accountants

June 1, 2021

To:
Alberta Securities Commission
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
Authorité des marches financiers
New Brunswick Financial and Consumer Services Commission
Nova Scotia Securities Commission
Prince Edward Island Office of the Superintendent of Securities
Superintendent of Securities (Newfoundland and Labrador)
Office of the Yukon Superintendent of Securities
Nunavut Securities Office
Office of the Superintendent of Securities (Northwest Territories)

We have read the statements made by Stantec Inc. in the attached copy of change of auditor notice dated June 1, 2021, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements concerning PricewaterhouseCoopers LLP in the change of auditor notice dated June 1, 2021.

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Professional Accountants

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Schedule B

Overview of Stantec's Long-Term Incentive Plan

Shares Authorized for Issuance under the Plan

Stantec's long-term incentive plan (the Stantec LTIP) authorizes up to a maximum of 8,550,728 of the Company's common shares (representing 7.69% of our issued and outstanding shares as of March 22, 2022) to be granted as awards to employees of Stantec and its subsidiaries under the plan.

The common shares issued to settle awards under the Stantec LTIP may be authorized but unissued shares; shares acquired by or on behalf of a trust established by either the Company or a subsidiary and held for future delivery; or shares acquired by delivery of cash to a broker to acquire shares on behalf of an award recipient.

The Stantec LTIP has a number of limitations regarding the issuance of awards to participants, including the following:

- No more than an aggregate of 1,000,000 shares (representing 0.90% of our issued and outstanding shares as of March 22, 2022) may be made the subject of performance share units or restricted share units
- The aggregate dollar amount of cash and the fair market value (at the time of issuance of the applicable award) of shares that may be made the subject of Section 162(m) awards granted in any calendar year to any US resident grantee, must not exceed US$4,000,000 in any calendar year
- The number of shares issuable to insiders—on an aggregate basis, at any time, and under all security-based compensation arrangements of the Company—must not exceed 10% of the Company's issued and outstanding shares
- The number of shares issued to insiders—on an aggregate basis, at any time, and within any one-year period, under all security-based compensation arrangements of the Company—must not exceed 10% of the Company's issued and outstanding shares

If any outstanding awards under the Stantec LTIP expire, are cancelled, are settled in cash, or are otherwise terminated for any reason without having been exercised or payment having been made in respect of the award, the shares allocated to that award will be available for other awards. In addition, on settlement of a stock appreciation right in shares, the excess number of shares (covered by the share appreciation right) over the number of shares issued (in settlement of the share appreciation right) may again be made the subject of awards granted under the Stantec LTIP.

Administration of the Plan

The Stantec LTIP is administered by the Corporate Governance and Compensation Committee. Each member of the committee must be a non-employee director (within the meaning of Securities and Exchange Commission Rule 16b-3). The committee determines who will receive the awards, the times the awards will be granted, the number of shares to be subject to each award, the terms and conditions of each award, and the treatment of awards granted to individuals during leaves of absence. In its discretion but subject to applicable law, the committee may delegate to one or more people any administrative or ministerial duties or non-material determinations under the Stantec LTIP, provided those determinations do not relate to the Company's executive officers.

Plan Amendments

The Company may generally amend, suspend, discontinue, or terminate the Stantec LTIP and any outstanding awards granted under it, in whole or in part, at any time, provided that all material amendments to the Stantec LTIP require prior approval of the Company's shareholders. Examples of amendments that may be made without shareholder approval include

- Maintaining continuing compliance with applicable laws, regulations, requirements, rules, or policies of any governmental authority or stock exchange
- Making amendments of a "housekeeping" nature
- Changing the vesting provision of the Stantec LTIP or any award
- Changing the termination provisions of any award that does not entail an extension beyond the original expiry date of that award
- Adding a cashless exercise feature payable in securities if that feature provides for a full deduction of the number of underlying securities from the Stantec LTIP share reserve
- Adding a form of financial assistance and any amendment to a financial assistance provision which is adopted
- Changing the process by which an award recipient who wishes to exercise an award may do so

No amendments to the Stantec LTIP that require shareholder approval under applicable laws or regulatory requirements will become effective until approval is obtained. Examples of amendments that require shareholder approval include

- Increasing the maximum number of shares that may be made the subject of awards under the Stantec LTIP
- Making any adjustment (other than in connection with a stock dividend, recapitalization, or other transaction where any adjustment is otherwise permitted or required under the Stantec LTIP) or amendment that reduces or would have the effect of reducing the exercise price of a stock option or share appreciation right previously granted under the Stantec LTIP by any means
- Increasing the express limits placed on awards set out in the Stantec LTIP that may be granted to any eligible participant
- Extending the term of an outstanding stock option or share appreciation right beyond its original expiry date, except as otherwise permitted in accordance with the Stantec LTIP
- Adding a cashless exercise feature payable in securities if that feature does not provide for a full deduction of the number of underlying securities from the Stantec LTIP reserve
- Permitting stock options granted under the plan to be transferable or assignable other than for normal estate settlement purposes
- Changing who is eligible to receive awards under the Stantec LTIP
- Making any other amendment to the Stantec LTIP that is not (1) an amendment made to maintain continued compliance with applicable laws or regulations or (2) an amendment of a "housekeeping" nature

As well, no change to an outstanding award under the Stantec LTIP that will materially adversely impair the rights of the recipient may be made without the recipient's consent, unless the amendment is made to maintain continued compliance with applicable laws or regulations.

Award Adjustments

The committee will determine the appropriate adjustments, if any, to outstanding awards and shares available for future awards in connection with an increase or reduction in the number of shares or any change (including a change in value in the case of a spin-off, dividend, or other distribution in respect of shares) in the shares or exchange of shares for a different number or kind of shares or other securities of the Company or another corporation because of a reclassification, recapitalization, merger, consolidation, or other change in capitalization as further defined in the Stantec LTIP.

Such adjustments may be made to any of the following:

- Maximum number and class of shares or other securities with respect to which awards may be granted
- Maximum number and class of shares or other securities with respect to which awards may be granted to an eligible recipient in any calendar year
- Number and class of shares and other securities which are subject to outstanding awards granted under the Stantec LTIP and the exercise price of such awards, if applicable
- Performance objectives

Award Vehicles Available under the Plan

Summary of Available Vehicles

Under the Stantec LTIP, the Company can issue five vehicles, which are briefly described in the table below:

Name of Vehicle	Description of Vehicle
Options	This vehicle gives the recipient an option to purchase Stantec common shares in the future at a price fixed on the grant date. The option price cannot be less than 100% of the fair market value of the shares on the grant date. The option is subject to vesting restrictions as set by the Company at the time of grant and an expiry date.
Share Appreciation Rights (SARs)	SARs granted under the Stantec LTIP are granted either alone or in connection with an option. A SAR gives the recipient the right to receive payment equal to the appreciation in the Company's common shares over the term of the SAR. If granted in connection with an option, a SAR covers the same shares as are covered by the option and is subject to the same terms and conditions. A recipient can choose to either (1) exercise the option and receive the underlying share, resulting in the cancellation of the SAR, or (2) surrender the option to the Company for cancellation and instead receive the value of the SAR at the time of exercise. If a SAR is granted unrelated to an option, the SAR gives the recipient the right to receive all or some portion of the increase in the value of the shares.
Dividend Equivalent Rights	This vehicle gives the recipient the right to receive all or some portion of the cash dividends that are or would be payable in respect of the Company's shares. A dividend equivalent right is granted in tandem with respect to another type of award available under the LTIP, other than an option.
Restricted Share Units (RSUs)	An RSU is a notional or phantom share unit that gives the recipient the right to receive payment equal to the fair market value of the RSU on meeting the applicable vesting criteria. (The fair market value of an RSU is equal to the 5-day volume weighted average trading price (VWAP) of the Company's common shares on the TSX immediately prior to the applicable settlement date.)
Performance Share Units (PSUs)	A PSU is a notional or phantom share unit that, upon meeting applicable vesting criteria gives the recipient the right to receive payment equal to either (1) the 5-day volume weighted average trading price (VWAP) of the Company's common shares on the TSX immediately prior to the applicable settlement date or (2) a percentage of the VWAP of the shares on the applicable date, based on attaining performance objectives ranging from 0% to 200% of the value.

For the purposes of the Stantec LTIP, "fair market value" of the common shares on any relevant date means the closing price of the Company's common shares on the TSX on the trading day immediately preceding that date.

Awards granted under the Stantec LTIP are generally non-transferable and, in the case of options and SARS, may be exercised during a recipient's lifetime by the recipient only. However, in the case of options or a related SAR, the recipient's legal representative or estate may exercise the options or SAR on the recipient's behalf.

Performance Objectives

Under the Stantec LTIP, the committee has the discretion to apply performance objectives to options, RSUs, and PSUs. Performance objectives may be expressed in terms of the following:

- Earnings per share, earnings (which may be expressed in earnings before specified items), return on assets, return on invested capital, revenue, operating income, net income, cash flow, total shareholder return, operational metrics (such as voluntary staff turnover, health and safety, quality management, achievement of growth objectives, client satisfaction, and employee satisfaction), or any combination these
- Other than with respect to Section 162(m) awards, any other metric approved by the committee

The performance objectives may be in respect of performance of the Company, any of its subsidiaries, any of its operating units, individual performance metrics applicable to one or more recipients, or any combination of these.

Performance objectives may be absolute or relative (to prior performance of the Company or to the performance of one or more entities or external indices) and may be expressed in terms of progression within a specified range. The committee has authority to modify performance objectives after they have been established and as appropriate to reflect the impact of certain corporate transactions (such as a stock split or stock dividend), special charges, accounting or tax law changes, or other extraordinary, nonrecurring, or special events or circumstances. However, none of these modifications are permitted to the extent it would cause a Section 162(m) award to be non-deductible under the provisions of the U.S. Internal Revenue Code.

Details of Each Award Vehicle

Following is a more detailed description of the types of awards that are available to be granted under the Stantec LTIP.

Options

The Stantec LTIP provides for incentive stock options, as defined under Section 424 of the U.S. Internal Revenue Code, and for nonqualified stock options. The purchase price for all common shares covered by each option cannot be less than 100% of the fair market value of the shares on the grant date. In case of an incentive stock option granted to an individual who, on the grant date, owns shares possessing more than 10% of the Company's total combined voting power, the exercise price per option must be at least 110% of the fair market value of the options as of the grant date and the incentive stock option is not exercisable following the fifth anniversary of the grant date.

The purchase price for common shares covered by an option must be paid in full at the time of exercise of the option in the form of cash, personal or certified cheque, or bank draft, or by tender of other property acceptable to the committee. The committee has the discretion to establish a cashless exercise procedure for the exercise of options.

The committee will determine the term of an option, up to a maximum of 10 years (subject to the limitations described above), as well as the vesting conditions applicable to the option, which may include attainment of performance objectives. The committee may accelerate the exercisability of an option at any time. The committee may also extend the exercise period for the option, but it may not be extended beyond the earlier of (1) the latest date upon which the option could have expired on its original terms or (2) the tenth anniversary of the grant date of the option.

Share Appreciation Rights

Share appreciation rights (SARs) under the Stantec LTIP are granted either alone or in tandem with (i.e., in connection with) the grant of an option. A tandem SAR generally terminates on the expiration, forfeiture, or exercise of the related option and is exercisable only to the extent that the option is exercisable. When the tandem SAR is exercised, the related option will be canceled to the extent of the number of shares for which the SAR is exercised. When an option issued with a tandem SAR is exercised, the related SAR will be canceled to the extent of the number of shares for which the option is exercised. If a SAR is granted unrelated to an option, the SAR gives the recipient the right to receive all or some portion of the increase in the value of the shares.

When the SAR is exercised, the recipient will receive payment in an amount determined by multiplying the excess of the fair market value of the common shares on the date the SAR was exercised over the option price by the number of shares for

which the SAR is being exercised. At the time of the grant, the committee will determine the form of payment, which may be in shares, cash, or a combination of shares and cash.

Dividend Equivalent Rights

Dividend equivalent rights are granted in connection with another award, such as a PSU or RSU. Recipients of dividend equivalent rights are entitled to receive payments in single or multiple installments, as determined by the committee, that are equivalent to all or some portion of the cash dividends payable with respect to the Company's common shares. The amounts payable may be made currently or deferred until the lapsing of any applicable restrictions on the right to payment for the dividend equivalent right or on the award to which the dividend equivalent right relates.

Payments may be made in cash, common shares, or a combination of cash and common shares. If the amounts payable are deferred, the committee will determine whether the deferred amounts will be held in cash, reinvested in shares, or deemed notionally to be reinvested in shares. If the amounts deferred are to be held in cash, the committee may determine whether interest should be credited on those deferred amounts. Notwithstanding the foregoing, with respect to a dividend equivalent right granted in connection with a SAR that is subject to Section 409A of the U.S. Internal Revenue Code, amounts payable in respect of that dividend equivalent right may not be contingent on or otherwise payable on the exercise of the SAR and must be treated in a manner that will not result in the SAR being treated as providing for deferred compensation.

Restricted Share Units

Restricted share units (RSUs) represent the right of the recipient to receive a payment upon the vesting of the unit equal to the VWAP of the shares on the date the RSUs were granted, the vesting date, or any other date as determined by the committee when the RSUs were granted. The award of an RSU may be made contingent on such conditions as established by the committee in connection with the award, including the attainment of performance objectives. Unless otherwise specified in the award agreement, dividend equivalent rights will be granted in tandem with all RSUs.

The committee may provide for the settlement of the RSUs in cash, in shares (at the fair market value), or a combination of cash and shares. The committee may, at the time the RSU is granted, provide a limitation on the amount payable in respect of each RSU.

Performance Share Units

Performance share units (PSUs) are similar to RSUs and are made contingent on such conditions established by the committee in connection with the award, including the attainment of performance objectives. PSUs are denominated in shares; and contingent upon the attainment of specified performance objectives during the performance cycle, each PSU represents a right to payment of either (1) the VWAP of a share on the date the PSU was granted, became vested, or any other date specified by the committee or (2) a percentage of such fair market value ranging from 0% to 200%, depending on the level of performance objectives that have been attained. In no event will the maximum payment value exceed 200% of the fair market value of a share on the applicable date.

Unless otherwise specified in the award agreement, dividend equivalent rights will be granted in tandem with all PSUs. The committee may provide for settlement of PSUs in cash or shares (at the fair market value) or a combination of these. At the time the PSU is granted, the committee may provide a limitation on the amount payable in respect of each PSU.

Effect of Termination of Employment on Awards

The Stantec LTIP contains provisions concerning the treatment of awards on termination of the recipient's employment. These provisions will apply unless otherwise set forth in an applicable award agreement or unless otherwise determined by the committee at any time before or after the recipient's termination of employment, with the consent of the recipient.

Generally, if a recipient's employment terminates for any reason other than those described below, all awards that the recipient holds will be forfeited immediately, except for any vested and exercisable options or SARs the recipient holds, which remain exercisable for 90 days following the termination date. If the recipient dies within 90 days following termination, those options and SARs remain exercisable by the deceased's estate until the first anniversary of the termination date (but in no event beyond the maximum term of the option or SAR).

Exceptions to the above treatment of awards on termination of employment are set out below. Certain specific exceptions may also be specified in the award agreement.

Treatment on Death

- *Options and SARs* – These become immediately exercisable as of the termination date, and the recipient's estate may exercise the options and SARs for one year following the termination date (but in no event beyond the maximum term of the option or SAR)
- *Unvested RSUs* – RSUs that are not intended to be performance awards become immediately vested on the termination date and will be settled in accordance with the terms of the award agreement
- *Outstanding Performance Awards* – These remain outstanding and become immediately vested as if all applicable performance objectives had been satisfied at the 100% target level and are paid on the date the performance award would otherwise have been paid had the recipient remained employed with the Company

Treatment on Disability

- *Options and SARs* – These remain outstanding, and unvested options and SARs continue to vest in accordance with the applicable vesting schedule; the recipient or the recipient's legal representative may exercise the options and SARs as they become exercisable before the expiration of the maximum term of the award
- *Unvested RSUs* – RSUs that are not intended to be performance awards become immediately vested on the termination date and will be settled in accordance with the terms of the award agreement
- *Outstanding Performance Awards* – These remain outstanding and will be paid based on the actual attainment of applicable performance objectives on the date the award would otherwise have been paid had the recipient remained employed with the Company

Treatment on Retirement

"Retirement" under the Stantec LTIP means a termination of employment after the recipient attains the age of 60 with at least 10 years of service to the Company, and other than by death, disability, for cause, or a voluntary termination by the recipient or without cause termination by the Company, unless the recipient and the Company mutually agree that such termination is considered a retirement.

- *Options and SARs* – These remain outstanding, and unvested options and SARs continue to vest in accordance with the applicable vesting schedule; the recipient may exercise the options and SARs as they become exercisable before the expiration of the maximum term of the award
- *Unvested RSUs* – RSUs that are not intended to be performance awards remain outstanding and continue to vest in accordance with their applicable vesting schedule and be settled as described in the award agreement
- *Outstanding Performance Awards* – These remain outstanding and will be paid based on the actual attainment of applicable performance objectives on the date the award would otherwise have been paid had the recipient remained employed with the Company

Treatment on Termination following a Change in Control (Double Trigger)

If within 12 months following the occurrence of a change in control of the Company the recipient's employment with the Company is terminated without cause or the recipient terminates his or her employment with the Company for good reason, the recipient's outstanding awards will be treated as follows:

- *Options and SARs* – These become immediately exercisable as of the termination date
- *Unvested RSUs* – These become fully vested as of the termination date and will be settled as described in the award agreement

- *Outstanding Performance Awards* – These become immediately vested as if all performance objectives had been satisfied based on the achievement of such objectives as of the termination date, and the recipient will receive a cash payment in respect of all such performance awards within 60 days after the termination date

Effect of Certain Transactions

If the Company is involved in a liquidation, dissolution, merger, or consolidation, or in an acquisition of all issued and outstanding shares of the Company by any person (unless such acquisition is a non-control transaction) (a Transaction), outstanding awards will be treated as provided for in the agreement entered into in connection with the transaction, or if not provided for in the agreement, recipients will be entitled to receive the same consideration that each holder of one of our common shares was entitled to receive in the transaction in respect of a common share. However, the consideration will remain subject to the conditions, restrictions, and performance criteria that were applicable to the awards before the transaction took place.

If a change of control is a Transaction (as described above) and if outstanding awards are not assumed, substituted, or otherwise dealt with in the applicable Transaction agreement (as described above), then the recipient's outstanding awards will be treated as follows when a change in control occurs:

- *Options and SARs* – These become immediately exercisable
- *Unvested RSUs* – These become fully vested and settled in accordance with the terms of the award agreement
- *Outstanding Performance Awards* – These become immediately vested as if all performance objectives had been satisfied based on the achievement of such objectives as of the occurrence of the change in control, and the recipient will receive a cash payment in respect of all such performance awards within 60 days after the change of control

Additional Plan Terms

The following is a summary of certain additional terms and conditions set out in the Stantec LTIP:

Misconduct

If a recipient has used for profit or disclosed to unauthorized persons confidential information or trade secrets of the Company or has engaged in unlawful trading in the Company's securities or of another company based on information gained as a result of that recipient's employment with the Company, the recipient forfeits all rights under any outstanding awards granted to him or her under the Stantec LTIP, and the outstanding awards shall automatically terminate unless the Committee determines otherwise.

Executive Compensation Clawback Policy

All awards granted under the Stantec LTIP and the proceeds received from those awards are subject to the Company's Executive Compensation Clawback Policy as adopted by the board of directors from time to time or in accordance with any other agreement or other arrangement between the recipient and the Company.

Taxes and Multiple Jurisdictions

The Company has the right to make all applicable withholding taxes in connection with the recipient's receipt of shares or cash in connection with an award granted under the Stantec LTIP. Recipients may be subject to taxation under the U.S. Internal Revenue Code, the laws of Canada, and the laws of other jurisdictions as applicable. Without amending the Stantec LTIP, the committee may grant, settle, or administer awards on terms and conditions different from those specified in the Stantec LTIP as the committee may deem necessary or desirable to effect the purposes of the Stantec LTIP, subject to applicable law.

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La Trobe Student Accommodation
Bundoora, Victoria, Australia

ON THE COVER

The Amazing Brentwood
Burnaby, British Columbia, Canada
Stantec in association with
James K.M. Cheng Architects