

# **Management Approach: Workforce Management**

Our people are at the heart of our business and are the reason we are a top-tier global design and delivery firm. Their expertise is not just a part of our business; it *is* our business. We are a professional services firm operating in a competitive industry where turnover costs are high and long-term relationships are key. Accordingly, we have mature programs in place to help us attract and retain top talent.

## **Commitments and Practices**

Stantec works hard to build an inspiring, inclusive work environment with a focus on attracting, rewarding, developing, and engaging top talent through creating a meaningful and impactful employee experience. We want all employees to feel connected to the Company so they stay at Stantec and effectively collaborate and contribute.

## In Our Operations

Stantec's approach to workforce management focuses on

- Attracting Talent: Our employees are subject matter experts who are highly employable. To attract the
  talent we need, we must access the right people and make joining as desirable and easy as possible.
- **Developing Talent:** For employees to stay, we must offer challenging work, opportunities to develop new skills, and career growth. We have multiple distinct, but equally important, career paths that an employee can choose, with clear avenues for progression. Annual performance evaluations and semi-annual goal setting provide directed feedback and support for development and growth.
- **Rewarding Talent:** Our compensation and benefits programs recognize that employees want to be fairly rewarded with meaningful choices that meet individual employee needs and motivations. Employees want equal pay for equal work and a clear path to grow in their careers.
- Engaging Talent: Engaged employees are happy, contribute more, and are more effective at their jobs. To measure our progress and inform our focus areas, we provide multiple avenues for employees to provide feedback, understand the company strategy, and contribute to the future.

## Attracting Talent

When we build an inclusive organization composed of diverse people, we create extraordinary results. Stantec attracts, engages, and develops employees with a wide range of talents, perspectives, and experiences.

## New Hires and Internal Promotions

We have a multifaceted Talent Acquisition team that includes sourcing specialists, operational leaders, and campus recruiters. This team understands the talent required in our industry and each of our business lines. Our recruiting software supports the talent acquisition process by improving the candidate experience, providing better access to track and report on metrics, and increasing our digital presence in the job marketplace.

Stantec promotes opportunities internal to the Company and recruits subject matter experts from the general market. Jobs are promoted internally so current employees can develop their careers. Employees are also asked to refer—and are rewarded for referring—people they believe would be suitable for the job and a good Stantec match.

We focus on building relationships and increasing trust throughout the candidate journey. We make a concerted effort to improve communication touchpoints by reaching out to candidates more often, taking an empathetic approach in all our interactions, and being as transparent as possible.

# Diversity in Hiring

Stantec takes steps to achieve more diversity in hiring, including posting jobs in non-traditional outlets. Our hiring guide (for hiring managers and talent acquisition teams) helps minimize biases during the interview process. We ensure, where possible, interview panels are diverse.

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Stantec has partnerships in place to access diverse talent. This includes partnerships with organizations such as the National Society of Black Engineers, the National Organization of Minority Engineers, the American Indian Science and Engineering Society, the Society of Women Engineers, and the Society of Asian Scientists. We also develop local partnerships with diverse community-based organizations, professional associations, colleges, and universities that can be leveraged for talent attraction. For example, Stantec maintains a Historically Black Colleges and Universities campus recruitment strategy. In addition, we drive recruiting outreach through our Stantec Employee Resources Groups, which act as effective ambassadors for recruiting talent and identifying ways for us to successfully connect with diverse talent pools.

Stantec engages with academic institutions and universities to promote career paths in STEAM fields. We provide lectures, offer internships, carry out studies and surveys with students, and work to promote diversity. Our Equity & Diversity scholarship, valued at \$200,000 annually, has a global focus on diversity in STEAM careers.

#### Acquisitions

Many employees join us through acquisitions. Before making an acquisition, culture compatibility is a primary screening tool used to assess the potential fit. Because the core value of our acquired companies comes from the employee expertise and the business relationships they have developed, we work hard to retain the acquired employees. We want them to feel supported and engaged, empowering them to do their best for the Company and our clients. We strive to quickly integrate new employees from acquisitions.

## **Developing Talent**

Individual growth and career development are essential to Stantec's success. By providing our talent pool with information, tools, development programs, and other resources, we help our employees reach their full potential; reduce voluntary turnover; increase engagement; enhance productivity; and gain competitive advantages.

## Career Development

Not everyone has the same career goals, skills, and preferences, so we offer a choice of career pathways. Each pathway is distinctly focused, is equally valued, and has leadership opportunities. Employees at every level are encouraged to anticipate new trends, adapt to change, and develop strong leadership and technical skills. We provide resources so employees can determine their strengths, interests, values, and skills, as well as identify career options, set goals, and create a career development plan.

Stantec supports the three E's of development: experience, exposure, and education.

- Experience: Employees learn by doing. They build their skills working on challenging and meaningful projects. Because of our market position and global presence, our people gain experience working on iconic projects from around the world.
- **Exposure**: Employees learn through contact with experts via mentoring, coaching, and partnering. Our project management, client development, and leadership development programs include case studies and scenarios where critical thinking and problem solving are integral content.
- Education: As an Accredited IACET Provider<sup>2</sup>, Stantec designs and delivers high-quality training for our
  employees. Courses incorporate effective adult learning principles and support our global, hybrid workforce
  with both facilitator-led and self-paced virtual programs. We provide continuing education units,
  professional development hours, and continuing professional development to support employees'
  professional licensing requirements. We also offer an extensive array of online learning options through
  third-party vendors.

Stantec development programs help with the continued growth and preparedness of our workforce. Two example courses include our Project Management Bootcamp (a serious of modules that address the "Stantec Way" of

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<sup>&</sup>lt;sup>1</sup> STEAM: science, technology, engineering, arts, and math.

<sup>&</sup>lt;sup>2</sup> IACET: International Association for Continuing Education and Training; Accredited Provider status is awarded through a process that ensures providers deliver high-quality instruction that adheres to the ANSI/IACET Standard for Continuing Education and Learning. Stantec was reaccredited in 2020.



delivering projects) as well as our Leading Learning Network (a program which aims to amplify leadership competencies in 90-minute instructor-led sessions).

To measure learning outcomes, we use the Phillips and Phillips® evaluation methodology, which classifies learning effectiveness into five levels. Stantec currently applies level 1 (reaction) and level 2 (increase in knowledge or skills and change in attitude) to our learning programs. For selected learning programs, we plan to extend our measurement into level 3 (behavior change), and level 4 (results achieved while on the job). We also adopted the methodology to measure our return on investment (Level 5) for learning in selected learning programs using the Center for Talent Reporting's® measurement practices.

## Performance Feedback

Through management by objective and making the time and space for multidimensional, team-based, agile conversations, our employees receive the feedback necessary to reach their highest potential.

Intentional and collaborative performance assessment and feedback conversations are a dynamic, year-round process to help employees evaluate prior achievements and set clearly defined goals. Using assessments, reviews, and coaching from supervisors, employees measure success, recognize their contributions, identify career aspirations and related development opportunities, and establish strategic performance objectives.

#### Succession Planning

Our CEO and Board of Directors work together on executive succession planning. Other Stantec leaders participate by identifying potential candidates for leadership positions and developing plans to prepare those candidates for advanced roles and duties, resulting in a pipeline of ready leaders across Stantec.

## Talent Management Systems

Specific to organizational development, our integrated talent management system known as TalentHub houses information pertinent to succession planning and career growth and is a central location for access to learning content.

## Rewarding Talent

Stantec strives to attract, retain, develop, and reward talent by paying fairly and providing benefits with meaningful choices while offering a consistent global Total Rewards<sup>3</sup> approach that is nimble for local market practices.

# Compensation and Benefits

Our benefits program for eligible full- and part-time employees is designed to enhance their financial, emotional, and physical health. Because Stantec is global, our programs vary based on country, local markets, legislative compliance, social benefits, and tax impacts.

Stantec compensation and benefits<sup>4</sup> include

- Base pay and incentives
- Health, life, and disability benefits (including mental health, fertility, and gender reassignment services)
- Retirement benefits and wealth creation
- Paid time off (including vacation, sick, statutory holidays, and paid parental and family leave for primary and non-primary caregivers)
- Employee shareholding
- Professional development, memberships, tuition reimbursement, and accreditations
- Recognition
- Other ancillary rewards (such as an employee assistance programs)
- Breast feeding and lactation facilities or benefits
- Voluntary benefits (childcare facilities or contributions; public transport spending accounts; accident and critical illness insurance, ID theft and legal protection; pet, home, and auto insurance, and salary packaging)

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<sup>&</sup>lt;sup>3</sup> Total Rewards: includes all the programs that may be used to attract, motivate, and retain employees.

<sup>&</sup>lt;sup>4</sup> Retirement benefits, paid family leave, employee shareholding, and ancillary rewards are not available in all geographies.



#### Pay Equity

At Stantec, we believe in fair and equitable compensation for all our employees and measure equity through comparisons based on a compa-ratio basis. People with similar experience, education, and job responsibilities should earn similar compensation when adjusted for local cost of labor and regulations, performance, number of years with the Company, and other factors that can contribute to slight differences in pay and benefits. Our Global Career Framework, which includes globally consistent career streams, job families, career levels, and job competencies, provides the foundation for us to evaluate those with similar job requirements and responsibilities and gives us visibility to any potential inconsistencies that might be present from a diversity perspective.

Stantec conducts a pay gap analysis based on gender and minority status. So far, the analysis has been conducted for North America operations and is in the process of expanding globally. We want our people to be equitably compensated whatever their sex, ethnicity, orientation, geographic location, or disability status and are committed to closing any pay gaps.

#### Flexible Working

Stantec's Flexible Workplace Strategy gives employees the opportunity to work in the manner that makes the most sense for their job and personal preference. Our work approach includes employees working from the office, working from home, or in a hybrid model. Part-time working options are also extended to employees. Not only does this arrangement give employees choice, but it also allows us to rethink our approach to offices and provides emissions management benefits from reduced energy use and employee commuting.

#### Well-being

Focusing on well-being brings out our best, personally and professionally. A holistic approach to employee well-being that addresses both mental and physical health is imperative as we compete to recruit and retain a highly skilled workforce. Stantec employees are encouraged to begin meetings with a Moment—a brief pause to ensure we focus not only on the meeting materials at hand, but also on our overall wellness (including topics such as inclusion and diversity, safety, mindfulness, ethics, social equity, etc.).

We provide resources to help employees assess their mental health and minimize stress. To make it easy to keep mental health top of mind and find tools and resources, we have a Mental Health Guidebook, a dedicated mental health blog, an annual mental health awareness campaign, and we openly promote and support Mental Health Awareness Month, World Mental Health Day, and Time to Talk Day. Country-specific mental health programs give employees culturally appropriate tips, services, and resources. In many locations we have official mental health first aiders—individuals formally trained by an accredited institution to recognize the signs of a person who might be struggling with mental health issues. Others are assigned as "confidants" so that employees know who they can turn to if they need help addressing bullying or harassment.

Stantec also wants employees to attend to their physical health—more exercise, improved nutrition, and better sleep. Through our wellness programs in the United States and Canada, employees can complete health and wellness activities, earning them discounts on medical premiums or funds to spend on extended healthcare. In Europe, we have campaigns that include activities like health assessments, fitness challenges, inspired role model communications, and workshops. In Latin America, we have "Pausas Activas" (active breaks) that include activities such as yoga and mindfulness. In the Middle East, our focus includes health risk assessments and awareness seminars. In Taiwan and China, we sponsor competitions that encourage employee health and self-care.

# Together Fund

Our Stantec Together Fund is established to directly support Stantec employees facing financial hardship after a disaster or unforeseen personal challenges. The fund is underwritten through a combination of corporate funding and employee donations. This allows employees access to another avenue of support and a way for employees to directly contribute to support colleagues in need.

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## **Engaging Talent**

Engaged employees strive to do more and are ambassadors of our brand. They work smarter, are more innovative, and elevate others. Fostering engagement makes individuals feel empowered to redefine their personal best and fuels their drive to succeed—contributing to Stantec's overall success.

Stantec aims to create an inspired culture where our employees feel they belong and know how much their contributions matter. Delivering an inclusive, collaborative, and positive work environment focused on creating impactful work is central to our engagement strategy.

# Employee Engagement Survey

Every two years, we invite employees to share their perspectives on the things we are doing right and ways to improve the organization via an anonymous, company-wide employee engagement survey. We believe a biennial approach gives us the ability to truly act and see progress on the feedback we receive.

Stantec defines engagement as the state of emotional and intellectual involvement that motivates employees to do their best work. Our survey contains questions aimed at tracking three behaviors: say, stay, and strive. We evaluate engagement by tracking percentage of participation and by calculating an engagement score. Results are analyzed based on a variety of criteria, including gender.

In addition to biennial engagement surveys, we utilize pulse surveys as needed.<sup>5</sup> Pulse surveys ensure we are acting on employee feedback and checking our progress with the employees themselves. By checking in with employees, we can see if our corporate action plans are making a difference in engagement and happiness.

#### Collaboration

Stantec believes that great achievements come from collaboration, and many employees join and stay at Stantec because they are excited about global connections and working on iconic projects. So, Stantec fosters and supports a high-performing culture and stimulating work environment where we can learn from each other.

This mindset comes from employees who want to work together and is enhanced by Company investments:

- **Technology:** 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.
- **Employee Resource Groups:** These Company-sponsored grassroots teams help employees connect based on shared interests and are key to employees feeling heard and included. Stantec has a wide range of Employee Resource Groups with chapters located around the world.
- Developing Professionals Groups: In every geography, Stantec sponsors a chapter-based and globally
  connected network so employees early in their career can develop skills and relationships. Companysponsored events connect them to peers and senior staff, broaden their career opportunities, and provide a
  venue for supporting communities.
- **Green@Stantec:** Employees that are passionate about environmental sustainability have the opportunity to connect at an office level for hands-on actions and as part of a global network to learn best practices and influence sustainable behavior.
- Communities of Practice: Across business operating units and geographies, employees are able to collaborate on best practices to support their project work. For example, Stantec's SocioEconomic-Equity Network (SEEN) enables subject matter experts to share innovative strategies for socioeconomic analysis, effective community engagement, equity in the built environment, and how to best support communities historically subjected to environmental justice discriminatory practices.
- **Innovation:** Employees can submit their creative solutions to secure funding from the Greenlight Program. Solutions ranked with a high-value potential are invited to present more broadly at our Innovation Forum.
- **Volunteering:** Our Company sponsors activities so employees can support their communities and causes. These activities emotionally connect employees to Stantec as well as encourage fun and teamwork.

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<sup>&</sup>lt;sup>5</sup> Pulse Survey: A smaller scale survey used to check in and receive feedback and a tool for Stantec to measure if the action plans taken from the engagement survey are making an impact.



## With Our Supply Chain

As outlined in our <u>Partner Code of Business Conduct</u>, Stantec expects our supply chain to pay a fair wage according to applicable laws and regulations. We do not tolerate discrimination, harassment, and workplace violence.

## **Accountability**

Stantec evaluates our talent management success through industry benchmarking, employee surveys, and statistics linked to sustainability-linked executive pay.

To be competitive in the market, we benchmark our compensation to the architectural and engineering industry, we strive to decrease unconscious bias when we set and evaluate compensation and are working to close our employee pay gap.

Employee engagement scores are closely evaluated to identify company successes and areas for improvement. To address key feedback items, action plans are developed with appointed C-suite, business, and geographic change agents. Stantec's engagement score is an evaluation item in Stantec's short-term incentive plan. Stantec also evaluates engagement by tracking success using external tools and rating systems. We closely watch our ratings, review feedback, and act upon it.

Beyond the engagement score, as a part of our sustainability-linked executive incentive plan, we also measure our workforce management performance based on key performance indicators around employee retention and inclusion, diversity, and equity.

Material Topic / Value Chain Nodes Covered:

Workforce Management / Operations, Upstream (Supply Chain)

See all Stantec Management Approaches

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