

Management Approach: Procurement

As a large, international company, Stantec recognizes that our purchasing decisions can influence positive industry change. We leverage our supply chain decisions to promote sustainable business practices and to support local businesses around the world.

Partner Code of Business Conduct

Doing business with suppliers, subcontractors, subconsultants, and partners who share our values limits Stantec's risks and enhances our Company's commitments to the environment and the community. Stantec passes our environmental, social, and governance performance expectations to our partners, who are asked to apply business practices consistent with Stantec's standards.

Our <u>Partner Code of Business Conduct</u>—which covers employment practices, health and safety, environment, human rights, discrimination, anti-bribery, intellectual property, privacy, and more—reduces the potential for problems in our supply chain. We expect high-risk partners to sign this document and participate in due-diligence checks.

Procurement Program

Stantec has a centrally managed Corporate Procurement team that globally manages indirect procurement needs such as leased buildings, vehicle fleet, IT hardware and software, telecommunications, furniture, office supplies, technical supplies, and other needs.

This team is a key player in Stantec's operational emissions management program with activities that span from overseeing green enhancements in our travel management system to working with suppliers to provide activity data for our carbon accounting process to facilitating the right sizing of our office footprint to streamlining print management process.

We have recently purchased and are in the process of rolling out Oracle's procurement management tool to improve consistency in application of our procurement processes.

Partner Selection

Stantec's Corporate Procurement team actively looks for and selects vendors who practice sustainable behaviors within their operations and who offer environmentally friendly and socially responsible products and services. We require that corporate suppliers provide emissions data for the items we purchase from them, provide recycling support, and work with us to implement behavior changes with our staff that reduce our impact.

For subcontractors, subconsultants, and specialty companies that help us deliver our projects (e.g., drillers, archaeologists, laboratories, surveyors, etc.), Stantec has a series of decentralized, geographically based Subcontractor Management teams that utilize local systems to evaluate whether partners meet our standards. To become prequalified, a partner must complete the Subcontractor Questionnaire (containing ESG requirements related to topics such as diversity, health and safety, and ethics), which is reviewed and scored by Stantec subject matter experts. A company not meeting our minimum criteria is either eliminated from consideration or provided input on how to improve their programs.

Supplier Diversity

Stantec is committed to doing business with companies of all sizes and backgrounds. Minority, women, small, veteran, and disadvantaged business enterprises are an economic engine of growth. The mission of our Supplier Diversity Program is to develop and sustain long-term relationships with our emerging and existing business partners, to build and maintain mutually beneficial relationships, and to execute quality projects together that meet our client's goals. We recognize that a diverse supply chain brings tremendous energy, entrepreneurial drive, and specialized technical expertise to our partnerships.

Stantec's Supplier Diversity program is geographically based and consists of a small and diverse supplier utilization policy which includes internal evaluation, reporting and benchmarking, tracking direct and indirect spend, vendor profile registration, development and implementation of strategic teaming partnerships, and outreach and ongoing training for staff and management. We select vendors and subconsultants based on qualifications, capability, performance, and capacity.

Stantec, Inc. (Last update: April 12, 2023) Page 1 of 2



Stantec has specific programs that further supply chain inclusion of Indigenous businesses. In Canada, we are pursuing <u>certification</u> with the Canadian Council of Aboriginal Business' Progressive Aboriginal Relations program. We also have partnerships with both the Australian Supply Nation and Kinaway for work with the Aboriginal and Torres Strait Islander business sector.

Stantec has implemented a self-reporting supplier profile inventory on our website to enable subconsultants and suppliers to download a Vendor Certification form requesting business information and socioeconomic certification. This is then submitted to a dedicated email account — supplierdiversity@stantec.com.

Sustainable Supply Chain Management

Stantec is in the process of evaluating the best way to approach development of a sustainable supply chain management program. This would include sustainability-related screenings of our vendors, subcontractors, subconsultants on topics like emissions management, workforce practices, health and safety, human rights management, ethics practices, and the like.

See all Stantec Management Approaches

Stantec, Inc. (Last update: April 12, 2023) Page 2 of 2