



SNC • LAVALIN

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CLIMATE CHANGE REPORT  
CARBON DISCLOSURE PROJECT  
2021

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# PREFACE

The Carbon Disclosure Project (CDP) is a charity that runs the global disclosure system for investors, companies, countries, cities, and regions, and manages their environmental impacts. CDP is the industry standard in GHG Emissions reporting; it has the richest and most comprehensive dataset on corporate and city actions, having been in place for 20 years. CDP believes that improving corporate awareness of GHG Emissions through measurement and disclosure is essential to the effective management of carbon and climate change risk.

CDP requests information on climate risks and low carbon opportunities from the world's largest companies on behalf of over 515 institutional investor signatories with US\$106 trillion in combined assets and 150+ major purchasers with over US\$4 trillion in procurement spend.

CDP provides a disclosure platform and a well-established rating mechanism. CDP scoring drives corporate transparency and helps to guide, incentivize and assess environmental action.

Reporting companies now represent over 50% of global market capitalization. By scoring companies from A to D-, CDP takes each organization on a journey of continuous improvement; from disclosure to awareness, through to management, and finally to leadership. Its scoring measures the comprehensiveness of disclosure, awareness and management of environmental risks and best practices associated with environmental leadership, such as setting ambitious and meaningful targets.

CDP is constantly evolving its disclosure and scoring system in response to market needs and the rising urgency of global environmental challenges. Its annual A List includes the most pioneering companies leading the way on environmental transparency and performance.

# CO. INTRODUCTION

## CO.1

### (CO.1) Give a general description and introduction to your organization.

Founded in 1911, SNC-Lavalin is a fully integrated professional services and project management company with offices around the world. SNC-Lavalin connects people, technology and data to help shape and deliver world leading concepts and projects, while offering comprehensive innovative solutions across the asset lifecycle. Our expertise is wide-ranging - consulting & advisory, intelligent networks & cybersecurity, design & engineering, procurement, project & construction management, operations & maintenance ("O&M"), decommissioning and sustaining capital.

SNC-Lavalin maintains exceptionally high standards for health and safety, ethics and compliance, and environmental protection. The Company is committed to delivering quality projects on budget and on schedule to the complete satisfaction of its clients.

\*Reference to the "Company" or to "SNC-Lavalin" means, as the context may require, SNC-Lavalin Group Inc. and all or some of its subsidiaries or joint arrangements or associates, or SNC-Lavalin Group Inc. or one or more of its subsidiaries or joint arrangements or associates.

## CO.2

### (CO.2) State.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2020	December 31 2020	Yes	1 year

## C0.3

**(C0.3)** Select the countries/regions for which you will be supplying data.

Select country		
Algeria	Argentina	Australia
Bahrain	Belgium	Brazil
Canada	China	China, Hong Kong Special Administrative Region
Colombia	Denmark	Egypt
France	Germany	India
Ireland	Jordan	Kazakhstan
Kenya	Kuwait	Malaysia
Mexico	Mozambique	New Zealand
Norway	Oman	Peru
Poland	Puerto Rico	Qatar
Republic of Korea	Romania	Russian Federation
Saudi Arabia	Singapore	Slovakia
South Africa	Spain	Sweden
Switzerland	Thailand	Trinidad and Tobago
Tunisia	United Arab Emirates	United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania	United States of America	Vietnam

## C0.4

**(C0.4)** Select the currency used for all financial information disclosed throughout your response.

Currency
CAD

## C0.5

**(C0.5)** Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control



# C1. GOVERNANCE

## C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

## C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Director on board	<p>The Safety, Workplace and Project Risk Committee (SWPRC) is a committee of the Board of Directors of SNC-Lavalin Group inc. responsible for overseeing the overall framework for managing project risks and health, safety, sustainability, security, environmental, business continuity and emergency preparedness risks including climate related issues arising from the Corporation's operations and business it undertakes with clients.</p> <p>The mandate of the SWPRC broadly covers "environment issues" which are deemed by Management to include climate-related issues.</p> <p>The SWPRC is composed of 3 to 7 non-executive directors. Its Chair and members are recommended by the Governance and Ethics Committee and appointed by the Board.</p>

## C1.1b

### (C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> <li>&gt; Reviewing and guiding strategy.</li> <li>&gt; Reviewing and guiding major plans of action.</li> <li>&gt; Reviewing and guiding risk management policies.</li> <li>&gt; Reviewing and guiding annual budgets.</li> <li>&gt; Reviewing and guiding business plans.</li> <li>&gt; Setting performance objectives.</li> <li>&gt; Monitoring implementation and performance of objectives.</li> <li>&gt; Overseeing major capital expenditures, acquisitions and divestitures.</li> <li>&gt; Monitoring and overseeing progress against goals and targets for addressing climate-related issues</li> </ul>	The function of the Safety, Workplace and Project Risk Committee (SWPRC) of the Board of Directors is one of governance and oversight. The Corporation's management is responsible for developing, implementing and maintaining frameworks and for monitoring the effectiveness of said frameworks, to manage Safety, Workplace and Project Risks.

## C1.2

### (C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO) <sup>1</sup>	Both assessing and managing climate-related risks and opportunities	As important matters arise

<sup>1</sup> There is no CSO, per se, within SNC-Lavalin. The actual title of the person responsible for reporting on Climate-change related issues and metrics is the Global Head of Sustainability, which would be the equivalent of a Sustainability Vice-President.

## C1.2a

### (C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Since April 2018, SNC-Lavalin's *Global Head of Sustainability (GHS)* is responsible for sustainability and climate-related issues. The GHS reports directly to the Executive Vice President Strategy, Marketing and External Relations who in turn reports to the CEO and is part of the Leadership Team (the Corporation's executive committee).

The GHS is responsible for developing our strategy, targets and goals relating to Sustainability and driving a cultural change across our corporate functions and sector operations from Board Level down to our workforce on projects.





## C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	The Company has included two important measures that relate to HSE and Integrity in the Annual Incentive Plan (AIP) for senior management. Those are tied to key components of our sustainability strategy. However, the HR committee is sensitive to the increasing importance of wider Environment, Social and Governance (ESG) measures and will keep ESG criteria under review in 2021 when considering incentive measures for the following year.

## C2. RISKS AND OPPORTUNITIES

### C2.1

**(C2.1)** Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

#### C2.1a

**(C2.1a)** Describe what your organization considers to be short-, medium- and long-term horizons.

Term length	From (years)	To (years)	Comment
Short-term	0	2	-
Medium-term	2	5	-
Long-term	5	99	Beyond 5 years is considered long term.

### C2.1b

**(C2.1b)** How does your organization define substantive financial or strategic impact on your business?

SNC-Lavalin defines material financial impact in any given year as an impact that, individually or aggregated with other similar impacts, could reasonably be expected to influence the economic decisions of users of financial information.

Strategic impacts are evaluated at the Segment and enterprise levels, with consideration of impacts to operations, business continuity, reputation and HSE (employee, client, community). At the enterprise level, strategic planning and risk considerations are discussed at the executive level on a regular basis.

## C2.2

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

### Value chain stage(s) covered

- > Direct operations
- > Upstream
- > Downstream

### Risk management process

- > Integrated into multi-disciplinary company-wide risk management process

### Frequency of assessment

- > More than once a year

### Time horizon(s) covered

- > Short-term
- > Medium-term
- > Long-term

### Description of process

Risk management at SNC-Lavalin is a continuous and standard process of identification, assessment, prioritization, mitigation, action, monitoring, reporting and improvement. The process is supported by standard tools and methodologies that are communicated and deployed via the Company's Risk Management Policy and the various risk management Standard Operating Procedures, guidelines, instructions and manuals, and through various internal knowledge transfer efforts.

## C2.2c

**(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	As an engineering and service company, SNC-Lavalin is not considered a "large final emitter" as per Canadian regulation and is not the direct target of climate-related or emission reduction regulations. However, SNC-Lavalin is a consultant and service provider to industries such as mining and metallurgy and power utilities, as well as a consultant on many aspects for the infrastructure and industrial markets, including air emission, climate change adaptation and net zero standard consultancy. Therefore, SNC-Lavalin must have a good understanding of laws and regulations that could affect those clients in order to advise them properly. In general, client efforts to achieve regulatory compliance or improve their environment-related performance are seen as opportunities, as our clients often need to retrofit older facilities in addition to completing their new projects in conformity with legal requirements.
Emerging regulation	Relevant, always included	As mentioned above, in order for SNC-Lavalin to advise its main clients and take advantage of new business opportunities, the Company must have a good knowledge of emerging legislation in order to propose technologically advanced solutions that will not be outdated once those laws and regulations are adopted. Again, those emerging regulations are considered as business opportunities for SNC-Lavalin and ties with one of its core values: innovation.
Technology	Relevant, always included	SNC-Lavalin is a service provider to traditionally high-emission industries such as mining and metallurgy and power utilities. As such, it is expected to be informed about technology innovations in order to provide clients with best in class and most up to date technology options.
Legal	Relevant, always included	As mentioned above, SNC-Lavalin is not subject to regulations targeting "large final emitters" and, considering its activities and actual GHG emission rate, direct climate-related litigation would be very unlikely. It may be likely though, that such litigation could eventually affect its clients and have an impact on projects. However, there is always a potential for professional liability exposure in the event faulty climate-related professional services were to be provided to such a "large final emitter" client



	Relevance & inclusion	Please explain
Market	Relevant, always included	SNC-Lavalin not only monitors shifts in demand for certain of its own products and services at the enterprise level, but also monitors trends and shifts in supply and demand for certain commodities at the project level. Indeed, those could affect scheduling, profitability and overall project success if significant change happen during the delivery of projects where SNC-Lavalin is responsible for procurement or for specifying certain products or processes.
Reputation	Relevant, always included	<p>SNC-Lavalin's reputational risks could be one of association: in the past years, the company has been involved in many projects for clients in the oil and gas sector, some of whom have suffered reputational damage and risks to their business model as a result of their alleged contribution to climate change. However, following the announcement, in February 2021, of the upcoming divestment of our oil and gas business, SNC-Lavalin's reputational risks by association has now been significantly mitigated.</p> <p>SNC-Lavalin also wants to maintain a reputation of being innovative and knowledgeable experts. As demand for environmentally responsible services rises, SNC-Lavalin must strive to ensure the number of skilled SNC-Lavalin specialists and service offering follow suit.</p>
Acute physical	Relevant, always included	SNC-Lavalin does not need further proof of the increased probability of extreme weather events: such events (floods, wildfires following prolonged droughts) have already disrupted activities in many offices and on work sites. Such risks are not only considered in terms of financial risks but also in terms of health, safety, security and environmental impacts. Worst case scenario evaluations are conducted at the bid stage of major projects as part of the insurance review which considers potential exposure to extreme natural hazards events and allows for development of project mitigation plans. To ensure a swift response in the event of extreme weather, SNC-Lavalin significantly reinforced its safety and security procedures and a dedicated team can respond to such emergencies. Our Global Security team develops and maintains emergency response plans (ERP) for the major risks identified for each location where we have offices, sites and businesses. One of these major risks relates to climate change and natural hazards (for example, flooding, earthquake, forest fires, hurricanes, etc). In this regard, Global Security ensures ERPs are in place to mitigate the impact of these risks and protect our employees and facilities. And thanks to these measures, business continuity was maintained throughout the few extreme weather events the Company has had to face so far.

	Relevance & inclusion	Please explain
Chronic physical	Relevant, always included	Even though SNC-Lavalin does not require large quantities of water or climate sensitive commodities (such as crops and food staples), it must be able to ensure the health, safety and well-being of its employees not only in offices, but on worksites as well. Such worksites are often located in remote and/or arid locations. Severe shifts in climate patterns could impact the costs and availability of potable water in those locations, but also result in higher workforce-related costs as sites are expected to provide conditions allowing for scheduled regular breaks when temperatures rise above (or drop under) certain thresholds along with other increased weather-related health and safety provisions.

## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

### Identifier

Risk 1

#### Where in the value chain does the risk driver occur?

Direct operations

#### Risk type & Primary climate-related risk driver

- > Chronic physical
- > Rising mean temperatures

#### Primary potential financial impact

- > Specific to each contractual agreement

#### Company-specific description

On O&M contracts (generally 10 to 25-year terms) we are responsible for managing infrastructure and facilities in accordance with contractually established performance criteria. Our ability to meet those criteria over the term of the agreements may be dependent on climate change impacts over the duration of these agreements. These impacts include changes in seasonal temperature: energy costs related to HVAC system do rise when temperatures stay high throughout the summer. Conversely, energy costs associated with heating rise when temperatures stay low for extended periods during autumn, winter and sometimes spring depending on the location in the world. For instance, Southern Canada has seen prolonged periods of "polar vortex" during springtime which affected energy expenditure.

#### Time horizon

Short-term

### Likelihood

About as likely as not

#### Magnitude of impact

Low

#### Are you able to provide a potential financial impact figure?

No, we do not have this figure

#### Potential financial impact figure (currency)

Not evaluated

#### Potential financial impact figure – minimum (currency)

Not evaluated

#### Potential financial impact figure – maximum (currency)

Not evaluated

#### Explanation of financial impact figure

Managed at the project level.

#### Cost of response to risk

Description of response and explanation of cost calculation

#### Explanation of financial impact figure

Managed at the project level.

#### Cost of response to risk

Not evaluated

#### Description of response and explanation of cost calculation

We do not consider this risk to have the potential to have a material financial impact at the Company level, but rather at a local or project level.

#### Comment

Not Applicable

### Identifier

Risk 2

#### Where in the value chain does the risk driver occur?

Direct operations

#### Risk type & Primary climate-related risk driver

- > Acute physical
- > Increased severity and frequency of extreme weather events such as cyclones and floods

#### Primary potential financial impact

- > Penalties and/or litigation resulting from non-achievement of performance obligations

#### Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

#### Company-specific description

Our engineering and design work is based on current industry standards, codes and best practices which may nonetheless result in completed facilities and buildings that are potentially rendered inadequate in terms of their functionality, performance or even integrity due to climate change impacts and could potentially expose us to professional liability.



**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

Not evaluated

**Potential financial impact figure – minimum (currency)**

Not evaluated

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

Not evaluated

**Cost of response to risk**

Not evaluated

**Description of response and explanation of cost calculation**

Not evaluated

**Comment**

We do not consider this risk to have the potential to have a material financial impact at the Company level, but rather at a local or project level. We also consider that even in the case of a litigation, the main exposure would be defence costs while the likelihood of being held professionally responsible are unlikely given that all designs are made in compliance with current standards, codes and regulations.

**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

- > Acute physical
- > Increased severity and frequency of extreme weather events such as cyclones and floods

**Primary potential financial impact**

Increased direct costs

**Company-specific description**

SNC-Lavalin operates offices and facilities and manages work sites on all continents and in very diverse locations, some of which have already been subjected to extreme weather events such as floods, wildfires and tornadoes. We recognize that there are inherent risks in field execution of projects, including health and safety, business continuity, workforce productivity, damage to assets, etc. which may be directly impacted by those types of events.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

Not evaluated

**Potential financial impact figure – minimum (currency)**

Not evaluated

**Potential financial impact figure – maximum (currency)**

Not evaluated

**Explanation of financial impact figure**

Not evaluated

**Cost of response to risk**

Not evaluated

**Description of response and explanation of cost calculation**

Not evaluated

**Comment**

The decentralized nature of our operation and activities mean that it would be very unlikely that multiple sites and offices would be affected at the same time. We therefore do not consider this risk to have the potential to have a material financial impact at the Company level, but rather at a local or project level.

## C2.4

**(C2.4)** Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

## C2.4a

**(C2.4a)** Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

### Identifier

Opp1

### Where in the value chain does the opportunity occur?

Direct operations

### Opportunity type

Products and services

### Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

### Primary potential financial impact

Increased revenues resulting from increased demand for products and services

### Company-specific description

The low carbon and renewable energy markets are growing at an unprecedented rate throughout the world. In delivering utility solutions that include nuclear, hydroelectric energy, renewable energy, waste to energy projects and decentralized energy solutions such as district heating networks, we ensure that our clients' transition to low carbon and renewable energy is not only painless but genuinely positive for all stakeholders.

### Time horizon

Short-term

### Likelihood

Virtually certain

### Magnitude of impact

Medium-low

### Are you able to provide a potential financial impact figure?

No, we do not have this figure

### Potential financial impact figure (currency)

Not evaluated

### Potential financial impact figure – minimum (currency)

Not evaluated

### Potential financial impact figure – maximum (currency)

Not evaluated

### Explanation of financial impact figure

SNC-Lavalin does not wish to publish a long-term forecast for these segments.

### Cost to realize opportunity

Not evaluated

### Strategy to realize opportunity and explanation of cost calculation

One of SNC-Lavalin's objectives is for its Engineering Services business to become recognized as a market leader, or expand its market leadership, in areas such as nuclear, hydro, renewable energies and power substations.

### Comment

Our strategic focus is to increase revenue from the delivery of low carbon infrastructure projects incorporating energy efficient innovative solutions and increase revenue in renewable and low carbon energy generation and supply.

## C3. BUSINESS STRATEGY

### C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

### C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	Intention to publish a low-carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
Row 1	Yes, in the next two years	No, we do not intend to include it as a scheduled AGM resolution item	Our low carbon transition plan, called "Our Net Zero Carbon Routemap", was presented at our AGM, held on May 14, 2021, but was not subjected to a vote as a resolution item.

## C3.2

### (C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years.

## C3.2b

### (C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?

SNC-Lavalin is neither a "large final emitter" nor does it consider itself as being under significant exposure to transition risks and/or chronic physical risks. Furthermore, it considers that its actual business strategy is sufficiently flexible to accommodate the different possible climate-related scenarios. Indeed, SNC-Lavalin already has a very varied range of services in different markets. Those services already aim at reducing carbon or other greenhouse gas emissions, help clients adapt to climate change and, more generally, capitalize on opportunities presented by climate change.

## C3.3

### (C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	As mentioned above, one of SNC-Lavalin's objectives is for its Engineering Services business to become recognized as a market leader, or expand its market leadership, in areas such as Clean power.
Supply chain and/or value chain	Yes	Certain projects are used as pilot projects for tracking energy use and more specifically fuel consumption by contractors and other suppliers. SNC-Lavalin predicts that clients will be routinely requiring a carbon assessment of their projects and we want to be able to respond to these demands efficiently and accurately, with the support of our supply chain.
Investment in R&D	Not evaluated	There is no centralized R & D department at SNC-Lavalin and R & D budgets are entirely managed at the Segment level.
Operations	Yes	After taking the decision to exit the Thermal Power business, SNC-Lavalin transferred all its remaining construction activities under its Infrastructure EPC Projects Segment. The current projects will be completed as per client's requirements and to their satisfaction, but no new projects will be undertaken in this field. This has resulted in the closing of offices in Poland and the Philippines. In addition, it was announced in February 2021 that the Company would divest from the oil and gas business. Consequently, our focus will be on growing our zero and low carbon energy projects as well as low carbon infrastructure projects.

## C3.4

### (C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Acquisitions and divestments	As mentioned above, in a global effort to de-risk the company, SNC-Lavalin announced it would divest from the oil and gas market in February 2021. This will allow the Company to focus on growing its zero and low carbon projects portfolio.

## C4. TARGETS AND PERFORMANCE

### C4.1

**(C4.1)** Did you have an emissions target that was active in the reporting year?

Absolute target

### C4.1a

**(C4.1a)** Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2021

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1

Base year

2019

Covered emissions in base year (metric tons CO<sub>2</sub>e)

55,765

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

93.59

Covered emissions in target year (metric tons CO<sub>2</sub>e) [auto-calculated]

3,574.5365

Covered emissions in reporting year (metric tons CO<sub>2</sub>e)

44,939.79

% of target achieved [auto-calculated]

20.7417395325

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years



### Target ambition

In early 2021, SNC-Lavalin released its targets and objectives set to reach Net Zero carbon emissions by 2030 (Please see our publicly available document at: <https://www.snclavalin.com/~ /media/Files/S/SNC-Lavalin /download-centre /en/policy/ net-zero- carbon -routemap.pdf> )

As stated in this document, SNC-Lavalin will be driving down its scope 1 emissions via divestments from energy intensive locations and activities, rationalizing office spaces and taking advantage of new infrastructure and regulations. In many jurisdictions, the latter will effectively ban the sale of fossil-fuel powered combustion engine vehicles as well as encourage the decommissioning of boilers and natural gas heaters in buildings, two of SNC-Lavalin's important sources of emissions.

It is forecasted that, by 2030, these initiatives combined will lead to the reduction of about 94% of our scope 1 emissions compared to our 2019 base year. These reductions will be equivalent to avoiding emitting more than 52,000 tons of CO<sub>2</sub> per year compared to the status quo.

SNC-Lavalin's scope 1 emissions include: gas or other fuels used to operate buildings and facilities; purchased fuels for vehicles and equipment and; to a lesser extent of fugitive emissions of refrigerants.

### Target reference number

Abs 2

### Year target was set

2021

### Target coverage

Company-wide

### Scope(s) (or Scope 3 category)

Scope 2 (location-based)

### Base year

2019

### Covered emissions in base year (metric tons CO<sub>2</sub>e)

29,400

### Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

### Target year

2030

### Targeted reduction from base year (%)

51.18

### Covered emissions in target year (metric tons CO<sub>2</sub>e) [auto-calculated]

14,353.08

### Covered emissions in reporting year (metric tons CO<sub>2</sub>e)

5,100.84

### % of target achieved [auto-calculated]

161.4892615897

### Target status in reporting year

Underway

### Is this a science-based target?

No, but we anticipate setting one in the next 2 years

### Target ambition

In early 2021, SNC-Lavalin released its targets and objectives set to reach Net Zero carbon emissions by 2030 (Please see our publicly available document at: <https://www.snclavalin.com/~ /media/Files/S/SNC-Lavalin /download-centre/en/policy/ net-zero-carbon-routemap.pdf> )

As stated in this document, SNC-Lavalin will be driving down its scope 2 emissions via divestments from energy intensive locations, rationalizing office spaces and taking advantage of regional efforts to decarbonize the electricity production networks. Indeed, many jurisdictions are planning to completely decarbonize their grid by 2030.

It is forecasted that, by 2030, these combined initiatives and circumstances will lead to the reduction of about 51% of our scope 2 emissions compared to the 2019 base year. These reductions will be equivalent to avoiding emitting more than 15,000 tons of CO<sub>2</sub> per year compared to the status quo.

Although SNC-Lavalin seemingly have already achieved its target for scope 2, we did not change the status of the target to "completed" as methodology changes shifted part of our emissions to scope 3 (as explained further into this report) and we cannot exclude that scope 2 emissions will go up again once the covid-19 pandemic is over and employees are allowed back into their respective offices. SNC-Lavalin's scope 2 emissions are entirely composed of electricity to operate buildings and facilities.

#### Target reference number

Abs 3

#### Year target was set

2021

#### Target coverage

Company-wide

#### Scope(s) (or Scope 3 category)

- > All upstream and downstream scope 3 emissions would be targeted, including business travel.

#### Base year

2019

#### Covered emissions in base year (metric tons CO<sub>2</sub>e)

58,731

#### Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

#### Target year

2030

#### Targeted reduction from base year (%)

33.71

#### Covered emissions in target year (metric tons CO<sub>2</sub>e) [auto-calculated]

38,932.7799

#### Covered emissions in reporting year (metric tons CO<sub>2</sub>e)

33,259.58

#### % of target achieved [auto-calculated]

128.6551006674

#### Target status in reporting year

Underway

#### Is this a science-based target?

No, but we anticipate setting one in the next 2 years

#### Target ambition

In early 2021, SNC-Lavalin released its targets and objectives set to reach Net Zero carbon emissions by 2030 (Please see our publicly available document at: <https://www.snclavalin.com/~media/Files/S/SNC-Lavalin/download-centre/en/policy/net-zero-carbon-routemap.pdf>)

As stated in this document, SNC-Lavalin will be driving down its scope 3 emissions via new policies to manage business travel, rationalizing office spaces and taking advantage of third parties' efforts to decarbonize or lower the emission intensity of aviation fuels.

It is forecasted that, by 2030, these combined initiatives and circumstances will lead to the reduction of about 34% of our scope 3 emissions compared to the 2019 base year. These reductions will be equivalent to avoiding emitting more than 19,000 tons of CO<sub>2</sub> per year compared to the status quo.

SNC-Lavalin's scope 3 emissions include first and foremost business travel-related emissions, but also emissions associated with offices (upstream leases), where the Company does not have operational control of HVAC systems.

Although SNC-Lavalin seemingly have already achieved its target for scope 3, we did not change the status of the target to "completed" as we cannot exclude that scope 3 emissions will go up again once the covid-19 pandemic is over and business travel resumes.

## C4.2

### (C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

## C4.3

### (C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

No

## C4.3d

### (C4.3d) Why did you not have any emissions reduction initiatives active during the reporting year?

After SNC-Lavalin acquired Atkins in August 2017, it was decided not to establish a new global emission target before first aligning both entities' policies and methodologies as well as establishing a new combined GHG emissions baseline. After the integration took place in 2018, and year 2019 was established as the new baseline, the Company worked on new global targets through 2020. In Early 2021, SNC-Lavalin published its "Net Zero Routemap" which outlines how the Company will achieve net zero carbon emissions by the end of 2030 and what the residual emissions will be by that time.

## C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

## C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

### Level of aggregation

Company-wide

### Description of product/Group of products

In 2020, all of SNC-Lavalin's Segments offered services that were either considered low carbon and/or that could offer significant opportunities to avoid emissions. Some examples:

Nuclear: we believe that nuclear power has the potential to break our reliance on fossil fuels for energy production and spearhead our global progress towards a low-carbon future. Considering that in 2020, SNC-Lavalin's Nuclear segment represented approximately 13% of the total revenue of the Company, broken down as follow: services for decommissioning, waste management and environmental clean-up projects (40%), services for life extension projects (30%), services for operating plants and new build plants (30%). Consequently, life extension projects, plants operation and new build plants, which we consider low-carbon services, represents approximately 8% of our total revenues.

Infrastructure services: following a restructuring in 2019, the services portion of our Clean Power activities was integrated into Infrastructure Services, which now provides Engineering, Procurement and Construction Management services for the delivery of hydroelectric, solar and wind projects and is now known as "Power Grid and Industrial Solutions".

Infrastructure services also include our Operation and Maintenance (O&M) business unit (BU). This BU manages multiple buildings and infrastructure contracts for a wide range of traditional, complex and high-tech infrastructure assets across all industries and sectors. In the case of buildings, O&M services include energy audits and the implementation of subsequent energy efficiency programs.

EDPM: includes services from our Acoustics, Air and Climate Change division which provides climate- change related consultancy, as well as air quality monitoring and leak detection services to industrial clients.

### Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

### Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

> In-house evaluation

### % revenue from low carbon product(s) in the reporting year

10

### Comment

This 10% figure is an approximation based on the revenues from our Nuclear Segment in addition to major individual projects from other segments.

## C5. EMISSIONS METHODOLOGY

### C5.1

**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

#### Scope 1

**Base year start**

January 1, 2019

**Base year end**

December 31, 2019

**Base year emissions (metric tons CO<sub>2</sub>e)**

55,765

**Comment**

A new baseline was established following the acquisition of Atkins and the subsequent alignment of methodologies completed in 2019.

However, we are making a restatement this year due to a calculation mistake that was revealed after publication.

#### Scope 2 (location-based)

**Base year start**

January 1, 2019

**Base year end**

December 31, 2019

**Base year emissions (metric tons CO<sub>2</sub>e)**

29,400.4

**Comment**

A new baseline was established following the acquisition of Atkins and the subsequent alignment of methodologies which was completed in 2019.

#### Scope 2 (market-based)

**Base year start**

January 1, 2019

**Base year end**

December 31, 2019

**Base year emissions (metric tons CO<sub>2</sub>e)**

0

### C5.2

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## C6. EMISSIONS DATA

### C6.1

**(C6.1)** What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?

Reporting year

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

44,939.79

**Start date**

January 1, 2020

**End date**

December 31, 2020

**Comment**

Data captured from invoices from building heating via natural gas and fuel receipts from directly attributable receipts for car use for company, hire and other car use. Where registry's, logs, mileage statements or finance downloads from expenses were provided against car usage, these have been attributed to scope 3.

Past year 1

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

55,765

**Start date**

January 1, 2019

**End date**

December 31, 2019

**Comment**

A mistake was noted regarding the factors used for LPG - a fuel some of SNC-Lavalin facilities in the United States were using until the end of 2019 - and corrected after publication of our CDP report. Hence the restatement.

### C6.2

**(C6.2)** Describe your organization's approach to reporting Scope 2 emissions.

Row 1

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

**Comment**

Data captured directly from attributable invoices. Where registry's and logs have been provided and where electricity use has been estimated via a benchmark such data has been attributable to scope 3.



## C6.3

**(C6.3)** What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?

[Reporting year](#)

**Scope 2, location-based**

5,100.84

**Start date**

January 1, 2020

**End date**

December 31, 2020

**Comment**

[Past year 1](#)

**Scope 2, location-based**

29,400.4

**Start date**

January 1, 2019

**End date**

December 31, 2019

**Comment**

The is actually no restatement for scope 2 emissions: the aforementioned scope 1 restatement (see previous section) was attributed to a mistake regarding factors linked to LPG fuel and didn't have any implication for scope 2 emissions.

## C6.4

**(C6.4)** Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

## C6.5

**(C6.5)** Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

[Purchased goods and services](#)

**Evaluation status**

Not evaluated

**Please explain**

Although SNC-Lavalin manages multiple billions worth of goods and services annually for its clients, the company does not have a centralized procurement system. Goods such as construction material are purchased on a per project basis and it has to be noted that SNC-Lavalin does not automatically have procurement mandate on all of its projects. At the moment, SNC Lavalin does not engage with suppliers or value chain partners in order to evaluate Scope 3 emissions in relation with purchased goods.

### Capital goods

#### Evaluation status

Not evaluated

#### Please explain

SNC-Lavalin is not a manufacturer and does not generally produce material goods. By way of consequences, the company owns very little manufacturing or industrial equipment. Considering the scale of SNC-Lavalin, such activities are generally not considered material in our reports. In addition, although machinery and equipment are used during the construction phase of projects, the vast majority of these pieces of equipment are not the property of SNC-Lavalin: they are either rented for the duration of the project or the property of contractors. However, SNC-Lavalin does own (or lease long-term) a considerable number of vehicles in order to conduct its daily activities. As procurement for these vehicles is not centralized but completed on a per project basis, evaluation has not been completed at the time being.

### Fuel-and-energy-related activities (not included in Scope 1 or 2)

#### Evaluation status

Not relevant, explanation provided

#### Please explain

SNC-Lavalin has not identified any other energy-related activities than those reported.

### Upstream transportation and distribution

#### Evaluation status

Not evaluated

#### Please explain

As for procurement, SNC-Lavalin does not engage with suppliers in order to evaluate scope 3 emissions in relation with the transportation of purchased good and services.

### Waste generated in operations

#### Evaluation status

Not evaluated

#### Please explain

SNC-Lavalin does not aggregate the waste generated during its normal operations and activities. It has to be noted that most construction waste is recycled or otherwise diverted from landfill and that the reminder of waste generated would mainly be associated with food consumption and other daily activities carried in office settings.

### Business travel

#### Evaluation status

Relevant, calculated

#### Metric tonnes CO<sub>2</sub>e

12,752.26

#### Emissions calculation methodology

Car rental, rail and air travel companies provide SNC-Lavalin with calculated GHG emissions via our in-house travel agent. They each have a different methodology.

#### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

#### Please explain

All information (distance travel, mode of transportation, flight category, etc,) is provided by the different carriers or rental companies.

### Employee commuting

#### Evaluation status

Not evaluated

#### Please explain

SNC-Lavalin has not yet evaluated Scope 3 emissions related to employee commuting. Considering that the Covid-19 pandemic meant that a majority of employees worked from home during 9 months in 2020, it is assumed that the residual emissions from the few employees that were assuming essential services were not significant.

## Upstream leased assets

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

20,507.32

### Emissions calculation methodology

SNC-Lavalin currently occupies about 400 leased buildings or office spaces. Among those, about half pay utilities directly to the supplier and the other half pays the landlord a nominal fees prorated based on the occupied area within buildings. SNC-Lavalin surveys the landlords or management companies on a yearly basis and, in the instances where we receive actual invoices, meter readings or in house registries, we apply the same methodology and same emission factors as for scope 1 and 2 emissions. In the cases where the landlord refuses or is unable to answer SNC-Lavalin's request in a timely manner, a benchmark is applied. The benchmark is an average of the usage intensity per square meters of other rented buildings that share the same location (country) and same heating mode (natural gas vs electricity).

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

27.14

### Please explain

Our scope 3 emissions for upstream leased assets totals 20,507t CO<sub>2</sub> eq, while the emissions calculated from actual data from landlords (invoices, registries, etc.) amounted to only 5,565 tons, eg: 27%. The rest was calculated from an in-house benchmark.

## Downstream transportation and distribution

### Evaluation status

Not relevant, explanation provided

### Please explain

SNC-Lavalin does not manufacture products and thus, does not have any transportation and distribution activities.

### Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Please explain

SNC-Lavalin does not sell any product that would need further processing.

### Use of sold products

### Evaluation status

Not relevant, explanation provided

### Please explain

SNC-Lavalin does not manufacture products.

### End of life treatment of sold products

### Evaluation status

Not relevant, explanation provided

### Please explain

SNC-Lavalin does not manufacture products.

### Downstream leased assets

Evaluation status

Not relevant, explanation provided

### Please explain

SNC-Lavalin owns less than 5% of the space it occupies. In the very few instances where we rent part of an owned building to third parties, we included the associated emissions in the reported scope 1 and 2 of the company.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Please explain

SNC-Lavalin's business model does not include any franchises.

### Investments

### Evaluation status

Relevant, not yet calculated

### Please explain

Capital, SNC-Lavalin's investment and asset management arm, has raised over \$12B of project financing in the past 10 years. However, GHG emissions related with said portfolio have not been evaluated yet.

### Other (upstream)

### Evaluation status

Not relevant, explanation provided

### Please explain

No other potential upstream sources of emissions have been identified

### Other (downstream)

### Evaluation status

Not relevant, explanation provided

### Please explain

No other potential downstream sources of emissions have been identified

## C6.7

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

## C6.10

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.000007141

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

50,040.63

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

7,007,501,000

**Scope 2 figure used**

Location-based

**% change from previous year**

35.9

**Direction of change**

Decreased

### Reason for change

Although SNC-Lavalin's revenue went down in 2020 (by about 8%, considering the restatement presented in the 2020 Annual report), so did its scope 1 and 2 emissions (by approximately 41%). The latter is due to multiple factors: major projects are being completed and no new oil & gas or LSTK projects being initiated, in accordance with our new strategic direction announced in July 2019 (mainly affecting our scope 1); office space is continuously being optimized via office closures, merging and reconfiguration (driving down both our scope 1 and scope 2); a re-evaluation of our methodology meant that offices where SNC-Lavalin does not have direct control of heating and/or HVAC systems (paying a nominal fee to the landlord for these services) are now considered to be within our scope 3 (which also drove down both scope 1 and 2). It has to be noted that the ongoing Covid-19 pandemic has also had an effect on scope 1 and 2, but it is considered to be temporary and, ultimately, not as significant as the 3 items mentioned above. Indeed, we noticed that bigger offices maintained their energy usage as the presence of a select few essential employees necessitated keeping the lights on, temperature at a workable level and the continuous presence of security and maintenance personnel.

### Intensity figure

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

50,040.63

**Metric denominator**

"Headcount", meaning the actual number of employees (regular and temporary, including contractual employees, casual employees, temporary agency workers and consultants) on pay roll on December 31, 2020. SNC-Lavalin does not calculate its annual FTEs.

**Metric denominator: Unit total**

37,584

**Scope 2 figure used**

Location-based

**% change from previous year**

27.2

**Direction of change**

Decreased

### Reason for change

SNC-Lavalin's headcount decreased by about 19%. This is mainly due to the completion of major projects and the end of temporary workers' contracts. It also has to be noted that SNC-Lavalin sold its South Africa activities, which represented about 5% of its workforce at the end of 2020.

But, as mentioned above, in the same period, its scope 1 and 2 went down by approximately 41%. Please see the factors enumerated above explaining the reasons why SNC-Lavalin's Scope 1 and 2 emissions decreased so much.

## C7. EMISSIONS BREAKDOWNS

### C7.1a

**(C7.1a)** Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO <sub>2</sub> e)	GWP Reference
CO <sub>2</sub>	44,316.17	IPCC Fifth Assessment Report (AR5 – 100 year)
CH <sub>4</sub>	18.42	IPCC Fifth Assessment Report (AR5 – 100 year)
N <sub>2</sub> O	518.31	IPCC Fifth Assessment Report (AR5 – 100 year)

### C7.2

**(C7.2)** Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Country/Region Scope 1 emissions (metric tons CO <sub>2</sub> e)	Country/Region	Country/Region Scope 1 emissions (metric tons CO <sub>2</sub> e)
Australia	1,365.71	Oman	454.16
Bahrain	22.42	Qatar	1,637.76
Brazil	2.42	Russian Federation	14.56
Canada	2,689.49	Saudi Arabia	34,330.64
Denmark	49.26	South Africa	2,254.35
Germany	0.15	Spain	0.02
India	26.9	Trinidad and Tobago	11.25
Ireland	21.43	United Arab Emirates	839.23
Kenya	11.66	United Kingdom of Great Britain and Northern Ireland	995.97
Mozambique	171.43	United States of America	40.98

## C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

- > By business division
- > By facility
- > By activity

### C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric tons of CO <sub>2</sub> e)
Capital	0
Corporate functions and multiple sectors	4,783.66
EDPM	2,590.25
Infrastructure	718
Linxon (subsidiary)	0
Nuclear	884.21
Resources	35,963.67

## C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons of CO <sub>2</sub> e)	Latitude	Longitude
Midrand, South Africa	2,254.35	-	-
Mississauga, Canada	724.5	-	-
Toronto, Canada	225.58	-	-
Epsom, UK	177.92	-	-
Bristol, UK	139.98	-	-
All other facilities combined	1,151.01	-	-

### C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons of CO <sub>2</sub> e)
Fuel consumption (equipment)	2,285.88
Utilities (mainly natural gas for heating building)	2,389.67
Refrigerants (Fugitive emissions)	86.89
Fuel for road travel (company-owned or long term rental of road vehicles)	40,177.35

## C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Algeria	23.39	0	46.37	0
Australia	218.01	0	306.19	0
Bahrain	0.49	0	0.72	0
Canada	620.63	0	26,257.41	0
China	114.85	0	186.44	0
Denmark	55.17	0	325.48	0
China, Hong Kong Special Administrative Region	321.61	0	435.61	0
India	1,676.98	0	2,230.32	0
Ireland	122.65	0	370.08	0
Norway	6.6	0	38.25	0
Oman	133.52	0	298.3	0

Country/Region	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Peru	28.2	0	141.28	0
Qatar	84.05	0	176.25	0
Russian Federation	19	0	53.24	0
Saudi Arabia	110.43	0	213.28	0
Singapore	20.1	0	51.66	0
Slovakia	1.65	0	10.35	0
South Africa	65.88	0	73.54	0
Trinidad and Tobago	28.78	0	53.69	0
United Arab Emirates	282.01	0	542.13	0
United Kingdom of Great Britain and Northern Ireland	981.41	0	4,209.54	0
United States of America	185.42	0	456.76	0



## C7.6

**(C7.6)** Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

- > By business division
- > By facility
- > By activity

### C7.6a

**(C7.6a)** Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO <sub>2</sub> e)	Scope 2, market-based emissions (metric tons CO <sub>2</sub> e)
Corporate Functions or Multiple Sectors	118.35	-
EDPM	3,909.71	-
Infrastructure	210.7	-
Linxon (subsidiary)	20.47	-
Nuclear	260.53	-
Resources	581.08	-

## C7.6b

**(C7.6b)** Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based emissions (metric tons CO <sub>2</sub> e)	Scope 2, market-based emissions (metric tons CO <sub>2</sub> e)
Ali Asker rd, Bangalore, India	972.6	0
Bellary rd, Bangalore, India	375.57	0
Hong Kong	321.61	0
Gurgaon, India	313.17	0
Bristol, UK	284.88	0
All other facilities	2,829.56	-

### C7.6c

**(C7.6c)** Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based emissions (metric tons CO <sub>2</sub> e)	Scope 2, market-based emissions (metric tons CO <sub>2</sub> e)
utilities (electricity purchase)	5,100.84	-

## C7.9

**(C7.9)** How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

## C7.9a

**(C7.9a)** Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

Facility	Change in emissions (metric tons CO <sub>2</sub> e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	No significant change as SNC-Lavalin did not enter any new agreement to purchase electricity from renewable sources or replace fossil fuels
Other emissions reduction activities	0	No change	0	The Covid-19 did have an influence on SNC-Lavalin's scope 1 and 2 emissions, however we do not consider these effects as permanent or the result of actual initiatives.
Divestment	0	No change	0	Divestments were announced in 2020, but will only have a significant impact in 2021
Acquisitions	0	No change	0	No acquisition in 2020
Mergers	0	No change	0	No merger in 2020
Change in output	0	No change	0	Output is not a relevant metric for an engineering company such as SNC-Lavalin
Change in methodology	19,181.09	Decreased	22.52	In 2020, SNC-Lavalin considered all emissions from "uncontrolled" facilities (i.e.: facilities where we do not have financial nor operational control of heating and HVAC systems) to be accounted for under scope 3, rather than scope 1 or 2.
Change in boundary	20.47	Increased	0.02	We included our subsidiary "Linxon" for the first time in 2020.
Change in physical operating conditions	0	-	0	No significant change observed through 2020
Unidentified	15,827.03	Decreased	18.74	At the moment, SNC-Lavalin is not able to separate the effects of both the ongoing Covid-19 pandemic as well as the optimization efforts to reduce office space. We believe that more sound conclusions will emerge once employees reintegrate their respective office.
Other	0	No change	0	No other significant difference identified

## C7.9b

**(C7.9b)** Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

## C8. ENERGY

### C8.1

**(C8.1)** What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

### C8.2

**(C8.2)** Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

### C8.2a

**(C8.2a)** Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	173,705.23	173,705.23
Consumption of purchased or acquired electricity	-	12,056.73	24,371.55	36,428.28
Consumption of purchased or acquired heat	-	0	48.6	48.60
Total energy consumption	-	12,056.73	198,125.39	210,182.12

## C8.2b

**(C8.2b)** Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

## C8.2c

**(C8.2c)** State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Not evaluated



## C9. ADDITIONAL METRICS

### 9.1

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**(C9.1)** Provide any additional climate-related metrics relevant to your business.

Not Applicable

# C10. VERIFICATION

## C10.1

**(C10.1)** Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

## C10.1a

**(C10.1a)** Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

**Verification or assurance cycle in place**  
Annual process

**Status in the current reporting year**  
Complete

**Type of verification or assurance**  
Limited assurance

**Attach the statement**  
Statement Attached

**Relevant standard**  
ISAE 3410

**Proportion of reported emissions verified (%)**  
100

## C10.1b

**(C10.1b)** Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Statement Attached

**Relevant standard**

ISAE 3410

**Proportion of reported emissions verified (%)**

100

## C10.1c

**(C10.1c)** Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

**Scope 3 category**

Scope 3 (upstream & downstream)

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Statement Attached

**Relevant standard**

ISAE 3410

**Proportion of reported emissions verified (%)**

100

## C10.2

**(C10.2)** Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

## C11. CARBON PRICING

### C11.1

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**(C11.1)** Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years.

### C11.2

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**(C11.2)** Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

### C11.3

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**(C11.3)** Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years.



## C12. ENGAGEMENT

### C12.1

**(C12.1)** Do you engage with your value chain on climate-related issues?

Yes, our customers.

### C12.3

**(C12.3)** Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- > Direct engagement with policy makers
- > Trade associations

## C12.3a

### (C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Clean energy generation	Support	<p>SNC-Lavalin's CEO as well as other SNC-Lavalin's employees are registered in the Office of the Commissioner of Lobbying of Canada's registry and at the Office of the Clerk for the U.S. House of Representatives. Among the subject discussed with federal representatives, the following issues were raised:</p> <ul style="list-style-type: none"> <li>› Efficient approval processes for major energy projects;</li> <li>› Recommendations on Federal policy regarding nuclear power development in Ontario;</li> <li>› Infrastructure funding at the federal level;</li> <li>› Support for energy work plans that include Candu nuclear power new builds in China and Argentina;</li> <li>› Engagement in the selection process of Ontario Power Generation pertaining to choice of technology toward a small module reactor (SMR) nuclear project;</li> <li>› Support for an SMR development fund to be introduced by the Government of Canada.</li> </ul>	<p>Infrastructure investment and modification to the Canadian nuclear policy related to domestic and international sales.</p> <p>Federal budget appropriation for an SMR development fund.</p> <p>Development work towards a Canadian version of the "Engineering Net Zero" technical report, building on an equivalent document published in the UK.</p>

## C12.3b

### (C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

## C12.3c

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

### Trade association

Conseil patronal de l'environnement du Québec (CPEQ)

**Is your position on climate change consistent with theirs?**

Consistent

### Please explain the trade association's position

The CPEQ recognizes that efforts should be made to reduce greenhouse gas emissions and thus contribute to the fight against climate change. In reaction to the provincial government announcement regarding its 2030 objective to lower global emission by 37.5% (compared to 1990), the CPEQ has made suggestions to the provincial government including that a significant percentage of the carbon market auctions revenues should be allocated to businesses to help them reduce their carbon footprint, including by modernizing their fleets, by promoting research for the development of biofuel, converting some vehicles to natural gas, by incorporating green logistics to reduce mileage and by establishing synergies between companies for sharing trucks and reduce empty runs. The CPEQ has also recommended that the government establishes annual intermediate targets and an accountability mechanism to make it possible to evaluate, every year, the progress of Quebec in achieving its target and the resulting impacts and, if necessary, reassess the realistic nature of the target.

**How have you influenced, or are you attempting to influence their position?**

SNC-Lavalin has a representative on the Board of Directors of the organization

### Trade association

Canadian Chamber of Commerce

**Is your position on climate change consistent with theirs?**

Consistent

### Please explain the trade association's position

The Canadian Chamber of Commerce supports evidence-based policy making that appropriately accounts for environmental externalities as well as efforts by the government of Canada to cooperate with provinces and territories to address environmental issues that are of shared jurisdiction. The Chamber favours a price on carbon, supports the creation of a water strategy and believes in the imperative to foster technological innovation and ensure efficient regulatory processes.

**How have you influenced, or are you attempting to influence their position?**

SNC-Lavalin has an employee on the Board of Directors of CCC and has an employee on the International Affairs Committee of CCC.

### Trade association

Canadian Nuclear Association (CNA)

**Is your position on climate change consistent with theirs?**

Consistent

### Please explain the trade association's position

CNA is concerned about the lack of action on climate change, and advocates for an effective national campaign to reduce emissions. Elements of such a campaign include a strong national alliance, a national expert statement on the costs and benefits of addressing climate change, and clear policy direction with firm follow-up.

According to the association, a national expert statement on the impact of climate change, and the economic case for addressing it, would set the bar for national debate, and help representatives from all sides work from a common set of facts. The United Kingdom's "Stern Review on the Economics of Climate Change" and Australia's "Garnaut Climate Change Review Update 2011" are examples of the kind of national statement that Canada could commission. Development of an effective national policy need not be a partisan process; it could be guided by an independent advisory body, for example, or a single agency could be given clear responsibility for climate change at the national level.

**How have you influenced, or are you attempting to influence their position?**

SNC-Lavalin is a member of the Executive and of the Board of Directors of the CNA

#### Trade association

Business Council of Canada

#### Is your position on climate change consistent with theirs?

Consistent

#### Please explain the trade association's position

The BCC recognizes that climate change is a particularly complex and global environmental challenge, and has, for many years, advocated for carbon pricing as the most efficient means to contribute to achieving Canada's climate change goals.

#### How have you influenced, or are you attempting to influence their position?

In 2009, SNC-Lavalin's then CEO, Mr. Jacques Lamarre was Vice chair of the BCC and signatory to a press release titled "BUSINESS LEADERS SUPPORT CALL FOR UNIFIED NATIONAL POLICY ON CARBON PRICING". Although the Company has fallen back to a simple membership rather than a position on the board, the current CEO, Ian Edwards, is an active member on behalf of SNC-Lavalin.

### C12.3f

#### (C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The Global Head of Sustainability (equivalent to a CSO), ensures that policies relating to climate change and other sustainability issues are consistent across all our activities. The Global Head of Sustainability, along with the Corporate Government Relations representatives responsible for Canada and Ontario report to the Executive Vice President of Strategy, Marketing and External Relations (SMER). The Corporate Government Relations representatives are responsible to ensure that SNC-Lavalin's policies and overall strategic objectives are effectively communicated to governments across Canada, inclusive of climate change policy and strategy. The Corporate Government Relations representative for Canada ensures coordination with government relations representatives in business sector specific geographies across the company. The EVP of SMER ensures continuity between Sustainability and Government and External Relations.

### C12.4

#### (C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

##### Publication

In voluntary sustainability report

##### Status

Underway – previous year attached

##### Content elements

Emissions figures

##### Comment

No comment



## C15. SIGNOFF

### C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

### C15.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Global Head of Sustainability	Chief Sustainability Officer (CSO)