# Management Approach: Resource Conservation

Stantec consistently conserves resources in our operations and project work to produce direct environmental benefits, increase efficiencies, and reduce costs.

For our operations, Stantec's environmental impacts relate primarily to our leased office space and business travel. We also own and operate a 140-acre (56.7-hectare) native plant nursery in the midwestern United States (which represents less than 1% of our gross revenue).

Stantec's greatest ability to contribute to resource conservation comes from the influence we have on our clients through our project work. For industrial and government clients around the world, Stantec is an industry leader in energy efficient building design, renewable energy generation, mass transit design, waste management, and water recycling and reuse.

# **Commitments and Practices**

Stantec's <u>Environmental Policy</u> commits us to minimize the environmental impacts of our business operations and comply with environmental regulations in the jurisdictions where we operate.

# In Our Operations

We manage, monitor, and improve our environmental performance with a formal ISO 14001:2015-certified Environmental Management System (EMS) as part of our global Integrated Management System. As part of the EMS, environmental expectations are shared with our leadership and teammates, which include a variety of resource conservation activities.

Stantec maintains a Green@Stantec network comprised of individuals that are passionate about environmental sustainability. This volunteer-based community of sustainability activators advocate for conservation and circular economy concepts in their personal lives and drive Stantec environmental performance at an office level.

Below is a summary of Stantec programs that proactively conserve and reduce waste energy, waste, and water.

# **Energy Management**

The energy used in our offices accounts for most of Stantec's operational emissions. Reducing energy consumption via traditional approaches is difficult because most of our offices are leased in multi-tenant buildings where the landlords control the interactions with utility companies and make the decisions on whether to install new energy-efficient systems or upgrade inefficient systems.

Some strategies that Stantec implemented to overcome this challenge include

- Office consolidation: Our most effective strategies to reduce the footprint of our Company—and therefore use less space and less energy—are consolidating our offices into fewer locations and relocating offices to more resource-efficient buildings. Stantec has successfully reduced our real estate footprint by 30%, relative to our 2019 baseline. This strategy of right-sizing our office space supports our Flexible Workplace Strategy, which also helps support personal choice and the work-life balance of our workforce.
- **New office selection:** When co-locating or adding space, we use a real estate scorecard to make balanced business decisions, consider sustainability features and wellness criteria, and weigh factors such as cost, proximity to clients, security, employee commutes, access to public transportation, and walkability.
- **Certifications and features:** We choose certified green buildings for our leased corporate facilities when possible and pursue interior design and construction certification using recognized green building and wellness standards.
- Interior design: Once a location is selected, we improve floor plan efficiency and incorporate health and well-being into the design. We consider access to daylight, clean drinking water, acoustic control, indoor air quality, options for active workdays and collaboration, impacts on operational energy efficiency, and more. Whenever possible, the Real Estate team recommends pursuing space that has existing high-quality interiors to minimize the need for design intervention that would increase waste and material use.

- Landlord collaboration: We work with landlords of new and existing offices to reduce operational energy
  use and encourage upgrades like energy efficient lighting, lighting controls, and programmable thermostats.
- **Equipment:** We centrally track our IT energy use and have programs in place to minimize our impact. To save power, we automatically hibernate workstations and laptops when they are not in use. We have high-density servers and disk configurations that use smaller spaces and less energy. And we decrease the number of devices in each office by using print management programs.
- IT Data Centers: Our IT data centers and disaster recovery sites are co-located in spaces with efficient energy specifications and technologies. Network technologies reduce duplicated services and equipment. We use the Microsoft Azure cloud sustainability calculator to track the emissions impact of our cloud workload.

To supplement our electricity consumption reductions, Stantec accesses renewable energy through solar power installed on some buildings, works with utility companies to access green tariffs, and purchases energy attribute certificates.

To be effective consultants, Stantec employees are often required to travel to respond to clients' needs. But Stantec has introduced ways to travel more efficiently and reduce nonessential travel:

- **Travel:** We use Microsoft Teams, allowing collaboration via conference calls, chats, and videos. We actively look for ways to reduce our airline travel (by eliminating the need or converting it to more sustainable travel options) and distance traveled by fleet, rental, and personal vehicles. To supplement our travel reductions, Stantec invests in sustainable aviation fuel credits through our airline partners.
- Fleet: To mitigate the environmental impacts of our fleet, our Fleet Management team makes improvements to decrease vehicle emissions. We share best practices with employees to reduce fuel consumption and improve driving safety (e.g., no idling, maintain proper tire inflation, drive the speed limit). Each year, Stantec incorporates more fuel-efficient trucks, vans, and crossovers, thereby reducing overall emissions and maintenance costs, as well as improving employee safety. We have begun to purchase hybrid and electric vehicles (EVs) where possible and are looking for ways to provide easier access to EV charging stations. We are the early stages of developing an EV transition plan. Stantec looks forward to the potential offered by new EV models in development so that we can further reduce our carbon footprint.
- Employee commutes: Stantec has several programs in place to minimize the impact of employee commutes. In North America, we provide tax free incentives to mass transit users and, in some locations, subsidize the purchase. In Italy, our online tool, Smafely ("smart" and "safely"), tracks commuting impacts and evaluates data patterns to suggest improvements. In the United Kingdom, an interactive online Go Smart program suggests practical travel options to help employees plan journeys to work, client, and project sites. In the Netherlands, a public transport card is provided to all employees (for business and personal travel), free electric vehicle charging is offered to employees, and financial support is provided to encourage the purchase of e-bikes.
- **Remote working:** Virtual work options conserve energy and fuel, provide personal flexibility, and keep our projects progressing and our people safe when employees can't get to the office. Stantec invests in technology; employees can collaborate through connected networks, cloud storage, and Microsoft Teams. They can easily work from any Stantec office or home, communicating in real time, sharing screens, and participating in conference calls.

Our Flexible Workplace Strategy gives team members the opportunity to work in the manner that makes the most sense for their job and personal preference (full time in the office, full time from home, or a hybrid approach). This work approach minimizes the need for office space and reduces employee commutes.

# Materials Specifications and Waste Management

Stantec has programs in place to reduce our physical resource consumption.

• **Recycling and composting:** Because of established recycling and conservation programs, employees reduce the amount of office materials—like paper, glass, cans, bottles, batteries, e-waste, printer ink, and plastic dishware—that enter waste streams. And, where commercially available, many Stantec offices offer organic composting.

At our native plant nursery, we upcycle seed and plug production waste along with a program that collects leaf waste from the surrounding township to produce useable compost, thus minimizing herbicide usage and reducing irrigation needs.

• **Paper:** Stantec implements various techniques to reduce paper use. Our Records Management Policy encourages electronic markup of documents and drawings as well as electronic management of employee files. As a rule, we set printer defaults to double-sided, black-and-white printing and implement numerous behavior-based print management programs. In North America, a centralized print management system with enhanced print tracking abilities helps us reduce the need for printing and secure the use of postconsumer recycled paper. For the paper consumed, we buy from centralized vendors to standardize the purchase of environmentally friendly paper and used paper is recycled.

Stantec promotes electronic distribution of Company materials—Company communications, marketing materials, client invoices and reports, proposals, and field reports—and provides access to more than 24,600 technical and scientific journals as well as 37,000 e-books in our eLibrary.

• **Computers and mobile phones:** All standard workstation and laptop equipment are EPEAT (Electronic Product Environmental Assessment Tool)-certified and Energy Star-rated. We standardized our equipment around Dell, Microsoft, and Apple hardware; one reason for selecting them is their approach to life-cycle environmental management.

For computers purchased in North America, we use Dell's Global Asset Resale and Recycling Services to securely recycle our computer e-waste. Plus, we use Firefly Asset Recovery to recycle mobile devices. Outside of North America, computers are leased from and then returned to Dell at the end of the lease where they are reused, refurbished, or recycled.

- **Furniture:** Our interior design guidelines recommend that we purchase responsibly sourced furniture. Modular furniture is easily rearranged or moved between offices when employee numbers or office layouts change. When consolidating offices, Stantec reuses, donates, and recycles unused furniture as much as possible.
- **Promotional materials and stationery:** For Stantec's internal Company store, we try to find store merchandise that is sourced in an environmentally and socially responsible manner. Though we promote e-distribution of corporate materials, when printing is necessary, our corporate print vendor (for business cards, brochures, etc.) is certified 100% carbon neutral. We are piloting a digital business card approach to reduce our print needs even further.
- Low waste events: Stantec expects our offices to host environmentally friendly events. Our Green Meetings guidelines make it easy to incorporate environmental stewardship into event planning.

For reporting purposes, waste from the native plant nursery is calculated using collected activity data with office waste based on per person extrapolation.

# Water Management

As a professional services firm working primarily in leased office space, water use is typically from kitchens and bathrooms shared with other tenants and controlled by the landlord. Because our usage is low, we have no visibility into our actual usage, and we have very few avenues to reduce water consumption, Stantec does not track office water usage. Even so, Stantec employees do take measures to voluntarily conserve water in our offices.

For our native plant nursery, Stantec extracts groundwater for irrigation needs. Water use is tracked using activity data. Organic ground cover is utilized to minimize water use in the growing process.

# **Supporting Clients**

To help our clients conserve resources, Stantec offers an extensive number of related services. For overall information on our resource conservation services, please see <u>stantec.com</u>.

Prioritizing resource conservation in our project solutions typically results in progress towards one or more of the following aspects of sustainable development: SDG 6 Clean Water and Sanitation; SDG 7 Affordable and Clean Energy; SDG 11 Sustainable Cities and Communities; and SDG 15 Life on Land.

Specific to the material topics covered in this management approach, below is information on how we support our clients in the areas of clean energy use, materials specifications, waste management, and water use.

#### Clean Energy Use

The <u>energy transition</u> is a shift in how we produce and consume energy. It's changing the nature of what infrastructure can do, mitigating our environmental impact and unlocking potential for a more resilient and sustainable way of life.

Stantec is a leader in clean energy consulting services, such as <u>grid modernization</u>, <u>renewable energy generation</u>, <u>energy storage</u>, <u>distributed energy resources</u>, <u>alternative fuel development</u>, <u>transportation electrification</u>, and <u>sustainable mining</u> for critical minerals,

We provide integrated and innovative solutions to help our clients adapt and advance as they transform to the new reality of a lower-carbon future.

#### Materials Specifications

As a design and planning firm, we are not directly responsible for procurement of materials or the physical construction of the designed systems, buildings, or infrastructure. We recognize that our designs have an influence on materials and waste, and we cannot control the products purchased during construction or at the end-of-life of the structure. Therefore, we focus on influencing project outcomes via design decisions and targeted project specifications language. For example, in North America, our Buildings business unit is involved with the <u>Structural Engineers 2050</u> (SE2050) Challenge, a program aimed at reducing the embodied carbon of structural systems, and the <u>AIA Materials Pledge</u>, a program to promote the use of materials that support human, climate, ecosystem, and social health. In support of the pledge, project teams use a Stantec-developed BIM schedule enabling the specification of interior materials with third-party validation of environmental and health-related impacts.

#### Waste Management

Stantec provides <u>waste-related consulting services</u> for whole life cycle impacts of materials, circular economy opportunities, design-for-disassembly, and end-of-life waste management (such as take-back programs). During construction of the projects we have designed, Stantec is not directly responsible for construction waste management, long-term operational waste management or end-of-life materials waste management in the systems, buildings, or infrastructure.

#### Water Use

Stantec is a world leader in <u>water and effluent management services</u>, and we positively influence water withdrawal, recycling, consumption, and reuse practices. Stantec has a Water business operating unit focused on managing, treating, distributing, and conserving water. Our Environmental Services business operating unit also regularly address water use, pollution, and clean up in their project work, and our Buildings business operating unit consults on water-efficient appliances, HVAC systems and industrial processes.

# With Our Supply Chain

Through our <u>Partner Code of Business Conduct</u>, we share the expectation that our suppliers and partners conserve resources.

#### Accountability

Stantec tracks environmental compliance as part of our ISO-certified EMS. We conduct internal practice audits annually that cover all regions and business lines. Resource conservation oversight is shared between the environmental director and sustainability team.

# Material Topics / Value Chain Nodes Covered:

Clean Energy Use / Operations, Downstream (Clients), Upstream (Supply Chain) Materials Specifications / Operations, Downstream (Clients), Upstream (Supply Chain) Waste Management / Operations, Downstream (Clients), Upstream (Supply Chain) Water Use / Operations, Downstream (Clients)

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