



STN
TSX NYSE

Q1 2022 Earnings Presentation



Stantec

May 12, 2022



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Q1 2022



Cautionary Statement

This presentation contains non-IFRS and other financial measures and forward-looking statements, including a discussion of our business targets, expectations, and outlook.

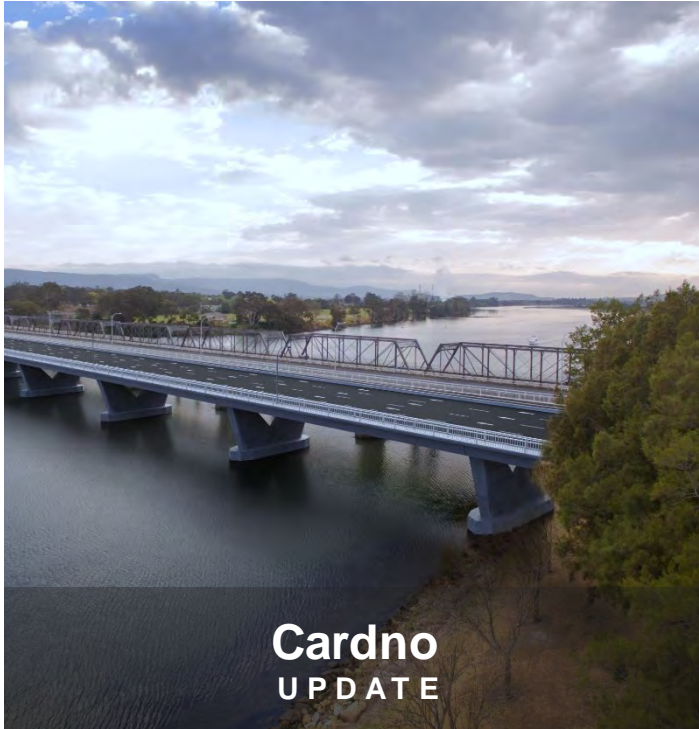
We caution readers not to place undue reliance on our forward-looking statements since a number of factors could cause actual future results to differ materially from the targets and expectations expressed.

Non-IFRS and other financial measures do not have a standardized meaning under IFRS, and therefore, may not be comparable to similar measures presented by other issuers. For a discussion of risk factors and non-IFRS measures and other financial measures, see our Q1 2022 Management's Discussion and Analysis available on SEDAR, EDGAR, and stantec.com.



Q1 2022 Milestones

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Cardno UPDATE

- Integration well under way
- Financial performance in line with expectations
- >70 joint projects and >100 joint pursuits to date



Barton Willmore ACQUISITION

- The UK's leading planning and design consultancy firm strengthens infrastructure operations
- 300 team members across the UK



2021 Sustainability REPORT

- 53% of gross revenue aligned with UN SDGs
- Achieved carbon neutrality for operations in the United Kingdom, New Zealand, and European Union



Solid Q1 2022 earnings

Net Revenue	Adj EBITDA ⁽¹⁾ Margin	EPS Adj Diluted ⁽¹⁾ Diluted
\$1,050M	\$152M 14.5%	\$0.61 \$0.40
▲ 19.5%	▲ 17.9%	▲ 22.0% (Adjusted)

Increased earnings on the strength of:

- **6.4%** organic net revenue growth⁽¹⁾
- **13.9%** acquisition growth⁽¹⁾
- **54.0%** project margin

KEY DRIVERS

Re-shoring of strategic domestic production to strengthen local supply chain resilience

Climate change and sustainability

Global food security

Energy transition

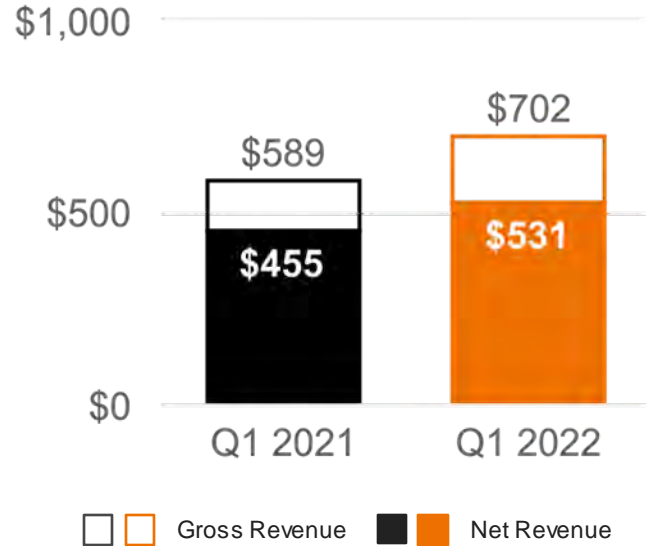
(1) Adjusted diluted EPS, Adjusted EBITDA, organic growth, and acquisition growth are non-IFRS and other financial measures (discussed in the Definitions section of Stantec's Q1 2022 Quarter Report)



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United States

Gross and net revenue (\$ millions)



**\$3.3
Billion**
BACKLOG

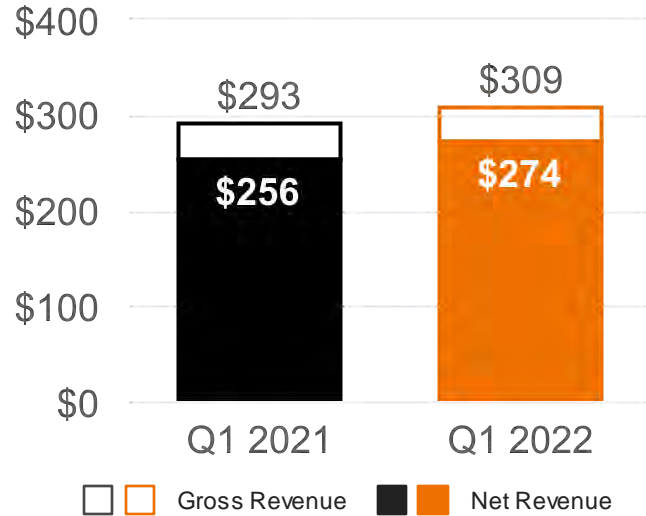
- **3.5%** organic growth; achieved in every business operating unit
- **13.2%** acquisition growth
- Environmental Services – the biggest contributor to revenue growth
- Buildings – returned to organic growth, particularly in healthcare



Environmental work for solar farm
Bowdoin, Maine

Canada

Gross and net revenue (\$ millions)



**\$1.2
Billion**
BACKLOG

- **7.0%** organic growth; achieved in every business operating unit
- Environmental Services – double-digit growth
- Infrastructure – strong housing market; public spending on roadways and transportation
- Energy & Resources – energy transition and global food security initiatives



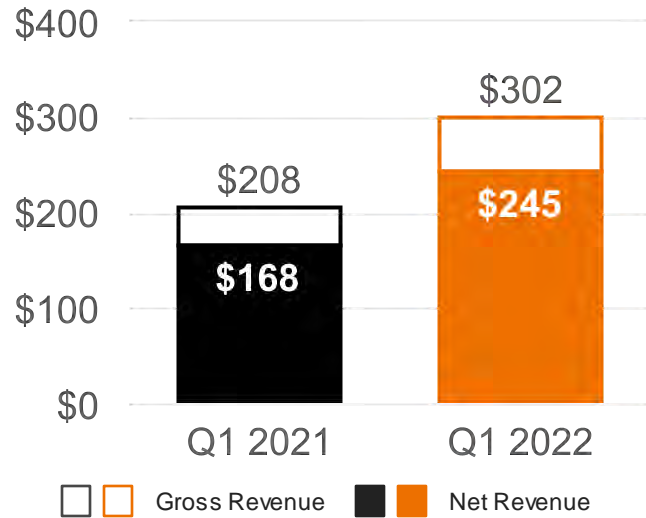
Carrefours giratoire d'Îles-Malignes à Alma
Alma, QC, Canada



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Global

Gross and net revenue (\$ millions)



**\$0.9
Billion**
BACKLOG

- **13.4%** organic growth; achieved in every business operating unit
- **36.8%** acquisition growth
- Water – UK AMP 7 in full swing
- Infrastructure – post-pandemic recovery in New Zealand and the UK
- Buildings – public and private sector investments in Australia



Edith Cowan University
Perth, Australia



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Q1 2022 Financial Performance

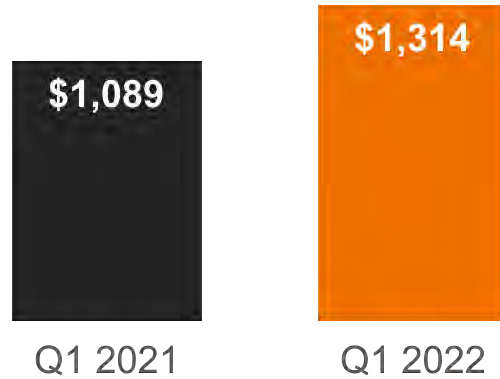
CPS Energy Headquarters
San Antonio, Texas, US

Theresa Jang - Executive Vice President and Chief Financial Officer



Q1 2022 Financial Results

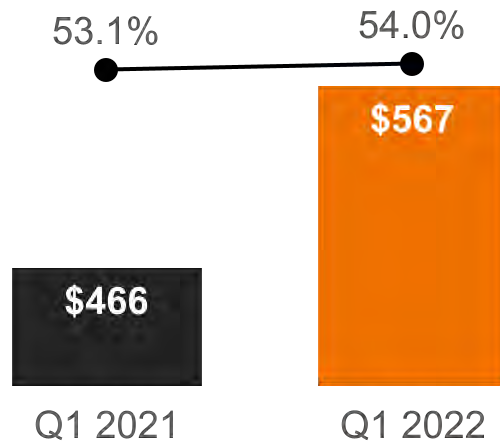
Gross revenue (\$)⁽¹⁾



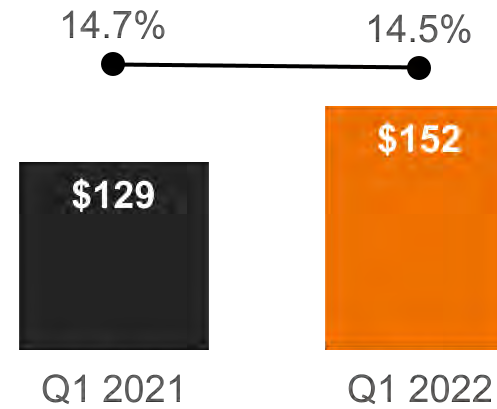
Net revenue (\$)⁽¹⁾



Project margin (\$ and %)⁽¹⁾



Adjusted EBITDA (\$) and Adjusted EBITDA margin (%)⁽¹⁾



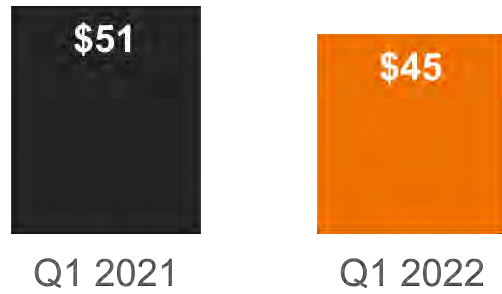
Q1 2022

⁽¹⁾ Dollars in millions except percentages; adjusted EBITDA and adjusted EBITDA margin are non-IFRS measures discussed in the Definitions section of the Q1 2022 MD&A.

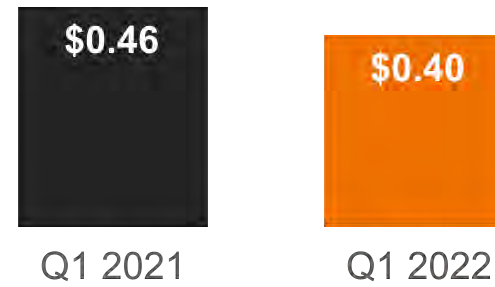


Q1 2022 Financial Results (cont'd)

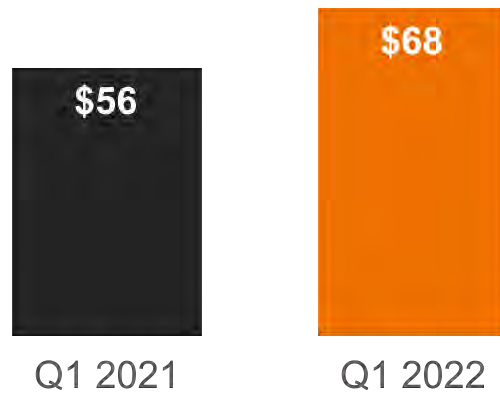
Net income (\$)⁽¹⁾



Diluted earnings per share (\$)⁽¹⁾



Adjusted net income (\$)⁽¹⁾



Adjusted diluted earnings per share (\$)⁽¹⁾



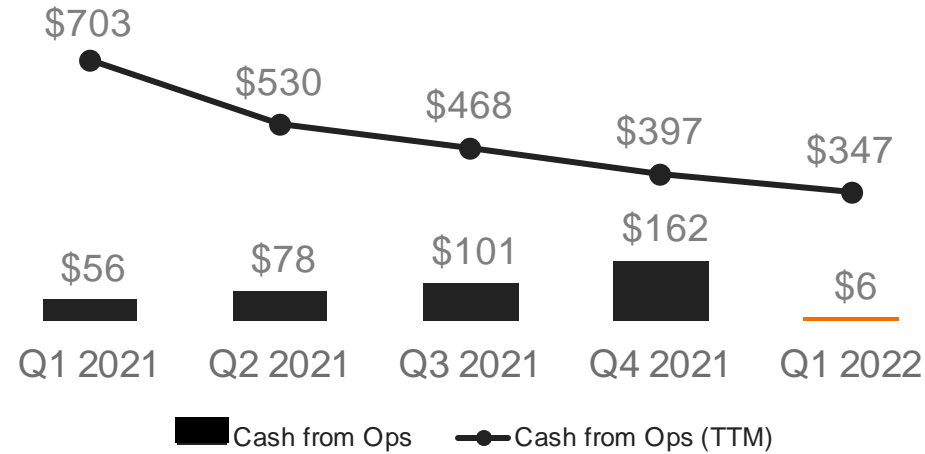
Q1 2022

⁽¹⁾ Dollars in millions except per share amounts; adjusted net income and adjusted diluted earnings per share are non-IFRS measures discussed in the Definitions section of the Q1 2022 MD&A.

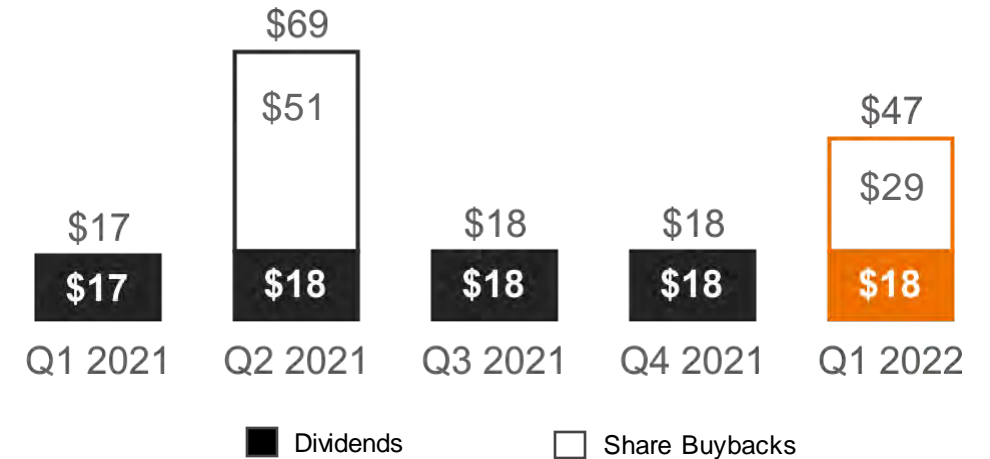


Q1 2022 Other Financial Highlights

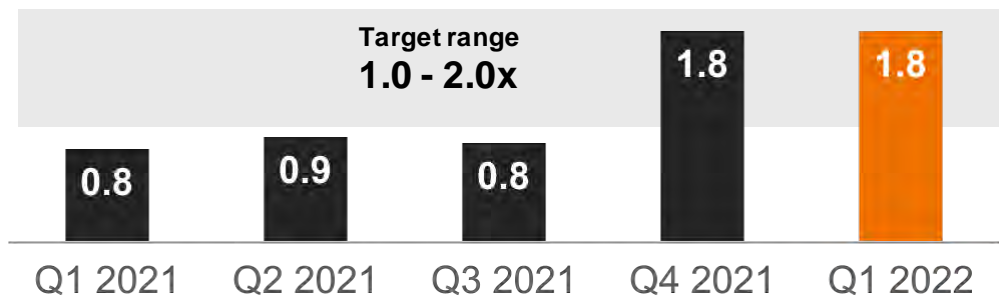
Quarterly and TTM Operating cash flow (\$) ⁽¹⁾



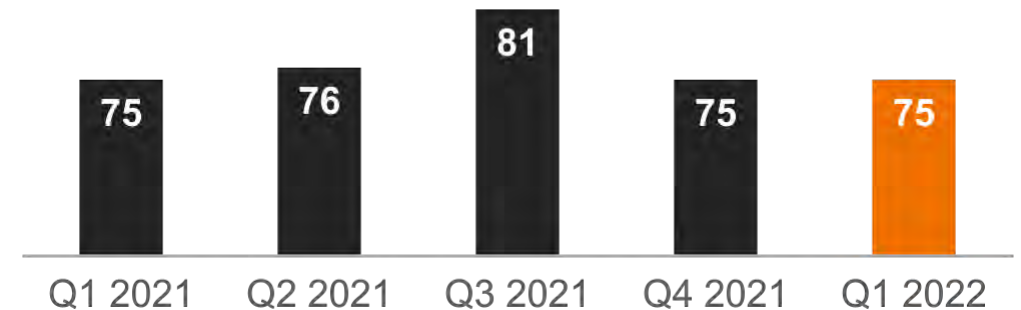
Capital returned to shareholders (\$) ⁽¹⁾



Net debt to adjusted EBITDA ⁽¹⁾



Days sales outstanding ⁽¹⁾



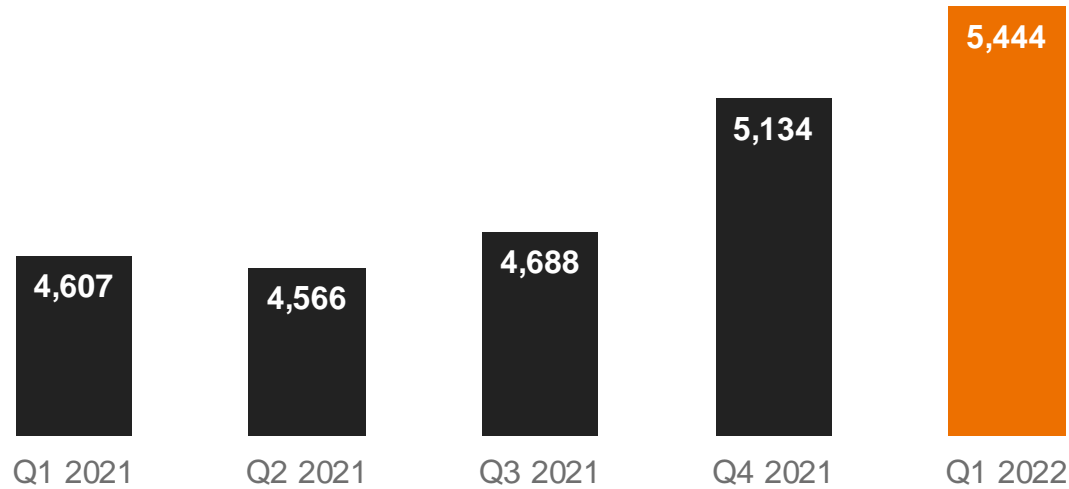
Q1 2022

⁽¹⁾ Dollars in millions except net debt to adjusted EBITDA; net debt to adjusted EBITDA and days sales outstanding are non-IFRS measures discussed in the Definitions section of the Q1 2022 MD&A.



Record backlog

Backlog (\$)⁽¹⁾



- **6.0%** growth since December 31, 2021
- **6.8%** organic growth; achieved in every regional and business operating unit
- Represents approximately 14 months of work

⁽¹⁾ Dollars in millions.



Roxburgh Dam
Roxburgh East, New Zealand



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2022 Outlook

Infrastructure Stimulus Spending



US - US\$1.2 trillion
UK - £257 billion
AU - AU\$178 billion

Supply Chain Resilience and Food Security



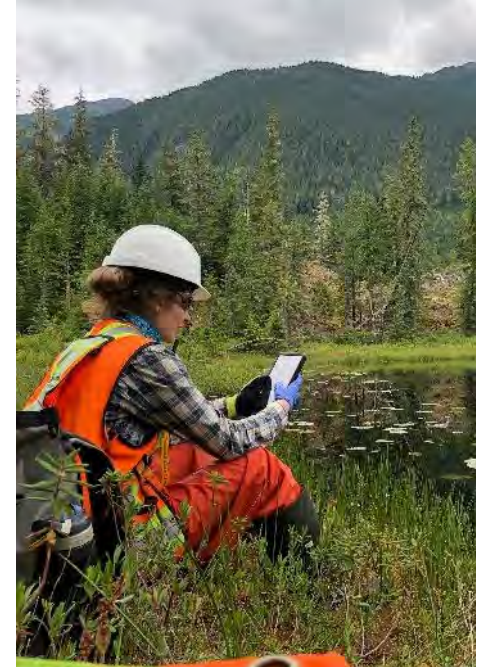
- Semiconductors
- Electric vehicle battery
- Food production

Climate Change and Sustainability



- Water scarcity
- Extreme weather
- Climate solutions
- Energy transition

People



- Corporate culture
- Strong engagement
- Strategic hires empowering large framework wins

KEY TRENDS ENTERING 2022

Stantec is capitalizing on all of these unfolding trends



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Q&A

Gregory County Pumped Storage
Iowa, United States