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TRANSFORMING SOCIETY
FOR FUTURE GENERATIONS
OUR SUSTAINABILITY REPORT
2019



SNC • LAVALIN

PEOPLE. DRIVE. RESULTS.



NOTICE

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This sustainability report relates to the activities, brands, products and services associated with SNC-Lavalin.

Reference in this sustainability report to the company or to SNC-Lavalin, means as the context may require, SNC-Lavalin Group Inc., or one or more of its subsidiaries or joint arrangements.

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1 / MESSAGE FROM OUR PRESIDENT AND CEO

Musée national des beaux-arts du Québec Pavillon Pierre Lassonde
Québec City, Québec, Canada
Photography by Stephane Brugger

1. MESSAGE FROM OUR PRESIDENT AND CEO

We are all in this together

As I write this message the Covid-19 pandemic attacks countries and regions, taking countless precious lives. Most of SNC-Lavalin's employees, including myself, are working from home, while our essential workers keep communities afloat. Our colleagues in Ontario are supporting nuclear power stations. In Québec, our teams are building temporary drive-in clinics and testing facilities in hospital parking lots and in the UK, our colleagues have been using 3D printers to produce PPE masks to protect healthcare workers. We are all in this together and as a company, everyone is eager to help. I wholeheartedly thank the crews of volunteers who, on their own initiative, borrowed company vehicles to deliver groceries and medicine to vulnerable members of the community.

I am also taking stock of the quick succession of challenges that the world and our organization will have to face. In the near future, governments all over the world, in an unprecedented effort to boost the economy, will be authorizing numerous infrastructure projects. Projects for which SNC-Lavalin, as any major engineering firm, will have to be ready for with a skilled workforce and a stable and reliable network of suppliers and partners.

The rapid changes in society present us with challenges and opportunities, we are transforming our business today to respond to the global megatrends of climate change, population growth and urbanization, transitioning to a low-carbon, more efficient and more resilient economy.

Our Sustainability Policy Statement, announced in November 2019 in conjunction with our Sustainable Business Strategy, demonstrates the company's long-term commitment to Sustainable Development and Agenda 2030. The Strategy outlines how SNC-Lavalin will embed sustainability principles in every business activity, at corporate, sector and project levels. The document is based on the UN Sustainable Development Goals and focuses on ten measurement categories to guide implementation across all our operations.

IAN L. EDWARDS
President & CEO



SNC-Lavalin contributes to each of the 17 UN Sustainable Development Goals. As we continue on our new strategic path, announced in July 2019, we are looking forward to improving our performance in relation to three key UN goals. These are the goals considered to be most material both to SNC-Lavalin and to its stakeholders.

Goal 7: Affordable and clean energy – As a world-leading engineering organization, one of the best ways we can combat climate change and overcome the greatest global challenge of our age is by helping society transition to a low-carbon economy. This transition involves the substitution of fossil fuels with other energy sources, primarily renewable and nuclear energies.

We are the stewards of CANDU® technology, and we use our experience as a nuclear reactor designer to collaborate with small modular reactor (SMR) vendors. Our CanAtom joint venture is currently leading the Darlington Retube & Feeder Replacement project for Ontario Power Generation, playing a key role in delivering affordable and clean energy to 2.5 million households. Darlington provides 20% of Ontario's power supply.

Our designers are transforming offshore wind project delivery by standardizing the design of foundations and monopiles, enabling a production line approach to fabrication and reducing costs without compromising on safety and reliability. We are currently developing one of the world's first arrays of floating wind turbines for Kincardine Offshore Wind Farm in Scotland, United Kingdom, which will have the capacity to provide electricity equivalent to powering over 55,000 households.

We are also investigating new technologies to help electrify transportation, store hydrogen as a fuel and build "smart grids".

Goal 13: Climate Action – We are facing a predicted climate breakdown and worryingly global CO₂ emissions have not reduced. Governments and global organizations such as ours must change their actions and decisions to solve the Climate Crisis. In collaboration with the Global Climate Adaptation Partnership, our experts developed the pioneering Climate Safeguards System, a set of decision-making tools and guides, to enable major banks worldwide to assess climate risks associated with large infrastructure funded projects and identify appropriate mitigation measures.

Goal 11: Sustainable Cities and Communities – Our teams develop sustainable infrastructure with consideration of environmental, societal and economic impacts providing our cities and communities with enough energy, water, transport routes, buildings and infrastructure to thrive and grow. We design those essential building blocks keeping in mind that global resource scarcity requires urban areas to conserve energy and water, reduce raw material usage and promote active travel and low-carbon modes of transport.

Sweden's Transport Administration is planning to build a new high-speed rail network, linking the country's three major cities. The East Link, 150 km of new railway from Stockholm to Linköping, will form the first part of this network. The new railway will be designed for speeds above 250 km/h and up to 320 km/h, making it the first dedicated high-speed railway in Sweden.

We are working on similar mass transit networks worldwide such as the Riyadh Metro in Saudi Arabia, HS2 in the UK and Parramatta Light Rail in Sydney.

Delivering sustainable solutions that meet the needs of modern populations is at the heart of how we design towns, cities and communities throughout the world. In a smart city, the city responds to their residents needs in real time;

big data and real-time connectivity help infrastructure asset owners plan for the long-term and manage in the moment. The technologies we employ helps our clients achieve this innovation in action: systems and services become more user-friendly and efficient, while also enhancing safety and wellbeing.

Our responsibility for sustainability includes renewing our commitment as a signatory of the United Nations Global Compact and engaging in projects that promote the UN's broader development goals.

Our 2019 sustainability report serves as our Communication on Progress (CoP) in terms of implementing these principles.

I am really proud that SNC-Lavalin has already integrated its long-term sustainability goals into the company's new strategic direction. Our industry is driven by changes in society, climate disruption, resource scarcity, rapid urbanization, demographic transformations, shifts in economic power and technological innovation. This makes sustainability not only the right thing to do as a world-leading engineering organization, it is critical business priority.

IAN L. EDWARDS
President & CEO

2 / OUR ACHIEVEMENTS

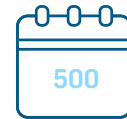


2. OUR ACHIEVEMENTS

Celebrating our Achievements



Awarded the **COMPLIANCE LEADER VERIFICATION FROM ETHISPHERE INSTITUTE** in March 2019



Celebrated a safety achievement of **500 CONSECUTIVE INCIDENT FREE DAYS** in May 2019 for our **FINE ASH DAM** project team, for a total of **750 PERFECT DAYS** during the project lifetime



Inaugurated the 461.2m super-tall, multiple **AWARD-WINNING** project **LANDMARK 81**



Obtained **LEED SILVER CERTIFICATION** and a "**LEONARD**" **TROPHY** at the Grands Prix du génie-conseil québécois Awards Ceremony for the **RENOVATION OF THE CENTURY-OLD WILDER BUILDING**



Awarded **PLATINUM ELITE STATUS** in ReNew Canada's **TOP 100 PROJECTS** Report for the **8TH YEAR** in a row, with the company occupying the **8 FIRST POSITIONS** of the list



Congratulated our **FIRST TWO TRAINEES** who completed our **WELDER COMMUNITY DEVELOPMENT PROGRAM** aimed at up-skilling existing local talent and creating job opportunities in South Africa



Dr Anne Kemp OBE, Technical Director and fellow at SNC-Lavalin, has received the **ORDER OF THE BRITISH EMPIRE IN THE QUEEN'S BIRTHDAY HONORS LIST** for services to Digital Construction Innovation



Marked the **40-YEAR ANNIVERSARY** of our **LANDSCAPE ARCHITECTS** being in practice



Achieved a **7 YEARS LOST TIME INJURY FREE** milestone at **OIL & GAS KEARL OIL SANDS** project

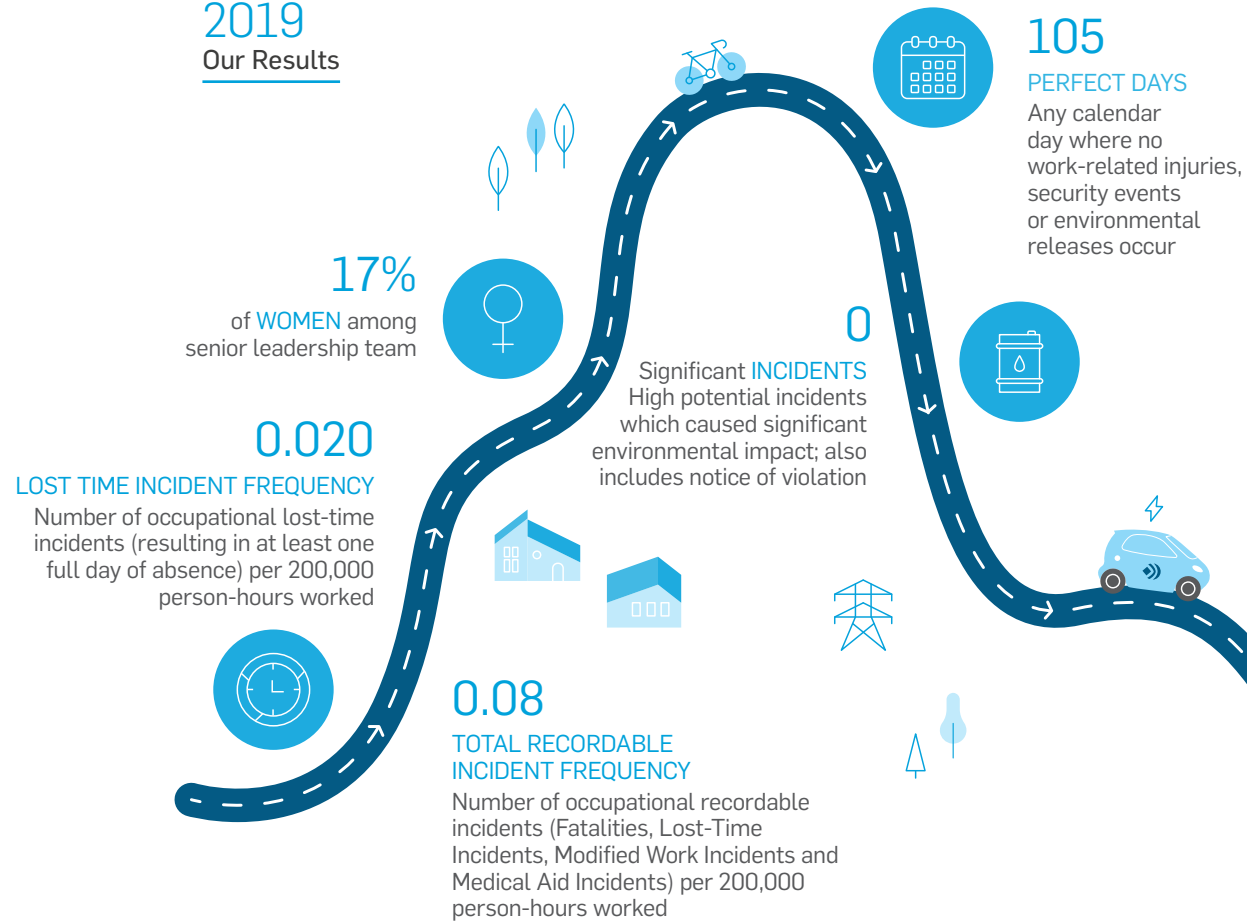


Won two 2019 Awards from the **BRITISH CONSTRUCTION INDUSTRY: TRANSPORT PROJECT OF THE YEAR**, for the iconic **NORTHERN SPIRE BRIDGE** and **DIGITAL TRANSFORMATION INITIATIVE OF THE YEAR** – Building for the 3D Reinforcement Modeling applied on **HINKLEY POINT C**

Roadmap

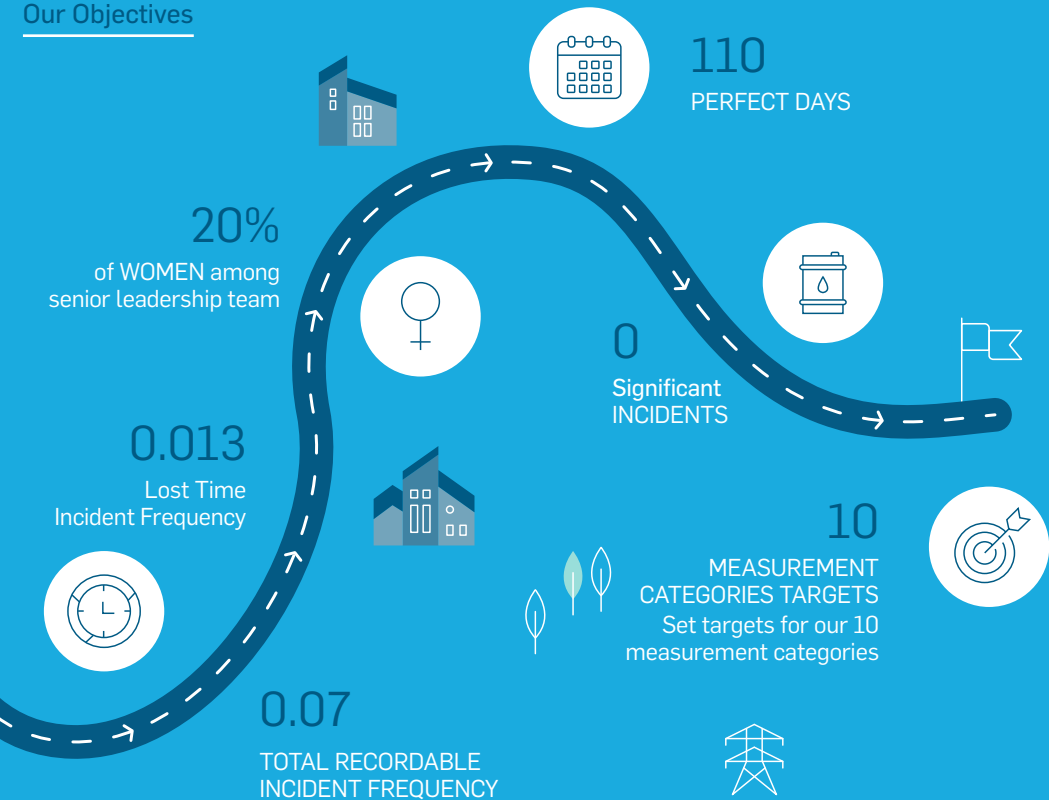
2019

Our Results



2020

Our Objectives



3 / MESSAGE FROM OUR GLOBAL HEAD OF SUSTAINABILITY

3. MESSAGE FROM OUR GLOBAL HEAD OF SUSTAINABILITY

Transforming society for future generations

In a society which is changing at a rapid pace, we are not alone in fundamentally transforming the way we operate to respond to climate change, population growth and other major risks and opportunities facing society.

We undertook a market benchmark analysis of our key stakeholders, as part of our materiality assessment, and found that many of our clients and key stakeholders are also signatories of the United Nations Global Compact. They too are in the process of embedding the UN Sustainable Development Goals (SDGs) across their business activities and are focusing their improvement on goals which are most material to their organization.

Following a gap analysis and review of existing policies and procedures relating to sustainability, SNC-Lavalin released a Sustainability Policy Statement and updated its Sustainable Business Strategy. The Statement, in conjunction with the Strategy, demonstrates the company's long-term commitment to sustainable development and Agenda 2030. The Strategy outlines how SNC-Lavalin will embed sustainability principles in every aspect of the company, from sector management, to corporate functions, and across all project activities. The document is based on the UN SDGs and focuses on high-level objectives, allocated with ten measurement categories. These categories will guide implementation throughout the company.

In addition to our ten measurement categories, we have designated three UN SDGs – Affordable and Clean Energy; Sustainable Cities and Communities; and Climate Action – as priorities, reinforcing our strategic direction.

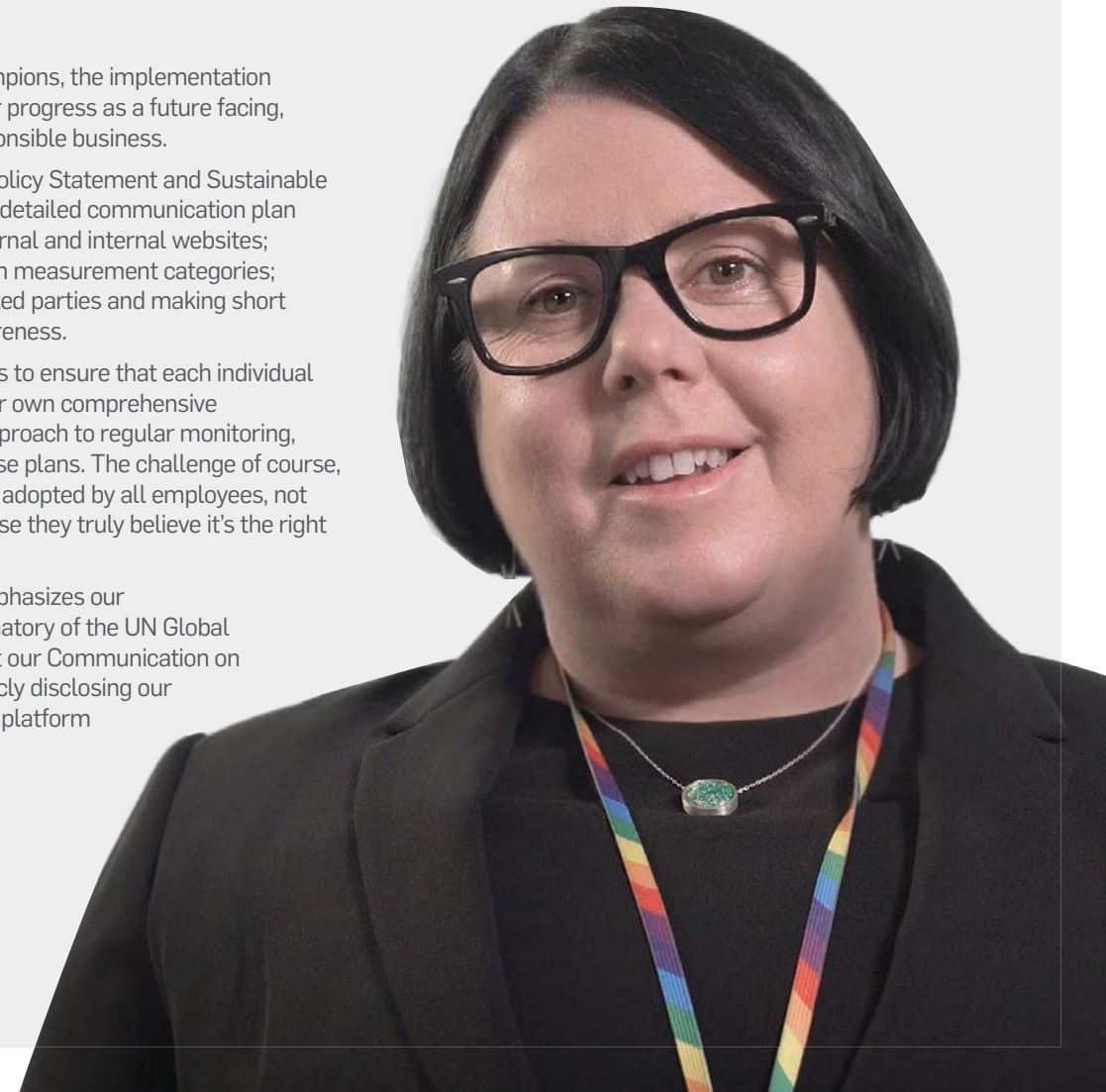
Internally and externally promoted by Champions, the implementation of those priorities is critical to improving our progress as a future facing, ethically, environmentally and socially responsible business.

Following the launch of our Sustainability Policy Statement and Sustainable Business Strategy, we have implemented a detailed communication plan which included updating our dedicated external and internal websites; planning a series of blogs presenting our ten measurement categories; associated sustainability topics and interested parties and making short films with our employees to help raise awareness.

The next step on our sustainability agenda is to ensure that each individual sector and corporate function develops their own comprehensive implementation plans including a robust approach to regular monitoring, auditing and progress reporting against these plans. The challenge of course, is to make sure those new expectations are adopted by all employees, not because they are forced to do so, but because they truly believe it's the right thing to do.

All of our work relating to sustainability emphasizes our commitment to Agenda 2030 and, as a signatory of the UN Global Compact since 2015, we continue to submit our Communication on Progress annually. We also have been publicly disclosing our greenhouse gas emissions report via CDP's platform since 2007.

SARAH JANE STEWART
Global Head of Sustainability



United Nation's Sustainable Development Goals

In September 2015, the General Assembly of the United Nations adopted the 2030 Agenda for Sustainable Development that includes 17 Sustainable Development Goals (SDGs).

Building on the principle of “*leaving no one behind*”, the new Agenda emphasizes a holistic approach to achieving sustainable development for all.

In response to this agenda, we became a signatory of the UN Global Compact and have created a Sustainable Business Strategy aligned with the UN SDGs.





Goal 7: Affordable and Clean Energy

We design the hydroelectric dams, offshore wind farms and powerplants providing energy to keep the lights on in people's homes across the world.

To respond to the climate emergency and global megatrends affecting society, such as population growth, rapid urbanization and the transition to a net-zero economy, we are in the process of becoming a low-carbon business. To that effect, more of the power plants we design must rely on low-carbon and renewable sources of energy.



Goal 11: Sustainable Cities and Communities

We design buildings for people to work and live in, as well as bridges, roads, light rail networks, cycle paths and walking routes to get people to work every morning and home again at night.

To respond to resource scarcity worldwide, we are developing more efficient ways to deliver our infrastructure projects. We are developing innovative ways to consume fewer raw materials and resources during operation, such as energy efficiency measures, modular construction and prefabrication, as well as recycling or renovation of existing infrastructure and buildings.

We are already developing infrastructure to respond to innovations in technology such as the transition to electric vehicles, the use of mobility as a service, the rise of autonomous vehicles and fundamental changes in the way we plan cities, to avoid unnecessary travel.



Goal 13: Climate Action

We provide the future-proofed infrastructure, whether for energy, rail, water, buildings, or industrial processes, needed to withstand climate change and extreme weather events.

Ensuring that new infrastructure is future-proofed is not enough, existing infrastructure also has to be re-designed to address climate change-related risks. We must upgrade existing infrastructure and systems around the world to ensure that they are resilient.

We are already protecting essential and critical infrastructure worldwide through the development of tidal barriers, flood defences and improved stormwater drainage systems. The need for these types of projects will increase as the impacts of climate change and extreme weather events worsen.

When communities are damaged by storms and extreme weather events, reconstruction for communities must be developed to embed climate resilience into the reconstruction to reduce their vulnerability to the impacts of potential future natural disasters.

To respond to resource scarcity worldwide, we are developing more efficient ways to deliver our infrastructure projects.

4 / OUR PROGRESS TOWARDS UN AGENDA 2030



4. OUR PROGRESS TOWARDS UN AGENDA 2030

Introduction to the UN Sustainable Development Goals (SDGs)

SNC-Lavalin has been a signatory of the UN Global Compact since 2015 and we are currently contributing to all 17 of the UN Sustainable Development Goals.

It is important to recognize the link between sustainable development and other relevant ongoing processes in the economic, social and environmental fields. Using the UN SDGs as a framework, we assessed the goals in terms of significance, both to our business and our stakeholders. We concluded that SNC-Lavalin is already addressing relevant strategic, economic, social and environmental issues and has the potential to create even more significant positive changes across all our activities.

This materiality assessment is a key component of our Sustainable Business Strategy and our overall business strategy going forward.

Addressing the UN SDGs through identified material topics has **enabled us to better integrate sustainability and strengthen our economic incentives for operating more efficiently.**

We have sorted the UN SDGs in order of significance. Higher significance goals include those which are material to our current business strategy and considered as priorities by our stakeholders.

Goals with medium significance are those we are actively pursuing and will continue to pursue in forthcoming years. Goals with lower significance are those that are not significantly material to our business strategy but where we can still have an incidental impact. We have outlined the UN SDGs between those three categories below and have included an example of our current progress towards UN Agenda 2030.

Business Strategy: 5-Year Plan

We have selected three goals on which we will focus our improvement initiatives between 2020 and 2025:

Goal 7: Affordable and clean energy

Goal 11: Sustainable Cities and Communities

Goal 13: Climate Action

These are the goals we consider to be most material both to our business strategy and activities, but also in relation to our stakeholders.



UN GOALS
WHERE OUR BUSINESS
CAN HAVE A **HIGHER IMPACT**

UN Goals where our Business can have a Higher Impact



UN SDG3: Good Health and Well-being

Our teams have designed the Clarice Pears Institute of Health and Wellbeing for the University of Glasgow, Scotland, United Kingdom, which undertakes world-class research to prevent ill-health and reduce health inequalities. Our design embodies a health and well-being focused approach, fostering biodiversity, natural ventilation, daylight, provision of active travel and walking routes and facilities to prioritize cycling.



UN SDG5: Gender Equality

Our Middle East Diversity and Inclusion Business Network has signed the United Nations Women's Empowerment Principles (UN WEPs), which are aligned with the company's commitment to foster an inclusive culture that promotes gender equality and supports employees' professional development, skills and knowledge throughout their career.

[Find out more >](#)



UN SDG6: Clean Water and Sanitation

We recently upgraded the Patuxent Water Reclamation Facility in Maryland, USA, to increase capacity and keep up with the rapid population growth in the service area. The expansion design increased plant capacity from 7.5 to 10.5 million gallons per day, helping to restore the Chesapeake Bay's ecosystem and improve water quality by reducing excessive nitrogen, phosphorus, and sediment loads.

[Find out more >](#)



UN SDG7: Affordable and Clean Energy

SNC-Lavalin has developed and licensed nuclear technology for over 60 years and is the steward of CANDU® reactors. Our CanAtom joint venture is currently leading the Darlington Retube & Feeder Replacement project for Ontario Power Generation, playing a key role in delivering affordable and clean energy to 2.5 million households. Darlington provides 20% of Ontario's power supply.

[Find out more >](#)



UN SDG10: Reduced Inequalities

We believe that diversity is essential for business. We support the Conference of Minority Transportation Officials (COMTO), National Organization of Minority Architects, Women's Transportation Seminar, National Society of Black Engineers, and the Society for Women Engineers. This support has extended to the provision of major scholarship programs through our company's foundation, for organizations such as the National Society of Black Engineers, the Society for Women Engineers, COMTO, and WTS.

We are a member/supporter of Catalyst, a global non-profit organization that works with companies around the world to accelerate women into leadership.



UN SDG11: Sustainable Cities and Communities

The Réseau Express Métropolitain (REM) is an electric and fully automated light rail transit network designed to facilitate mobility across the Greater Montréal area. REM will contribute to decreasing 680,000 tonnes of greenhouse gas emissions over 25 years of operation. We are working on similar mass transit networks worldwide.

[Find out more >](#)



UN SDG12: Responsible Consumption and Production

The New Champlain Bridge Corridor Project reused materials generated by demolition activities and incorporated materials with the greatest possible recycled content. The construction methodology required a high degree of off-site prefabrication which further reduced raw material consumption for construction elements.

[Find out more >](#)



UN SDG13: Climate Action

We have developed a software tool for stress testing complex city systems called City Simulator. The City Simulator creates a virtual version of the city to find the best set of strategies that will result in the greatest resilience to potential threats such as climate change, drought, economic downturn, hurricanes, or other natural disasters.

[Find out more >](#)



UN SDG16: Peace Justice and Strong Institutions

Our commitment to integrity has earned us the prestigious Compliance Leader Verification from the Ethisphere Institute, an independent center for research, best practices and thought leadership. Ethisphere conducted a thorough assessment of our Integrity Program and benchmarked it against its 2018 World's Most Ethical Companies data set, providing insight into the programs and practices of leading companies around the world.

[Find out more >](#)

An aerial photograph of a lush green agricultural field with distinct curved furrows. In the center-right of the frame, there is a dense, circular patch of trees and shrubs, creating a natural island in the field.

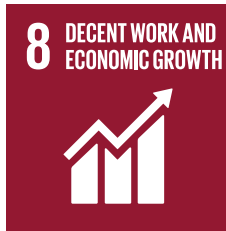
UN GOALS
WHERE OUR BUSINESS
CAN HAVE A **MEDIUM IMPACT**

UN Goals where our Business can have a Medium Impact



UN SDG4: Quality Education

SNC-Lavalin has dedicated support to Osizweni science center whose toy library supports thirty-six early childhood development schools in the Govan Mbeki municipal area of South Africa. Using educational toys, they teach children the fundamentals of numeracy, matching and sorting, hand-eye coordination and reading.



UN SDG8: Decent Work and Economic Growth

SNC-Lavalin has just completed its first year in the Progressive Aboriginal Relations program run by the Canadian Council of Aboriginal Business. The program helped SNC-Lavalin deliver internal indigenous training and helped guide us with best practices prioritizing economic and social development of indigenous communities.

[Find out more >](#)



UN SDG9: Industry, Innovation and Infrastructure

We are working as rolling-stock adviser on the Purple Line Project, a 16.2-mile (26 km) light railway line through Maryland, USA. Our innovative solution offered longer individual train units, with fewer trains resulting in a 50% reduction on the rolling stock and additional construction, operation and maintenance savings on account of shorter station platforms.

[Find out more >](#)



UN SDG14: Life Below Water

At the Port of Miami, our teams performed underwater inspection services for a new sheet pile wall in 45 feet (15 m) of water and oversaw relocation of more than 150 healthy corals from the existing seawall to an on-port recipient area.



UN SDG15: Life on Land

SNC-Lavalin has begun using unmanned aerial vehicles, popularly known as drones, on a variety of projects world-wide to perform tasks such as data gathering. We've been using drones equipped with high-tech cameras to obtain information about sensitive ecosystems to identify and protect species that may be impacted by our projects.



UN GOALS
WHERE OUR BUSINESS
CAN HAVE A **LOWER IMPACT**

UN Goals where our Business can have a Lower Impact



UN SDG1: No Poverty

Glasgow City Mission in Scotland, United Kingdom, works with adults and children who are vulnerable and disadvantaged groups and individuals in Glasgow, many of whom suffer in relation to homelessness, addiction, poverty and wide range of social and economic issues. We have been supporting the Mission for several years by donating food, clothing and toiletries that many of the vulnerable adults and young children cannot afford.



UN SDG2: Zero Hunger

Our office located in Halifax, Canada, chose to support Feed Nova Scotia, the food bank that supports the entire province and has been in operation for over 30 years. Our 60 employees contributed 775 lbs of food (768 items in total) with a monetary contribution of CA\$265.



UN SDG17: Partnerships for the Goals

We are a partner to Ørsted helping to transform the offshore wind industry through standardization of design and cost reduction. We delivered a uniform design that enabled a production line approach to fabrication, reducing the costs of offshore wind without compromising safety and reliability whilst generating affordable and clean energy.

[Find out more >](#)

5 / WHAT MATTERS MOST TO OUR STAKEHOLDERS

5. WHAT MATTERS MOST TO OUR STAKEHOLDERS

How our Business Strategy Responds to Global Societal and Environmental Megatrends

SNC-Lavalin operates in an increasingly dynamic and interconnected world where global megatrends are shaping how we deliver projects. Megatrends can be considered as a range of transformative global forces which define the future by having far-reaching impacts on businesses, economies, industries, societies and individuals.

Global megatrends relate to climate change, conflicts, and consumer behaviour that businesses must adapt to. Where changes are predictable, businesses can plan ahead and adapt business strategy. Some changes relating to population growth can be planned for to a certain degree; however, the effects of climate disturbances, such as lack of rainfall, increased storms and flooding, can happen overnight.

In a society with increased environmental awareness, rapid changes in consumer behaviour, such as increasing ownership of electric vehicles, refusal to buy single-use plastics, or conversion to plant-based diets, all have knock-on effects. This can impact manufacturing and infrastructure, with raw materials no longer being in demand and existing infrastructure being rendered obsolete.

Geopolitical instability can arise suddenly and have dramatic impacts on both businesses and society.

Governments and businesses worldwide are recognizing the importance of global societal and environmental megatrends and have started developing legislation to mitigate effects on society, the environment and global and local economies.

Sustainability for us is not an option, but an imperative. Extreme climate change is a global challenge, and it is important that we provide our clients with the support they need to ensure that their assets can withstand these environmental events.

Materiality Assessment

We have undertaken a detailed materiality assessment to prioritize the most material issues for SNC-Lavalin, including a market analysis evaluating the sustainability performance of our industry peers, an evaluation of the expectations of clients and shareholders and ongoing engagement surveys, presentations and face to face meetings with external and internal stakeholders.

Ten key issues emerged from this materiality assessment process as the most significant to SNC-Lavalin's operational business strategy.

These ten material topics are detailed in this chapter and are as follows:



Energy



Materials



Water



Transport



Pollution



Health



Climate



Biodiversity



Diversity



Community

ENERGY



Energy

Sustainability Context

The World Economic Forum published a report on the energy transition required to combat climate change, underlining how incredibly quickly that transition needs to happen.

[Read Report >](#)

As a world-leading engineering organization, one of the main areas where we can combat climate change and overcome the greatest global challenge of our age is by taking part in the energy transition towards a low-carbon society.

Sustainable Business Strategy: High Level Objectives

One of the ten measurement categories outlined in our Sustainable Business Strategy is Energy. In our Sustainability Policy Statement, we have made a firm commitment to improving resource efficiency including use of water, energy (including transport related energy usage); and raw materials, across our corporate and project activities. We have set out the following high-level objectives for Energy in our Sustainable Business Strategy:

SBS High Level Objective: Energy

Project Activities

Propose improvements to our clients' projects to reduce energy and carbon emissions.

Corporate Activities

Reduce our energy consumption by implementing passive design, energy efficiency and low and zero-carbon energy initiatives.

"Will the global energy transition from fossil fuels to sustainable energy be gradual or rapid?

The difference between a gradual and rapid transition will determine the climate future of humanity.

A **gradual transition** will mean that the goals of the Paris Agreement will be badly missed. A **rapid transition** will give humanity a chance to meet the goals of the Paris Agreement and keep temperature well below 2°C."

White Paper, The Speed of Energy Transition Gradual or Rapid Change World Economic Forum, September 2019



Energy Case Studies



Hydro Power

Our hydroelectricity experts have rehabilitated and upgraded more than 60 hydroelectric developments and performed over 120 dam safety assessments worldwide, including the John Hart Generating Station Replacement Project. We study, design and build hydropower facilities ranging from anywhere between 1 MW to 22,000 MW. We delivered the 170 GW Jimmie Creek, a run-of-river hydroelectric generation facility in British Columbia, which has the capacity to power approximately 14,500 homes.



Wind Power

We are transforming offshore wind by delivering a standardized design to enable a production line approach to fabrication, reducing the costs of offshore wind without compromising safety and reliability.



Tidal Power

We provided specialized design and engineering support to help Tidal Lagoon Swansea Bay Plc create the world's first power-generating tidal lagoon in Wales, UK. Once the project will be completed, it is estimated it will produce 572 GWh, enough to power about 150,000 homes.



Oil and Gas

Over the past five years, many of our oil and gas clients have been transitioning, moving to more natural gas installations and investing in low and zero-carbon energy technologies such as offshore wind generation and hydrogen production and carbon capture and storage.



Nuclear Power

We are the stewards of CANDU® reactor technology and can support any stage of a project life-cycle, from R&D to financing, operations, maintenance and decommissioning. We use our strengths as a nuclear reactor developer to collaborate with small modular reactor (SMR) vendors. We help them develop their reactor designs until they are market-ready. Our CanAtom joint venture is currently leading the Darlington Retube & Feeder Replacement project for Ontario Power Generation.

WATER



Water

Sustainability Context

Water scarcity can mean availability scarcity due to physical shortage, or access scarcity due to either the failure of institutions to ensure a regular supply or to a lack of adequate infrastructure.

Water scarcity already affects every continent. The United Nations World Water Development Report, *Leaving no one behind*, launched in March 2019 demonstrates how improvements in water resources management and access to water supply and sanitation services are essential to addressing various social and economic inequalities, such that 'no one is left behind' when it comes to enjoying the multiple benefits and opportunities that water provides.

[English Report >](#)

[French Report >](#)

[Spanish Report >](#)

By **2040**
it is estimated that ONE IN FOUR of the world's children UNDER 18 – SOME 600 MILLION in all – will be living in areas of EXTREMELY HIGH WATER STRESS

700
MILLION PEOPLE worldwide could be displaced by intense water scarcity by 2030

About **4** BILLION PEOPLE, representing nearly two-thirds of the world population, experience severe water scarcity during AT LEAST ONE MONTH OF THE YEAR

By **2030**, with the existing climate change scenario, water scarcity in some arid and semi-arid places will displace BETWEEN 24 MILLION AND 700 MILLION PEOPLE

A **third** of the world's biggest GROUNDWATER SYSTEMS are already IN DISTRESS

Over **2** BILLION PEOPLE live in countries experiencing HIGH WATER STRESS

Sustainable Business Strategy: High Level Objectives

One of the ten measurement categories outlined in our Sustainable Business strategy is Water. In our Sustainability Policy Statement, we have made a firm commitment to improving resource efficiency including use of water, energy and raw materials, across our corporate and project activities. We have set out the following high-level objectives for water in our Sustainable Business Strategy:

SBS High Level Objective: Water

Project Activities

Propose improvements to our clients' projects to reduce water usage and conserve available water resources.

SBS High Level Objective: Water

Corporate Activities

Reduce our water consumption by implementing water efficiency and sustainable urban drainage measures.



Water Case Studies

Feasibility Study to Relocate Water Infrastructure to Rock Caverns Hong Kong, China

We have been appointed by the Water Supplies Department of the Hong Kong SAR Government to carry out a feasibility study on the relocation of the Yau Tong fresh water and salt water service reservoirs to caverns.

The relocation will release the existing sites for housing and other uses to meet the long term social and economic needs of Hong Kong whilst ensuring a reliable, adequate and quality supply of water for the territory.

[Read Case Study >](#)

Water Quality Improvement Project Old Tampa Bay, Florida, USA

The Florida Department of Transportation's District 7 anticipated purchasing right-of-way for stormwater management for large transportation projects throughout Tampa Bay. They originally planned to build traditional stormwater detention ponds to prevent construction runoff from entering the bay, but were still looking for a cost-saving solution that addressed the short-term construction needs while also improving the overall water quality for the area.

We performed an ecological feasibility study and created a detailed hydrodynamic model to evaluate the viability and benefits of a new approach which included restoring natural circulation patterns near causeways. The model showed that tidal flushing through the addition of a new opening would improve the conditions to restore the seagrass species and be equivalent to constructing over 200 traditional stormwater detention ponds.

[Read Case Study >](#)

Integrated Water Resource Management

As cities increase their demand for clean water and sanitation, climate change, aging infrastructure, population growth, and land use changes influence water systems and affect the health of their citizens.

As we increasingly experience more weather-related catastrophes, our engineers have developed an Integrated Water Resources Management (IWRM) system to apply a holistic approach to water management. IWRM allows multiple objectives such as water quantity, water quality, ecosystem needs, energy demands, economic development, social effects, equity and risk management to be considered in the decision-making process.

[Read Case Study >](#)

Procurement advisory services for water distribution in KSA Kingdom of Saudi Arabia

We are providing procurement advisory services for state-owned National Water company as part of a consortium to provide water distribution services in the Kingdom of Saudi Arabia.

The project is part of a wider privatization strategy that focuses on customer service, efficiency improvement and cost control, and is designed to bring greater efficiency and guaranteed water supply to the Kingdom's 32 million residents. With significant infrastructure development and forecasted growth in cities, towns and communities across Saudi Arabia, guaranteeing the supply of clean water and sanitation is critical.

[Read Case Study >](#)

Provision of high-quality drinking water for Scottish Water Scotland, United Kingdom

As part of a joint venture called ARC, SNC-Lavalin is currently supporting Scottish Water via a technical consultancy support contract. Scottish Water wants to ensure all its customers can enjoy the benefits of continuous high-quality drinking water through greater service resilience and that waste water is collected and safely returned to the environment.

ARC, working with another consortia, will deliver a variety of technical consultancy services associated with water and wastewater assets to help ensure this. The work is diverse and will call upon a range of technical expertise and skills including modelling and identification of water and wastewater service-related performance improvement requirements; the development of traditional and innovative asset and operational based solutions; feasibility studies; investment appraisals; and the design and development of solutions.

[Read Case Study >](#)

TRANSPORT



Transport

Sustainability Context

The UN Intergovernmental Panel on Climate Change (IPPC) warned that global warming could reach 1.5°C as early as 2030.

The landmark report by leading scientists urged nations to do more and underlined that we have until 2030 to contain greenhouse gas (GHG) emissions. This includes serious efforts to reduce transport emissions. More detail can be found in the IPPC report:

[IPPC Report >](#)

Transport emissions relating to road, rail, air and marine freight combined contributes approximately 25% of all energy-related CO₂ emissions worldwide and 13% of all GHG emissions. 72% of global transport emissions come from road vehicles, which accounted for 80% of the rise in emissions from 1970-2010. Emissions have also increased in other transport modes, such as international aviation, domestic aviation and international and coastal shipping. The main exception is railways; powered by a significant share of electricity, rail emissions have declined because of increased electrification coupled with decarbonization of grid electricity supply in specific countries.

Public transport contributes to approximately 25% of all energy related CO₂ emissions worldwide. Electric public transport powered by low and zero carbon sources is a solution that could reduce 250 million tons of carbon emissions by 2030. Addressing the climate emergency by reducing global transport emissions requires a combination of improvements, addressing clean fuels, vehicle efficiency, how we build cities, and how we move people and goods. The IPPC report outlined that direct (tank-to-wheel) GHG emissions from passenger and freight transport can be reduced by:

- > **Avoiding journeys where possible** by, for example, densifying urban landscapes, sourcing localized products, restructuring freight logistics systems, and utilizing advanced information and communication technologies;
- > **Modal shift to lower-carbon transport systems** encouraged by increasing investment in public transport, walking and cycling infrastructure, and modifying roads, airports, ports and railways to become more attractive for users and minimize travel time and distance;
- > **Lowering energy intensity** by enhancing vehicle and engine performance, using lightweight materials, increasing freight load factors and passenger occupancy rates, deploying new technologies such as electric three-wheelers;
- > **Reducing carbon intensity of fuels** by substituting oil based products with natural gas, bio-methane, or biofuels, electricity or hydrogen produced from low and zero carbon sources of energy.

Sustainable Business Strategy: High Level Objectives

One of the ten measurement categories outlined in our Sustainable Business Strategy is Transport. In our Sustainability Policy Statement, we have made a firm commitment to improving resource efficiency including use of water, energy (including transport related energy usage); and raw materials, across our corporate and project activities. We have set out the following high-level objectives for transport in our Sustainable Business Strategy:

SBS High Level Objective: Transport

Project Activities

Propose improvements to our clients' projects to promote active travel and develop sustainable low-carbon transportation systems

Corporate Activities

Reduce our energy consumption for business travel by utilizing digital technologies and prioritizing low-emission modes of transport.



Transport Case Studies

Eglinton Crosstown Light Rail Transit

Toronto, Ontario, Canada

The Eglinton Crosstown Light Rail Transit is part of a 25-year transportation plan to provide an integrated transportation and transit system within the Greater Toronto Area. The project includes 19 km of light-rail running both underground and at-grade.

There are 15 underground stations, ten stops and a maintenance and storage facility for the vehicle fleet. SNC-Lavalin is part of the consortium awarded the contract to design, construct, maintain and partially finance this project, which is Canada's largest public-private partnership in the public transit industry. The Eglinton Crosstown project is expected to reduce GHG emissions from passenger transportation by 29% per person.

[Read Case Study >](#)

Curiosity Lab at Peachtree Corners

Georgia, USA

We provided planning, engineering and design services for Curiosity Lab at Peachtree Corners, a living laboratory for testing autonomous vehicles (AVs) and in a real-world environment.

Peachtree Corners offers use of the Lab's 1.5-mile track to companies to experiment, develop and test AVs and the technology that supports them. The Curiosity Lab features designated lanes for AVs and incorporates several stop-controlled intersections, as well as bicycle, pedestrian and transit facilities. This enables AV operation testing in a mixed suburban environment.

[Read Case Study >](#)

High Speed Railway and Overcoming Winter Weather

Stockholm to Linköping, Sweden

Sweden's Transport Administration is planning to build a new high-speed rail network, linking the country's three major cities.

The new railway will be designed for speeds above 250 km/h and up to 320 km/h, making it the first dedicated high-speed railway in Sweden. We worked with another company to examine the potential problems of coping with winter weather, due to snowfall as well as drifting snow, and produced a report for Swedish officials that outlined several ways to overcome them. The proven solutions were based on examples from Canada and other countries that receive heavy snow.

[Read Case Study >](#)

Electric Vehicle Infrastructure

London, England, United Kingdom

The mayor of London has set an ambitious target of making London a zero-carbon city by 2050 with ultra-low emission vehicles (ULEVs) at the heart of reducing transport CO₂ emissions.

London has a vision to grow as a sustainable city where ULEVs are the preferred option for all vehicle travel, not only across public transport but also in other fleets and for private vehicle owners. The rapid transition could be a challenge as the 1,586 standard charging points for electric vehicles scattered across London in 2017 were taking seven or eight hours to fully charge a vehicle's battery. We were commissioned to lead a small team of town planners to oversee the site selection, borough engagement and preparation, review and submission of planning applications for Rapid Charging Points throughout London, which would reduce the time needed to charge a vehicle to 20 to 30 minutes.

[Read Case Study >](#)

Testing Denmark's First Driverless Buses

Køge, Denmark

In May 2018, Denmark's first driverless bus was launched into use inside Zealand University Hospital, Køge. This was the first actual test of a driverless bus in Denmark.

Driverless buses will be used in the future to transport passengers between the hospital and the nearby Ølby Station. For many years, SNC-Lavalin has worked as an independent safety assessor on railway projects and we are now assessing Metroselskabet I/S and Movia's projects involving driverless buses. This experience is combined with our knowledge in risk analysis, infrastructure, traffic and mobility, IT & data, as well as safety culture and safety organizations to provide a competent and effective road safety assessment.

[Read Case Study >](#)



MATERIALS



Materials

Sustainability Context

Expanding population, rapid urbanization and economic development are increasing global raw material consumption and waste production at an alarming rate. Better and more efficient use of natural resources can be one of the most cost-efficient and effective ways to reduce impacts on the environment.

Environmental impacts occur at all stages of material utilization, as they result from extraction, transformation, product use and waste management. Some of the growth in negative environmental impacts may be offset by circular economy initiatives where virgin material input is replaced by recycled materials, re-manufacturing and reuse.

“A circular economy is based on the principles of **designing out waste and pollution, keeping products and materials in use, and regenerating natural systems.**”

Ellen MacArthur Foundation

A report released in 2019 by the Ellen MacArthur Foundation sets out that while moving to renewable energies can address 55% of global GHG emissions, to achieve UN climate goals it is imperative to tackle the remaining 45%. The second report released by the foundation the same year provides guidance on how circular economic principles can be used to develop city infrastructure.

[Climate Change Report >](#)

[Circular Economy Report >](#)

Sustainable Business Strategy: High Level Objectives

One of the ten measurement categories outlined in our Sustainable Business Strategy is Materials. In our Sustainability Policy Statement, we have made a firm commitment to improving resource efficiency including use of water, energy and raw materials, across our corporate and project activities. We have set out the following high-level objectives for Materials in our Sustainable Business Strategy:

SBS High Level Objective: Materials

Project Activities

Propose improvements to our clients' projects to design them in accordance with circular economy and resource-efficiency principles.

Corporate Activities

Reduce our material usage by utilizing digital technologies and developing a sustainable procurement strategy.



Materials Case Studies

New Champlain Bridge Corridor Project

Montréal, Québec, Canada

Signature on the Saint-Lawrence and Infrastructure Canada have earned the ENVISION® Platinum award from the Institute for Sustainable Infrastructure for work on the Samuel De Champlain Bridge. This is the first ENVISION® project evaluated in Québec and the first large-scale bridge in Canada to receive the environmental and social certification.

The construction of the bridge was complex; no temporary structure or construction barges are allowed on the St. Lawrence Seaway as this is a dedicated navigation channel where no activity may interfere with maritime traffic. To overcome this technical constraint, the team requested the use of an innovative approach to construction where the assembly of the main span tower of over 240 meters in length could be done without disrupting traffic on the seaway, this approach required a high degree of prefabrication. 47,000 tons of concrete, asphalt and aggregates from the demolition of structures (Ile des Soeur bridge and existing roads) were crushed and reused as backfill material. This volume represents 45% of the construction waste generated by the project between 2015 and 2017.

[Read Case Study >](#)

Crossrail

London, England, United Kingdom

Crossrail is delivering a new railway to add 10% to central London's rail capacity. A joint SNC-Lavalin/Arup team undertook one of the largest and most important elements of the Crossrail project: the detailed design of the major twin tunnels to be bored beneath central London.

The tunnels are lined with 250,000 precast concrete segments. Tapered tunnel rings with eight segments were designed to accommodate the minimum track alignment radius. In addition, eight million tons of excavated material were generated during construction of the tunnels, shafts, station boxes and caverns. 99.7% of it was beneficially reused to develop new nature reserves, recreational facilities, agricultural and industrial land. 80% of this material was transported by rail and water, significantly reducing lorry journeys from the streets of London. 539,499 tons of waste material were generated by demolition and construction activities, 99.6% of which was diverted from landfill for reuse and/or recycling.

[Read Case Study >](#)

Use of BIM for Tidal Barrier

Ipswich, England, United Kingdom

The town of Ipswich on England's eastern side has a long history of flooding, both from high fluvial flows and surge tide effects from the North Sea.

To bolster the town's flood defences, we were contracted by the United Kingdom's Environment Agency to manage the design of a new tidal barrier across the mouth of the New Cut on the River Orwell. Planners envisioned a single 200-ton, 20-meter-wide rising sector gate, along with new flood defence walls to hold back the North Sea during periods of extreme high tide.

The project is one of the first applications of Building Information Modeling (BIM) for water dependent civil works, with 3D design used throughout. The barrier was designed in Germany, fabricated in the Netherlands, and constructed in the UK. Normally, such a complicated endeavour would encounter problems during installation, with components either not fitting properly or project phasing becoming misaligned, causing delays and redesigns. However, because of the team's use of BIM, the gate was installed properly the first time, with minimal adjustments during post installation, saving thousands of pounds and weeks of delays.

[Read Case Study >](#)

Refurbishment of Existing Bruce Power Nuclear Facilities Ontario, Canada

Our teams, working with CanAtom joint venture (JV) partners Aecon Group Inc. and AECOM, have been awarded the fuel channel and feeder replacement contract from Bruce Power. This project is in support of Bruce Power's Life Extension Program which will allow its CANDU® units to continue to operate safely through to 2064.

The scope of work encompasses all necessary planning and executing activities for the reactor refurbishment. Planning will commence immediately in preparation for the outage scheduled in 2020, when the actual work to replace the components will be performed. The JV is also responsible for the management of the complex, robotic tooling required for the work, along with full training of the workforce.

[Read Case Study >](#)

Saving paper, electronics and plastics at our offices

Even with the multiplication of major construction sites scattered around the world, most of SNC-Lavalin's activities are still conducted in offices. SNC-Lavalin consumes large quantities of office supplies, such as paper and electronics, in addition to single-use plastic containers in its cafeterias.

More than ten years ago, the company asked that all printers be configured to print on both sides of sheets and we made sure that the recommended paper for printing our reports and other documents would be FSC certified. In 2019, we went one step further and started to implement a procedure that was already well established in our European offices: employees at our Canadian flagship offices will have to enter their code to start the actual printing process. This new requirement will help save up to 30% of our printed output, as busy workers often forget to claim their documents once they are printed.

Electronics usage is also under scrutiny and all PCs and laptops are refurbished by our providers and reused—often many times—before being properly disposed of. In 2019, SNC-Lavalin responded to demands for laptops and computers with 26% of used and refurbished computers. It has to be noted that SNC-Lavalin deployed the Windows 10 operation system across the company in 2019. This explains the lower proportion of refurbished equipment allocated compared to previous years (63% in 2018), as older machines were not compatible with the latest software.

Finally, our CEO decided in October 2019 to curb the availability of single use plastics in our cafeterias and ban plastic water bottles in conference and meeting rooms. This prompted the Head Office to immediately remove plastic utensils, plastic straws, single-use plastic glasses, styrofoam containers and plastic water bottles from the cafeteria and replace them with products that are either biodegradable, compostable or recyclable. While the implementation details will be announced in 2020, we can expect that such initiatives will be more prevalent in our offices in years to come.

HEALTH



Health

Sustainability Context

Physical and mental health are both equally important for human wellbeing. Happiness is an important facet of wellbeing, for our employees, but also when considering the effect of the facilities we design and deliver for end users.

People's thoughts and feelings about their own quality of life is also an important aspect of wellbeing.

Ten Steps to Global Happiness

The United Nations International Day of Happiness (UNIDO Happiness) campaign was launched in New York on March 18, 2019. This year's campaign calls on all people, and nations, to take the *"TEN Steps to Global Happiness"* challenge:

10 Steps to Global Happiness >

The Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living.

Designing Environments which are Beneficial for Human Health and Wellbeing

The International WELL Building Institute™ (IWBI™) is a public benefit corporation whose mission is to improve human health and wellbeing in buildings and communities across the world through its WELL Building Standard™ (WELL™).

There are ten concepts in the latest version of the WELL Building Standard: Air, Water, Nourishment, Light, Movement, Thermal Comfort, Sound, Materials, Mind and Community. Each concept is comprised of features with distinct health intents. Developing or nurturing a closeness to nature is also an essential aspect of wellbeing.

Standards such as the Well Building Standards, allow us to understand more about the relationship between our environments and our health than in the past. We know how to create spaces that enhance our health and wellbeing and we can measure and improve the quality of our air, water and light to do so. We are able to design environments that fuel our bodies, keep us moving, inspire our best work and facilitate a good night's sleep. These are all the concepts addressed in the WELL standard, but they are also easily applicable across a wide range of projects with the desired effect of improving human health and wellbeing. The future of sustainable design lies in an approach that prioritizes the welfare of individuals and, ultimately, society.

WELL Standard >

Sustainable Business Strategy: High Level Objectives

One of the ten measurement categories outlined in our Sustainable Business Strategy is Health. In our Sustainability Policy Statement, we have made a firm commitment to increasing the development of strategies which will be of benefit to human health and wellbeing, across our corporate and project activities. We have set out the following high-level objectives for Health in our Sustainable Business Strategy:

SBS High Level Objective: Health

Project Activities

Propose improvements to our clients' projects to develop solutions that are beneficial to employees' mental and physical wellbeing.

Corporate Activities

Measure the health of our workforce and develop innovative solutions to improve employee mental and physical wellbeing.



Health and Wellbeing Case Studies

The Heart and Stroke Big Bike Event Toronto, Ontario, Canada

In June, SNC-Lavalin participated in the Heart and Stroke Big Bike event with teams across Canada. The Toronto Chapter of the Emerging Professional Network organized the event, and SNC-Lavalin's team raised over CA\$2,000 towards heart and stroke research.

Participants cheered on SNC-Lavalin while riding a 30-person bike in downtown Toronto to help spread awareness of the number one cause of premature death for Canadian women: heart disease and stroke. SNC-Lavalin intends to continue to be involved with the Heart and Stroke Foundation in the future as the health and wellbeing of its employees is a fundamental value within the organization.

Living Well: Green Choices, LATAM participates in Health and Safety Week Latin America

With the theme of Living Well – Green Choices, offices across Latin America celebrated Health, Safety & Environmental week in April 2019.

The variety of activities across the offices demonstrated our commitment to safety as one of our core values.



271 participants for the “Défi Entreprise”

Trois-Rivières, Québec, Montréal & Saguenay, Canada

Many of our colleagues participated in the “Défi Entreprise”, a family event including colleagues, friends, spouses and children. 271 participants came to walk, run and dance Zumba, all proudly wearing SNC-Lavalin's jersey.

Our participating teams were formed in four cities: (Trois-Rivières, Québec, Montréal and Saguenay). The SNC-Lavalin Montréal team finished 5th out of 58 companies at the 10 km. On their 7th consecutive participation in the “Défi Entreprise”, the Québec team collected CA\$3,636 for the “Fondation du CHU de Québec” (the private foundation of Québec's teaching hospital).

Human Centered Design Research

Our teams undertook comprehensive research which underlines the importance of built environments on employees and confirms that the right working space can have a significant impact on staff productivity and wellbeing.

Our research identifies six key areas where different approaches could be taken:

- > **Lighting** – improving daylight provision and the quality of artificial lighting
- > **Ventilation / air quality** – increasing ventilation flows and reducing Volatile Organic Compounds and carbon dioxide
- > **Thermal comfort** – including solar overheating in the working environment and enabling an individual to control the temperature of their immediate space
- > **Noise and acoustics** – reducing environmental noise (roads etc.), white noise (air conditioning systems etc.) and pink noise (human voice frequency)
- > **Interaction** – increasing the control and self-determination of the office environment including control of lighting, ventilation, physical desk setup and chosen setting
- > **Visual elements** – including plants and outside views, nature and materials

[Read Case Study >](#)



Harraby Community Campus
Carlisle, England, United Kingdom

POLLUTION



Pollution

Sustainability Context

Wildlife is facing a “growing extinction crisis”. CITES Secretary-General Ivonne Higuero warned in her speech in 2019 that:

“Although there is often less public awareness of the world’s continuing loss of amphibians, reptiles, birds, and smaller mammals, **the survival of these species is essential for the fabric of life on Earth.**”

A report by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), the Global Assessment Report on Biodiversity and Ecosystem Services, released in 2019, ranks the five direct drivers of change in nature with the largest relative global impacts so far.

They are ranked, in descending order: (1) changes in land and sea use, (2) direct exploitation of organisms, (3) climate change; (4) pollution and (5) invasive alien species.

Pollution contributes to this crisis to the following extent:



1 Up to US\$577 BILLION in ANNUAL GLOBAL CROPS are at risk from pollinator loss



2 Plastic pollution has INCREASED TENFOLD since 1980



3 300-400 MILLION TONS of heavy metals, solvents, toxic sludge and other wastes from industrial facilities are DUMPED ANNUALLY into the world’s waters



4 Fertilizers entering coastal ecosystems have produced more than 400 OCEAN ‘DEAD ZONES’, totalling more than 245,000 km² – a combined area greater than that of the United Kingdom

Sustainable Business Strategy: High Level Objectives

One of the ten measurement categories outlined in our Sustainable Business Strategy is Pollution. In our Sustainability Policy Statement, we have made a firm commitment to improving and assessing our environmental performance, across our corporate and project activities. We have set out the following high-level objectives for pollution in our Sustainable Business Strategy:

SBS High Level Objective: Pollution

Project Activities

Propose improvements to our clients' projects to develop innovative solutions that prevent and reduce pollution.

Corporate Activities

Measure our performance in relation to pollution and develop innovative solutions that prevent and reduce pollution.



Pollution Case Studies

Fort Myers Discharge Manatee Canal Heating System Florida, USA

Since the Fort Myers power plant opened in 1958, the manatees have used the adjacent canal to warm up during the winter months.

One of the by-products of generating power at the Florida Power and Light power plant is the release of clean, warm water into the brackish Orange River. As a result, Fort Myers operates under a manatee protection plan.

Manatee protection season is from November 1st to April 15th. During this period, if the temperature of the river is under 66F, the plant must put enough heat into the discharge canal to ensure that its temperature is maintained at or above 66F, to ensure that the gentle, endangered creatures are kept warm. In 2019, we performed conceptual engineering, detailed design engineering and provided site support to add a Canal Heating System that will be used to keep the plant's effluents warm, even during periods of maintenance shut-down or if the plant's output diminishes.

Contaminated Land Assessment and Remediation Trail, British Columbia, Canada

One hundred years of operation of the Teck Metals Ltd. smelter in Trail, British Columbia, has impacted surface soil within the city with elevated lead concentrations.

Measures including soil removal and replacement were needed to prevent young children from encountering the contaminated soil. Several yards and gardens were sampled following the guidelines and a pilot project to replace surface soil in four residential yards and seven gardens occurred. Following the pilot project, work continued on residential sites based on a prioritization of contaminant levels over several years.

Long Lake Rehabilitation Sudbury, Ontario, Canada

We were contracted by the Ministry of Northern Development and Mines to complete the detailed design and construction management for the remediation of the Long Lake gold mine tailings.

Gold was discovered at Long Lake in 1907 and the site operated as a mine intermittently from 1908 until the main ore zone was mined out in 1939. The plant was dismantled, and the mine was abandoned. The rehabilitation of the Long Lake gold mine site involved the remediation of three 'fugitive' tailing areas by creating an impoundment for about 163,000 m³ of contaminated soils. Ultimately, the objective of these efforts was to reduce the arsenic concentration in Long Lake below Ontario's threshold for drinking water.

Pumping Station and Plant Equipment Rehabilitation Project Montréal, Québec, Canada

We were selected to complete a rehabilitation project at three essential potable water distribution installations for the city of Montréal: Atwater and Charles-J. Des Bailleurs production plants and McTavish reservoir.

Considering that these infrastructure facilities distribute water to almost two million people across 21 Montréal boroughs and neighbouring municipalities, engineering and construction had to be done in a way that would always keep the sites in operation whilst avoiding water pollution. Since work was carried out in heritage buildings (Atwater and McTavish), the original character of the structures had to be preserved during the integration of the new pieces of equipment, which was particularly constraining for ventilation.

Project CLEANS Saskatchewan, Canada

The Saskatchewan Research Center (SRC) is managing Project CLEANS (Cleanup of Abandoned Northern Sites) on behalf of the Saskatchewan government. Project CLEANS is a multi-year project to assess and remediate the Gunnar mine, the Lorado mill and 35 legacy uranium mines (known as Satellite Sites) in northern Saskatchewan, Canada.

SNC-Lavalin's involvement started with Gunnar mines, where we completed hydrogeological, geotechnical, and contaminant transport assessments for remedial planning. The mine, which commenced uranium production in 1955 and ceased mining operations in 1963, produced approximately 2.5 million m³ of waste rock and over 5 million tons of unconfined tailings that were directed to nearby valleys, depressions and lakes, covering a total of over 70 ha of land. We also worked on many of the SRC's Satellite Sites, to provide field support, delineation of impacts, geotechnical engineering, surveying for road inspections (using ground LIDAR), mine opening closure design and Preliminary Human Health and Ecological Risk Assessment. The assessments aimed at identifying the areas of concern, degree of contamination, migration pathways, and loading to receptors, as well as the assessment of potential risks to the environment and human health.

CLIMATE

Climate

Sustainability Context

Climate change is an alteration in global or regional temperature, humidity and rainfall patterns, and specifically, a change apparent from the mid to late 20th century onwards and attributed largely to the increased levels of atmospheric carbon dioxide produced by the combustion of fossil fuels.

Climate change is an acute threat to global development and efforts to end poverty. Without urgent action, climate change impacts could push an additional 100 million people into poverty by 2030.

The recent increased public perception of climate change and the enhanced pressure on governments has resulted in several countries declaring climate emergencies. However, simply declaring a climate emergency is not enough. It needs to be backed up with clear targets, objectives and investment in sustainable low carbon infrastructure and low and zero-carbon energy technologies.



A World Bank report released in June 2019 highlighted that **US\$4.2 trillion** could be saved by investing in more resilient infrastructure.

[World Bank Report >](#)

Sustainable Business Strategy: High Level Objectives

SNC-Lavalin Sustainable Business Strategy and Sustainability Policy Statement

One of the ten measurement categories outlined in our Sustainable Business Strategy is Climate. In our Sustainability Policy Statement, we have made a firm commitment to increasing awareness of climate change and improving the assessment of climate related risks, including the development of appropriate mitigation measures, across our corporate and project activities. We have set out the following high-level objectives for Climate in our Sustainable Business Strategy:

SBS High Level Objective: Climate

Project Activities

Propose improvements to our clients' projects to develop innovative solutions that adapt and mitigate the effects of climate change.

Corporate Activities

Measure our performance in relation to making sure our business is prepared to adapt to and cope with climate change.



Climate Case Studies

Africa's Roadmap to Paris Agreement's Commitments African Development Bank (ADB)

As part of the international global community, African countries are committed to meeting the long-term goals of the Paris agreement.

However, they face specific challenges. In order to identify the key elements for success, as well as those barriers and opportunities, we conducted an Africa-wide gap analysis. Based on the outcomes of the analysis, we developed a Roadmap and Work Program for the 15 international and regional partners of the Africa Nationally Determined Contributions (NDC) Hub, focusing on aligning African NDCs and National Development Plans.

In partnership with the Global Climate Adaptation Partnership, we also developed the pioneering Climate Safeguards System, a set of decision-making tools and guides, to enable the African Development Bank to screen projects for climate change risks and identify appropriate mitigation measures. Our climate specialists are working with major banks worldwide to assess large infrastructure projects and ensure that they are mitigating the risks associated with climate change effectively.

Climate Risk / Environmental Assessment System European Investment Bank (EIB)

EIB is seeking to develop a comprehensive and mainstreamed approach to climate risk management of its projects.

Our team and our partners are leading the development of the Climate Risk Assessment System which will be fully integrated into EIB's project appraisal systems and procedures to ensure that the Bank's projects are suitably resilient to climate change. This system will allow EIB to improve its portfolio, reduce financial and reputation risk and increase the quality of its projects. The scope of this work has also been expanded to include biodiversity risk management.

"Resilient infrastructure is not about roads or bridges or powerplants alone. It is about the **people**, the **households** and the **communities** for whom this quality infrastructure is a lifeline to better health, better education and better livelihoods. Investing in resilient infrastructure is about **unlocking economic opportunities for people.**"

David Malpas
President, World Bank Group

High Speed Two (HS2) United Kingdom

High Speed 2 (HS2) is the UK's largest infrastructure investment project. It will link eight of Britain's biggest cities, reduce journey times and increase capacity on the network.

Promoters envision that HS2 will be a catalyst for growth across the UK, as it will better connect the country's major cities and economic hubs. SNC-Lavalin, as part of a joint venture with CH2M Hill and SENER, was appointed as the Engineering Delivery Partner for Phase One of HS2 and we have been working with the client to help integrate the consideration of climate change and resilience throughout this large infrastructure project, from the Environmental Statement to the assurance of climate resilient design, maintenance and operation.

[Read Case Study >](#)



BIODIVERSITY



Biodiversity

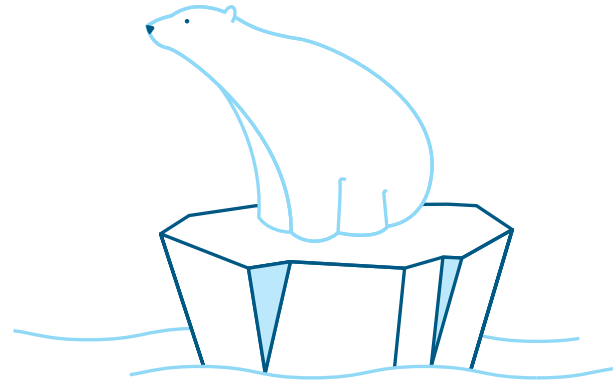
Sustainability Context

Natural capital can be defined as the world's stocks of natural assets which include geology, soil, air, water and all living things. It is from this natural capital that humans derive a wide range of services, often called ecosystem services, which make human life possible. And biodiversity is the diversity of all living organisms at genetic, species and ecosystem level, which forms the living component of natural capital stock.

Nature makes human development possible, but climate change and our demand for the earth's resources is accelerating extinction rates and devastating the world's ecosystems. For guidance about what can be undertaken to integrate Biodiversity into project and personal decision making processes, refer to:

[52 Tips for Biodiversity >](#)

The extent of nature's decline is outlined in the Global Assessment Report which was produced by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services in 2019. The Report finds that:



Around 1 million animal and plant species are now threatened with extinction, many within decades, more than ever before in human history.

The report highlights the critical need to integrate biodiversity considerations in global decision-making on any sector or challenge, whether its water or agriculture, infrastructure or business.

[Summary Document >](#)

Sustainable Business Strategy: High Level Objectives

One of the ten measurement categories outlined in our Sustainable Business Strategy is Biodiversity. In our Sustainability Policy Statement, we have made a firm commitment to improving natural capital and increasing biodiversity across our corporate and project activities. We have set out the following high-level objectives for biodiversity in our Sustainable Business Strategy:

SBS High Level Objective: Biodiversity

Project Activities

Propose improvements to our clients projects to develop innovative solutions that increase biodiversity and utilize biophilic design.

Corporate Activities

Increase our performance in relation to biodiversity by implementing biodiversity and biophilic design initiatives.



Biodiversity Case Studies

Coral Translocation

Port of Miami, Florida, USA

The Port of Miami is one of the largest passengers and cargo container ports in the United States, with 4.3 million passengers and 7.42 million tons of cargo traveling through the facility each year.

An important contributor to the local south Florida economy, the port has required continuous improvement of its shipping and passenger access capabilities to accommodate increasing demand and growth. Amongst other engineering services, SNC-Lavalin performed underwater inspection services for a new sheet pile wall in 45 feet of water and oversaw relocation of more than 150 healthy corals from the existing seawall to an on-port recipient area.

How drone technology is mitigating wildlife risks

Peru

SNC-Lavalin has begun using unmanned aerial vehicles, popularly known as drones, on a variety of mining projects to perform tasks such as data-gathering.

We've been using drones equipped with high-tech cameras to obtain information about sensitive ecosystems and species that may be impacted by our projects. For instance, drones have allowed us to obtain detailed mapping and videos of sensitive wetlands in inaccessible areas of Peru that were too dangerous to survey on foot. Without them, we could only have studied the region through satellite imagery.

Boundary Bay Dike Upgrades and Wildlife Protection

Vancouver, British Columbia, Canada

When sections of the Boundary Bay Dike, Canada, were damaged by high water levels and storm waves, we were called in by the Corporation of Delta to redesign and reinforce them.

But the project scope had to be expanded to cover an unanticipated wildlife protection aspect when nearly 500 hibernating snakes were discovered on one of the construction sites. We worked with the Wildlife Rescue Association to ensure the snakes would be provided adequate care and returned to their habitat when weather conditions permitted.

DIVERSITY



Diversity

Sustainability Context

An article by the World Economic Forum entitled Business Case for Diversity in the Workplace underlines that diversity in the workplace is an asset for both businesses and their employees, as it fosters innovation, creativity and empathy.

The article also emphasizes that diversity in the business environment is about more than gender, race and ethnicity. It now includes employees with diverse religious and political beliefs, education, socioeconomic backgrounds, sexual orientation, cultures and disabilities. Companies are discovering that, by supporting and promoting a diverse and inclusive workplace, they are gaining benefits, on top of doing the right thing. Business has the transformative power to change and contribute to a more open, diverse and inclusive society.

[Read Full World Economic Forum Report >](#)

A study by McKinsey in 2018 entitled Delivering through Diversity tackles the business case and provides a perspective on how to take action on Inclusion and Diversity to impact growth and business performance. This latest research reaffirms the correlation between diversity (defined here as a greater proportion of women and ethnically/culturally diverse individuals) in leadership positions and financial out-performance.

Re-examining the business case for Inclusion and Diversity, this research found:

- > **The relationship between diversity and business performance persists.** The statistically significant correlation between a more diverse leadership team and financial out-performance demonstrated three years ago in an initial study continues to hold true on an updated, enlarged, and global data set.
- > **Leadership roles matter.** Companies in the top-quartile for gender diversity on executive teams were 21% more likely to outperform on profitability and 27% more likely to have superior value creation. The highest-performing companies on both profitability and diversity had more women in typically revenue-generating roles than in staff roles on their executive teams.
- > **It's not just gender.** Companies in the top-quartile for ethnic/cultural diversity on executive teams were 33% more likely to have industry-leading profitability. That this relationship continues to be strong suggests that inclusion of highly diverse individuals – and the myriad ways in which diversity exists beyond gender (e.g., LGBTQ+, age/generation, international experience) – can be a key differentiator among companies.
- > **There is a penalty for opting out.** The penalty for bottom-quartile performance on diversity persists. Overall, companies in the bottom quartile for both gender and ethnic/cultural diversity were 29% less likely to achieve above-average profitability than were all other companies in the data set. In short, not only were they not leading, they were lagging.

[Read Full Diversity Report >](#)

Sustainable Business Strategy: High Level Objectives

One of the ten measurement categories outlined in our Sustainable Business Strategy is Diversity. In our Sustainability Policy Statement, we have made a firm commitment to valuing diverse skills and contributions by improving diversity and equality across our corporate and project activities. We have set out the following high-level objectives for diversity in our Sustainable Business Strategy:

SBS High Level Objective: Diversity

Project Activities

Propose improvements to our clients' projects to develop innovative solutions that increase equality and diversity.

Corporate Activities

Increase our performance in relation to equality and diversity by implementing equality and diversity initiatives.





Unconscious Bias Training roll-out Asia Pacific

To overcome the negative impact unconscious bias can have in the workplace and as a part of our diversity and inclusion (D&I) action plan for 2019, a series of successful Unconscious Bias training sessions were rolled-out across Australia during September.

Mathilde Roubille, Engineering Consultant, EDPM, based in Brisbane, who was previously trained as an Unconscious Bias Trainer has facilitated the roll-out of the sessions in the Brisbane office with great participation to date.

In addition to the unconscious bias training session, Train the Trainer sessions were also held with those who were interested in becoming facilitators and supporting the roll-out of Unconscious Bias Training across the region. The aim is to have a number of trainers in each office, so we can regularly train new starters to the business.

Over the month of October, the sessions continued across Australia in addition to commencing the roll-out across Asia and Sakhalin.

Diversity & Inclusion Business Network signs the United Nations Women's Empowerment Principles Middle East

SNC-Lavalin's Middle East Diversity and Inclusion (D&I) Business Network has signed the United Nations Women's Empowerment Principles (UN WEPs), which are aligned with the company's commitment to foster an inclusive culture that promotes gender equality and supports employees' professional development, skills and knowledge throughout their career.

Coinciding with International Women's Day, the signing ceremony took place in Dubai, United Arab Emirates, during a business networking event held by SNC-Lavalin and attended by clients and other industry peers who have also signed the UN WEPs.

Since its launch in 2010, the UN WEPs initiative has been at the forefront of transforming business policies, practices and approaches to advance gender equality and create opportunities for women, engaging more than 2,000 businesses globally to date. The principles offer businesses guidance on how to empower women in the workplace, marketplace and community.

COMMUNITY



Community

Sustainability Context

The 2019 global Multidimensional Poverty Index from the UN Development Program, shows that, in the 101 countries studied, 1.3 billion people are "multi-dimensionally poor".

[MPI Report >](#)

"Action against poverty is needed in all developing regions"

the report states, noting that **Sub-Saharan Africa and South Asia** are home to the largest proportion of poor people, some **84.5%**.

Report key findings

Across **101** countries,
1.3 BILLION PEOPLE
(23.1%) are MULTIDimensionALLY POOR

2/3 of multidimensionally poor people
live in MIDDLE-INCOME countries

Half of the **1.3** BILLION multidimensionally
poor people are CHILDREN UNDER AGE 18.
A third are children under AGE 10

This report highlights that **poverty and inequality do not solely exist in countries which are considered low-income countries, middle income and upper middle-income countries are also affected.** To address global poverty and inequalities, social value is gaining importance around the world.

Adopted in 2012, the UK's Social Value Act requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits, before they even start the procurement process.

We know that we can make a difference in every country we operate in, which is why we have developed a Sustainable Business Strategy which includes a Social Value program and a Social Value / Community measurement category to ensure that we deliver social benefits across our projects and corporate functions.

The community measurement category in our Sustainable Business Strategy includes our approach to increasing social value across all our activities as a business.

Social value is how we measure the relative importance that people place on the changes they experience in their lives. Examples of social value that SNC-Lavalin embraces when working on projects include:

- > **Providing employment** to local people living next to our projects;
- > **Providing disaster relief support** following extreme weather events and other emergency situations;
- > **Providing training and guidance** in schools to children and young adults;
- > **Organizing food and clothing donations** from our staff for vulnerable groups in society.

Sustainable Business Strategy: High Level Objectives

One of the ten measurement categories outlined in our Sustainable Business Strategy is Community. In our Sustainability Policy Statement, we have made a firm commitment to contributing to and improving social value and community benefits, across our corporate and project activities. We have set out the following high-level objectives for Community in our Sustainable Business Strategy:

SBS High Level Objective: Community

Project Activities

Maximize the economic benefits to the communities/regions/ countries in which we have projects.

Corporate Activities

Remain a good corporate citizen and participate in the development of the economy in every country in which we have a presence.



Community Case Studies

Progressive Aboriginal Relations

Canada

SNC-Lavalin has just completed its first year in the Progressive Aboriginal Relations program run by the Canadian Council of Aboriginal Business.

The program, recognized by the Government of Canada and private sector clients as one of the best of its kind, is a certification that confirms corporate performance in Aboriginal relations at the Bronze, Silver or Gold level. Certified companies are considered good business partners, great places to work at and committed to prosperity in Aboriginal communities as determined by a jury comprised of Aboriginal business people.

Procurement Employment Partnerships Conference

Sudbury, Ontario, Canada

SNC-Lavalin was the presenting sponsor at the Procurement Employment Partnerships (PEP) Conference held in Sudbury.

We profiled the work we are doing for a notable client, Webequie First Nation, and spoke about community engagement, environmental assessment, and early engineering realized to support the development of a supply road in the Ring of Fire mining basin in Northern Ontario, Canada.

Small Modular Reactors

Remote Communities, Canada

Also, at the PEP Conference, SNC-Lavalin Nuclear Sector's representatives presented the company's leadership role in the development of Small Modular Reactors which may provide a break-through solution to providing a zero-emission source of energy to communities and projects in remote areas.

Volunteering

Glasgow, Scotland, United Kingdom

In collaboration with the Glasgow School of Art and the University of Glasgow, our architects, engineers and project managers have been volunteering since 2017 to support students participating in "Making places", an annual multi-disciplinary, 24-hour design competition.

The students are given a brief to develop a new design which will transform the lives of vulnerable groups in society: homeless; refugees; the elderly; those with mental illness, dementia or addiction and victims of abuse. The brief is open and can be interpreted as a building on the plot, or a sculpture or any other form. This annual competition has now been included into the coursework for the students taking part.

Preparing for Disaster: Recommendations for Hurricane Resilience

Commonwealth of Puerto Rico and the US Virgin Islands

In 2019, nearly two years after hurricanes Irma and Maria slammed into the Commonwealth of Puerto Rico and the US Virgin Islands, recovery and rebuilding efforts continued.

Our focus was to assess the performance of residential buildings, infrastructure and critical facilities during storms and provide recommendations to the Federal Emergency Management Agency (FEMA), local agencies, and building owners to improve resiliency, mitigate damage and prevent loss of life. We supported both the US Virgin Islands and Puerto Rico in adopting the latest building codes. Reflecting the most up-to-date standards in safe, storm-resilient design will help improve building performance and durability. In addition, our team provided new topographic wind speed-up maps, which will help determine high-risk areas that may require even more robust design criteria.

[Read Article >](#)



6 / SUSTAINABILITY GOVERNANCE AND LEADERSHIP



6. SUSTAINABILITY, GOVERNANCE AND LEADERSHIP

Values, Principles, Standards, and Norms of Behaviour

Our Sustainability Objective

We have a responsibility to put sustainability at the heart of our business strategy through our market leadership role, our operations and the services we provide. We recognize that our operations can make an important contribution to a more sustainable world. It is our responsibility to improve our own sustainability performance through the way we run our business and influence others.

Our Sustainability Principles

We will implement our sustainability objectives across our projects and our corporate business activities by aligning our business strategy and plans with our strategic advice, design, construction, and asset life-cycle operations and maintenance. We will do so in line with the following principles:

A society for our future

Inspiring the next generation; investing in communities; developing sustainability knowledge and skills; and creating a healthy, safe and secure workplace.

An environment with a future

Supporting a low-carbon economy; demonstrating respect for the environment through resource efficiency and prevention; and protecting and improving ecosystems.

A responsible business of the future

Influencing and supporting sustainable economic growth with strong governance, integrity and accountability; being part of a global business while recognizing the responsibility and the importance of providing local services without compromising future generations' needs.

Sustainability Policy Statement >



Our Approach to Implementation

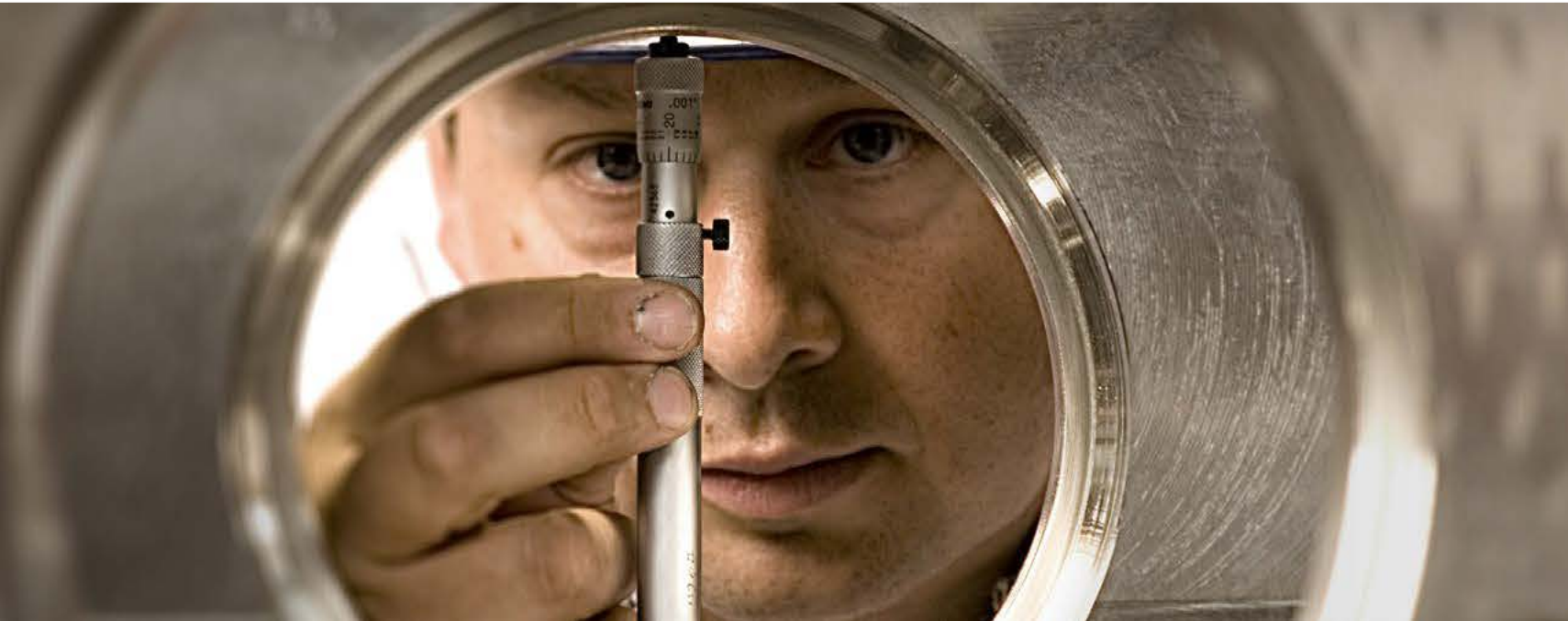
We will implement our Sustainable Business Strategy objectives across our projects and our corporate business activities as follows:

- > Understanding our stakeholders' expectations and requirements in relation to the environment, the UN Sustainable Development Goals and the UN Agenda 2030;
- > Understanding how Global Societal Megatrends will affect our business strategies globally and locally, contributing to and improving social value and community benefits;
- > Implementing business and project controls to ensure compliance with relevant legislative, contractual and client requirements, including arrangements for crisis management and incidents;
- > Improving resource efficiency, including use of water, energy and raw materials;
- > Increasing awareness of climate change and improving the assessment of climate-related risks, including the development of appropriate mitigation measures;
- > Valuing diverse skills and contributions by improving diversity and equality;
- > Improving natural capital and increasing biodiversity;
- > Increasing the development of strategies which will benefit human health and wellbeing;
- > Improving and assessing our environmental performance by investing in training, awareness, systems, tools and an assurance program;
- > Ensuring the suitability and effectiveness of our suppliers and monitoring their performance;
- > Monitoring our sustainability performance and progress against objectives and targets;
- > Adhering to SNC-Lavalin's Health Safety and Environment Policy, Quality Policy, and related objectives and targets.

Our corporate vision

In early 2018, we established a new corporate vision to guide our strategy and actions in the years ahead and a Global Head of Sustainability was appointed. Sustainability features prominently in our vision statement:

We strive to be the premier engineering solutions partner, committed to delivering complex projects from vision to reality for a sustainable lifespan.



SAFETY
INTEGRITY
COLLABORATION
INNOVATION

Our President and CEO is the sponsor of our core values.

Our Core Values

Values that guide us

Our values are the essence of our company's identity. They represent how we act, speak and behave together, and how we engage with our clients and stakeholders.

Following a survey of our employees, we identified core values to unify our workforce. Rolled out in early 2018, these four values will serve to forge a shared identity and culture as well as bring our vision to life across SNC-Lavalin.

These values guide our decisions and actions and ensure that stakeholders know what we stand for and what matters to us. They focus us on working together to make a better tomorrow.

We put safety at the heart of everything we do, to safeguard people, assets and the environment.

We do the right thing, no matter what, and are accountable for our actions.

We work together and embrace each other's unique contribution to deliver amazing results for all.

We redefine engineering by thinking boldly, proudly and differently.

Our Sustainable Business Strategy

We adopted a Sustainable Business Strategy based on the UN Sustainable Development Goals. This strategy represents an opportunity to develop a future-facing business model that ensures our company can adapt to global changes in climate, population and consumer behaviours.

Our strategy has been adopted across our sectors, projects and corporate functions to enable us to deliver sustainable projects and adapt to changes in society, available resources and our climate.

For success in implementing our strategy, we have developed a strong culture in line with our values as an organization. This allows new ideas to flourish and enables sustainability and digital approaches to fundamentally change the way we work across everything we do.

Increasing the diversity and equality of our workforce is essential to realizing our ambitions. To create a more diverse and equal workforce requires us to both recruit and to undertake promotions to ensure we have diversity and equality across our employees, management and leadership teams.

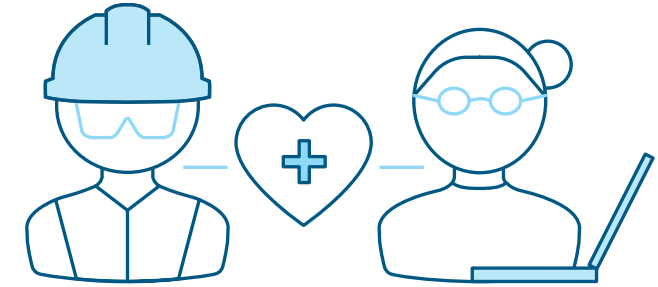
Embedding Sustainability at SNC-Lavalin

We increasingly think about our performance along the three dimensions, or triple bottom line, of economic, social and environmental sustainability. Our goal is to embed our Sustainable Business Strategy in our approach to everything we do.

Whether it's a new client project or internal company initiative, we ask ourselves how it can support societal ambitions as well as those of our clients and our business. This means seeking ways to leave a larger economic and social footprint in local communities while minimizing the environmental impact of our corporate activities and client projects.

Through our Local Resources Development Initiative (LRDI), we help build local capacity and generate economic value for communities. We enable clients to reach out and engage with communities in meaningful ways, from hiring and training local workers to buying from local suppliers. This initiative can empower and up-skill communities both in rural and urban locations.

Through our commitment to achieving certification with the Progressive Aboriginal Relations (PAR) program, we are embedding social value and community expertise across all our business activities. We are investing in building trust and providing valuable skills to the Indigenous communities we work alongside and in partnership with on many of our projects.



When we take steps to foster a **'zero-harm' health and safety culture** at our offices and on project sites, we are acknowledging and protecting what's important to all of us.

When we sponsor local initiatives or are involved in social value activities, we are a force for positive change.

We are multicultural and diverse. We understand the different cultures in which we operate. And, more and more, we know how to leverage our engineering and digital technology expertise to unlock economic, social and environmental benefits for all.

Governance Structure

At SNC-Lavalin, sound corporate governance practices guide us to always do our best and contribute to society to our full potential while ensuring the continued success of our company.

Policies

The Policy Oversight Committee strengthens our governance by overseeing the standardization of policies and processes in terms of their issuance, approval and application. It covers policy relevancy, revisions and maintenance. It enables us to continually review all policies and procedures that guide employees in their daily decisions and activities. It also provides consistent guidelines and processes for creating and managing policies.

Our Policy Oversight Committee initiative is driven by the Board of Directors and our integrity and legal affairs professionals with the support and commitment of all corporate functions and sectors. Employees are encouraged to contact the Policy Oversight Committee whenever they encounter a policy that is: difficult to understand, outdated, missing information related to new or updated laws and regulations, culturally insensitive, or not applicable to a particular region or business unit.

Our vision, values and strategic objectives

- > Require Board approval

Set of principles spelling out acceptable business conduct

- > Code of Conduct and Supplier Code of Conduct
- > Require Board approval

Policies with high relevance for the entire company

- > Integrity policies
- > Finance policies
- > HR policies
- > Global procurement policies
- > Require approval by President & CEO and may require Board approval

Rules or instructions to ensure standardization of tasks and processes

- > Topic or audience may also be specific to business unit (BU), region or country
- > Require approval by relevant governance owner and/or relevant Head of BU Executive Vice President (EVP)

Vision and Values

Guiding Principles

Governance Framework & Policies

Standard Operating Procedures

Policy Oversight

Our Policy Oversight Committee establishes good practices in policy governance. It meets monthly to review any new and revised policies and procedures. Members include the Policy Coordinator and a representative of the following functions:

- > Integrity
- > Finance
- > Global Human Resources
- > Legal Affairs
- > Internal Audit
- > Global Projects Support
- > Quality
- > Communications and Marketing
- > Global Security
- > Information and Technology
- > Health, Safety and Environment

Communications and Marketing

As part of our Operational Excellence initiative, we created the Capability Hub, a proactive and centralized online repository for employee knowledge sharing. The Capability Hub supports the transparent communication of our updated policies and procedures.

Policy Structure

We went through a process of aligning the established SNC-Lavalin policies with the corresponding Atkins policies to allow us to move forward with a combined set of policies and Standard Operating Procedures which would be applicable across the entire company. Our Quality, Health, Safety and Environmental Policies were reviewed and revised to supersede the existing Atkins HSE and quality policy documentation.

A new SNC-Lavalin Sustainability Policy Statement was also established to supplant Atkins' Sustainability Policy documentation.

In 2019, we introduced or reviewed the following policies and Standard Operating Procedures (SOPs):

Code of Conduct

Reviewed and reissued annually, our Code is available in nine languages : English, French, Spanish, Portuguese, Arabic (Standard), Russian, Swedish, Danish and Chinese (simplified). *Latest revision: January 2020*

Supplier Code of Conduct

This outlines the standards and behaviours expected from suppliers. *Latest revision: March 2019*

Conflict of Interest Procedure

This SOP clarifies the concept of conflicts of interest as well as all disclosure obligations, the review and resolution process, and stakeholder roles and responsibilities. *Latest revision: August 2019*

Data Privacy Compliance Policy

The data privacy compliance Policy and the principles and measures within it, have been introduced to protect the rights of personnel, clients, suppliers and other individuals whose personal data may be processed by SNC-Lavalin; mitigate and prevent risk of data privacy breaches; and provide a clear framework for setting data protection and privacy requirements. *Latest Revision: November 2019*

Eligibility to Work on Canadian Federal Government Contracts

This SOP outlines the process for ensuring we don't assign employees or third-party personnel deemed ineligible by the Minister of Public Services and Procurement to work on federal government contracts. *Latest Revision: May 2019*

Trade Compliance

This SOP defines the responsibilities, processes and required actions related to compliance with export controls and economic sanctions. *Latest Revision: January 2020*

Health, Safety, Environment Policy Statement

This policy and associated statement defines our approach to health, safety and environmental issues as it applies to delivering our contractual and managerial commitments in line with our core values, client expectations and our Code of Conduct. *Approved by the Executive Committee: January 2020*

Sustainability Policy Statement

This policy statement defines our approach to environment, social and economic issues as it applies both to our clients projects and our corporate activities. *Issued: October 2019.*

Aligning with Global Initiatives and Best Practices

United Nations Global Compact

In 2015, we joined the United Nations Global Compact (UNGC), the world's largest corporate sustainability initiative, with currently more than 10,000 business and 3,000 non-business participants in more than 160 countries.

Joining the UNGC underscores our commitment to putting our extensive know-how and resources to work to meet the world's sustainability challenges.

It also signals our intention to align our strategies and operations with the UNGC's ten Principles on human rights, labour, environment and anti-corruption.

Our 2019 sustainability report serves as our Communication on Progress (CoP) in terms of implementing these principles. The Global Reporting Initiative (GRI) index also provides information relative to our progress in complying with the UNGC principles.

Delegating Authority

Key Roles

Chairman of the Board

The Chairman is responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board in all aspects of its work.

President & Chief Executive Officer

Among this position's many responsibilities, the President & CEO manages the company's business and affairs within the guidelines established by the Board of Directors and reports to the Board. The President & CEO recommends our strategic direction to the Board and, when approved by the Board, implements the corresponding strategic, business and operational plans.

Corporate Secretary

Among other duties and responsibilities, the Corporate Secretary serves as a source of expertise and advice to the Board and management on new developments in corporate governance and best practices.

Board of Directors

Strong governance begins with our Board of Directors. Its members supervise the management of the corporation's business and affairs. Their duties fall into the following areas:

- > Board and senior management
- > Strategic supervision and monitoring
- > Risk evaluation
- > Corporate governance, ethics, policies and procedures
- > Disclosure to shareholders and others
- > Financial matters and internal controls
- > Health, safety and environment
- > General legal obligations applying to and governing conduct
- > Security
- > Sustainability

The Board strives to incorporate a diverse group of individuals through, but not limited to, gender and ethnic diversity. In 2016, SNC-Lavalin joined the 30% Club, a global organization committed to improving gender diversity on boards.

Board of Director Committees

Audit Committee

The Audit Committee assists the Board in supervising our financial controls and reporting. It also monitors, through reasonable measures, our compliance with financial covenants and legal and regulatory requirements governing financial disclosure matters and financial risk management.

Governance and Ethics Committee

The Governance and Ethics Committee assists the Board in developing our approach to corporate governance and ethical and compliance issues, proposing new Board nominees and assessing the effectiveness of the Board and its committees, their respective chairs and individual Directors.

Safety, Workplace and Project Risk Committee

The SWPR Committee helps the Board discharge its responsibilities relative to the overall framework for managing our project risks and our health, safety, security, sustainability, environmental, business continuity and emergency preparedness risks arising from our operations and business activities with clients.

Human Resources Committee

The HR Committee is responsible for helping the Board fulfil its responsibilities to attract and retain an engaged workforce to deliver on our approved strategic plan and objectives.

Sustainability Governance

Chief Executive Officer

The responsibility for the implementation of our Sustainable Business Strategy is held by our President & CEO, Ian L. Edwards, who is also a member of our Board of Directors.

Executive Committee Governance

Erik J. Ryan is our Executive Vice-President, Strategy, Marketing and External Relations, and is the Executive Committee Leader responsible for reporting Sustainability progress in relation to the implementation of the Strategy directly to the President & CEO.

Executive Committee Sustainability Sponsors

Dale Clarke (Interim Executive Vice-President for Infrastructure Services) and Jeff Bell (Chief Financial Officer) are the Executive Committee Sustainability Sponsors. Dale Clarke's role is to support the Global Head of Sustainability to implement the Sustainable Business Strategy across each Sector with a consistent approach. Jeff Bell's role is to support the Global Head of Sustainability to implement the Sustainable Business Strategy across each corporate Function with a consistent approach and to facilitate the collation of revenue data relating to sustainability.

Global Head of Sustainability

Our Global Head of Sustainability, Sarah Jane Stewart, is responsible for developing our strategy, targets and goals relating to sustainability and driving a cultural change across all of our corporate Functions and Sectors from Board level down to our workforce on projects.

Sector and Corporate Governance

Each of our Sectors is responsible for developing a Sector Sustainability Implementation Plan (SSIP). The responsibility for the implementation of the SSIP is held by the relevant Sector President. The SSIP is developed in conjunction with Business Unit Sustainability Implementation Plans (BUSIP). The responsibility for the BUSIP lies with the senior leadership team members for each corresponding BU.

Each of our Global Heads of Function is responsible for developing a Corporate Function Sustainability Implementation Plan (CFSIP).

Sector Sustainability Senior Leadership Team Sponsors

Each of our Sectors is responsible for appointing a member of their Senior Leadership Team as a sponsor to ensure that the Sustainable Business Strategy is implemented with a consistent approach across each BU and projects. The Sector Sustainability Senior Leadership Team Sponsor reports to the Sector President and the Global Head of Sustainability.

Sector Sustainability Practitioners

The Global Head of Sustainability will work with each sector to select experienced practitioners and leaders to lead the implementation of the Sustainable Business Strategy.

Sector Sustainability Practitioners are experienced senior members of our operational business teams responsible for supporting the Sector President and the Senior Leadership Team Sustainability Sponsor to communicate and implement the sustainable business strategy across our clients' projects. These Leaders are experienced technical subject matter experts, environmental professionals, designers and engineers.

They are embedded in each sector's operations team and work closely with the leadership teams and managers of each business unit to communicate the strategy to colleagues to contribute to the implementation plans and report and monitor progress, feeding back to the Global Head of Sustainability and the Sector Sustainability Senior Leadership Team Sponsor.

Some of the Sector Sustainability Practitioners will be selected to represent SNC-Lavalin at the Leadership Sustainability Business Forum.

Sustainability Ambassadors

The Global Head of Sustainability will work with each sector and corporate function to select suitable colleagues to undertake the role of Sustainability Ambassador representing their sector or corporate function.

Our Sustainability Ambassadors are staff from any sector or corporate function who are passionate about sustainability and want to support the Sector Sustainability Practitioners / Leaders and the Global Head of Sustainability in communicating the sustainable business strategy to clients and colleagues and across their clients' projects in each sector and their corporate function.

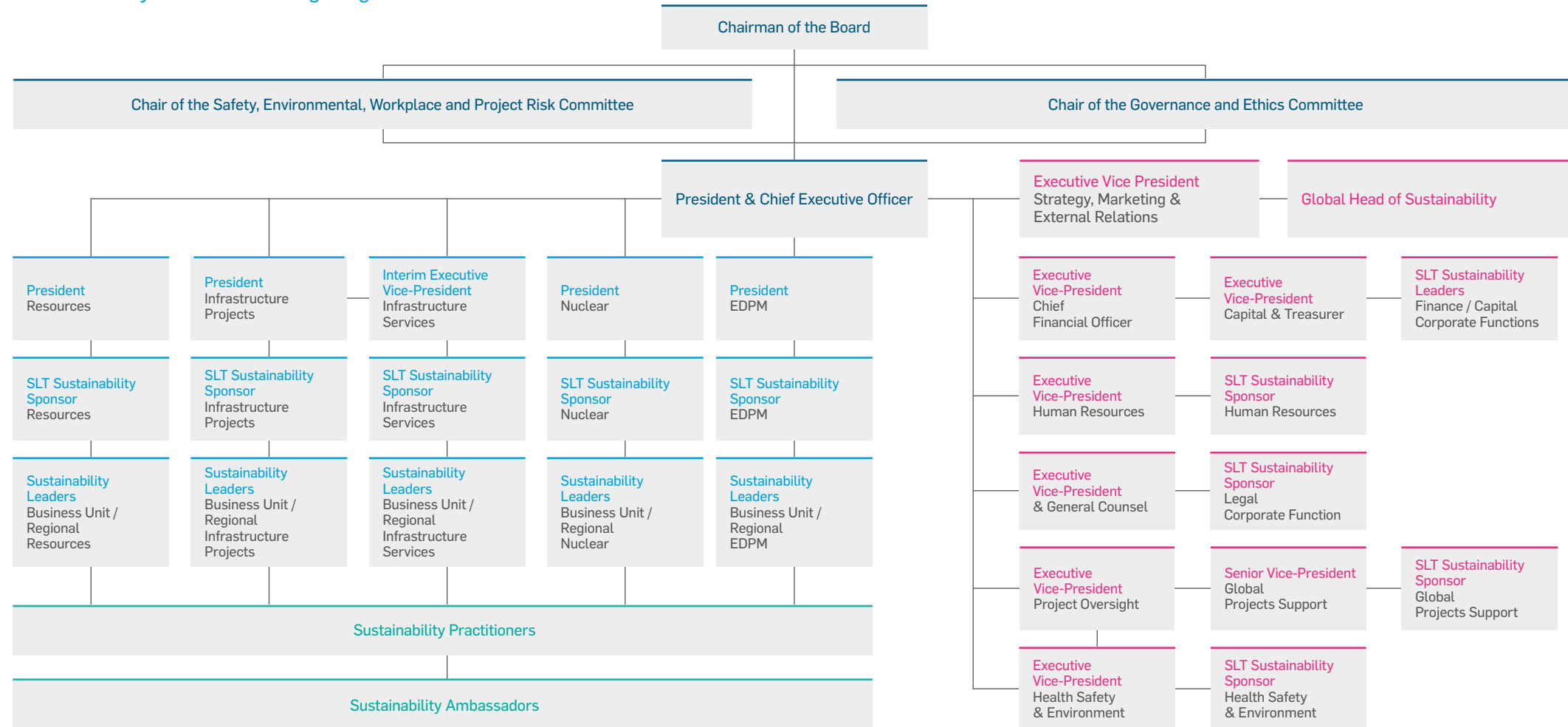
Some of the Sustainability Ambassadors will be selected to represent SNC-Lavalin at the Employee Sustainability Forum.

“Sustainability for me is a different way of working. It is a way of making any decision or any choice and the way that you make that choice or decision is going to have a benefit for the environment, society or local or global economies.”

Sarah Jane Stewart

Global Head of Sustainability

Sustainability Governance Organogram



This organogram represents the Sustainability Governance Structure at the end of the financial year 31st December 2019. Ian L. Edwards was appointed as President & CEO in October 2019.

Sustainability
POLICY



Sustainability
STRATEGY



Sectors and Corporate
Functions Sustainability
IMPLEMENTATION PLANS

Sector and
Corporate Function
PROGRESS REPORTING



Our Approach to Strategy Implementation

Our approach to the implementation of our Sustainability Policy is underpinned by strong governance, high-level leadership roles and responsibilities, and clear metrics and targets.

As a business we are committed to sustainable development. **Our vision to become a global leader in sustainability requires concrete actions.**

Our approach to the implementation of our Sustainability Policy and Strategy is data-driven and centered on the development of high-level, science-based targets. Each Sector and Function is responsible for the development of implementation plans which encompass all our corporate and project-based activities. The implementation of our Sustainability Policy and Strategy are embedded in the processes of our Sectors and Functions and we have developed a robust approach to regular monitoring, auditing and progress reporting against the actions outlined in our plans.

Sustainability Leadership

Senior Leadership Team Champions for UN Sustainable Development Goals

The President & CEO, the Sector Presidents and Global Heads of Functions were asked to comment on the Sustainable Business Strategy during consultation as part of our Materiality Assessment. They selected the United Nation's Sustainable Development Goals (UN SDGs) that were important to them personally and that they would be prepared to act as a champion for. Our Sector Presidents have been asked to provide their commitment to act as a champion for one or more of the UN SDGs.

Our Senior Leadership Team Champions will **promote awareness of these goals both inside and outside our business.**

They will outline how improving our performance in relation to these goals is vital to developing a future-facing, ethically-responsible business.

The confirmed Executive Committee Champions are presented on the following pages.



Ian L. Edwards CEO & President

Senior Leadership Team Champion for **Goal 5** and **Goal 10**



Our business operates in a globally interconnected society where the diversity of every project team can be improved by increasing digital communication and technological advancement to develop collaborative interconnected team members from our offices around the world.

Our workplaces tend to align with the diversity of the countries that we operate in. I am very passionate about collaboration and how it drives innovation. Creating diverse multi-disciplinary teams is a key part of creating the right culture within our organization. I see diversity as an asset for both businesses and their employees.

One of the ways I will personally support our Sustainable Business Strategy is by taking over the role of SNC-Lavalin's Senior Leadership Champion for Goal 5: gender equality and Goal 10: reduced inequalities. My predecessor, Neil Bruce, was one of the founding members of the 30% Club Canada. I want to uphold his legacy and our commitment to the 30% Club, a global organization committed to improving gender diversity on boards.

We have further strengthened our commitment to diversity and inclusion in 2019, we released our UK Gender Pay Gap report including diversity as a key focus area defined in our Sustainable Business Strategy.

I am really proud of our diverse and dedicated workforce. Our employees speak about 70 languages, represent some 130 nationalities and work from offices on six continents. Their diversity is a key strength in helping us understand and meet our clients' needs worldwide.

Promoting diversity and equality in our workforce is not just vital for our company, but extremely important to me on a personal level, and these two goals will be a focus for me and our entire Leadership Team as we implement our Sustainable Business Strategy.





Jonathan Wilkinson President, Infrastructure Projects

Senior Leadership Team Champion for **Goal 11**



The world is expected to invest around USD90 trillion in infrastructure over the next 15 years. These investments are needed to replace aging infrastructure in advanced economies and accommodate higher growth and structural changes in emerging markets and developing countries.

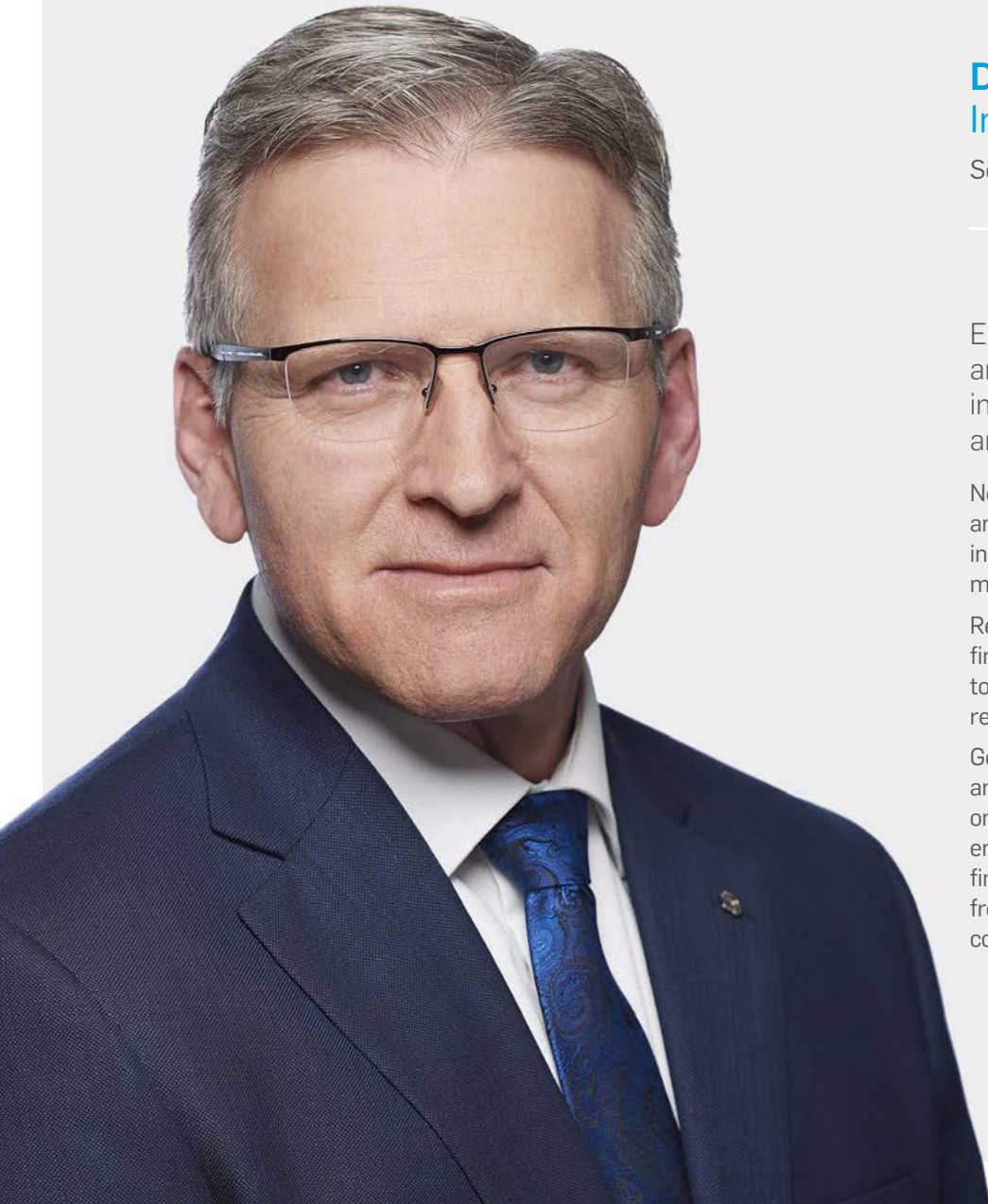
Investing in sustainable infrastructure is key to tackling three simultaneous challenges, initiating global growth, delivering on the UN SDGs, and reducing climate risk.

Infrastructure underpins core economic activity and is an essential foundation for achieving inclusive sustainable growth.

Sustainability means that we, as a business, have a responsibility to ensure that the infrastructure that we create is compatible with social and environmental goals. The investment choices made globally in relation to infrastructure will start to lock in for decades to come, either a climate resilient, future-proofed infrastructure pathway or a high-carbon, inefficient and unsustainable pathway which will exacerbate climate change.

Our teams are already working on a wide range of sustainable infrastructure projects and we are at the forefront of research and development in relation to future-proofing and the development of smart cities.

From new construction to upgrades and expansions, we design, operate and maintain sustainable infrastructure across the energy, transport, buildings, water, and natural infrastructure sectors.



Dale Clarke Interim Executive Vice-President, Infrastructure Services

Senior Leadership Team Champion for **Goal 9** and **Goal 12**



Expanding population, rapid urbanization and associated economic development are increasing global raw material consumption and waste production at an alarming rate.

Negative environmental impacts associated with resource use and material production may be offset by circular economy initiatives where virgin material input is replaced by recycled materials, re-manufacturing and reuse.

Responsible consumption and production of materials and finding more efficient use of natural resources are essential to reducing demand for energy, water, materials and other resources worldwide and moving to a more circular economy.

Government policy worldwide in relation to climate change and resource scarcity has been focusing to a greater extent on reducing carbon emissions from transport, the built environment and utility and power infrastructure. We have to find new innovative low carbon methods to reduce emissions from key industrial sectors, one of the most significant being the construction sector.

One of the ways in which I will personally support our Sustainable Business Strategy is by serving as the SNC-Lavalin's Senior Leadership Champion for Goal 9: Industry Innovation and Infrastructure and Goal 12: Responsible consumption and production.

My role as champion underpins our firm commitment to improving resource efficiency including use of water, energy and raw materials, across our corporate and project activities.

As we navigate our way through the new normal of a post pandemic society, sourcing local materials and local manufacturing capability and creating strategies to combat the greater threat of climate change are essential in the urgent need to develop future-proofed climate resilient infrastructure and industrial solutions worldwide.

Philip Hoare President, Engineering, Design & Project Management

Senior Leadership Team Champion for **Goal 13**



For today's projects to be sustainable, we must plan for tomorrow's climate realities.

Our teams are focused on assessing the effects of projects on climate, and ensuring new infrastructure is resilient to future climates.

We identify the threats and opportunities of climate change and design robust adaptation plans for the built and natural environment. We help ensure that future infrastructure is resilient.

We also play an active role in helping governments and companies reduce their greenhouse gas emissions and assess and quantify the risk that extreme weather presents to their activities and assets. We work closely with them to develop climate change adaptation and mitigation strategies to future-proof their business.

I am really proud of the work that our teams worldwide undertake to protect communities against the physical impacts of climate change and I will personally support our Sustainable Business Strategy by serving as the SNC-Lavalin's Senior Leadership Champion for Goal 13: Climate Action. My role as champion underpins our firm commitment to increasing awareness of climate change and improving the assessment of climate related risks, including the development of appropriate mitigation measures, across our corporate and project activities.





Sandy Taylor President, Nuclear

Senior Leadership Team Champion for **Goal 7**



With the world's leading economies on a fast track to a low-carbon future, it's our responsibility to help our clients understand and prepare for the crucial role of delivering infrastructure in a carbon-conscious world.

We provide innovative solutions to speed up the widespread deployment of cost-effective low carbon and renewable energy technologies as diverse as offshore and onshore wind, hydroelectricity, biomass, waste to energy, solar, tidal, nuclear energy, hydrogen, carbon capture and storage and decentralized energy.

We provide robust engineering design and owner's engineering services in the renewable energy sector, as well as technical advice on emerging clean energy technologies.

Our cross-discipline experts enable us to provide a complete range of services in all aspects of renewable energy technology. We have some of the most technically skilled individuals in the engineering industry in areas such as fatigue assessment, finite element analysis, dynamic analysis, computational fluid dynamics and hydrodynamics.

Innovation is one of our core values and a priority across all our Sectors. Research and development (R&D), along with collaborating with business partners and academics, is a key component of driving more efficient processes and behaviours. This allows us to deliver innovative solutions for our clients. Our R&D initiatives with trusted industry partners have generated offerings that lead and influence the industry.

We are the stewards of CANDU® technology, and we use our experience as a nuclear reactor designer to collaborate with small modular reactor (SMR) vendors. Our CanAtom joint venture is currently leading the Darlington Retube & Feeder Replacement project for Ontario Power Generation, playing a key role in delivering affordable and clean energy to 2.5 million households. Darlington provides 20% of Ontario's power supply.

Erik J. Ryan Executive Vice-President, Strategy, Marketing and External Relations

Senior Leadership Team Champion for **Goal 17**



As a leading global engineering and construction firm, the scope of our work impacts hundreds of communities around the world where our employees, business partners, and stakeholders live and work.

Our goal is to have a positive impact on communities, learning and innovation. To achieve this goal, we are primarily contributing to educational causes, particularly initiatives that support the next generation of talent.

Today, Indigenous communities are key partners in development projects around the world. At SNC-Lavalin, we've been engaging with Indigenous communities on behalf of our clients in a fair and inclusive way since the 1980s. We leverage our experience and know-how to ensure that these partnerships generate significant value for all.

Supporting global, national and regional Indigenous organizations that actively promote business success will remain a priority.

Through dynamic partnerships with organizations like the Canadian Council for Aboriginal Business and the Aboriginal Human Resource Council, we continue to network and engage with Indigenous Leaders.

Our CEO is part of the World Economic Forum Partnering Against Corruption Initiative (PACI) Vanguard and our Chief Integrity Officer is actively involved in this initiative.

The PACI Vanguard CEO community consists of 25 CEOs from various industries across the world collaborating in the fight against corruption.

From January 2018 to June 2019, Neil Bruce, our former President & CEO, served as chairman of PACI.

Hentie Dirker, our Chief Integrity Officer, has also contributed to PACI initiatives and is a member of the B20 Compliance and Integrity Taskforce.



7 / INTEGRITY



7. INTEGRITY

Integrity matters at SNC-Lavalin. SNC-Lavalin is committed to undertaking our business activities with the highest integrity. And maintaining a reputation of integrity depends on the actions of everyone in the organization.

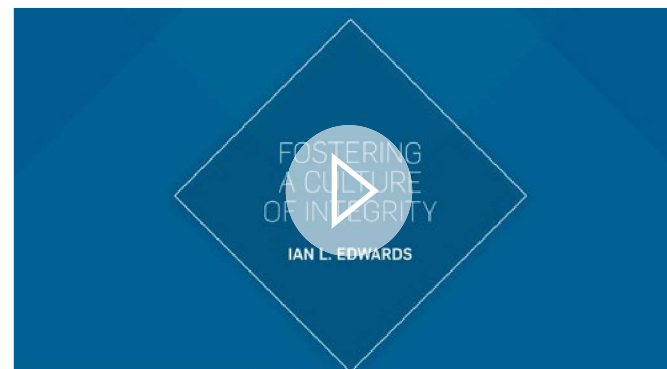
We expect every employee to fully understand our governance documents, and to consistently put them into action, no matter how challenging the circumstances.

We are proud of our robust Integrity Program. External recognition of our commitment to the program's principles and to our corporate values reinforces our conviction that we're on the right path.

Our Integrity Evolution

Having achieved our goal to set a higher standard, go beyond typical compliance levels and becoming a benchmark in the industry for how to undertake business activities properly, we took further strides towards ethics excellence in 2019.

We took steps to improve our industry-leading Integrity Program again this year. This included making Integrity tools and resources simpler, more engaging and more easily accessible for employees. We created a [short animated video](#) to quickly explain the program for all stakeholder audiences.



We have developed and simplified a number of tools;

Launched in January 2019, our Integrity ChatBot Scotty is a virtual assistant created to provide employees with quick answers to simple questions on the broad topic of ethics and compliance. It's available to all employees on the intranet. Now in phase two, its AI functionality is enabling it to learn from the questions asked by employees.

We also reviewed and relaunched our [Integrity app](#) this year, which is available to both internal and external audiences. We've supplemented the existing features, such as submitting scorecards, viewing the code of conduct and reporting misconduct, with short videos covering a range of topics.

Additionally, efforts to bring all employees onto one Learning Management System (LMS) were completed in 2019. This allowed us to relaunch mandatory Integrity training to all employees, permitting us to offer the full range of our training material to everyone and enabling our Integrity team to follow-up with our risk target audiences.

After a thorough assessment of our Integrity Program, we were awarded the prestigious Compliance Leader Verification by the Ethisphere Institute in early 2019. Ethisphere is the global leader in defining and advancing ethical business practices.

Our Integrity Program

Three key elements define our Integrity Program: Prevent, Detect, and Respond. This comprehensive and integrated approach maintains our ethical health, supports our long-term success and preserves and promotes our values.

Key advancements in progressing our Integrity Program during 2019 are outlined below.

Annual Integrity Week

We held our second Annual Integrity Week in 2019, taking place in November to tie in with the Society of Corporate Compliance and Ethics' (SCCE) [Corporate Compliance and Ethics Week](#). Designed to promote awareness, conversation and recognition around this important subject, the week was expanded from 2018, with staff taking part in more daily activities, including quizzes, competitions, role-playing, and lunch-and-learn events. They were also asked to nominate their fellow employees for Integrity Awards. 62 awards were handed out to employees for outstanding contributions to our Integrity value.

Subject Matter Experts from a wide range of functions contributed by providing daily articles and hosting open webinar workshops discussing important integrity related questions and raising awareness of how our commitment informs decisions and policies in the legal, human resources, procurement, and financial departments. Each day on a dedicated intranet page an element of our program was highlighted, an Integrity Ambassador from a different region was profiled, and animated video content was shared to help initiate discussion and reinforce key messages.

Linking Procedural Documentation

In 2019, our Code of Conduct was linked to all relevant procedural documents related to the different sections, making it more user-friendly and accessible to all employees.

Adding Integrity Documentation to website

In 2019, we made our [Code of Conduct](#) (in nine languages), [Compliance Procedure](#), [Modern Slavery and Human Trafficking Statement](#), [Supplier Code of Conduct](#), [Program Highlights Document](#), and [Program Outline video](#) fully available on the [Integrity page](#) of our redesigned website.

[SNC-Lavalin website >](#)

Prevent

Weaving Integrity into the fabric of our organization has ensured that every single employee understands what is expected of them, giving them the responsibility and accountability to create a corporate culture that inspires pride. As we continue to grow as a company and collaborate with partners around the world, maintaining our ethical standards remains a priority for everyone in the organization. Our approach to prevention is underpinned by fostering a culture of integrity to prevent the likelihood of wrongdoing and compliance violations from occurring. We are focusing on the following key areas:

- > Strong commitment and communication from Leadership
- > Policies and Procedures
- > Training and Communication
- > Business Partner Due Diligence
- > Compliance Risk Management
- > Mergers and Acquisitions due diligence
- > Due Diligence of our business activities and relationships
- > Collective Action and Outreach Program
- > Business Support and Advice

Detect

Maintaining high standards among approximately 47,000 employees operating in numerous countries depends on our ability to detect allegations of non-conformity, to investigate, and to respond to each allegation swiftly. The company received 326 allegations in 2019 generated through a variety of channels designed to empower a workforce that strives to attain a culture of integrity in a practical way. Of the 326 allegations, 30 investigations were initiated by the Compliance Investigations Team, 256 allegations were reviewed by other investigation teams (Human Resources, Global Security, Business Units etc.) and 40 allegations were not investigated due to insufficient information and/or the allegation was already investigated.

Our approach to prevention is underpinned by providing internal controls and other sources to identify misconduct and evaluate adherence, focusing on the following key areas:

- > Duty to report
- > Effective Compliance Controls
- > Regular Integrity Audits
- > Compliance Reviews
- > Resources and Skills for Global Investigations.

A committee composed of the Chief Integrity Officer, the Head of Compliance Remediation and Monitoring, the Director, Legal affairs for Integrity and Litigation, the Head of Internal Audit and the Director of HR Investigation meets on a weekly basis to review, assess and prioritize allegations.

Respond

Responsive measures are holistic and considered. Serious allegations are discussed at the highest level and recommendations for solutions are designed to eliminate immediate threats while looking at the root causes and ensuring we are doing all we can to avoid similar problems in the future, feeding back into the first element: Prevent. Our approach to prevention is underpinned by measures that take corrective action in response to misconduct, focusing on the following key areas:

- > Prevention of Recurrence
- > Remediation of Systematic Deficiencies
- > Disciplinary Sanctions
- > Unbiased Consequences.

Industry Engagement and Recognition

In the spirit of sharing our journey with and learning from our peers, SNC-Lavalin has engaged with academic institutions, participated in industry conferences, and been recognized by international bodies for its Integrity Program.

We are not only looking to reach and maintain the highest standards for ourselves, but also to do our part to help the industry at large become more sustainable and more ethical.

- > In 2019, SNC-Lavalin was invited to talk about our Integrity Program at academic institutions throughout North America;
- > Our CEO is part of the World Economic Forum Partnering Against Corruption Initiative (PACI) Vanguard and our Chief Integrity Officer is actively involved in this initiative. The PACI Vanguard CEO community consists of 25 CEOs from various industries across the world collaborating in the fight against corruption. From January 2018 to June 2019, Neil Bruce, our former President & CEO, served as chairman of PACI;
- > Hentie Dirker, our Chief Integrity Officer, has also contributed to PACI initiatives and is a member of the B20 Compliance and Integrity Taskforce.
- > In 2019, representatives of SNC-Lavalin actively participated in industry conferences related to business ethics, presenting, joining panel sessions and sharing ideas with leading thinkers in the field.

Ethisphere Institute

In early 2019, SNC-Lavalin earned the [Compliance Leader Verification from the Ethisphere Institute](#), an independent centre for research, best practices and thought leadership. The Compliance Leader Verification is awarded exclusively to companies with the best industry ethics and compliance programs, and is valid throughout 2020.

Ethisphere's thorough assessment looked specifically at the following aspects of our Integrity Program: program resources and structure, perceptions of ethical culture, written standards, training and communication, risk assessment, monitoring and auditing, enforcement, discipline, and incentives.

This recognition from [Ethisphere](#) is an endorsement of our approach to ethics and compliance. It also allows us to compare ourselves with other strong companies and identify areas where we can still improve, such as dedicated manager training on accountability. We are already working to respond to these recommendations.

In 2019, Ethisphere also invited us to take part in a [webinar](#) to share the strongest parts of our Integrity Program with a wider audience. This focused on Integrity Ambassadors, integrating Integrity into performance reviews and bonus schemes, and our conflict of interest process.

Trace International

[Trace International](#), Inc. is a globally recognized anti-bribery business organization and leading provider of third-party risk management solutions. Trace membership helps companies conduct business ethically and in compliance with the US Foreign Corrupt Practices Act, UK Bribery Act and other anti-bribery legislation.

SNC-Lavalin continues to be an active member of TRACE through regular dissemination of training materials to our personnel and business partners, event attendance, and engaged participation in conferences, both presenting and participating on panels.

Transparency International UK

In its most recent assessment published in 2018, Transparency International UK recognized SNC-Lavalin among the top 27% of all companies in the [2018 Corporate Political Engagement Index](#). This index assesses businesses on how transparent they are in their political engagement – including areas such as donations to political parties, lobbying of those in power, the revolving door, public commitment to ethical behaviour, and the overall transparency of this information.

Our organization received an overall “C” grade, which is considered “fair to excellent”. Transparency International UK's assessment was based entirely on information made available to the public on our company's website, including downloadable reports for evidence of reporting on political engagement as well as any functioning hyperlinks to other materials.

Partnering Against Corruption Initiative (PACI)

Neil Bruce, our former President & CEO, was a co-chair of the [PACI](#), a CEO-led anti-corruption initiative run by the World Economic Forum, until July 2019. Working alongside international organizations, academics and government institutions, PACI is at the forefront of industry practices to rebuild and foster trust in business and institutions. Through the commitment of their chief executive officers, close to 90 partner companies have signed and committed to the PACI Principles.

Our CEO is part of the World Economic Forum Partnering Against Corruption Initiative (PACI) Vanguard and our Chief Integrity Officer is actively involved in this initiative. The PACI Vanguard CEO community consists of 25 CEOs from various industries across the world collaborating in the fight against corruption.

Hentie Dirker, our Chief Integrity Officer, has also contributed to PACI initiatives and is a member of the B20 Compliance and Integrity Taskforce.

UN Global Compact

As signatories to the UN Global Compact, we are committed to ensuring that our business policies incorporate and support its Ten Principles. Starting in late 2015 and continuing into 2019, we assessed our business practices in the Gulf Region for any issues related to modern slavery and worker welfare. In 2019, we continued to standardize the best practices we developed in the region to ensure our Code of Conduct principles are universally upheld wherever we work.

Governance: Oversight and Reporting

Policies and procedures

Our Governance Framework includes a set of policies, procedures, work instructions, guidelines and guidance documents.

Corporate policies provide guiding principles and rules for our entire organization, regardless of location.

Corporate Procedures and Processes and Work Instructions, on the other hand, help to standardize tasks and processes by specifying rules on a given subject or sets of instructions on how to perform a function. Policies have a broad and global application, while other corporate governance documents can be applicable to a specific geographical region, business unit or corporate function.

Our Policy Oversight Committee establishes good practice in corporate governance and helps review all new and revised policy and procedure documents. The committee meets monthly to review any policies and procedures being put forward. Members include the Policy Coordinator and a representative from the following corporate functions:

- > Integrity
- > Finance
- > Global Human Resources
- > Legal Affairs
- > Internal Audit
- > Global Projects Support
- > Communications and Marketing
- > Global Security
- > Information and Technology
- > Health, Safety and Environment
- > Quality

As part of our Operational Excellence initiative, we created the Project Delivery Center of Excellence (PDCE), recently renamed the Capability Hub, a proactive and centralized online repository for employee knowledge sharing. The Capability Hub will support the transparent communication of our updated policies and procedures.

Reporting

Our Duty to Report process requires all personnel to be vigilant about possible illegal or unethical behaviour and to take appropriate and timely action to prevent or detect improper conduct.

At SNC-Lavalin, people can use our third-party, confidential, 24/7 Integrity reporting line to report any suspected misconduct. The reporting line allows employees, suppliers, clients and other stakeholders to report potential violations of our Code of Conduct, company governance documents or applicable laws, either online or on the phone, in approximately 200 languages without fear of retaliation.

A committee composed of the Chief Integrity Officer, the Head of Remediation & Monitoring, the Director of Legal Affairs, Integrity and Litigation, the Head of Internal Audit and the Director of HR Investigations meets on a weekly basis to review, assess and prioritize allegations. Cases can be assigned to Health, Safety and Environment (HSE); Human Resources; Global Security; the Business unit; or the Compliance Investigations team.

When assigned to the Compliance Investigations team, the team:

- > Implements appropriate investigation procedures, including the use of specialized expertise as necessary;
- > Completes investigations in a timely manner to determine whether allegations are substantiated;
- > Respects and always preserves the integrity of the Compliance Investigations' processes.
- > Our highly experienced Compliance Investigations team reports to the Chief Integrity Officer. Team members are from different professional backgrounds and located in two main hubs, Canada and the Middle East, to ensure worldwide coverage and a timely response to investigating allegations.

2019 Reports

Allegations made via:

- > Third Party Reporting Tool: 188
- > Email: 96
- > Phone: 14
- > In person: 10
- > Mail: 12
- > Other: 6

Allegations received in 2019: 326

Allegations transmitted anonymously: 152

Allegations closed: 300 (includes cases from previous years, all remaining 2019 cases were closed in early 2020)

31 Disciplinary Sanctions (Related to Compliance Investigations cases only)

- > Other sanctions including verbal and written reminders: 21
- > Verbal warning: 1
- > Written warning: 5
- > Termination: 4

The disciplinary actions were the result of violations of the following Code of Conduct sections:

- > Section 4 "Avoiding Conflicts of Interest"
- > Section 5.1 "Antitrust and Competition"
- > Section 5.2 "Anti-Bribery and Anti-Corruption"
- > Section 5.3 "Third Parties"
- > Section 5.3.1 "Business Partners"
- > Section 5.3.2 "Government Officials"
- > Section 5.7 "Trade Compliance, Export Controls and Anti-Boycott"
- > Section 5.9 "Accounting Practices, Record Keeping and Internal Controls"
- > Section 7 "Protecting Our Assets"
- > Section 7.2 "Electronic Resources"
- > Section 7.3 "Confidential Information"
- > Section 7.4 "Intellectual Property"
- > Section 8.1 "Duty to Report"
- > Section 8.3 "Internal Investigations"

Code of Conduct

The Code of Conduct lies at the heart of our Integrity Program and sets expectations for integrity and ethics in our business dealings. Every manager at every level is accountable for ensuring we deliver a world-class ethics and compliance performance.

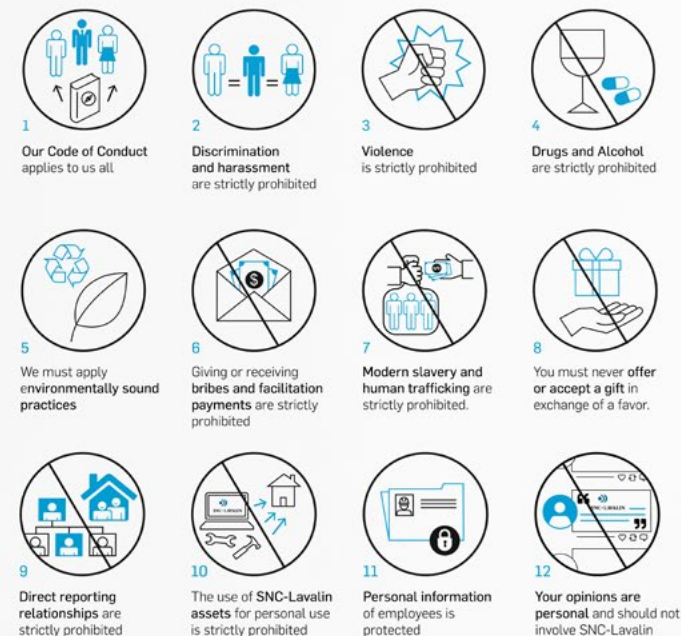
Reviewing the Code annually keeps this important document current. Yearly training and certification to the Code is a condition of employment and an intrinsic part of our on-boarding program.

Annual training and certification

All personnel (regular employees, occasional employees, temporary employees, contractual, full and part-time, consultants, loaned personnel, officers and Board members) receive annual training on our Code. Training for craft employees takes place throughout the year through Toolbox talks.

In 2019, we **trained and certified more than 42,000 employees** during this rigorous and ambitious undertaking, reaching a **100% certification rate**.

2019 Code of Conduct Summary



To report a concern or incident, or to ask a question about the Code of Conduct, please contact your local HR representative or call the Reporting Line at 0000 000 0000

Non-craft employees

Training for non-craft employees is delivered online in nine languages. With the assistance of local managers and HR teams, employees at remote sites and/or with no internet access receive in-classroom training, available in three languages. The training includes real-life case studies inspired by compliance investigations and our Integrity Officers' feedback.

In parallel with the content development, we develop the training processes and the communication plan, implement it in our systems and create the reporting tools. Throughout these activities, our team works closely with our Learning Management System team to ensure that all the tools are ready and easy to use and that our online process is running smoothly.

Craft and General Labour

Craft and general labour employees (blue collar and construction workers) receive continuous training in eight languages on the 12 major aspects of our Code that impact them the most. This in-person training is delivered during monthly Health, Safety & Environment and other meetings that we call Toolbox talks. A facilitator gives a 10-minute presentation about one aspect of our Code, including a real-life example. The presentation ends with 'Duty to Report' and 'Non-Retaliation' messages and pertinent contact information. Examples of topics being covered: Discrimination and Harassment, Violence, Drugs and Alcohol, Environment, Bribes and Facilitation payments, Modern Slavery, Personal Relationships, Offering and Accepting a Gift in Exchange of a Favour and Personal Information.

Communications

We take steps to ensure all our stakeholders receive clear and consistent messages, both internally and externally.

Internal communication activities and channels include:

- > Integrity video awareness campaigns such as a gifts and hospitality message for the holidays, and the integrity program animated video
- > President & CEO blog
- > Chief Integrity Officer blog
- > Annual performance reviews
- > Intranet

Managers begin meetings with Integrity Moments to help set the tone and keep our values at the forefront of all decision-making. Like safety, integrity is top of the agenda for everyone and an integral part of meetings, planning and actions at all levels.

Externally, we provide stakeholders with detailed information on our integrity initiatives. This includes our vision, plans and contacts for promptly addressing questions and issues. We also regularly share our ethics and compliance messages and commitments at:

- > International and national conferences
- > Universities, associations and ethics-based organizations
- > Our Annual General Meeting of Shareholders

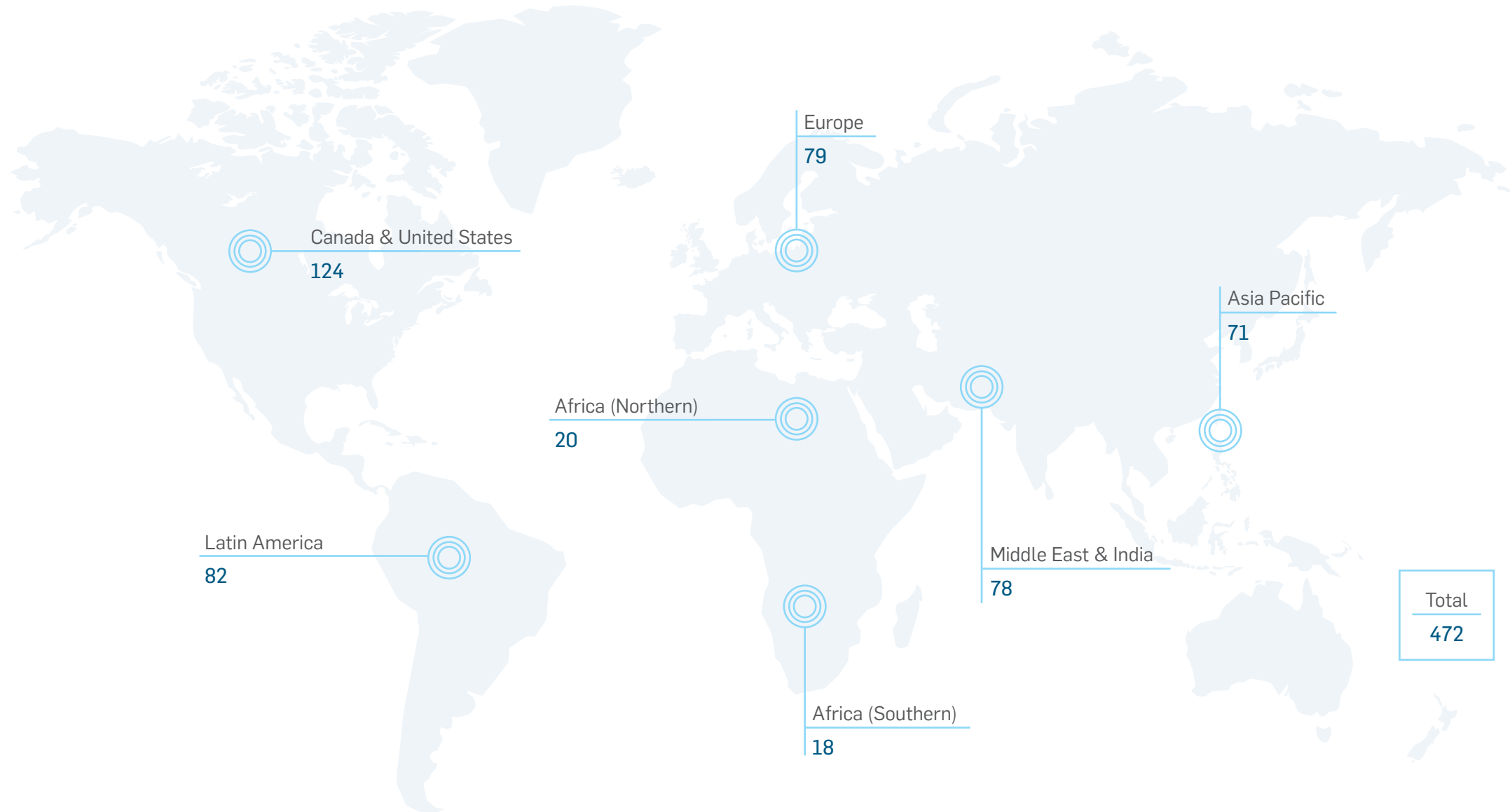
Business Partner Compliance Due Diligence

We take significant steps to ensure our business partners fully understand our Integrity expectations. We expect our partners to adhere to our business principles, culture and values and comply with all applicable laws and regulations. In fact, all business partners must comply with our [Supplier Code of Conduct](#) as part of our terms and conditions, which commits them to abiding by the same standards of business conduct and practices as we do.

We actively foster a risk-aware culture at all levels across our organization. Through our business partner selection process, we continue to strive for a well-balanced and optimal risk-reward trade-off. Our Business Partner Compliance Due Diligence (CDD) effort is supported by an IT online tool. The approval workflow and its continuous monitoring provide global transparency on third-party risk exposure.



Approved Business Partners CDDs by Region in 2019



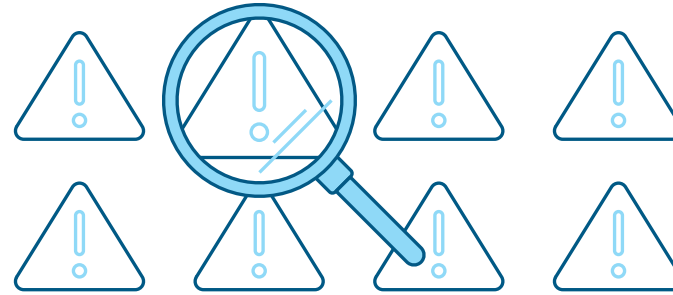
Risk Assessment

In 2019, we refreshed our integrity risk approach to accommodate developments in the international regulatory environment and to focus more on in-depth country compliance risks.

For the purposes of our annual Integrity Risk Assessment, we identified the most relevant risk scenarios based on:

- > FCPA International Enforcement and UKBA International Enforcement trends;
- > The analysis of our internal investigations, and
- > Interviews within the organization.

We selected locations for focused internal work based on the outcome of an indicator-based analysis. Working with managers and executives at various levels of the organization, we conducted meaningful discussions that are issue and incident-specific. We focused on understanding the types of misconduct that are most likely to occur in a line of business. Subsequently, close to 40 in-depth reviews were conducted in 20 countries. Following a rigorous process, we detected areas of improvement and assisted local management with remedial action at the level where the risk would be most effectively mitigated.



Since 2019, KPI-based analysis, comprised of eight carefully selected risk indicators, was carried out in our top 40 countries.

This proactive approach was fundamental to mitigating risk across the full spectrum of potential threats for our company and its stakeholders.

We strive to remain at the forefront of emerging risks and respond to modern-day challenges effectively. This proactive approach is fundamental to mitigating risks across the full spectrum of potential threats for our stakeholders and surrounding environment.

Guarding Against Complacency

Since 2012, we've built and implemented a robust ethics and compliance prevention, detection and response system across an organization dispersed around the world. Our training and communication plans ensure employees share our values, adhere to our Integrity processes, and feel comfortable about voicing concerns.

As part of SNC-Lavalin's Operational Excellence initiative, we are continuously improving our Integrity Program. We are not only monitoring and ensuring the effectiveness of our systems and processes, but also assessing their efficiency in helping us achieve our business objectives. This has resulted in seamless business processes that enable us to make timely and astute decisions, using integrated processes and, wherever possible, avoiding the duplication of tools.

Education and Training

Ensuring that employees everywhere understand and comply with the standards of conduct we expect of them is a top priority across SNC-Lavalin.

We regularly benchmark our best-practice Integrity training modules to ensure we offer stakeholders an industry-leading and diverse training program. These courses, which are either developed internally or made available from a specialized vendor, include target-group-specific mandatory training as well as general non-mandatory training for all.

Mandatory courses and training initiatives

In 2019, our 39,000 Learning Management System (LMS) users had access to 28 Integrity eLearning modules in two to nine languages, for a total of 118 modules. Out of these 28 eLearning modules, ten are mandatory depending on the employee's role. Our Integrity team is now comprised of technical and professional staff to develop many of these modules to ensure that they meet our needs and reflect our policies and procedures. In addition to this online training, we also deliver ongoing anti-corruption training in classrooms (in locations with more than 10 employees to train) or through virtual sessions.

In 2019, the following training materials were revised and relaunched to employees depending on their role:

ANNUAL CODE OF CONDUCT TRAINING

The annual certification of all non-craft employees to our 2019 Code of Conduct either online or in-person for isolated sites. More than **42,000** employees targeted and certified.

ANTI-TRUST AND COMPETITION TRAINING

More than **5,300** employees targeted and trained

BUSINESS PARTNER DUE DILIGENCE TRAINING

More than **10,000** employees targeted and trained

GIFTS AND HOSPITALITY TRAINING

More than **8,200** employees targeted and trained

In 2019, the following training materials were assigned as part of an on-boarding process for new employees depending on their role:

INSIDER TRADING TRAINING

More than **600** employees targeted and trained

ANTI-CORRUPTION TRAINING

More than **1,100** employees targeted and trained

ANTI-CORRUPTION REFRESHER

More than **800** employees targeted and trained

AVOIDING TRAFFICKED LABOUR TRAINING

More than **100** employees targeted and trained

WORLD BANK SANCTIONS TRAINING

More than **150** employees targeted and trained

WORKING WITH THE CANADIAN GOVERNMENT TRAINING

More than **230** employees targeted and trained

TRADE CONTROL AND SANCTIONS TRAINING

More than **240** employees targeted and trained

In 2019, mandatory training material for all non-craft employees included:

Data privacy awareness training

This eLearning training was mandatory for all employees on our Learning Management System. The training covered fundamental data privacy topics, including how to define and recognize personal data as well as how to use personal data in accordance with required laws and regulations.

Anti-corruption and competition awareness training

This training was provided globally through in-person and virtual classrooms. It was mandatory for employees in sensitive roles such as all executive, senior and general management functions, as well as all staff in business development, procurement, project management and government relations.

Anti-corruption refresher

Every two years, a refresher is mandatory for all targeted employees. Our anti-corruption refresher is an eLearning module developed by TRACE International that requires employees to handle several situations.

Antitrust training

This training was based on our corporate policies and explained the basic concepts with case studies to help employees understand their antitrust responsibilities and identify potential risks in their activities. It was mandatory for employees in senior management, legal affairs, business development, finance and procurement.

Avoiding trafficked labour training

This course was developed by TRACE International to help employees understand and recognize human trafficking. In 2019, this course was mandatory for all Administrators; Executives; Project Managers; high-level managers; senior managers and professionals in procurement and HR; managers, professionals and technicians in Legal; and employees in Integrity.

Business partner due diligence training

This eLearning module was developed to help employees understand the purpose and scope of our Business Partner Policy. It helps them identify business partners, their role and responsibilities when dealing with them, and familiarize themselves with our Business Partner Compliance Due Diligence process. This training was mandatory for all high-level professionals and managers as well as employees in sensitive roles such as our business development and project management employees.

Training of business partners

When they first begin working with us, business partners with enhanced risks are required to undergo mandatory online anti-corruption training.

Gifts and hospitality training

Based on our Compliance Standard Operating Procedure, this training familiarized employees with situations in which accepting or offering something might be considered improper. It also identified situations requiring a scorecard. This training was mandatory for employees in general management, procurement, government relations, business development, integrity, human resources, legal affairs and project management.

Insider trading training

This eLearning was developed by the United Nations and is available [here](#). In this module, employees learned how to handle ethical dilemmas while in possession of confidential information. This training was mandatory for our employees in general management, procurement, government relations, business development, integrity, finance, legal affairs and project management.

Working with the Canadian government training

Developed in partnership with a global law firm, this three-session module covered federal laws and regulations, procurement integrity and conflicts of interest when doing business with the Canadian government. It was mandatory for all employees in charge of procurement and management on federally funded projects in Canada as well as for our Board and Executive Committee members.

Visible Leadership in the Community

SNC-Lavalin is very involved with collective outreach across many parts of the world, including in high-risk areas.

Our objectives are to:

- > Help promote ethical business by driving and supporting initiatives aimed at building capacity, especially with small and medium enterprises in regions where it makes business sense;
- > Serve as a role model for clients, suppliers and other businesses by positioning ethics and compliance as a business enabler;
- > Engage in sharing compliance best practices with other companies and organizations.

To achieve our objectives and promote ethical behaviour across businesses regardless of where they operate in the world, we:

- > Join or lead high-profile organizations;
- > Create new local or industry-specific coalitions;
- > Participate in or organize panel discussions;
- > Mentor small to medium-sized enterprises;
- > Participate in educational forums.

Some examples of our 2019 outreach initiatives by region include:

Asia Pacific

Malaysia

- > Participated in the Anti Money Laundering (Anti-Corruption) Workshop with the Malaysian Anti-Corruption Commission.
- > Participated in the Anti-corruption Forum on Initiatives against corruption in Malaysia.
- > Participated in Transparency International Malaysia Forums.

Canada and the USA

Canada

Montreal Integrity Network

Founding member of the Montreal Integrity Network, established in 2017, SNC-Lavalin continued to actively co-ordinate and participate in bi-monthly meetings throughout 2019.

ACFE Montréal Chapter

Speaker at a conference focused on Internal structures: Identifying and Dealing with Red Flags and Third-Party Due Diligence.

Ethisphere/BELA

Participated in a private round-table event for ethics and compliance professionals in Montréal hosted by BMO Financial Group, part of the broader Business Ethics Leadership Alliance (BELA) round-table series organized by Ethisphere and the BELA community to share ideas, experiences and lessons learned around developing best in class ethics and compliance programs.

National Case Competition on Ethical Leadership at Ryerson University

Since 2017 and currently until 2020, we are the proud sponsor of the National Case Competition on Ethical Leadership contributing keynote speakers and judges.

Transparency International Canada

Participated in the 2019 edition of the Annual Day of Dialogue in Toronto.

TRACE Bribery and Economic Crime Summit

This event explored the world of corruption and related financial crime and what can be done to detect, prevent and reduce bribery, money laundering, fraud and to foster collaboration among key stakeholders. Discussions involved all participants and aimed to produce actionable takeaways. The program featured high profile prosecutors, business leaders, and global experts.

Competent Boards

Participated as a Speaker during the Webinar on Anti-corruption, regarding the SNC-Lavalin Journey and lessons learned at the Competent Boards Presentation.

USA

TRACE

Panelist at the 15th Annual TRACE Forum in Washington, DC on Third Party Due Diligence.

Ethisphere

Panelist at the Global Ethics Summit by Ethisphere in New York in March: Post-Acquisition and Post-Merger Compliance System Integration: Cultural, Legal, and Technical Challenges which took place in New York.

12th Annual Flagship Conference on Economic Sanctions Enforcement and Compliance

Participant at a conference focused on the impact of the snapback of Iran sanctions, potential blocking statutes in the EU, and the latest changes in Russia secondary sanctions, amongst other topics, which took place in Washington, DC.

SCCE's Utilities & Energy Compliance & Ethics Conference

The Society of Corporate Compliance and Ethics (SCCE) held a Conference on Utilities & Energy. We participated as a Panelist on The Future Compliance Officer: New Dimensions of AI and How Compliance Officers can Leverage Machine Learning.

Europe

PACI (Partnering Against Corruption Initiative)

- > Chair at the World Economic Forum Fall Meeting in October in Geneva, Switzerland;
- > Participant at the Spring Community Meeting in May in Geneva, Switzerland.

Securing Digital Transformation Conference

Speaker at the conference on Pragmatic Implementation of Compliance of Data Privacy Programs in London, UK.

TRACE

Speaker at the 2019 London Forum in October. How Investing in Good Governance Initiatives Can Help Sustain Your Compliance Efforts.

OECD

Panelist at the Annual Integrity Forum in Paris in March and in September on how to rebuild trust.

Ethisphere

Participant at the London Ethics & Compliance Forum in October discussing Evaluating Cybersecurity Gaps Across the Value Chain, Third Party Risk Management: Influencing Better Practices Across Global Relationships, Evolving Compliance Program Structure to Accommodate for Global Changes, Cross-Jurisdictional Anti-Corruption and Effective Investigation Practice, Ethics in the Digital Evolution: The Promise and the Peril of A.I. and Machine Learning.

Middle East and Africa

TRACE

Participated in roundtables in Dubai in February and October, with the general discussion on compliance best practices and developments in the field of Anti-Bribery.

Corporate Compliance Forum

Participated in a half-day workshop/networking event in Dubai.

UAE Compliance Network

Multiple participation including as Chair and Speaker on our Integrity journey.

World Economic Forum

Participated in the round-table discussion on Rebuilding Trust in June in Johannesburg, South Africa.

SNC-Lavalin's Values and Engagement with Governments

SNC-Lavalin's core values – safety, integrity, collaboration and innovation are embedded across all our business activities. These values represent how we act, speak and behave, and how we engage with our clients and stakeholders. Integrity and responsible governance go hand in hand in engagement with public sector as well as all third-party stakeholders.

SNC-Lavalin plays an active role – through good work in engineering, design, procurement and project management – in helping people live their lives around the world. Governments develop laws, rules, policies and procedures that are in the public interest, but this has a bearing on the company and its employees. Given the relevance of Government actions (policy, regulatory, legislative) at all levels of government (national, state/provincial, and municipal/local) to our operations, it makes sense to contribute to government decision-making through active, informed, constructive engagement and consultation. This also allows us to share our expertise in the field of public works.

We all have a stake in getting it right, whether it's the community that's involved, the customers and clients that could be impacted, or the shareholders who could bear the ultimate risk.

SNC-Lavalin engages with government officials and public representatives in a proactive, honest, responsible, sustainable, transparent and accountable manner. Building and maintaining constructive, positive relationships in the public sector – earning trust with mutual respect – drives SNC-Lavalin's government relations activity. Our Code of Conduct, and SNC-Lavalin's global best practices and guidelines, governs in circumstances where employees may contact government officials or public representatives. This is all consistent with the principle that corporate engagement with government is a legitimate activity.

Modern Slavery and Human Trafficking

At SNC-Lavalin, we are committed to preventing modern slavery and human trafficking in our operations, which include our supply chain.

Our Strategy Related to Our Supply Chain

We recognize that our risk regarding modern slavery and human trafficking lies in our supply chains. That environment is ever-changing, as our business spans, and fluctuates over many geographies and industry sectors, and a new chain is created for each new project that we embark upon. Depending upon the requirements of each project, participants in these supply chains might include sub-consultants, subcontractors, equipment and material suppliers, labour brokers, and a variety of specialized service providers. In 2019, SNC-Lavalin adopted a new business strategy to simplify, focus, and sustainably grow the business. This new approach reduces our overall risk profile by no longer bidding on lump-sum turnkey (LSTK) contracts and we reduce our modern slavery and human trafficking risks as a result of retaining fewer subcontractors, equipment and material suppliers and labour brokers. We strive, however, to be reliable partners in our clients' own efforts to fight modern slavery and human trafficking, whenever we advise them, or act on their behalf on procurement matters.

Policies and Governance

Code of Conduct

Our [Code of Conduct](#) sets the standards of how we work together for or on behalf of SNC-Lavalin. This important document articulates our values and includes a section dedicated to modern slavery. We aim to maintain high ethical standards in the conduct of our business. As a result, compliance with the Code of Conduct is mandatory for all personnel: it is a condition of working with us.

Compliance

Considering that our personnel are the front-line agents in the application of our Integrity value, we have a [Compliance Procedure](#) operationalizing the principles laid out in our [Code of Conduct](#). These principles relate to anti-corruption and bribery, facilitation payments, antitrust, political contributions, gifts & hospitality, duty to report and how we deal with business partners.

Sustainability

We put sustainability at the heart of our corporate and project activities and business strategy. In that sense, every year we commit in our [Sustainability Policy Statement](#) to conduct business activities in a way that is beneficial to society and global and local economies. Therefore, our [Sustainable Business Strategy](#) is aligned with the [UN Sustainable Development Goals](#). We help clients to address the global, local, social and economic impacts, opportunities and risk associated with our projects.

Suppliers

We commit to undertake business with integrity and expect our suppliers, subcontractors and consultants to respect and adhere to our values and high ethical standards of conduct. The [Supplier Code of Conduct](#) summarizes SNC-Lavalin's expectations and governing principles, including those related to human rights, modern slavery and human trafficking.

Procurement

We strive to be competitive, yet fair and ethical in our business practice. To ensure the effectiveness of the process, the company has implemented a procurement policy that our personnel must follow. The policy communicates SNC-Lavalin's procurement principles and rules and contributes in creating and maintaining effective supply chain management capabilities, processes and systems. To ensure the transparency of the process, the company also makes all governance documents available to all employees. Relevant governance documents include the *Purchasing Management Procedure*, *Vendor Integrity Verification Procedure* and *Project Risk Identification work instruction* which set out the necessary precautions to be taken to avoid modern slavery and human trafficking.

Human Resources

We also have human resources governance documents to protect our personnel and potential personnel from modern slavery and human trafficking. These include: [the Human Resources Policy and Workplace Discrimination, Harassment and Violence Procedure](#). In some of the company's higher risk operations, provisions have been added in our contract templates for hiring recruitment agencies, specifically addressing modern slavery and human trafficking.

Due Diligence: Suppliers and Third Parties

At SNC-Lavalin, we expect third parties we work with to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations.

Before making any commitments towards third parties, we take steps to appropriately evaluate the relationship and mitigate any associated risks by carrying out due diligence as may be dictated based on the risk level:

- > The 360° Integrity Check verifies if the third party is listed on international data sources, has a history of corruption, collusion, fraud or labour/human right issues, is a state-owned entity or politically exposed person, or appears on SNC-Lavalin's Reference List in order to take the appropriate mitigating measures.
 - The Vendor Integrity Verification process is an integral part of SNC-Lavalin's Integrity program. It uses multiple tools to ensure vendors are ethical through a rigorous screening and ongoing monitoring process.
- > All clients for international projects undergo an Integrity Check. If there are any findings a prior review and endorsement by an Integrity Officer is required, as well as approval up to the Sector President.
- > A uniform risk assessment of business partners performing intermediary functions between SNC-Lavalin and third parties is a company-wide requirement. Based on a set of defined risk indicators – such as the risk of corruption in the country in which the work is undertaken – a risk rating (basic, standard or enhanced) is specified for each registered transaction. The risk rating determines the subsequent action (e.g. due diligence, approval

requirements and mandatory contractual clauses) taken regarding business partners.

- > Suppliers are required to accept integrity-related contractual provisions and adhere to our [Supplier Code of Conduct](#).
- > In high risk areas, we ensure our contracts with employment agencies stipulate that it is prohibited to require employees to pay recruitment fees. In addition, as part of our on-boarding process in these same areas, we verify with blue collar workers that they were not asked to pay such fees.

Risk Assessment and Management

We undertake risk assessments to determine where our operations present a higher risk of modern slavery and human trafficking. Where we identify higher risks, we implement mitigation measures (e.g. enhanced due diligence). Significant risk is known to reside in the use of blue-collar workers, something that is common in our industry and indeed in our own operations. The risk is compounded in the case of migrant workers. We have mapped out our use of such workers on our worksites, by country of origin (where applicable) and country of deployment, and compared that against indices such as the Global Slavery Vulnerability Score, the Global Slavery Prevalence Index and the Human Freedom Index. A number of countries have thus been identified as requiring heightened attention from our perspective, and our efforts are guided accordingly.

Training and Awareness

Every year, SNC-Lavalin personnel at all levels are required to complete a mandatory certification process to ensure that our [Code of Conduct](#) is understood and properly applied to our daily activities.

For our blue collar and general labour workforce, we ensure awareness of our Code of Conduct and values by providing timely information by various means such as on-boarding presentations, posters, and during daily meetings. Pictograms have specifically been developed to aid understanding and knowledge of the principles covered by the Code of Conduct. The modern slavery and human trafficking toolbox (which includes posters and a facilitation guide) provides our workforce with a summary of our modern slavery and human trafficking principles, giving real life examples and advising how to report any suspected or known violations.

To ensure a good understanding of the risks of modern slavery and human trafficking in our supply chains and business, we provide additional training for personnel in key positions. Our training actively explains human trafficking, how to recognize it, and proposes compliance strategies to use internally and throughout the supply chains. Every member of our Board of Directors has completed this training as part of their on-boarding. It is also available to all our employees and each manager may, at their discretion, assign it to their employees.

In addition, the company's Board of Directors and top executives attended an in-person presentation aimed at raising their awareness and giving them an understanding of modern slavery and human trafficking issues, given by outside counsel specializing in the topic.

Duty to Report

At SNC-Lavalin, all our personnel have a duty to report any known or suspected violation of our Code or any governance documents, as well as any violation of applicable laws, rules or regulations.

That requirement is set out in our [Code of Conduct](#), in our [Compliance Procedure](#), as well as in our [Supplier Code of Conduct](#). The various reporting channels are set out in our Reporting Work Instruction. One such channel, the [Reporting Line](#), is operated by an external service provider and is an anonymous way to report ethical and compliance concerns, including any concerns about modern slavery and human trafficking. The line is accessible not only to SNC-Lavalin personnel, but also to third parties who may potentially witness a violation by our personnel. The line is staffed by individuals speaking a variety of languages, to facilitate communication and reporting in any region of the world.

We make sure personnel and third parties are able to disclose, without fear of retaliation, concerns, complaints or allegations of known or suspected wrongdoing or misconduct and this, regardless of the local norms and culture.

Afterwards, we undertake to review all reported matters and investigate when required, within a reasonable time-frame.

Aligning with Global Initiatives and Best Practices

In late 2015, we joined the [United Nations Global Compact \(UNGC\)](#), the world's largest corporate social initiative, with more than 9,000 business and 3,000 non-business participants in more than 160 countries. Joining the UNGC underscores our commitment to putting our extensive know-how and resources to work to meet the world's sustainability challenges. It also signals our intention to align our strategies and operations with the [UNGC's ten Principles on human rights, labour, environment and anti-corruption](#).

Our Commitment

In summary, at SNC-Lavalin, we are committed to preventing modern slavery and human trafficking in our operations. We are dedicated to protecting our people from any form of modern slavery and human trafficking by promoting our core values: Safety, Integrity, Collaboration and Innovation.

We do not tolerate any form of forced labour, slavery or human trafficking in any part of our business. As a signatory to the UNGC, we are committed to implementing internationally recognized best practices. This includes adhering to the [sixth principle](#) that addresses working conditions and human rights.

Our [Code of Conduct](#) and [Supplier Code of Conduct](#) specifically prohibit human trafficking as well as child and forced labour. All personnel must abide by our Code. In fact, they must undergo mandatory annual certification on the Code, followed by an exam that they need to pass to continue working with us. In terms of our operations, our sustainable business strategy is aligned with the [UN Sustainable Development Goals](#). Our mission is to do business while taking into consideration the economic, social and environmental realities in different countries around the world.

We are dedicated to protecting our people from any form of modern slavery and human trafficking by promoting our core values:

~~SAFETY~~
~~INTEGRITY~~
~~COLLABORATION~~
~~INNOVATION~~

8 / PEOPLE AND SOCIETY



8. PEOPLE AND SOCIETY

Employees

Employees are the driving force behind our contributions to sustainable development.

Our employees' shared expertise, passion and commitment to our clients' success enables us to forge long-term client partnerships and put sustainability at the heart of our business strategy. We are very focused on creating an environment that ensures our employees develop and thrive. This is how we will continue to strengthen our Tier-1 capabilities and deliver even the most complex projects effectively.

Governance

We strive to embed our culture and values in everything we do. This includes the principles of good governance. As part of our Human Resources (HR) governance, the Executive Vice-President (EVP) of HR participates in the:

- > Executive Committee
- > Senior Management Team meetings
- > SNC-Lavalin Integrity Committee
- > HR Integrity Committee
- > HR Committee of the Board of Directors

These committees help align and continuously improve our HR strategy, approach and initiatives. Senior members of the global HR team meet regularly with their internal clients and lead their own sector or functional meetings. The global HR leadership team also meets regularly to develop the Group's People Strategy. This group discusses key issues affecting employees and the HR function globally, and manages how we are delivering on SNC-Lavalin's business and people plans.

Global HR Policy

We revised our Global Human Resources Policy in October 2018 and minor updates, reflecting changes to organizational terminology, were integrated in August 2019. This policy provides the guiding principles for the effective management of human resources worldwide. It reflects our People Strategy of building capability and flexibility to achieve our business ambitions and flawlessly executing complex projects. These guiding principles are derived from the Group's People Strategy, which focuses on three strategic priorities:

- > **People** – the attraction and recruitment of the best talent;
- > **Organization** – the effective identification, development and deployment of our talent;
- > **Systems and processes** – the implementation of the necessary tools and programs to engage with our talent, drive performance, reward, recognize and retain our employees.

Both this Policy and the People Strategy are means of ensuring that SNC-Lavalin's culture and values are embedded in everything we do. We aim to foster a collaborative and positive climate where a diverse employee group can thrive, develop and achieve their full potential. Our overall aspiration is for SNC-Lavalin's human capital to be recognized as the benchmark in the industry and beyond, and to have the excellence of our people and their commitment to our clients' success significantly differentiate us and contribute to securing long-term partnerships.

In line with this aspiration, we strive to provide our employees with a work environment that:

- > Fosters a performance-driven culture anchored in the company's values of safety, integrity, collaboration and innovation;
- > Prohibits workplace harassment, discrimination and any form of violence;
- > Supports the highest standards of integrity;
- > Actively promotes diversity and inclusion as well as equal opportunity for all;
- > Fosters mutual trust, respect and dignity at all levels of the organization;
- > Enables all personnel to report misconduct without fear of retaliation or retribution;
- > Entitles all personnel to be treated fairly, without distinction, exclusion or preference based on culture, experience, race, colour, gender, pregnancy, sexual orientation, marital or family status, age, religion, political conviction, ethnic or national origin, social condition, disability or conviction for which a pardon has been granted;
- > Represents the pool of qualified individuals available for recruitment and ensures that no one is denied employment opportunities, advancement or benefits for reasons unrelated to ability;
- > Fosters the highest health, safety and security standards. Health, safety and security are central to everything we do. Ensuring all personnel and stakeholders return home safely at the end of the day is our number one priority.

HR Integrity Committee

In early 2017, we established the HR Ethics and Compliance Committee, chaired by the EVP of Human Resources, to address HR ethics and compliance investigations. The committee helps to ensure that consistent measures are applied following an investigation, and that corrective actions are implemented in a timely manner. It also reinforces our corporate values and integrity culture.

Addressing Conflicts of Interest

Our employees are the face of SNC-Lavalin. Their actions significantly impact how our company is perceived by all stakeholders. As a condition of employment, we require all employees to understand and abide by our Code of Conduct.

Reporting any actual, potential or perceived conflict of interest is a Code requirement. The Conflict of Interest Disclosure form helps us to promptly identify possible conflicts of interest and quickly address situations that may undermine employee impartiality.

To ensure employees understand the form's content and purpose, it was made available in English, French, Spanish, Portuguese, Arabic, Polish, Romanian and Russian in early 2017.

Additionally, when a conflict is disclosed, managers, HR professionals and, if required, Integrity team members follow guidelines to address and mitigate the conflict properly.

Every year, as part of the Code of Conduct certification, we ask all employees to certify they have disclosed all their potential conflicts of interest.

Background Checks

Over the years, we have seen a significant increase in the number and complexity of our projects. As our operations expand, we must take extra care to protect our employees, shareholders, stakeholders and assets whilst ensuring projects are delivered on time, on budget and without incident.

To help us achieve these goals, we conduct thorough background checks on all candidates for key positions at SNC-Lavalin. The screening process is based on the position's specific requirements and the local laws and customs.

These checks help ascertain the candidate's suitability for the position while diminishing the risk inherent in the hiring process. An applicant's consent is required before proceeding with the verification. All reports are treated with confidentiality and used solely for the purpose for which they are collected.

Strengthening our HR Capabilities

In 2018, we developed a new People Strategy for the group and rolled it out by sector and region. We updated the strategy in 2019 and continued to improve our HR systems, practices and tools in line with our changing business environment. Through our company-wide HR initiatives, we engage our employees and create long-term value for our organization and clients. We are also committed to helping our employees reach their development and career goals through our extensive learning and development curriculum. Through our new mid-year career discussion process, we encourage people to proactively discuss their career aspirations, seek out new challenges and take action to turn their aspirations into reality. Our internal job-posting site is one of the ways employees can explore new career opportunities across SNC-Lavalin.

Compensation and Benefits

In recent years, we have taken significant steps to align employees' compensation and benefits internally across our organization, and externally within our industry.

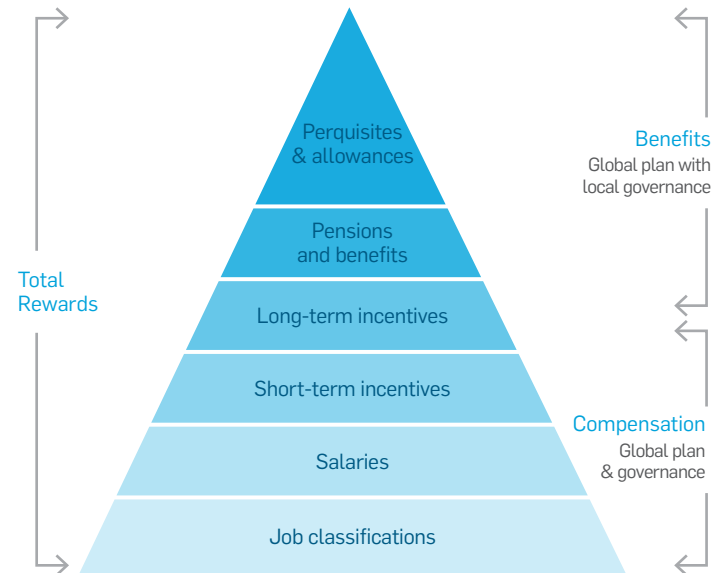
Total Rewards

Our Total Rewards framework drives employee engagement and helps attract and maintain key talents, all of which reflects our business strategy, culture and relevant local market competitive practices. Total Rewards supports a pay-for-performance culture that rewards top-quartile performers while ensuring that all employees receive adequate levels of compensation and protection.

The main elements of Total Rewards include, where applicable, one or more of the following:

- > A base salary established within a salary structure that provides flexibility to recognize employees' individual skills, competencies, performance and development;
- > An adequate level of protection under health and welfare programs with the opportunity, where applicable, for employees to tailor the protection to their personal and family needs;
- > A retirement program, where available, building an asset base over time to provide post-retirement income;

- > Where locally practical, an opportunity to purchase SNC-Lavalin shares and reap the benefits of current and future company success;
- > Incentive programs, both short term and long term, aligning eligible employees' compensation with the achievement of SNC-Lavalin and business-unit objectives, individual performance and shareholder interests, or recognizing employees' remarkable or outstanding achievements over and above their normal job requirements.



Job Classification

Employee eligibility and participation in the Total Rewards framework's applicable elements are based on our job-classification system rolled out worldwide. A coherent job-classification system enables us to determine salary and incentives using the same template and wage scale regardless of an employee's location.

Performance Management

Every year, managers are trained to evaluate their team members using the same criteria worldwide. Performance management, and the fruitful discussions between managers and employees that stem from it, demonstrate our commitment to developing careers at SNC-Lavalin. We encourage managers and employees to make the most of the mid-year and annual discussions by taking the time to reflect on:

- > The attainment of the past year's objectives as well as the priorities to come;
- > Professional interests and steps taken with respect to career management;
- > Potential areas for development.

More than just an annual review process, performance management is the continuous process of setting objectives, assessing progress and providing ongoing coaching and feedback to ensure employees are meeting their objectives and career goals.



SNC-Lavalin Academy

The SNC-Lavalin Academy is an important force in shaping the future of our organization and a key element of our global people development strategy. At the SNC-Lavalin Academy, we address corporation-wide development needs, develop key competencies and create an environment that promotes networking, collaboration and sharing of best practices.

Learning Streams

The Academy offers a series of courses linked to three key strategic priorities:

- > Project management
- > Corporate excellence
- > Leadership development

Each learning stream consists of courses delivered face-to-face in the classroom, eLearning modules, or a combination of both. Courses range from half-hour online modules to week-long sessions and year-long professional certification programs. Some courses are open to employees across the company while others are by invitation and tailored to specific groups.

Superior Instruction

The Academy is steered by a faculty of SNC-Lavalin subject matter experts. We have also built partnerships with specialized global learning organizations in project management and leadership. First-class teaching ensures the quality of delivery. Programs are piloted and undergo review and continuous improvement following participant feedback. They also offer a unique opportunity for sharing experiences with people coming together from our different sectors and regions of the world. Courses are delivered in four languages: English, French, Spanish and Portuguese.

Key in-class Programs

Some 2019 highlights include:

Executive Leadership Development Program (ELDP)

During the year we launched our new Executive Leadership Development Program (ELDP). Delivered in association with Saïd Business School, University of Oxford, the ELDP is targeted at our top leadership cadre drawn from across the group. The program is designed to ensure that we have a community of executive leaders across the organization capable of driving change and delivering our strategy for profitable growth.

In addition, we also designed and delivered two cohorts of our new 'Senior Leadership Development Program' (SLDP). Delivered with our program partner Development Dimensions International (DDI), the SLDP aims to equip our senior leaders with the skills to navigate change and develop a more strategic mindset in support of their progression from operational leadership roles to more senior strategic levels.

Building People Leaders (BPL)

The BPL helps our managers to raise their self-awareness of their leadership style, engage more effectively with their teams, and lead change in their part of the organization. Across the organization over 1,000 employees took part in the BPL program in 2019, with a total of over 15,000 hours of training. Sessions were held in Canada, UK, USA and the Middle East.

Project Management Development Program (PMDP)

This program strengthens our project managers' execution and delivery capabilities as well as promotes best practices across our organization. It also helps project managers obtain George Washington Certified Project Manager certification as well as PMP® certification from the Project Management Institute (PMI).

In 2019, 135 employees were trained in 28 different sessions for a total of 4,815 hours of training and we were pleased to welcome another 41 PMDP graduates.

Client Value Proposition Workshops

Well-crafted client value propositions (CVP) are an essential tool for achieving growth. Our CVP workshops help client-specific teams to undertake client profiling, consider their value propositions to selected clients, and differentiate themselves from the competition.

Over 110 client managers attended workshops during 2019, developing value propositions for 13 separate key client organizations.

Learning Management System: Online learning

Through our Learning Management System (LMS), our 39,000 employees worldwide had access to an online library of more than 6,200 courses in 2019. Over 18,400 online catalogue courses were completed during the year, representing over 6,600 training hours. Also in 2019, the Code of Conduct's annual certification was rolled out for the fourth time using the LMS platform, which facilitated certification deployment and tracking of over 16,300 employees across the company. In addition, online compliance training modules were launched during the year covering a range of topics including Integrity, Safety, Finance and Environmental Management.



Equality and Diversity

We are proud of our diverse and dedicated workforce. Our employees speak about 70 languages, represent some 130 nationalities and work from offices on six continents. Our diversity is a key strength in helping us to understand and meet client needs worldwide.

Therefore, we have developed a Sustainable Business Strategy that includes an Equality and Diversity program. This associated measurement category ensures that we continue to increase diversity across our projects, sectors and corporate functions.

We believe that greater diversity will further strengthen our talent pool, enabling us to better serve clients and achieve our business objectives. This way, we will continue to work towards increasing the number of women in professional and in management positions while offering employees more choices and empowering them to reach their career goals.

We are convinced that the different viewpoints and experiences of a diverse workforce offer best value to our clients and our employees.

We are a multi-local company: we assemble teams that cross geographical and cultural boundaries and recruit from around the world.

It is essential to our success that we attract, retain, and develop talented individuals who reflect the diverse nature of the areas in which we work. Success in this regard is critical for us to build a balanced workforce to meet our clients' needs, broaden our skills base, increase productivity, address a growing skill deficit in the science and engineering disciplines, and promote employee retention.

We have been promoting equality and inclusiveness in our policies and processes for many years, but in 2019 we focused this effort geographically by creating six regional Diversity & Inclusion (D&I) networks to support our global D&I implementation approach.

We have put in place an executive sponsor for each geographic regional network to tailor the efforts to its respective local realities, cultures and laws.

We strive to foster a climate of inclusion and respect for all and to promote diversity as an integral element of our corporate culture. We are making progress in several areas through internal initiatives and our collaboration with clients and national organizations. Over the past five years, we have seen an increase in the number of women and minorities in managerial senior, technical and professional roles across our business.

Corporate Diversity Advisory Council (CDAC)

In North America, our CDAC actively champions our diversity objectives through a variety of awareness, support, and training programs and by providing personal and professional growth opportunities for our employees.

Sponsorships

We are committed to retaining, recruiting, developing, and elevating minority and women professionals, and therefore, we support professional organizations such as the Conference of Minority Transportation Officials (COMTO), National Organization of Minority Architects, and Women's Transportation Seminar (WTS).

This support has extended to the provision of major scholarship programs through our company's foundation, for organizations such as the National Society of Black Engineers, the Society for Women Engineers, COMTO, and WTS.

We are a member/supporter of Catalyst, a global non-profit organization that works with companies around the world to accelerate women into leadership.

Training

In addition to online diversity training modules available to all employees, we offer a one-day workshop tailored to senior leaders and managers. This highly acclaimed program is designed to help managers lead and work effectively with diverse teams and to recognize how each team member's unique contribution ultimately improves the product that we deliver to our clients.

Indigenous Relations

SNC-Lavalin has a long history of working and collaborating with Indigenous communities across Canada. In recent years, Indigenous commitments have increasingly become a procurement requirement for large projects, and an expectation of our clients as part of meeting sustainable development objectives.

In response, the community and diversity measurement categories in our Sustainable Business Strategy include our approach for Indigenous inclusion. And, in early 2019, to further strengthen our commitment, we became a committed member of the Progressive Aboriginal Relations (PAR), an online management and reporting program that supports progressive improvement in Indigenous relations, and a certification that confirms corporate performance at Bronze, Silver or Gold levels.

This program is overseen by the Canadian Council of Aboriginal Business (CCAB). The PAR Certification will lead to improving our practices in four key areas for Indigenous inclusion:



By passing annual audits, we will become a PAR-Certified member in 2022.

In our first year, we have formed a Steering Committee to oversee our participation in the program. The Committee has led the formalization of our Commitment to Indigenous Peoples and to the development of a new Indigenous Relations and Inclusion Policy (SOP). Overall, the program has been very successful in getting all levels of the company engaged with Indigenous relations.

This year we also began working with the Webequie First Nation community, providing community engagement and environmental assessment services around its proposed supply road project, which would connect the community to the Ring of Fire mineral development area in northern Ontario. The next stage of our work will be to provide early engineering for the project.

In 2020, we will be focusing on creating a training program for all Canadian employees and identifying the specific communities we will be working closely with in the coming years.

Though our focus on Indigenous relations is currently primarily applicable in Canada, we are well-positioned to be leaders in this area in our other markets as similar requirements develop.

Donations and Sponsorships

We use donations and sponsorships to support initiatives that stimulate progress and build the future of our societies.

Our goal is to have a positive impact on communities, learning and innovation. This is why we contribute primarily to educational causes and initiatives that support the next generation of talent. We also contribute to charities that build caring communities in the regions where we operate.

2019 Donations and Sponsorships

In addition to working on client projects that help improve wellbeing around the world, our employees are involved in fundraising activities for both local and national charities. In 2019, we supported organizations through donations and sponsorships totaling around CA\$1,000,000.

Key 2019 donations and sponsorships

United Way/Centraide Canada

During the 2019 United Way/Centraide Canada campaign, we raised CA\$464,926 to support social programs and community initiatives. The United Way/Centraide Canada is a non-profit organization that raises funds across Canada for local groups addressing community issues such as unemployment, affordable housing and shelters. Centraide of Greater Montreal is the local arm of the national organization.

Alloprof

In early 2017, we partnered with Alloprof, a unique charitable organization that offers Québec elementary and high school students free help with their homework and general training to adults and parents. Over a three-year period, we donated CA\$150,000 to help Alloprof create, promote and host a virtual educational assistance tool. This innovative tool will greatly expand the resources available to students struggling with certain school subjects.

Our partnership with Alloprof reflects our commitment to support the education and success of young people, and in 2019 we renewed our commitment to provide a further CA\$150,000 over the next three years.

Robotique FIRST (Favoriser l'Inspiration et la Reconnaissance des Sciences et de la Technologie) Québec

In 2019, we provided CA\$50,000 to this organization, whose mission is to engage grade and high-school students in an innovative robotics mentoring program that draws on the expertise of engineers, academics and other community members.

Other Charitable Causes

To mark the 30th anniversary of the École Polytechnique tragedy in Montréal, SNC-Lavalin employees donated CA\$2,395 during the Week of the White Rose, an annual fundraising initiative which benefits the university's science camp. We matched that amount and donated a further CA\$3,000 for a total contribution of CA\$7,790.

Our employees also raised CA\$2,610 for the Canadian Red Cross following terrible flooding in Québec. This amount was matched by the company, for a total of CA\$5,220.

SNC-Lavalin donated CA\$20,000 to the annual "Soirée Bacchus" of Collège Brébeuf, a private secondary and college establishment in Montréal. The college uses the proceedings of the fundraising evening to fund scholarships.

We also donated CA\$20,000 to the Canadian Wildlife Federation to support its Lakes & Rivers program. The donation followed the inauguration of the Samuel De Champlain Bridge, the largest bridge over the St. Lawrence River and one of the most environmentally sustainable.

Finally, SNC-Lavalin once again partnered with the Cancer Research Society for its fifth annual Urban BBQ, and the event raised over CA\$600,000 in total.

Gender Pay Gap (for UK only)

In 2019, we published our Gender Pay Gap report, stating any differences between the remuneration for men and women working within Atkins Limited, Faithful+Gould Limited and SNC-Lavalin Rail & Transit Limited. We pride ourselves on acting with integrity and holding ourselves accountable for our actions. Like most companies in the engineering and construction sector, our pay gap is largely a reflection of the disproportionate ratio of men to women within our business. Since the last reporting period, we're proud to have achieved a 3% decrease in our average hourly gender pay gap and a 12% decrease in the average bonus pay gap for our largest employment entity, Atkins Limited. We've also increased the proportion of women in mid-to-senior roles across our employment entities.

Through our Equality, Diversity & Inclusion (ED&I) plan for the UK & Europe, which is aligned to the WISE Ten Steps, we remain committed to recruit, develop, engage and enable women – as well as other underrepresented groups – at all levels of our business.

[Gender Pay Gap Report >](#)

Generation Z

We aspire to provide the best services and advice to our clients. To do so, we must ensure we have a talented and diverse team. We gathered research from across the world from more than 8,000 millennials and representatives of Generation Z (those born after the 1990s), asking them what they think about work and technology. Many aspire to work in a company that will allow them to prosper in line with their values and beliefs and be involved in challenging work of which they can be proud. Members of Generation Z are digital natives and the most tech-savvy generation to date. The insight from this research is helping us devise appropriate attraction and recruitment strategies, develop rewarding work-related choices and provide an engaging, fulfilling experience for our employees. By doing this, we hope to welcome a new generation of innovators who will shape our company's future.

[Generation Z Report >](#)



9 / HEALTH, SAFETY AND ENVIRONMENT



9. HEALTH, SAFETY AND ENVIRONMENT

Governance

SNC-Lavalin's Values

Our values are our standards of behaviour. They represent how we act, speak and behave together, and how we engage with our clients and stakeholders. Safety is the first of our four core values. At SNC-Lavalin, we put safety at the heart of everything we do, to protect people, assets and the environment.

A Fully Integrated Approach to Governance

2019 was the second year for our integrated Global Health, Safety and Environment Management System (GHSEMS). The GHSEMS outlines expectations and supports a 'One Company' approach for delivering a robust HSE performance throughout our organization. All our HSE processes are consolidated into one document referred to as the BlueBook.

Updated annually, the BlueBook integrates our HSE leading and lagging indicators and best practices while ensuring our activities comply with all applicable laws, regulations, client and other stakeholder requirements. It is also consistent with the requirements of the ISO 14001:2015 environmental standard and ISO 45001:2018 occupational health and safety standard.

The BlueBook is distributed across our organization and to clients and contractors to ensure everyone is working to the same standards and requirements.

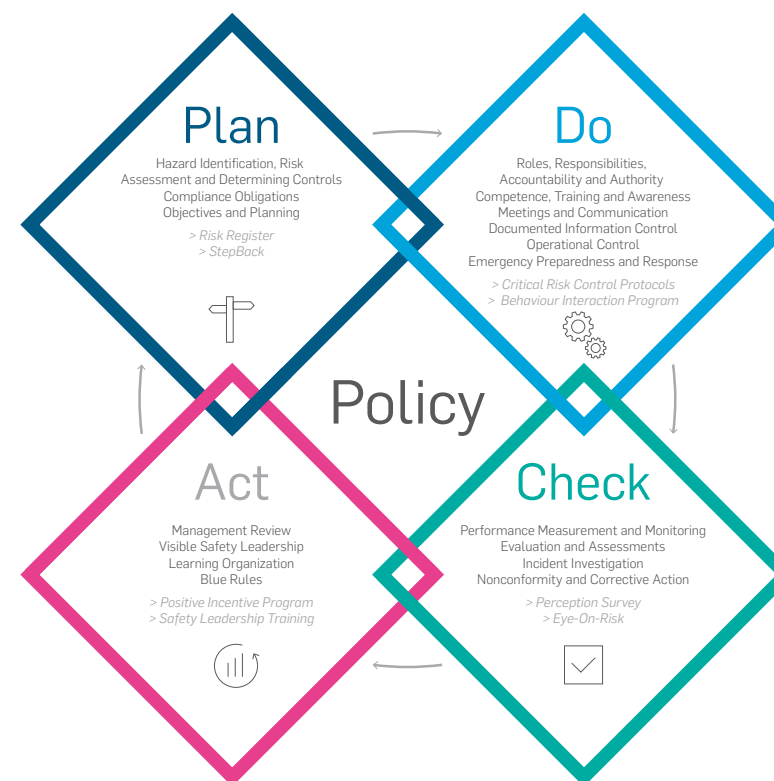
BlueBook >

The BlueBook is also accessible via a smart phone application for all employees.

A Focus on Continuous Improvement

The GHSEMS is based on the principles of continuous improvement. Adopting the Plan-Do-Check-Act methodology helps us move beyond the compliance obligations and towards achieving the next level of HSE performance.

Each year, our HSE targets for lagging indicators are becoming more stringent. From 2018 to 2019, Total Recordable Incident Frequency (TRIF) target went from 0.14 to 0.13, while our Lost Time Incident Frequency (LTIF) target was reconducted at 0.013. We used 2018 to establish a baseline for defining a Total Environmental Incident Frequency (TEIF) target, finishing the year with a frequency of 0.40. The approved target for 2019 was then established at 0.35.



Oversight and Reporting

Sector HSE leads convey SNC-Lavalin HSE requirements to our sectors, business units, divisions and sites. Site line management - executives, managers and supervisors – are accountable for implementing our GHSEMS. Within each sector, dedicated HSE representatives help communicate the BlueBook and its requirements to our employees and partners. The Executive Committee receives monthly reports on our Global HSE performance.

Moreover, Global HSE performance, challenges and opportunities are reported on a quarterly basis to the Safety, Workplace and Project Risk Committee (SWPRC) of the Board of Directors. Our President & CEO is notified of every High Potential incident within 24 hours.

Personal HSE Commitment Plan

All SNC-Lavalin employees are required to define their personal HSE commitments. These simple, conspicuously posted manifestos capture each employee's commitments while promoting personal reflection on these crucial areas. Employees place their manifestos on office walls, laptops and clipboards as a visible and constant reminder of the importance of HSE.

To demonstrate that every SNC-Lavalin employee is committed to contributing to HSE performance, here is our President and CEO's 2020 Personal HSE Commitment Plan. Ian L. Edwards was appointed President and CEO on October 31st, 2019.

Ian L. Edwards 2020 Personal HSE Commitment

“Make it personal”



I personally undertake to:

"I commit to lead the company to incrementally improve the performance across all sectors to pursue our goal to ensure all our people return home safe to their families at the end of every working day."

"I will personally intervene to any unsafe act, condition or unsafe behaviour and explain to the people involved that this does not align with our values."

"I will actively participate in visible leadership by taking action to encourage everyone to act safe to protect their wellbeing and that of their colleagues. I will also ensure these interactions are on a personal level to promote this message and encourage behaviours so we all care for each and everyone in the SNC-Lavalin family."



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SNC • LAVALIN
Building what matters

Code of Conduct

Every year, all employees and consultants must review our Code of Conduct and vow to abide by it. The Code contains a specific provision outlining our commitment to observe and comply with all applicable HSE standards and practices.

Training

This year, all employees were required to complete a mandatory hand safety awareness eLearning module, instigated in response to the fact that hand related injuries represented 44% of all recordable injuries in 2018. The success of this module was demonstrated by hand injuries falling by almost 60%, from 321 in 2018 to 132 in 2019.

In 2020, a first compulsory environmental awareness eLearning module will be launched.

HSE Week

In April 2019, we launched our annual HSE Week across the organization. With activities organized around the theme of living well and making green choices, the week provided opportunities for our people to focus on building healthy habits while spending time with colleagues, meeting new people and having fun. Among many other, specific activities included clothing drives, tree planting, shoreline clean-ups and a number of exercise programs.

Stakeholder Engagement

Sharing Our HSE Expertise

Given our strong HSE performance, clients are increasingly turning to us to help them assess and identify gaps in their own HSE management systems. We conduct gap analysis for clients and work with them to integrate best practices into their systems. These safety advisory services provide us with another way to enhance the sustainability of client projects.

Our environmental professionals work with our clients to seek ways to increase the environmental benefits of projects where possible. This includes providing whole-life costing and solutions. We can make our biggest contribution to the environment by considering the use, reuse and recycling of material, water and energy on client projects. We apply innovative thinking to effectively manage these projects and build facilities and infrastructure that meet the highest environmental standards.

Environmental Focus at our Facilities

Energy Consumption

We have been filing an annual Carbon Disclosure Project (CDP) report since 2007. Major sources of emissions include our offices and production facilities as well as our Oil & Gas sector's field activities. Only first-hand information is used for Scope 1 and 2 calculations. While our emissions inventory isn't verified externally, the calculations are verified internally by our Energy and Carbon specialists. This certified team provides our external clients with verification services.

A summary of our Energy Consumption and GHG Emissions since 2015 is outlined in the table below.

	2015	2016	2017*	2018**	2019
Energy (GJ)	945,415	883,960	838,324 / 964,497	1,152,210	1,107,213
GHG Emissions (t eq CO ₂)	71,154	62,528	61,647 / 76,555	91,410	85,028

* In July 2017, SNC-Lavalin acquired WS Atkins. In order to be able to compare yearly data on energy consumption and greenhouse gas (GHG) emissions, both SNC-Lavalin excluding Atkins and SNC-Lavalin including Atkins totals are shown above.

** SNC-Lavalin published a restatement of its 2018 emissions due to corrections brought to the natural gas usage at two of its Canadian facilities.

HSE Performance

Introduction

At SNC-Lavalin, we believe that having zero injuries is fully achievable, and we strive to ensure that our activities support the development of communities while causing no lasting harm to the environment. That is why we embed HSE in everything we do. HSE is about more than numbers, processes and procedures. It is about looking out for one another and ensuring that every person working at our offices and sites returns home safely at the end of each day and has put in place environmental protection measures. For us, there's no greater measure of success than knowing that our conscious actions resulted in no one being hurt.

We track all our controlled sites, which include offices, projects and operations. They report all incidents and statistics for both our employees and our contractors. We require the same information from non-controlled sites where our direct-hire employees are working.

2019 Results

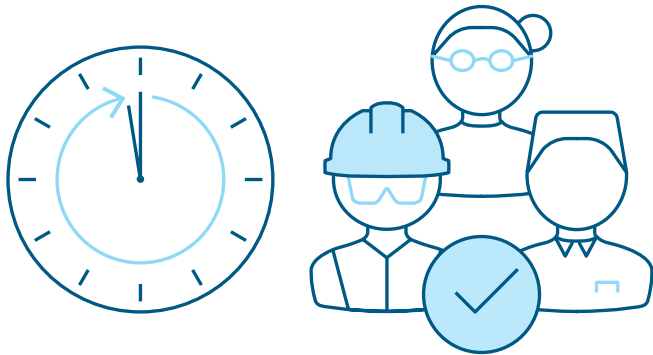
The Executive Committee receives monthly reports on our Global HSE performance.

Perfect days

Perfect Days: An integrated performance indicator.

Lagging Indicator	2019 Target	2019 Actual
Perfect Days	55	105
Total Recordable Incident Frequency (TRIF)	0.130	0.080
Lost Time Incident Frequency (LTIF)	0.013	0.020
Total Environmental Incident Frequency (TEIF)	0.350	0.230

Established in 2016, the notion of Perfect Days is a simplified way to help us improve and measure our HSE performance daily. A Perfect Day is any calendar day where no safety injury, event which threatened the security of our people or environmental release occurred. This simple measure recognizes perfect 24-hour periods and focuses us on replicating them. It reflects our commitment to learning from every injury, event or release to prevent its recurrence. Every Perfect Day is promptly logged in our HSE database, BlueSky, to give us a real-time view of how we are performing as the month progresses.



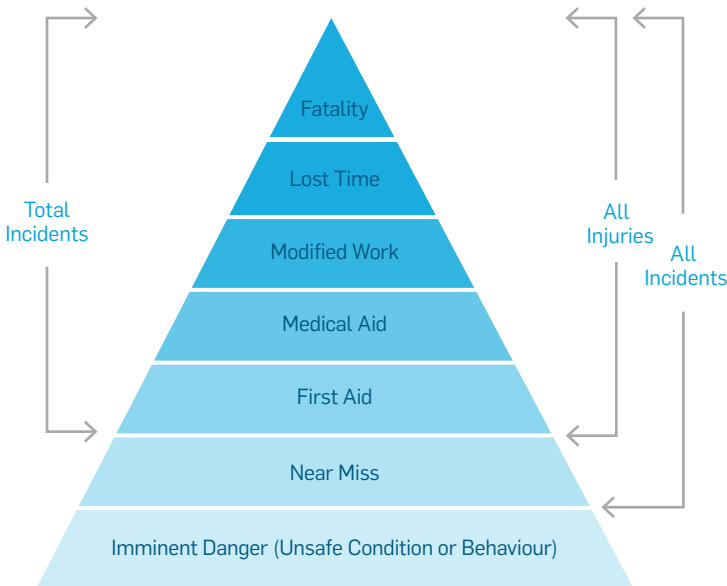
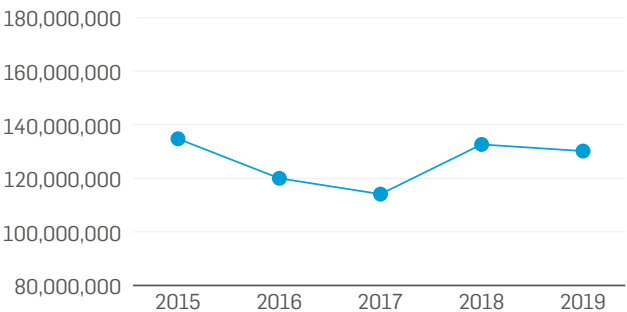
Our Perfect Days performance significantly improved from **51** in 2018 to **105** in 2019. We therefore exceeded our 2019 target by 50 days, almost doubling our target number of **55**. Our goal for 2020 is a minimum of **110 Perfect Days**.

Lagging HSE indicators

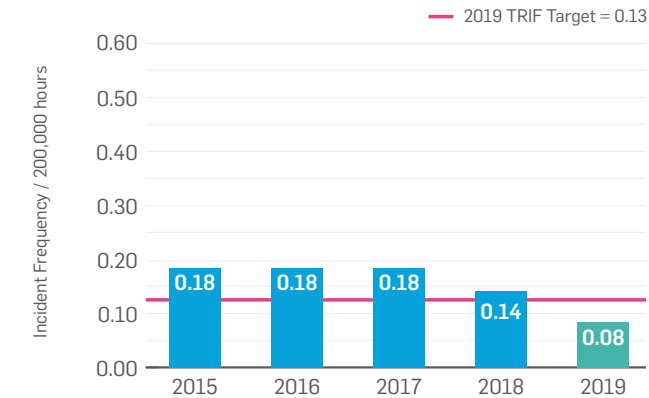
Regarding our lagging indicators in 2019, our Total Recordable Incident Frequency (TRIF) target of 0.13 was met but unfortunately our ambitious Lost Time Incident Frequency (LTIF) target could not be met.

Our total environmental incident frequency (TEIF) target of 0.35 was met. Finally, there were no significant environmental incidents, i.e. high potential incidents which caused significant environmental impact or notices of violation.

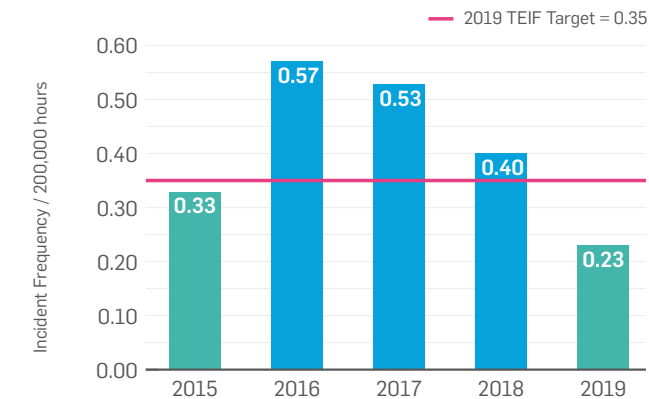
2015 – 2019 Hours Worked



2015 – 2019 Total Recordable Incident Frequency



2015 – 2019 Total Environmental Incident Frequency



2019 Recordable Incidents by Body Part

Tracking incidents by injured body part and the associated Critical Risk Control Protocol allows us to focus on our programs and initiatives in the right place to prevent these mishaps from recurring.

Hand	Back	Arm	Leg	Head	Foot	Eye	Misc
46%	14%	8%	6%	6%	6%	4%	10%

Leading HSE indicators

Behaviour Interaction Program (BIP)

We achieved 87% of our target having one BIP card completed per 1,000 hours worked. BIPs allow the opportunity to demonstrate personal commitment to HSE by:

- > Recognizing and supporting appropriate behaviours;
- > Raising awareness of HSE issues and;
- > Encouraging better ways to work.

In 2020, we will be launching a BIP mobile app to make it easier for employees with access to mobiles to submit their BIP cards digitally.

Imminent Dangers

On 93% of our controlled sites, we reached our imminent danger identification target, which meant reporting at least one imminent danger per 5,000 hours worked. The other few sites still reported imminent dangers, but fell slightly short of their relative target. The identification of imminent dangers helps to prevent HSE incidents, given that any unsafe conditions or unsafe behaviours with the potential to cause an incident are caught and immediately corrected.

HSE Meetings

Most of our workforce is represented by formal joint management-worker HSE committees. Managers and employees are strongly encouraged to hold regular HSE meetings to help recognize and understand operational hazards, risks and opportunities at offices and project sites.

These meetings address appropriate mitigation behaviours and responses. We also strive to promptly and effectively communicate important HSE information across our organization through emails, safety moments, toolbox meetings and our Knowledge Network.

The following HSE meetings take place at all our controlled sites:

- > Weekly employee toolbox meetings to discuss HSE topics
- > Weekly construction/operation coordination meetings where HSE topics are always the first item on the agenda.

The construction/operation manager, site HSE manager and contractor representatives are expected to actively participate in these discussions. The site management team also assesses the contractors' monthly performance against the project's key HSE performance indicators.

Contractor Pre-Mobilization

Every year our HSE expectations are communicated to contractors and vendors prior to work commencing.

Corrective Actions

Corrective actions resulting from findings identified during audits where initial risk level is high or extreme are prioritized and closed in a timely manner.

Project Start-Up

All our new projects completed a project start-up checklist to ensure they are set up to be successful from an HSE perspective.

Site Visits

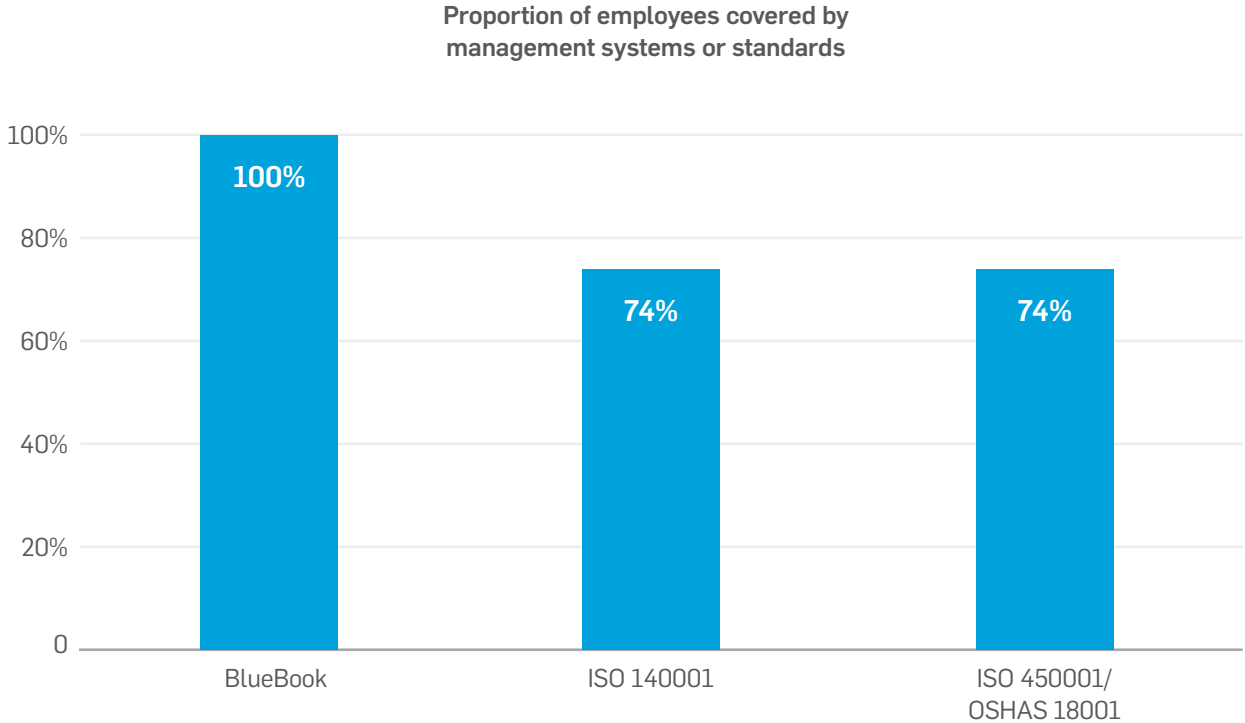
Our executive committee members demonstrated visible safety leadership by each completing two site HSE visits and four BIP cards.

Certifications

In 2019, a total of eight SNC-Lavalin entities were certified to ISO 14001 and seven were certified to OHSAS 18001 or ISO 45001. Thus, approximately 74% of the SNC-Lavalin workforce operated under an ISO 14001, OSHAS 18001 or ISO 45001 certification and 73% were operating under both an environmental and health and safety standard.

These figures represent a noticeable increase in the proportion of employees covered by such certifications, mainly due to the completion of major, uncertified projects and the consequential reduction in SNC-Lavalin's global workforce.

The following graph breaks down the certifications by proportion of employees covered by management systems or standards.





10 / ECONOMIC IMPACT

10. ECONOMIC IMPACT

Capital is SNC-Lavalin's investment, financing and asset management arm, responsible for developing projects, arranging financing, investing equity, undertaking complex financial modeling and managing its infrastructure investments for optimal returns. In the past 10 years, we raised over 12 billion dollars of project financing. Money that was made available for critical infrastructure such as bridges, highways, mass transit systems, power facilities, energy infrastructure and water treatment plants.

All investments are structured to earn a return on capital adequate for the risk profile of each individual project. Capital investment revenues are generated mainly from dividends or distributions received by SNC-Lavalin from the investment concession entities or from all or a portion of an investment concession entity's revenues or net results, depending on the accounting method required by IFRS.

We're one of the world's very few firms with world-class expertise in delivering end-to-end services for the full project life-cycle.

We not only finance, design and supervise the construction of crucial infrastructure, we often operate and maintain it for a defined period. By producing a solid return on our investment, we're able to increase our contribution in local communities.

Capital focuses on identifying and developing high-performing business opportunities across our sectors. It provides equity and debt solutions to finance projects and manages our multi-billion-dollar portfolio of infrastructure investments. Over the years, our effective financing modeling solutions and strong performance in developing and delivering public-private partnerships (P3s) have garnered industry awards in both Canada and the US.

An Experienced Partner

Our Capital experts work internally across our sectors and externally with strategic partners, investors and investment funds to promote growth opportunities. These partnerships expand our ability to invest in projects and build a portfolio of assets that creates more value. They also reinforce our global reputation as a partner of choice for large, complex projects such as our highly successful P3s in Canada.

In 2014, we developed the complex financing plan needed to secure investors for North America's first performance-based P3 design-build-finance-rehabilitate hydroelectric project.

We also delivered and now operate and maintain the Canada Line in Vancouver, the country's first major rapid rail project to use a P3 model. Other recent P3 projects include the LEED® Gold-certified McGill University Health Center in Montréal, one of North America's leading healthcare complexes.

An Innovative Infrastructure Partnership

Our infrastructure investment vehicle, SNC-Lavalin Infrastructure Partners LP is now in its third year of operation. This partnership holds our interests in a selection of mature Canadian operating infrastructure assets. As the vehicle's General Partner and Manager, we remain in charge of the assets' long-term management.

The SNC-Lavalin Infrastructure Partners LP reflects our proactive approach to managing our asset portfolio to optimize shareholder returns. The partnership's initial portfolio consists of the following assets: the William R. Bennett Bridge (Kelowna, British Columbia), the Canada Line (Vancouver, British Columbia), the Southeast Stoney Trail (Calgary, Alberta), the Restigouche Hospital Center (Campbellton, New Brunswick) and the Glen site of the McGill University Health Center (Montréal, Québec).

Experienced Asset Managers

As a long-term investor, we propel our growth strategy by managing our investment portfolio assets, looking for financing solutions and seeking out the most beneficial partnering opportunities.

We oversee a project's progress and asset performance and devise strategies to improve returns. Once our non-core assets have reached maturity, we monetize them to maximize their value for our stakeholders.

In August 2019, we sold 10.01% of the shares of Highway 407 ETR for a net gain after tax of CA\$2.6 billion, generating significant capital to reinvest in the business.

Our P3 Expertise in Action

The global challenge of finding ways to close the 'infrastructure gap' and build or upgrade critical and aging infrastructure in urban centers has never been greater. Today, the P3 model of public-private partnerships is widely recognized as an effective way to finance, design, build, operate and maintain major infrastructure projects.

P3s help optimize cost benefits, schedule certainty and asset availability. They also transfer risk to private-sector partners without sacrificing environmental compliance, quality and safety. P3 partnerships can leverage private-sector innovation and improve efficiency by integrating the design, construction and operations and maintenance phases. The result is greater value for money for both public-sector partners and the communities they serve.

We've been spearheading successful P3 projects across Canada since 1999 and we continue to develop and pursue new P3 projects in partnership with major construction contractors. We reached the operations stage on three of our P3 projects in 2019. Here are some recent examples of our P3 expertise in action.

New Champlain Bridge Corridor Project Montréal, Québec, Canada

The Samuel De Champlain Bridge became operational in June 2019, with construction on the project set to be fully completed in mid-2020.

The project is being delivered under a P3 agreement between the Government of Canada and Signature on the Saint Lawrence Group. SNC-Lavalin, along with partners ACS and HOCHTIEF, is part of the Signature on the Saint Lawrence Group consortium, which was responsible for the design, construction, financing, operations and maintenance, and rehabilitation of the project.

With the bridge open to traffic, we are now in the operations and maintenance phase and this will continue until 2049.

Innovating in B.C.'s Power Sector British Columbia, Canada

We have successfully finished construction on the replacement John Hart Generating Station and we handed over operational control to the client in June 2019. The old above ground powerhouse and water conduits have been removed and site restoration will be complete in 2020.

In operation since 1947, the station supplies British Columbia's Vancouver Island with about 11% of its electricity. In 2007, BC Hydro began planning the station's replacement to reduce significant seismic, station-reliability and downstream fish habitat risks. In early 2014, the provincial electric utility chose our InPower BC P3 partnership to design, build, maintain, rehabilitate and partially finance an innovative underground powerhouse that will enhance public safety and improve the site's environmental footprint.

The John Hart Generating Station Replacement Project was the first performance-based P3 model used for a hydroelectric project in North America. InPower BC General Partnership, a special-purpose vehicle created by SNC-Lavalin Capital Inc., developed a sophisticated financing plan that enabled investors to feel comfortable with the project's unique risks and risk allocations.

Alongside the restoration work, we are now in the maintenance phase, for which we have a 15-year contract.

Bringing Light Rapid Transit to Canada's Capital Ottawa, Ontario, Canada

As part of the Rideau Transit Group (RTG), in 2013 we were awarded the contract to design, build, finance and maintain the Confederation Line, Ottawa's first light rapid rail transit system. The Confederation Line is one of North America's biggest P3 rail transit projects, converting the existing Ottawa Bus Rapid Transit corridor into a full LRT system, and widening and rehabilitating four kilometers of Ontario's Highway 417. It's also Ottawa's largest infrastructure project since the building of the Rideau Canal in 1832.

The Confederation Line opened in September 2019, overcoming a number of challenges during the construction and initial operations.

Trillium Line Extension Ottawa, Ontario, Canada

In March 2019, our wholly-owned subsidiary, TransitNEXT, reached an agreement with the City of Ottawa for the Trillium Line Extension project. We will design, build, finance and maintain the new extension, and will also assume responsibility for the long-term maintenance of the existing Trillium Line.

Approximately 12 kilometers of single and double track will be built, as well as a 4-kilometre Airport Link, along with eight new stations across the extension and existing line. We will also deliver five platform extensions, seven new Stadler vehicles, new municipal infrastructure and a Maintenance and Storage Facility.

Our Recent Awards

Year	Publication or Organization	Category	Project
2019	P3 Bulletin	Gold Award for Best Transit Project	Trillium Line Extension
2017	Canadian Council for Public-Private Partnerships (CCPPP)	Gold Award for Service Delivery	The Canada Line
2016	Infrastructure Investor Magazine	North America P3 Deal of the Year Award	New Champlain Bridge Corridor Project
2016	P3 Bulletin	Silver Award for Best Transit and Aviation Project	Eglinton Crosstown LRT
2016	P3 Bulletin	Gold Award for Best Road/Bridge/Tunnel Project	New Champlain Bridge Corridor Project
2015	P3 Bulletin	Best Waste/Energy/Water Project	John Hart Generating Station Replacement Project
2015	CCPPP	Gold Award for Effective Procurement	New Champlain Bridge Corridor Project
2015	CCPPP	Gold Award for Project Financing	Eglinton Crosstown LRT

Local Resources Development Initiative (LRDI)

A shared-value approach

Our best-in-class LRDI program focuses on creating shared value between major engineering and construction projects, local rights-holders, governments and other community stakeholders. It recognizes the intrinsic link between social development and economic impact and makes strengthening these a key priority in host communities without impacting project costs, schedule, quality or safety.

Since 1997, we have partnered with clients to successfully integrate the LRDI into their projects worldwide. As a result, thousands of local employees and enterprises have benefited from working on some of the world's largest capital projects.

Until recently, our LRDI implementations took place in diverse sectors and included **hydroelectric, mining and industrial projects**. The LRDI is currently focusing on developing other opportunities across new sectors such as **transportation, as well as oil and gas**.

Reinforcing Clients' Social License to Operate

Clients have identified our LRDI program as a key driver of their projects' successes. It serves as a key differentiator and competitive advantage at a time when the need for resources and the influx of capital are at their peak.

As an integral part of a project's sustainability and social responsibility framework, the LRDI allows us to pinpoint, then address socio-economic issues and opportunities at all project stages. In turn, this creates new possibilities for both the project and sharing value with the community. LRDI programs also enable clients to avoid social hazards and minimize other risks during project execution. Our LRDI services and solutions are grouped into three main pillars, each one comprising operational objectives.



Pillar 1

Increase local workforce employability

- > Provide hands-on training for specific skill sets, customized to meet project needs and adjusted to local regional context
- > Ensure ongoing skills-matching between jobs and trainees
- > Collaborate with local institutions



Pillar 2

Encourage enterprise development

- > Integrate small and medium enterprises as providers of goods and services
- > Train and mentor to satisfy project procurement procedures
- > Adapt work packages to local reality
- > Leverage local markets' strengths and opportunities



Pillar 3

Strengthen local supply chain

- > Provide on-demand training
- > Share appropriate technology
- > Leverage market opportunities
- > Support local industrial clusters
- > Maintain supply chain sustainability

11 / RESEARCH AND INNOVATION



11. RESEARCH AND INNOVATION

Introduction

SNC-Lavalin is committed to offering our clients outstanding project outcomes. As a business we continually invest in research and development and evolve in terms of innovation to ensure we are at the leading edge of our industry, offering both value and a more sustainable built environment.

Digital advancements are playing a large part in changing the ways we deliver projects, offering new insights to augment our traditional expertise.

Our key areas of innovation and research and development are outlined as follows:

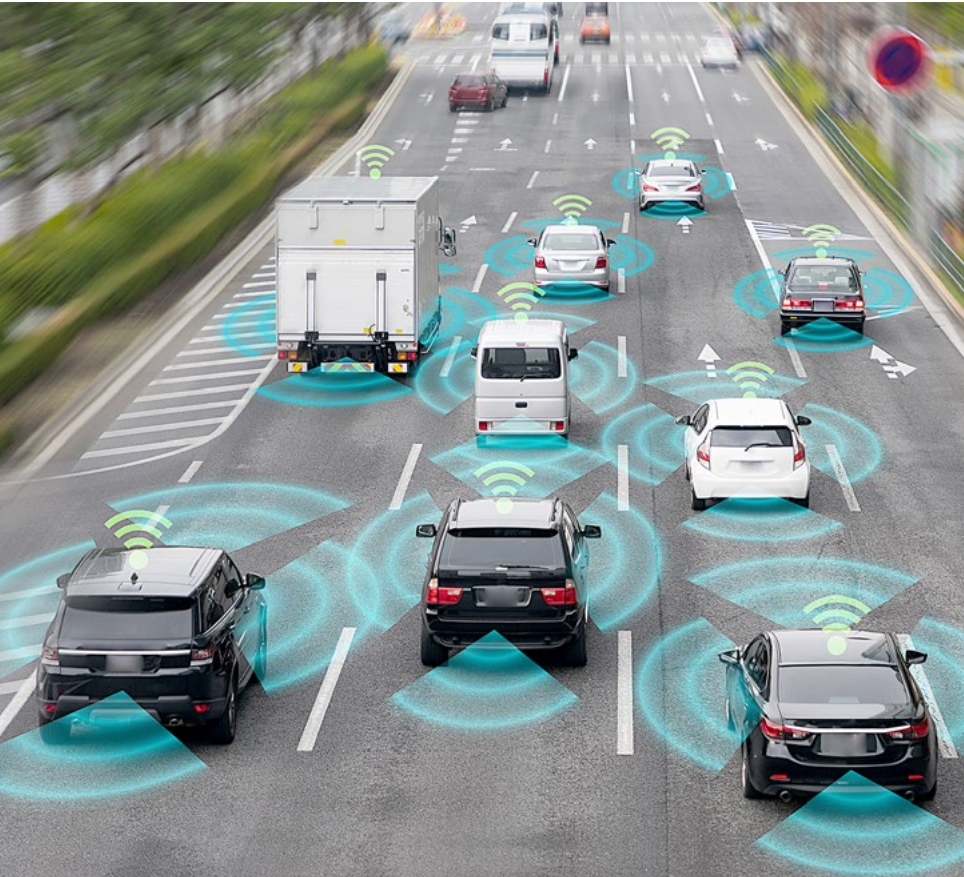
Intelligent Mobility

Our work in intelligent mobility has centered around a number of projects focusing on the safe roll-out of connected and autonomous vehicles (CAVs) on UK roads.

CAVs are expected to play a key role in the future of transport. They have the potential to address key safety issues associated with human driven vehicles, and to increase accessibility and inclusivity, addressing some of the wider socio-economic challenges faced by an aging society. Intelligent mobility is also a key enabler for reducing our energy consumption and the transition to net zero carbon emissions.

We have led two major projects towards the development of CAVs in recent years, VENTURER and FLOURISH. The VENTURER project was co-funded by the UK government and focused on understanding trust and acceptability of the technology to the end user.





FLOURISH CAV Project

FLOURISH was a three-year multi-sector collaborative research and development project, co-funded between industry and the Center for Connected and Autonomous Vehicles (CCAV). The project was dedicated to developing services and capabilities that link user needs and system requirements, maximizing the benefits of CAVs for users and transport authorities.

FLOURISH took a user-centered approach in the development of CAV technology, focusing on three core areas: data and connectivity, secure and cyber-resilient communications and the user experience.

It included literature reviews, focus groups, laboratory testing, car connectivity trials and participant simulator and pod trials. A total of eight trials were carried out in simulated and real-world environments.

Data and Connectivity

FLOURISH investigated the requirements for effective, secure and resilient transfer of data between vehicles and with the infrastructure around them. The project pioneered the application of Fog-Based Computing to CAVs, providing a mechanism for the real-time transfer of data between vehicles and the network.

Secure and Cyber-Resilient Communications

Focusing on the communications between CAVs and roadside infrastructure, the project established a baseline of services for the maximum range, quality of signal coverage and the time it takes for messages to be received under a range of operational environments.

User Experience

The project generated an understanding of some of the key human-centered design requirements by engaging with the end-user to co-design solutions and test them. This provided invaluable insights into what older adults need from CAVs: the interface between the user and the CAV needs to be uncluttered, highly intuitive, and require little input. Additionally, older adults engaged with the CAV more effectively when they received both spoken and written instructions.

UK Net Zero Carbon Emissions

In June 2019, the UK became the first major economy in the world to pass laws to end its contribution to global warming by 2050. However, an SNC-Lavalin report has highlighted that the UK government's Net Zero 2050 target won't be achieved without substantial changes to the country's energy mix and significant public and private sector investment.

Our Engineering Net Zero report highlighted the major challenges of creating significant capacity in carbon capture and storage, nuclear, wind and hydrogen energy generation. It also examined how policy makers and industry must urgently resolve a number of technical and commercial challenges associated with decarbonizing the economy.

It concluded that Net Zero can only be achieved through dramatic transformation of our entire energy system encompassing energy generation, heating, transportation and industry. The necessary conclusions and recommendations required to meet the target were as follows:

- > A flexible approach to the ultimate energy system configuration
- > An Energy System Architect
- > Clean, reliable, consistent nuclear power
- > A key role from Carbon Capture and Storage (CCS)
- > Increased capacity from renewable energy sources, primarily offshore wind
- > Greater investment in hydrogen projects
- > Energy Storage and System Integration

To play our part in implementing such solutions, we are targeting not just central and local governments that are setting targets and have responsibility for meeting them, but also industrial stakeholders who must play their part by reducing their own footprints. Pre-project engagements have taken place with both central and local government and industry stakeholders, positioning ourselves as a vital resource on their journey towards net zero carbon emissions. We expect many of these projects to formalize in 2020.

Innovation in the Nuclear Sector

Refurbishment of Nuclear Reactors

As the CANDU® nuclear reactors we built in the second half of the 20th century reach the end of their first life, they are all coming into refurbishment and modernization phases.

Replacing the core of a nuclear reactor can give it a second life for another 30 years, but nuclear plant refurbishment is still in its infancy and has required us to create many new processes and tools.

These large capital projects involve many years of planning and require shutting down reactors for years at a time. As such, we must continue to be innovative in our approach in order to make each refurbishment faster, safer and more cost effective for our clients.

We are custom manufacturing novel tooling components and systems to improve not just maintenance and refurbishment of nuclear reactors, but also inspection and monitoring, and decommissioning. Effective monitoring can safely extend the life of a reactor and delay the need for refurbishment.

We're also advancing the way we train our people. We use full scale mock-ups to replicate the exact conditions that they will experience in the field and are beginning to assess how VR could be utilized in this process.

Looking forwards, our focus will be on how a **third life** can be given to reactors, taking their total life to **almost 100 years**.

Embalse Nuclear Power Plant Life Extension Project Córdoba, Argentina

In January 2019, work was completed on the refurbishment and modernization project for the Embalse Nuclear Power Plant.

The plant, which entered commercial operation in 1984, was shut down in December 2015 for the project, which extended the plant's years of service for another 30 years, as well as increasing its electricity output by 6% and ensuring continued safe and reliable electricity for more than three million residents across the country.

After being reconnected to the grid on completion of the project, the CANDU® nuclear reactor at Embalse reached full power for the first time again in April 2019.

Darlington Nuclear Refurbishment Project Bowmanville, Ontario, Canada

Our CanAtom joint venture is currently leading the Darlington Retube & Feeder Replacement project for Ontario Power Generation, playing a key role in delivering affordable and clean energy to 2.5 million households. Darlington provides 20% of Ontario's power supply.

In 2016, we entered into a joint venture (JV) with Aecon Group for a CA\$2.75 billion contract to carry out the execution phase of the Darlington Re-tube and Feeder Replacement (RFR) scope of work as part of the refurbishment of the Darlington Nuclear station. It's Canada's largest clean energy project, and planning for it began all the way back in 2010.

Each of the four Darlington CANDU® reactors will be taken out of service sequentially for approximately three years to allow for the replacement of fuel channels, feeder pipes, calandria tubes and end fittings. Total completion of the project is not expected until 2026.

Bruce Power Tiverton Refurbishment Project Tiverton, Ontario, Canada

Since 2000, SNC-Lavalin's nuclear team have been in a long-standing partnership with Bruce Power. Bruce Power's site in Tiverton is the world's largest operating nuclear generating facility and is the source of roughly 30% of Ontario's electricity.

The latest project in Bruce Power's long-term investment program will see SNC-Lavalin contributing to its nuclear refurbishment and life extension project, which will begin in 2020.

In early 2019, we received an additional contract to continue to support Bruce Power's nuclear facilities with initiatives that will reduce maintenance outage duration and increase output from the Unit 4 reactor. This was followed by a further new contract in early 2020, to support its Major Component Replacement program.

Nuclear Power Plant Cernavodă, Romania

In October 2019, we were awarded a CA\$13.9 million engineering services contract for performing condition assessments of systems, structures and components for the Cernavoda Unit 1 CANDU® nuclear reactor in Romania. Together, Cernavoda's unit 1 and 2 produce about 20% of electricity in Romania.

Optimizing Resources

Our innovation in the nuclear sector extends to optimizing the use of resources and reducing waste at nuclear sites.

Our CANDU® reactors have the unique ability to use alternative fuels, such as recovered uranium from the reprocessing of light water reactor spent fuel, plutonium mixed oxide, and thorium-based fuels, in addition to the conventional natural uranium fuel. This improves uranium resource utilization rates and reduces fuel costs for utilities.

We have also developed an Advanced Portable Polymer Tester to inspect, analyze and report on the condition of our customers' polymer cables.

Through data analysis, we can evaluate the level of cable irradiation and make recommendations on fitness for service, saving the time and cost of unnecessarily replacing the cables and reducing waste.

Digital Transformation

Automation and Artistry

SNC-Lavalin is embracing Artificial Intelligence (AI) and automation in order to streamline the design stage of our projects and, ultimately, offer better, safer and more sustainable solutions to our clients.

The rapid progression of technology-enabled services is changing our approach to design. Through fostering a culture of innovation, we have developed over 500 tools and prototypes of varying levels, focused on automating processes and on capturing and structuring information and data in a way that can make it as valuable as possible during the design stage.

Automating aspects of design has meant that tasks that would once have taken a design engineer a substantial amount of time can now be completed much more efficiently and minimize client costs. As processes are refined, time is freed up for more human creativity, allowing us to consider and present our clients with a wider range of options.

For example, using the automated dynamic software, a designer can select the performance characteristics required for the design through a handful of input parameters, and the software can select a code-compliant result from millions of possible outcomes.

In order for our expertise and knowledge to be shared, we have created a company-wide digital store where employees can find automation tools based on their project needs. Our most effective tools are even developed into products that have been sold to external customers.

City Simulator

Better preparing communities for natural disasters is a critical priority for city planners and government agencies. When effective, long-term planning is required to limit disruption and make the most of local budgets, comprehensive planning tools, such as our City Simulator, can be used to stress test proposed plans and greatly improve a community's chance of receiving federal funds.

By simulating a virtual version of the city growing and being hit by climate change-influenced disasters, City Simulator measures the real impacts and effectiveness of proposed solutions and can help lead the way to selecting the improvement projects with the highest return on investment.

Its cost forecasting and schedule optimization tools look at the long-term condition of existing assets to enable planners to prioritize critical projects that require maintenance or replacement, while also providing information on the impact these projects will have on local budgets and whether additional funding will be necessary.

A master plan developed using the City Simulator technology is a smart document that can address the impact of growth on job creation, water conservation, habitat preservation, transportation improvements, and waterway maintenance, which enables local governments to be the catalyst for high-impact planning on a smaller scale. Local efforts of this kind become part of a larger national resiliency strategy that goes beyond a single community, resulting in better prepared cities and better prepared nations.

Stormwater Management

As coastal storms and other surge-related flood events grow in frequency in the US, communities need timely, useful information to help them better understand the impact of coastal flooding and sea level rise on their stormwater systems.

To help communities determine their flood risk, we assisted the National Oceanic Atmospheric Administration (NOAA) in developing the web-based Adapting Stormwater Management or Coastal Floods tool.

Through this website, communities can create reports to educate community stakeholders on implications of coastal flooding, display local information about current and future flooding impacts and inform planning efforts to make the case for funding.

In addition to providing ongoing review and advice throughout the process, we provided engineering, planning and software user experience subject matter expertise and leveraged our large network of county and city contacts to arrange case study interviews with organizations on the Atlantic, Pacific and Gulf of Mexico. We also provided a new method that communities can use to quickly estimate the "total water level" they may expect in a sea level rise-prone future and then estimate their stormwater systems' readiness for the oncoming flood.

12 / ORGANIZATIONAL PROFILE

12. ORGANIZATIONAL PROFILE

Activities, Brands, Products and Services

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 life-cycle. Our expertise is wide-ranging – consulting and advisory, intelligent networks and cybersecurity, design and engineering, procurement, project and construction management, operations and 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.

The company presents its results separately for its two business lines, SNCL Engineering Services and SNCL Projects.

New Strategic Direction for SNC-Lavalin

On July 22, 2019, SNC-Lavalin announced its new strategic direction to enable the company to focus more effectively on its most profitable work: engineering, design, project management and construction management services, O&M and Capital.

The company's new strategic direction is centered around:

- > Creating a simplified and more predictable business;
- > Generating more consistent earnings, increased cash flow, and profitability;
- > Lowering the company's risk profile;
- > Enabling an improved strategic focus on better margin markets in which the company has clearly differentiated capabilities.

SNC-Lavalin's new strategic direction has two main focal points. The first is a focus on the high-performing and growth areas of the business and exiting lump-sum turnkey (LSTK) construction contracting. The second is to reorganize into two separate business lines:

- > SNCL Engineering Services
- > SNCL Projects

SNC-Lavalin believes that this simplified business model will allow it to generate increased profitability while minimizing its exposure to downside risk.

Key Activities

SNCL Engineering Services

SNC-Lavalin intends to continue growing where it is strongest and has a differentiated market position, which is the focus of its SNCL Engineering Services business line. The SNCL Engineering Services business line consists of the company's EDPM and Nuclear segments, Linxon, the services portions of the company's previous Infrastructure segment (namely O&M, District Cooling and Clean Power services), and Capital. The former Infrastructure segment is shifting its focus toward becoming a program integrator with a greater emphasis on Program and Project Management and Construction Management services.

SNC-Lavalin's objectives for the Engineering Services business are:

- a. **Become recognized as a market leader, or expand its market leadership, in the following areas:**
 - > Advisory, design and project management services for infrastructure projects globally;
 - > Nuclear services, including life extension, decontamination and decommissioning ("D&D"), and remediation;
 - > Project Management / Construction Management / Operations & Management / Project integration in transportation, especially in rail and transit;
 - > Capital – Ownership and management of infrastructure assets.
 - > Clean power – Global electrical AC substation projects and renewable energy engineering services;
 - > Linxon (supplier of power substations).
- b. **Establish more predictable and strong financial performance and restore investor confidence by delivering:**
 - > Industry leading earnings before interest, income taxes, depreciation and amortization (EBITDA) margins;
 - > Strong cash flow results to build a sustainable future.

SNC-Lavalin will continue to be a strong player in the advisory, engineering and design space with EDPM, and expects to maintain its global market-leading position in rail and transit.

SNCL Projects

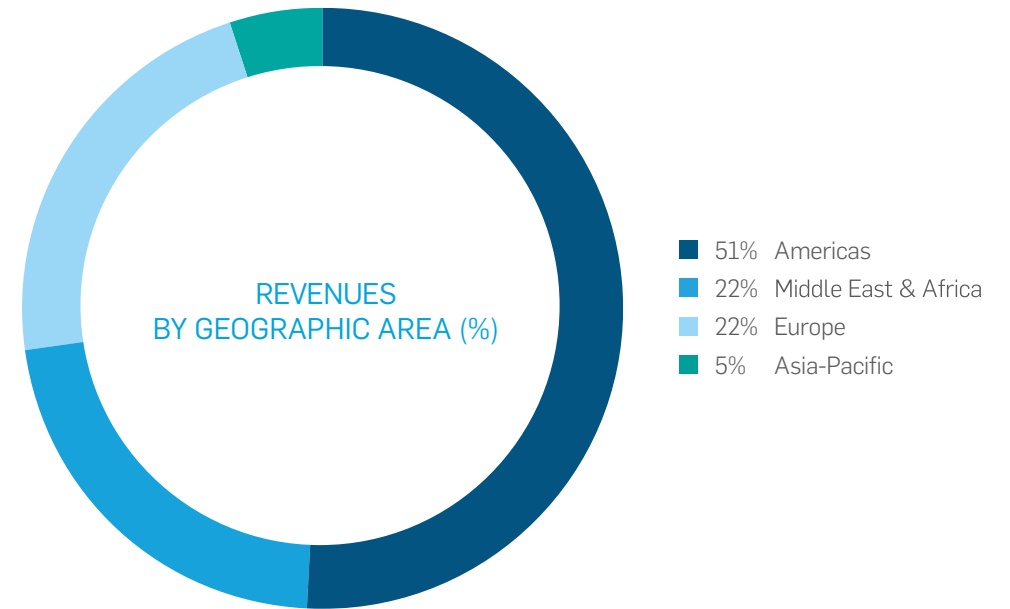
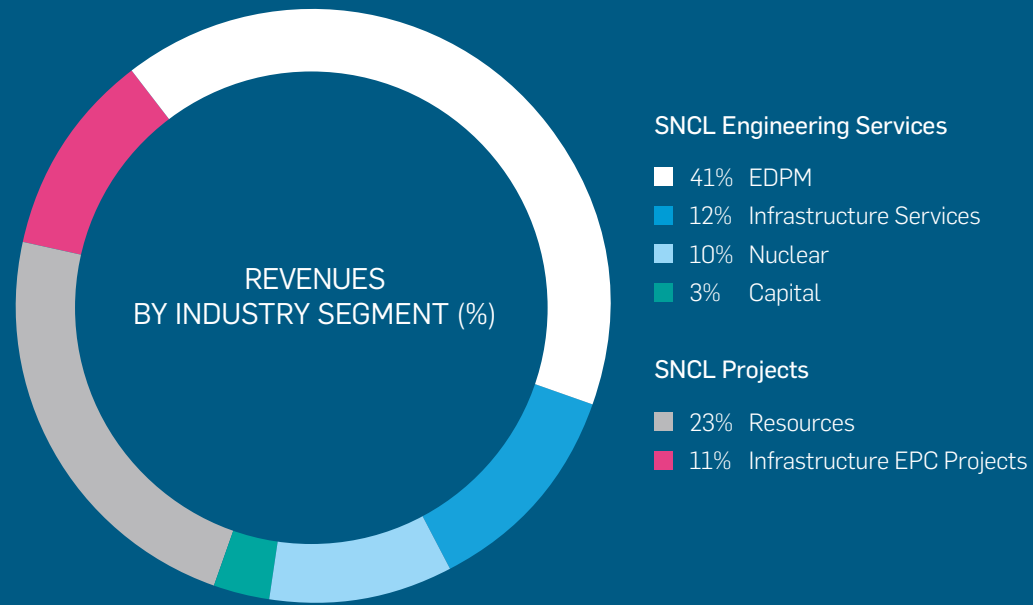
The SNCL Projects business consists of the company's current Resources segment and the Engineering, Procurement and Construction (EPC) portion of its former Infrastructure segment. The focus of this business is very straightforward:

- > Complete the company's obligations to our customers;
- > Work to mitigate risks of future losses;
- > Aggressively pursue resolution of the company's claims collection and recoveries;
- > Assess the company's future options for the services part of Oil & Gas and Mining & Metallurgy.

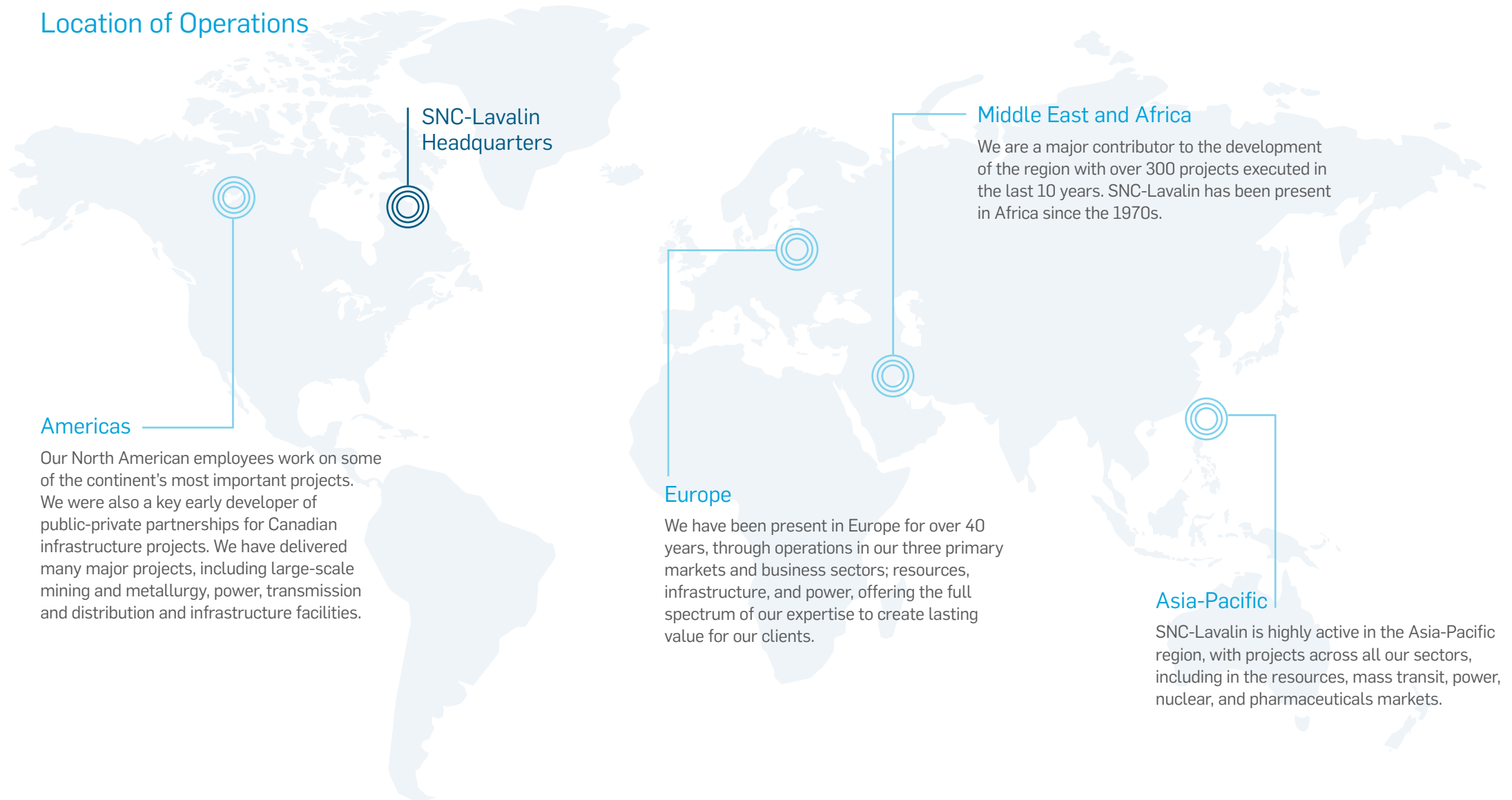
SNC-Lavalin believes that accelerating the pace of risk reduction and organizational effectiveness activities will result in the company delivering stronger operational and financial performance on a more consistent basis. Further, SNC-Lavalin will continue to right-size the company and concentrate on streamlining its overhead costs.

SNC-Lavalin is also reducing its geographic footprint to reduce risk and complexity by focusing on its core growth regions: Canada, the US, and the UK, along with regional markets such as the Middle East and Asia Pacific and exiting unprofitable operations in certain countries.

Financial Highlights



Location of Operations



SNCL Projects

Infrastructure EPC Projects

Infrastructure EPC Projects includes LSTK construction contracts related to mass transit, heavy rail, roads, bridges, airports, ports and harbors and water infrastructure. In addition, Infrastructure EPC Projects includes the LSTK construction contracts related to the former Clean Power segment, as well as from thermal power activities which the company exited in 2018. The company decided, in 2019, to cease contracting for new LSTK construction contracts. The Infrastructure EPC Projects segment derives 100% of its revenues from LSTK construction contracts.

Year Ended December 31 st (In Millions CA\$)	2019
Revenues from Infrastructure EPC Projects	1,076.7
Segment EBIT from Infrastructure EPC Projects*	(106.5)
Segment EBIT over revenues from Infrastructure EPC Projects (%)*	(9.9%)
Backlog at year end**	2,584.5

*Segment EBIT and Segment EBIT over revenues are non-IFRS measures used by SNC-Lavalin to measure the performance of its reporting segments. These non-IFRS financial measures do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Please refer to Section 14 of SNC-Lavalin's 2019 annual Management's Discussion and Analysis (MD&A) for further details and for a reference to the quantitative reconciliation to the most comparable measure specified under IFRS.

Resources

Resources provides a full suite of delivery services to the oil & gas and mining & metallurgy sectors, covering the project life-cycle from project development through project delivery and support services. Resources have ceased bidding for new EPC projects under the LSTK construction contracting model. Resources is now focused on providing engineering, EPCM, project management consultancy ("PMC"), construction & commissioning and technical support services through a lower risk contracting model. The operational delivery is focused on key regions and global clients. The Resources segment derives its revenues from reimbursable and engineering service contracts (2019: 68%) and LSTK construction contracts (2019: 32%).

Year Ended December 31 st (In Millions CA\$)	2019
Revenues from Resources	2,158.9
Segment EBIT from Resources*	(341.5)
Segment EBIT over revenues from Resources (%)*	(15.8%)
Backlog at year end**	1,380.1

**Backlog at year end corresponds to the amount of remaining performance obligations, in accordance with IFRS 15, Revenue from contracts with customers.

SNCL Engineering Services

Engineering, Design & Project Management (EDPM)

EDPM incorporates all consultancy, engineering, design and project management services around the world including the Canadian market, which was previously in the former Infrastructure segment prior to January 1st 2019. It also leads our efforts to transform the global infrastructure sector by leveraging data and technology to improve the delivery of our clients projects from conception through to eventual operation. EDPM projects are mainly in transportation (including rail, mass transit, roads and airports), civil infrastructure, aerospace, defence and security and technology, including some of the worlds most transformational projects. A significant portion of revenues are derived from the public sector, including national, provincial, state and local and municipal authorities. The EDPM segment derived all of its 2019 revenues from reimbursable and engineering service contracts.

Year Ended December 31 st (In Millions CA\$)	2019
Revenues from EDPM	3,908.9
Segment EBIT from EDPM*	357.8
Segment EBIT over revenues from EDPM (%)*	9.2%
Backlog at year end**	2,630.0

Infrastructure Services

Infrastructure Services includes O&M projects, as well as the company's repetitive EPC offerings that are lower-risk, standardized solutions for: i) district cooling plants; and ii) power substations executed through its Linxon subsidiary. The segment also includes engineering solutions in hydro, transmission and distribution, renewables, intelligent networks and cybersecurity. Segment EBIT now includes the contribution attributable to non-controlling interests. As such, the Segment EBIT of Linxon, a 51% subsidiary, is reported at 100%. The Infrastructure Services segment derives its revenues from both reimbursable and engineering service contracts (2019: 59%) and standardized EPC contracts (2019: 41%).

Year Ended December 31 st (In Millions CA\$)	2019
Revenues from Infrastructure Services	1,178.6
Segment EBIT from Infrastructure Services*	73.5
Segment EBIT over revenues from Infrastructure Services (%)*	6.2%
Backlog at year end**	7,337.0

* and ** See notes on previous page.

Capital

Capital is SNC-Lavalin's investment, financing and asset management arm, responsible for developing projects, arranging financing, investing equity, undertaking complex financial modeling and managing its infrastructure investments for optimal returns. Its activities are principally concentrated in infrastructure such as bridges, highways, mass transit systems, power facilities, energy infrastructure, water treatment plants and social infrastructure (e.g. hospitals). The Capital segment includes SNC-Lavalin's 20% ownership interest in, and management of, SNC-Lavalin IP Partnership. Capital investments net book value, as at December 31st, 2019, can be summarized as follows:

Year Ended December 31 st (In Millions CA\$)	2019
Highway 407 ETR***	–
Others	356.0
Total	356.0

*** The net book value is \$nil as the company had previously stopped recognizing its share of the losses of Highway 407 ETR when the cumulative losses and dividends resulted in a negative balance for the company's investment in Highway 407 ETR.

Nuclear

Nuclear supports clients across the entire nuclear life-cycle with the full spectrum of services from consultancy, EPCM services, field services, technology services, spare parts, reactor support & decommissioning and waste management. As stewards of the CANDU® technology, it also provides new-build and full refurbishment services of CANDU® reactors. The Nuclear segment derives its revenues from reimbursable and engineering service contracts (2019: 98%), and two legacy LSTK construction contracts (2019: 2%). It should be noted that 36% of Nuclear revenues are from final decommissioning, waste management and environmental clean-up.

Year Ended December 31 st (In Millions CA\$)	2019
Revenues from Nuclear	929.8
Segment EBIT from Nuclear*	127.6
Segment EBIT over revenues from Nuclear (%)*	13.7%
Backlog at year end**	1,154.0

Scale of Organization: Total Revenues by Geographic Area

The company's revenues are outlined by geographic area in million CA\$:

United States

Total (CA\$)	1,825.5
2019 (%)	19%

Canada

Total (CA\$)	2,813.7
2019 (%)	30%

Latin America

Total (CA\$)	181.6
2019 (%)	2%

Europe

Total (CA\$)	1,794.1
2019 (%)	19%

United Kingdom

Total (CA\$)	1,794.1
2019 (%)	19%

Other

Total (CA\$)	348.4
2019 (%)	4%

Asia Pacific

Total (CA\$)	173.7
2019 (%)	2%

Australia

Total (CA\$)	173.7
2019 (%)	2%

Other

Total (CA\$)	326.8
2019 (%)	3%

Middle East

Total (CA\$)	871.1
2019 (%)	9%

Saudi Arabia

Total (CA\$)	871.1
2019 (%)	9%

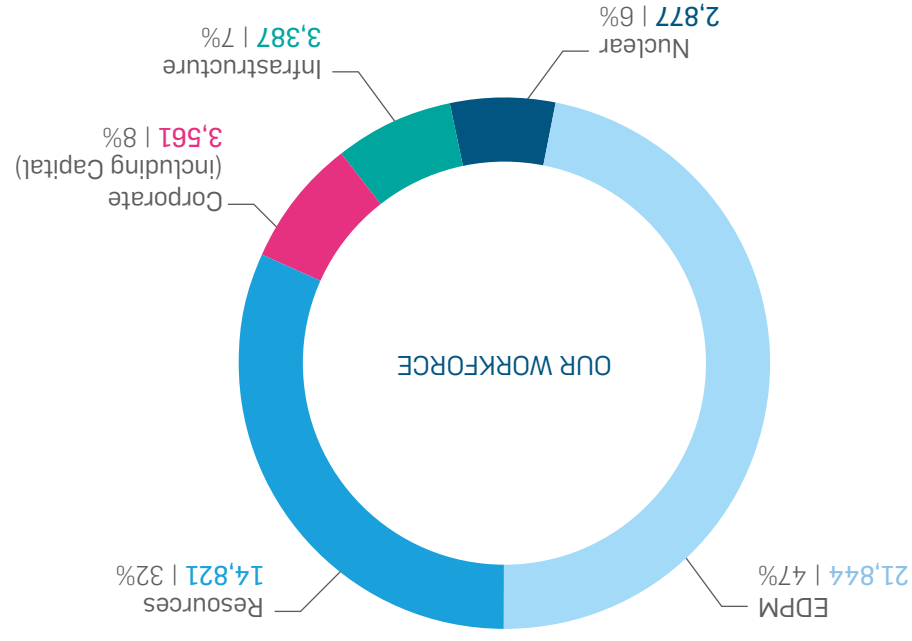
Other

Total (CA\$)	817.6
2019 (%)	9%

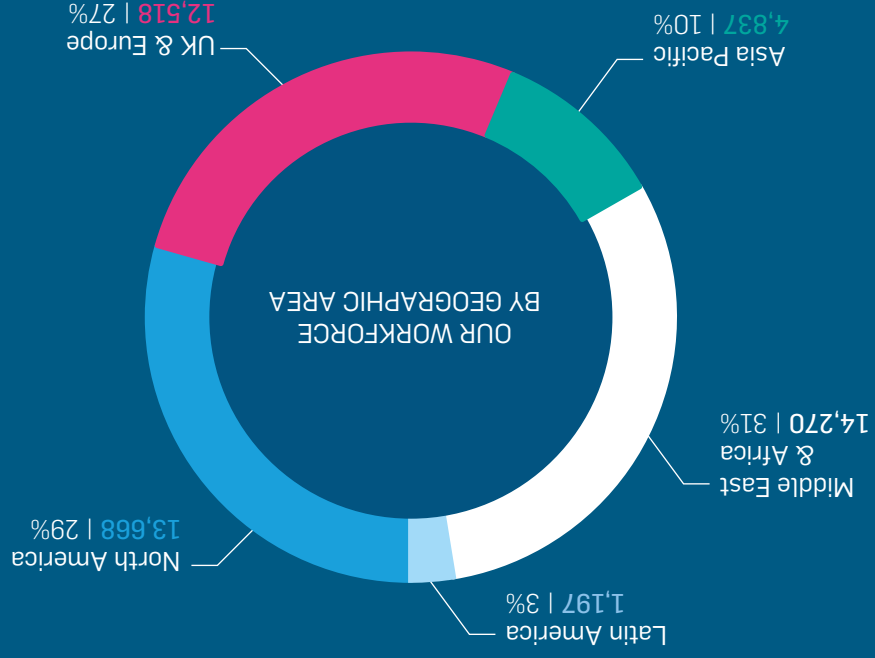
Africa

Total (CA\$)	363.0
2019 (%)	4%

Information on Employees and Other Workers†



†As of December 31st, 2019.





A / APPENDIX GRI

APPENDIX GRI

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-1			Name of the organization	a. Report the name of the organization.	SNC-Lavalin Group Inc. (the "company").
102-2			Activities, brands, products, and services	a. A description of the organization's activities. b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	a. Please refer to Section 1 "Our business" (p.6) of the Management's Discussion and Analysis (MD&A) portion of our 2019 financial statements. b. Please refer to the "Market and services" Section of our Website at https://www.snclavalin.com/en/markets-and-services SNC-Lavalin does not sell products that are banned in any markets. SNC-Lavalin does however offer services that could potentially be subject to public debate, such as services to the nuclear and oil and gas industries, as well as both the Canadian and UK ministry of defense. SNC-Lavalin is not currently subject to direct questions or expressions of concern regarding these services.
102-3			Location of headquarters	a. Report the location of the organization's headquarters.	The company's headquarters and registered office is located at 455 René-Lévesque Boulevard West, Montréal, Québec, Canada H2Z 1Z3.
102-4			Location of operations	a. Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	As of January, 2020, the company had permanent offices in 44 countries, including the major offices located in the following regions: The Americas: Brazil, Canada, Chile, Colombia, Peru, United States. Europe: Denmark, France, Ireland, Norway, Romania, Russian Federation, Sweden, United Kingdom. Africa & the Middle East: Algeria, Iraq, Kenya, Kuwait, Mozambique, Oman, Qatar, Saudi Arabia, South Africa, United Arab Emirates. Asia & Oceania: Australia, China, Hong Kong, India, Singapore. SNC-Lavalin has temporary offices in additional countries and conducts projects in some 100 countries worldwide.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-5			Ownership and legal form	a. Report the nature of ownership and legal form.	<p>The company was incorporated under the laws of Canada by Letters Patent on May 18, 1967, and was continued under the Canada Business Corporations Act on March 24, 1980. The shares of the company are traded on the Toronto Stock Exchange (TSX: SNC).</p> <p>As at December 31st, 2019, there were 0 stock options outstanding. As of March 16, 2020, the company had 175,554,252 Common Shares outstanding. To the knowledge of the Directors and officers of the company based on shareholders' public filings, the persons or companies who beneficially own, or control or direct, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all shares of the company are:</p> <ul style="list-style-type: none"> i. The Caisse de dépôt et placement du Québec (the "Caisse"), an institutional fund manager. Based on public filings, the Caisse beneficially owned, or controlled or directed, directly or indirectly, 34,935,200 Common Shares representing 19.9% of the outstanding Common Shares of the company. ii. RBC Global Asset Management Inc. ("RBC"), a global investment management firm. Based on public filings, RBC beneficially owned, or controlled or directed, directly or indirectly, 29,151,903 Common Shares representing 16.61% of the outstanding Common Shares of the company. iii. Jarislowsky Fraser Limited ("Jarislowsky"), a global investment management firm. As of March 16, 2020, based on public filings, Jarislowsky beneficially owned, or controlled or directed, directly or indirectly, 18,970,640 Common Shares representing 10.81% of the outstanding Common Shares of the company.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-6			Markets served	<p>a. Markets served, including:</p> <ul style="list-style-type: none"> i. Geographic locations where products and services are offered; ii. Sectors served; iii. Types of customers and beneficiaries. 	<p>i. and ii. For a summary of markets served, including geographic breakdowns and sectors, please see sections 1, "Our Business" on p.6 and following and 6, "Geographic Breakdown of Revenues," on p.29 of the 2019 Management's Discussion and Analysis (MD&A).</p> <p>iii. The company serves a wide range of customers in the public, quasi-public and private sectors. Section 7, "Segment information," on p.30 of the MD&A provides an overview of projects and clients by sectors (segments) of activity. It has to be noted that the company offers services and does not manufacture household products. Until the end of 2019, it did however assemble equipment intended for the oil and gas industry through its Production & Processing Solutions business unit. Said business unit has now been closed.</p>
102-7			Scale of the organization	<p>a. Report the scale of the organization, including:</p> <ul style="list-style-type: none"> i. Total number of employees; ii. Total number of operations; iii. Net sales (for private sector organizations) or net revenues (for public sector organizations); iv. Total capitalization broken down in terms of debt and equity (for private sector organizations); v. Quantity of products or services provided. 	<p>As of December 31, 2019: Total number of employees: 46,490 (includes all employees and consultants, full and part time) Total number of operations: see sections 1, "Our Business" on p.6 and following of the 2019 MD&A. For information on net sales and total capitalization please see Section 10 "Financial position" on p.52 and following of the 2019 MD&A.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-8	Principle 6: Labour	SDG 8 - Employment	Information on employees and other workers	<p>a. Total number of employees by employment contract (permanent and temporary), by gender.</p> <p>b. Total number of employees by employment contract (permanent and temporary), by region.</p> <p>c. Total number of employees by employment type (full-time and part-time), by gender.</p> <p>d. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.</p> <p>e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).</p> <p>f. An explanation of how the data have been compiled, including any assumptions made.</p>	<p>a. b. c. For employee breakdown, see the graph titled "Our Workforce by Geographic Area" in Section 12 of the present report as well as the "Roadmap" on p. 14;</p> <p>d. As of December 31st, 2019, 31% were considered "temporary workers". Temporary Workforce includes Contractual employees, Casual employees, Temporary Agency workers and Consultants.</p> <p>e. SNC-Lavalin does not see seasonal fluctuations of its temporary workforce and does not conduct any activities akin to tourism or agriculture. Fluctuations do happen, however, following the life cycle of construction projects. But no significant change was noted through 2019.</p>



Other Standards Equivalency					
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
102-9			Supply chain	<p>a. A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.</p>	<p>SNC-Lavalin is mainly an engineering consulting company offering professional services. As such, we primarily purchase office and IT equipment, as well as services related to the occupation of rented properties.</p> <p>For all construction management and Operation & Maintenance contracts, SNC-Lavalin's supply chain is based on the nature, type and geographic location of projects, and is therefore highly variable from one year to another as these factors evolve.</p> <p>SNC-Lavalin expects all suppliers to abide to its Supplier Code of Conduct, available on line at:</p> <p>https://www.snclavalin.com/~media/Files/S/SNC-Lavalin/download-centre/en/policy/supplier-code-conduct-en.pdf</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-10			Significant changes to the organization and its supply chain	<p>a. Report any significant changes during the reporting period regarding the organization's size, structure, ownership or supply chain, including:</p> <ul style="list-style-type: none"> i. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions; ii. Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations); iii. Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination. 	<p>Please see section 3.2 "Executive Summary – Other Items", p.15-16, of the 2019 MD&A.</p> <p>The following Material Company Updates might be of interest:</p> <ul style="list-style-type: none"> > Ian Edwards became President & CEO in October 2019 (Mr. Edwards was COO before becoming interim President & CEO after Mr. Neil Bruce, former President & CEO, retired in June); > Jeff Bell was appointed as EVP and CFO (in February 2020); > Charlene A. Ripley appointed to EVP and General Counsel (September 2019); > Stéphanie Vaillancourt appointed to EVP Capital and Treasurer (March 2019); > Louis G. Véronneau appointed to the newly created role of Chief Transformation Officer (January 2020); > Nigel White appointed the newly created role of Chief Project Oversight Officer (June 2019); > Craig Muir hired to lead the newly created Resource sector (January 2019); and > Jonathan Wilkinson promoted from EVP Infrastructure Construction to the newly created position of President, Infrastructure Projects sector (January 2020). > In July 2019, the company was reorganized into two separate business lines: SNCL Engineering Services and SNCL Projects. The company also decided to exit the unprofitable midstream fabrication business and lump-sum turnkey (LSTK) construction contracting. > In December 2019, SNC-Lavalin settled the federal charges arising from legacy activities in Libya between 2001 and 2011 with the Public Prosecution Service of Canada. The Court of Quebec accepted a guilty plea from SNC-Lavalin Construction Inc. to a single charge of fraud. All other charges were withdrawn. > The organization completed the sale of 10.01% of the common shares of Highway 407 ETR for CA\$3 billion, with up to an additional CA\$250 million contingently payable over 10 years.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-11			Precautionary Principle or approach	a. Report whether and how the precautionary approach or principle is addressed by the organization.	<p>As of December 31st, 2019, the company was mainly an engineering service provider, not a manufacturer of products, with the exception of its Production & Processing Solutions business unit, which assembles equipment intended for the oil and gas industry and is scheduled to be closing permanently in 2020.</p> <p>As such, the company employs risk management processes, which are being expanded to cover not only project-based risks, but also company-wide risks.</p> <p>Currently, the precautionary principle does not form part of corporate risk management processes. However, SNC-Lavalin applies best practices and manages environment and health and safety risks through its management systems which are compliant with ISO 14001 and 45001.</p> <p>In addition, the vast majority of our clients' projects are subjected to environmental and/or social impact assessments. SNC-Lavalin is thus expected not only to follow those reports' recommendations, but also to work in collaboration with clients and contractors to limit as much as possible the impacts and risks associated with the projects we work on.</p>
102-12			External initiatives	a. List externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or which it endorses.	<p>The company applies the most stringent of the prevailing national laws or recognized international standards. for instance, our letter pertaining to UK's Modern Slavery Act, is publicly available on our website at: https://www.snclavalin.com/-/media/Files/S/SNC-Lavalin/download-centre/en/policy/4815-sl18-int-po-modern-slavery-human-en.pdf</p> <p>In addition, the company adheres to voluntary initiatives such as:</p> <p>UNGC: In 2015, the company adhered to the United Nations Global Compact. Please refer to our CEO's message in the present report as well as our Communication on Progress publicly available on the UNGC Webpage (https://www.unglobalcompact.org/what-is-gc/participants).</p> <p>PACI: SNC-Lavalin joined the World Economic Forum Partnering Against Corruption Initiative (PACI) Vanguard CEO community.</p> <p>30% Club: In September 2016, SNC-Lavalin has joined the 30% Club Canada, an organization that encourages and supports companies, through a voluntary approach, to appoint more women at board level, as well at senior management levels.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-13			Membership of associations	a. A list of the main memberships of industry or other associations, and national or international advocacy organizations.	Please see the Section titled "Memberships and Trade Associations" in our 2019 Lobbying report, available at: https://www.snclavalin.com/en/media/download-centre/report/lobbying-and-political-activities-2019
102-14			Statement from senior decision-maker	a. A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	Please see CEO's message in this report.
102-16	Principle 10: Anti-corruption	SDG 16 - Ethical and lawful behaviour	Values, principles, standards, and norms of behaviour	a. Describe the organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	For values, please refer to the "About us" section of our website at https://www.snclavalin.com/en/about/vision-and-values . Our code of conduct is publicly available at: https://www.snclavalin.com/~media/Files/S/SNC-Lavalin/documents/policies/1003_en.pdf The Sustainability, Governance and Leadership section of the present report also give an overview of how SNC-Lavalin embeds sustainability in its business structure.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-18			Governance structure	<p>a. Governance structure of the organization, including committees of the highest governance body.</p> <p>b. Committees responsible for decision-making on economic, environmental, and social topics.</p>	<p>a. Please see the "Board of directors" (https://www.snclavalin.com/en/about/leadership-and-governance/board-of-directors), "Leadership Team" (https://www.snclavalin.com/en/about/leadership-and-governance/leadership-team) and the "Governance" (https://www.snclavalin.com/en/about/leadership-and-governance/governance) sections of our website.</p> <p>b. The Governance and Ethics Committee assists the Board in developing the Corporation's approach to corporate governance and ethical and compliance issues. The Safety, Workplace and Project Risk Committee is responsible for overseeing the overall framework for managing project risks and health, safety, security, environmental, business continuity and emergency preparedness risks arising from the Corporation's operations and business it undertakes with clients. The mandates of these committees can be accessed via the "Governance" section of our website. (https://www.snclavalin.com/en/about/leadership-and-governance/governance)</p>
102-40			List of stakeholder groups	<p>a. Provide a list of stakeholder groups engaged by the organization.</p>	<p>The company considers its key stakeholders to be its clients, its top shareholders/investors and its employees. The company also engages with governments, NGOs and other civil society organizations as common preoccupations arise. Business units are encouraged to engage local communities, particularly in less developed countries and in urban areas, near project sites under the company's management.</p>
102-41	Principle 3: Labour	SDG 8 - Freedom of association and collective bargaining	Collective bargaining agreements	<p>a. Report the percentage of total employees covered by collective bargaining agreements.</p>	<p>As of December 2019, the percentage of unionized employees was 2.9% of our global workforce, or about 1,371 people.</p>
102-42			Identifying and selecting stakeholders	<p>a. Report the basis for identification and selection of stakeholders with whom to engage.</p>	<p>SNC-Lavalin engages with all stakeholders who communicate with the corporation. Please see Section 5 "What matters most to our stakeholders" of the present report for details on our engagement with specific stakeholders.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-43			Approach to stakeholder engagement	a. Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Please see the "What matters most to our stakeholders" section of the present report as well as the "Shareholder Engagement" section, p.72, of the Management Proxy Circular and Notice of Annual Meeting of Shareholders, dated March 16, 2020. External stakeholders were not consulted in the report preparation process.
102-43			Approach to stakeholder engagement Key topics and concerns raised	a. The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	A client survey was completed in 2017 and included Atkins' clients, however SNC-Lavalin considers the results to be business sensitive.
102-44			Approach to stakeholder engagement Key topics and concerns raised	a. Key topics and concerns that have been raised through stakeholder engagement, including: i. How the organization has responded to those key topics and concerns, including through its reporting; ii. The stakeholder groups that raised each of the key topics and concerns.	Clients: Client surveys did not denote an increased interest for topics related to sustainable development amongst our clients. However, based on the fact that clients have been asking SNC-Lavalin to fill "supplier reports" regarding our GHG emissions for the last 4 years and that call for proposal questionnaires now generally include sections regarding environment management and/ or sustainable development related metrics, we consider these topics to be somewhat significant for our clients. Shareholders: Other than anecdotal questions regarding SNC-Lavalin's involvement in certain type of markets and projects (CO ₂ sequestration, for instance), shareholders did not raise concern pertaining sustainable development topics during public information sessions. However, shareholders and investors do refer to reports and ratings prepared by firms dedicated to ESG and Corporate Governance research. SNC-Lavalin does communicate and collaborate with such firms as Sustainalytics and, as previously mentioned, files reports regarding carbon emission and water via the CDP. Employees: Our latest employee survey, conducted in 2017, helped SNC-Lavalin determine its values and vision. Topics explicitly pertaining to sustainable development were not retained. However, we consider that these topics are covered by the umbrella values of "Integrity" and "Safety". To read about SNC-Lavalin's definition of these values, please refer to: https://www.snclavalin.com/en/about/vision-and-values . A "materiality survey" is currently being prepared to allow employees to express their priority and concerns in relation to the management of sustainability within the company.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-45			Entities included in the consolidated financial statements	<ul style="list-style-type: none"> a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report. c. The organization can report on this Standard Disclosure by referencing the information in publicly available consolidated financial statements or equivalent documents. 	<ul style="list-style-type: none"> a. The main segments of the company are presented in Section 1 "Our Business" of our 2019 MD&A, p.6 and in further details in Section 7, "Segment Information", p.30 and following. As of December 2019, the company's reportable segments are EDPM, Nuclear, Infrastructure Services and Capital, all part of SNCL Engineering Services, and Resources* and Infrastructure EPC projects**, which form SNCL Projects. A list of main subsidiaries, joint arrangements and associates of the company, as well as the principal infrastructure concession entities in which the company participates, are published in note 37 "Subsidiaries, Joint Arrangements and Associates," on p.182-184 of the Financial report 2019 (notes to consolidated financial statements). * Resources combines the full lifecycle services in oil, gas and metals and mining. Those markets were served by two different SNC-Lavalin segments, known as "Oil & Gas" and "Mining & Metallurgy", until the end of 2018. ** Since the start of 2019, Infrastructure includes the Technology Ventures business, which consolidates our expertise in hydro electricity, transmission and distribution, renewables, energy storage, and intelligent networks and cybersecurity, as well as the Linxon subsidiary which were previously part of Clean Power. b. Unless stated otherwise, all sectors are included in the present report, but not the subsidiaries, joint arrangements and associates.
102-46			Defining report content and topic Boundaries	<ul style="list-style-type: none"> a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content. 	Issues of content, scope, boundaries, materiality and prioritization were reviewed by a joint team composed of representatives Global Sustainability, the Environment & Geosciences business unit and Global Corporate Communications.
102-47			List of material topics	<ul style="list-style-type: none"> a. A list of the material topics identified in the process for defining report content. 	Please see the "What matters most to our stakeholders" section of the present report.
102-48			Restatements of information	<ul style="list-style-type: none"> a. Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements. 	SNC-Lavalin restated it's 2018 GHG emissions and total energy usage. See Table on p. 115.
102-49			Changes in reporting	<ul style="list-style-type: none"> a. Significant changes from previous reporting periods in the list of material topics and topic Boundaries. 	In 2018 SNC-Lavalin selected 10 broad material topics identified during consultations with internal stakeholders and subject matter experts. However, 2020 will be the first period specifically covering those topics.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-50			Reporting period	a. Reporting period (such as fiscal or calendar year) for information provided.	The 2019 calendar year, which is also the company's fiscal year.
102-51			Date of most recent report	a. Date of most recent previous report (if any).	August 23rd, 2019
102-52			Reporting cycle	a. Reporting cycle (such as annual, biennial).	Annual
102-53			Contact point for questions regarding the report	a. Provide the contact point for questions regarding the report or its contents.	For questions regarding this report and its contents, please contact Sarah Jane Stewart, Global Head of Sustainability, Glasgow, United Kingdom at +44 141 220 2000 or via email at Sarah-Jane.Stewart@atkinsglobal.com. An inquiry form is also available on the Web page dedicated to Sustainability at: https://www.snclavalin.com/en/sustainability .
102-54			Claims of reporting in accordance with the GRI Standards	a. The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: i. 'This report has been prepared in accordance with the GRI Standards: Core option'; ii. 'This report has been prepared in accordance with the GRI Standards: Comprehensive option'.	This report has been prepared in accordance with the GRI Standards: Core option
102-55			GRI content index	a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report. b. For each disclosure, the content index shall include: i. The number of the disclosure (for disclosures covered by the GRI Standards); ii. The page number(s) or URL(s) where the information can be found, either within the report or in other published materials; iii. If applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.	GRI Content Index of this report.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
102-56			External assurance	<ul style="list-style-type: none"> a. A description of the organization's policy and current practice with regard to seeking external assurance for the report. b. If the report has been externally assured: <ul style="list-style-type: none"> i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process; ii. The relationship between the organization and the assurance provider; iii. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report. 	SNC-Lavalin did not seek external assurance for the current report.
Management Approach					
103-1			Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: <ul style="list-style-type: none"> i. Where the impacts occur; ii. The organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary. 	Please see Section 5.1. "Materiality Assessment" on p.27 and following of the present report.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
103-2		SDG 1, 5, 8 and 16 - Economic inclusion; Grievance mechanisms	The management approach and its components	<ul style="list-style-type: none"> a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: <ul style="list-style-type: none"> i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives 	Please see the "What matters most to our stakeholders" section of the present report.
103-3			Evaluation of the management approach	<ul style="list-style-type: none"> a. An explanation of how the organization evaluates the management approach, including: <ul style="list-style-type: none"> i. The mechanisms for evaluating the effectiveness of the management approach; ii. The results of the evaluation of the management approach; iii. Any related adjustments to the management approach. 	No formal evaluation of the management approach has been completed in 2019.



Other Standards Equivalency					
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Economic Performance					
201-1		SDG 2, 5, 7, 8 and 9 - Infrastructure investments; Economic performance; Research and development	Direct economic value generated and distributed	<p>a. Report the direct economic value generated and distributed (EVG&D) on an accruals basis including the basic components for the organization's global operations as listed below. If data is presented on a cash basis, report the justification for this decision and report the basic components as listed below:</p> <p>Direct economic value generated:</p> <p>i. Revenues.</p> <p>Economic value distributed:</p> <p>ii. Operating costs;</p> <p>iii. Employee wages and benefits;</p> <p>iv. Payments to providers of capital;</p> <p>v. Payments to government (by country);</p> <p>vi. Community investments.</p> <p>Economic value retained (calculated as 'Direct economic value generated' less 'Economic value distributed').</p> <p>b. To better assess local economic impacts, report EVG&D separately at country, regional, or market levels, where significant. Report the criteria used for defining significance.</p>	<p>a. Please refer to the "Consolidated Statements of Financial Position", p.88 and following, as well as to Note 32 "Pension plans, other long-term benefits and other post-employment benefits", on p.166 of our 2019 financial statements.</p> <p>b. Please refer to sections 6 "Geographic Breakdown of Revenues" (p.29) and 7 "Segment Information" (p.30) of our 2019 MD&A.</p>



Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
201-2	Principle 7: Environment:	SDG 13 - Risks and opportunities due to climate change	Financial implications and other risks and opportunities due to climate change	<ul style="list-style-type: none">a. Report risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue or expenditure, including:<ul style="list-style-type: none">i. A description of the risk or opportunity and its classification as either physical, regulatory or other;ii. A description of the impact associated with the risk or opportunity;iii. The financial implications of the risk or opportunity before action is taken;iv. The methods used to manage the risk or opportunity;v. The costs of actions taken to manage the risk or opportunity.	Please see SNC-Lavalin's report to the Carbon Disclosure Project at www.cdp.net .

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
201-3			Defined benefit plan obligations and other retirement plans	<ul style="list-style-type: none"> a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities. b. If a separate fund exists to pay the plan's pension liabilities: <ul style="list-style-type: none"> i. The extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them; ii. The basis on which that estimate has been arrived at; iii. When that estimate was made. c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage. d. Percentage of salary contributed by employee or employer. e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact. 	Please see Note 32 "Pension plans, other long-term benefits and other post-employment benefits", on p.166 of our 2019 financial statements.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
201-4			Financial assistance received from government	<p>a. Total monetary value of financial assistance received by the organization from any government during the reporting period, including:</p> <ul style="list-style-type: none"> i. Tax relief and tax credits; ii. Subsidies; iii. Investment grants, research and development grants, and other relevant types of grant; iv. Awards; v. Royalty holidays; vi. Financial assistance from Export Credit Agencies (ECAs); vii. Financial incentives; viii. Other financial benefits received or receivable from any government for any operation. <p>b. The information in 201-4-a by country.</p> <p>c. Whether, and the extent to which, any government is present in the shareholding structure.</p>	<p>a. SNC-Lavalin may receive financial assistance from some governments, however, such potential amounts received would not be considered material to this report.</p> <p>b. Not material.</p> <p>c. No government is directly present in SNC-Lavalin's shareholding structure. It has to be noted however that both the Caisse de Dépôt et Placement du Québec (lit. Quebec Deposit and Investment Fund, also referred to "the Caisse") and the Canada Pension Plan Investment Board are SNC-Lavalin shareholders. Those institutional investors were founded respectively by the Province of Quebec's National Assembly and the Parliament of Canada. However, even if both are accountable to government authorities, they should act "with full independence" in accordance with the acts governing them.</p>
Market Presence					
202-1	Principle 6: Labour	SDG 1, 5 and 8 - Earnings, wages and benefits; Equal remuneration for women and men	Ratios of standard entry level wage by gender compared to local minimum wage	<p>a. When a significant proportion of employees are compensated based on wages subject to minimum wage rules, report the relevant ratio of the entry level wage by gender at significant locations of operation to the minimum wage.</p> <p>b. When a significant proportion of other workers (excluding employees) performing the organization's activities are compensated based on wages subject to minimum wage rules, describe the actions taken to determine whether these workers are paid above the minimum wage.</p> <p>c. Whether a local minimum wage is absent or variable at significant locations of operation, by gender. In circumstances in which different minimums can be used as a reference, report which minimum wage is being used.</p> <p>d. The definition used for 'significant locations of operation'.</p>	SNC-Lavalin is an engineering and construction management company. As such there is not a significant proportion of our employees compensated based on wages subject to minimum wage rules.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
202-2	Principle 6: Labour	SDG 8 - Employment	Proportion of senior management hired from the local community	<ul style="list-style-type: none"> a. Report the percentage of senior management at significant locations of operation that are hired from the local community. b. Report the definition of 'senior management' used. c. Report the organization's geographical definition of 'local'. d. Report the definition used for 'significant locations of operation'. 	<ul style="list-style-type: none"> a. At the executive level, 80% of senior management was "from the local community". b. In this instance, SNC-Lavalin considers as "local" someone who has the nationality of his work location.
Indirect Economic Impacts					
203-1		SDG 2, 5, 7, 9 and 11 - Infrastructure investments	Infrastructure investments and services supported	<ul style="list-style-type: none"> a. Extent of development of significant infrastructure investments and services supported. b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. c. Whether these investments and services are commercial, in-kind, or pro bono engagements. 	<p>Capital, our investment, project financing and asset management arm, manages a 2.3 billion dollar* portfolio of infrastructure investments and raised over twelve billion dollar of project financing in the past 10 years. The company provide certain financial information separately for Engineering and Construction activities (E&C) and for it's investments (Capital). All financial analysis presented in the annual report and MD&A is clearly identified as either.</p> <p>Note 5, "capital investments" (p.118 and following of our 2019 financial statements) presents detailed information on investments net book value, accounting methodology for capital investments and revenues, segment Ebit and dividends of the Capital segment as well as investment portfolio.</p> <p>*Average Fair Market Value as per analysts calculations, May 5, 2020</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
203-2		SDG 1, 2, 3, 8, 10 and 17 - Availability of products and services for those on low incomes; Economic development in areas of high poverty; Changing the productivity of organizations, sectors, or the whole economy; Access to medicines; Changing the productivity of organizations, sectors, or the whole economy; Indirect impact on job creation; Jobs supported in the supply chain; Foreign direct investment	Significant indirect economic impacts	<ul style="list-style-type: none"> a. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts. b. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas. 	Please see Section 10 "Economic impacts" of this report.
Procurement Practices					
204-1		SDG 12 - Procurement practices	Proportion of spending on local suppliers	<ul style="list-style-type: none"> a. Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (such as percentage of products and services purchased locally). b. The organization's geographical definition of 'local'. c. The definition used for 'significant locations of operation'. 	SNC-Lavalin does not compile global data in relation to this metric: ad hoc procurement teams are assembled, as needed, on a per project basis and data on purchased material is not aggregated at the company level.

	Other Standards Equivalency				
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Anti-Corruption					
205-1	Principle 10: Anti-corruption	SDG 16 - Anti-corruption	Operations assessed for risks related to corruption	<ul style="list-style-type: none">a. Report the total number and percentage of operations assessed for risks related to corruption.b. Report the significant risks related to corruption identified through the risk assessment.	Please refer to Section 7 "Integrity" of the present report and to our dedicated webpage at https://www.snclavalin.com/en/about/integrity .
205-2	Principle 10: Anti-corruption	SDG 16 - Anti-corruption	Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none">a. Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region.b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.c. Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations.d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	Please refer to Section 7 "Integrity" of this report, more specifically to 7.5. "Education and Training" subsection.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
205-3	Principle 10: Anti-corruption	SDG 16 - Anti-corruption	Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> a. Report the total number and nature of confirmed incidents of corruption. b. Report the total number of confirmed incidents in which employees were dismissed or disciplined for corruption. c. Report the total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. d. Report public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases. 	Please refer to Section 7 "Integrity" of the present report.
Anti-Competitive Behaviour					
206-1		SDG 16 - Compliance with laws and regulations	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	<ul style="list-style-type: none"> a. Report the total number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant. b. Report the main outcomes of completed legal actions, including any decisions or judgments. 	<p>SNC-Lavalin Group Inc. announced on December 18th, 2019 that the federal charges arising from legacy activities in Libya between 2001 and 2011 have been settled. The Court of Quebec has accepted a plea of guilty from SNC-Lavalin Construction Inc. (a subsidiary of SNC-Lavalin Group Inc.) to a single charge of fraud. All charges against SNC-Lavalin Group Inc. and its international marketing arm, SNC-Lavalin International Inc., have been withdrawn.</p> <p>As part of the settlement, SNC-Lavalin Construction Inc. will pay a fine in the amount of CA\$280 million, payable in equal instalments over 5 years, and will be subject to a three-year probation order.</p>



Other Standards Equivalency					
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Materials					
301-1	Principle 7: Environment Principle 8: Environment	SDG 8 - Materials efficiency	Materials used by weight or volume	<p>a. Report the total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:</p> <p>i. Non-renewable materials used;</p> <p>ii. Renewable materials used.</p>	<p>SNC-Lavalin does not manufacture products, with the exception of its Production & Processing Solutions facility in Texas, which assembled equipment packages for the oil and gas industry up until the end of year 2019. Relative to the company as a whole, the Production & Processing Solutions business unit was not considered to be material in terms of this report.</p> <p>Services provided by SNC-Lavalin are mainly related to engineering, design and management of construction projects. Thus, office supplies represent the majority of the material used in providing these services. SNC-Lavalin currently tracks its global use of electronic equipment and has completed the installation of Ricoh's @Remote software on its multifunction printers in the greater Montreal, Toronto, Calgary and Vancouver areas in order to track its paper use.</p>



Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
301-2	Principle 8: Environment	SDG 8 and 12 - Materials efficiency; Materials efficiency/recycling	Recycled input materials used	a. Report the percentage of recycled input materials used to manufacture the organization's primary products and services.	<p>As mentioned above, SNC-Lavalin does not produce consumer goods. Our consulting and engineering services uses primarily paper, IT equipment and other office supplies.</p> <p>All offices in the greater Montreal region (representing about 2000 employees) uses Domtar's first choice multiuse paper. This paper contains 0% of recycled material, but is certified both by the Rainforest AllianceTM and the Forest Stewardship Council (FSC)[®]. Buying FSC-certified paper counts as a sustainable purchase under the U.S. Green Building Council[®] Leadership in Energy and Environmental Design (LEED[®]) for Existing Building: Operation and MaintenanceTM rating system.</p> <p>All PCs and laptops are refurbished in house and reused—often many times—before being disposed of. In 2019, SNC-Lavalin responded to demands for laptop and computers with 26% of used and refurbished computers. It has to be noted that SNC-Lavalin deployed the Windows 10 operation system across the company in 2019. This explains the lower proportion of refurbished equipment allocated compared to previous years (63% in 2018) as older equipment were not compatible with the newer software.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
301-3	Principle 8: Environment	SDG 8 and 12 - Resource efficiency of products and services; Resource efficiency of products and services	Reclaimed products and their packaging materials	<ul style="list-style-type: none"> a. Report the percentage of reclaimed products and their packaging materials for each product category. b. Report how the data for this Indicator has been collected. 	<p>SNC-Lavalin does not sell products intended for the general public. Equipment assembled by our Production & Processing Solutions business unit includes fabricated parts (ladders, cages, pressure vessels) and parts purchased from vendors (compressors, engines, coolers, pipe, valves, metal plate). The finished goods are massive (for instance, a condensate stabilizer can weigh up to 52,000 lbs) and are shipped on custom built permanent skids. Therefore, the quantity of packaging produced by SNC-Lavalin is not deemed significant enough to warrant a package reclaiming program. In addition, it has to be noted that reduction & Processing Solutions business unit is scheduled to be closed in 2020 and that its activities were ramped down through 2019.</p>
Energy					
302-1		SDG 7, 8, 12 and 13 - Energy efficiency; transport	Energy consumption within the organization	<ul style="list-style-type: none"> a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used. c. In joules, watt-hours or multiples, the total: <ul style="list-style-type: none"> i. Electricity consumption ii. Heating consumption iii. Cooling consumption iv. Steam consumption d. In joules, watt-hours or multiples, the total: <ul style="list-style-type: none"> i. Electricity sold ii. Heating sold iii. Cooling sold iv. Steam sold e. Total energy consumption within the organization, in joules or multiples. f. Standards, methodologies, assumptions, and/or calculation tools used. g. Source of the conversion factors used. 	Please see SNC-Lavalin's report to the CDP publicly available at CDP.net

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
302-2	Principle 8: Environment	SDG 7, 8, 12 and 13 - Energy efficiency; transport	Energy consumption outside of the organization	<ul style="list-style-type: none"> a. Energy consumption outside of the organization, in joules or multiples. b. Standards, methodologies, assumptions, and/or calculation tools used. c. Source of the conversion factors used. 	SNC-Lavalin does not measure the energy consumed by third parties in relation to its activities and services.
302-3	Principle 8: Environment	SDG 7, 8, 12 and 13 - Energy efficiency; transport	Energy intensity	<ul style="list-style-type: none"> a. Report the energy intensity ratio b. Report the organization-specific metric (the ratio denominator) chosen to calculate the ratio. c. Report the types of energy included in the intensity ratio: fuel, electricity, heating, cooling, steam, or all. d. Report whether the ratio uses energy consumed within the organization, outside of it or both. 	Please see SNC-Lavalin's report to the CDP publicly available at CDP.net
302-4	Principle 8: Environment Principle 9: Environment	SDG 7, 8, 12 and 13 - Energy efficiency; transport	Reduction of energy consumption	<ul style="list-style-type: none"> a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples. b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all. c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. d. Standards, methodologies, assumptions, and/or calculation tools used. 	Please see SNC-Lavalin's report to the CDP publicly available at CDP.net

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
302-5	Principle 8: Environment Principle 9: Environment	SDG 7, 8, 12 and 13 - Energy efficiency; transport	Reductions in energy requirements of products and services	<ul style="list-style-type: none"> a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples. b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. c. Standards, methodologies, assumptions, and/or calculation tools used. 	SNC-Lavalin does not measure separately its general energy consumption vs. the energy consumption linked to its service delivery. The Production & Processing Solutions business unit's facilities assemble and sell equipment (compressors and other processing, treating and production equipment) mainly to oil and gas companies. As each unit sold is customized, it is not possible to establish a comparison point between different units or a baseline to compare year to year consumption from our products. In addition, as mentioned above, these facilities are scheduled to close down in 2020.
Water					
303-1	Principle 7: Environment Principle 8: Environment	SDG 6 - Sustainable water withdrawals	Interactions with water as a shared resource	<ul style="list-style-type: none"> a. A description of how the organization interacts with water, including how and where water is withdrawn, consumed, and discharged, and the water-related impacts caused or contributed to, or directly linked to the organization's activities, products or services by a business relationship(e.g., impacts caused by runoff). b. A description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used. c. A description of how water-related impacts are addressed, including how the organization works with stakeholders to steward water as a shared resource, and how it engages with suppliers or customers with significant water-related impacts. d. An explanation of the process for setting any water-related goals and targets that are part of the organization's management approach, and how they relate to public policy and the local context of each area with water stress. 	SNC-Lavalin being mostly an engineering consulting firm, water is mainly procured from municipal distribution systems, used in its offices for drinking and domestic purposes and discharged in municipal sewers. In very few instances, sanitary water is collected in septic tanks. However, all SNC-Lavalin locations operate in accordance with local legislation. As for controlled project sites, measures are put in place to ensure the protection of surface water. Those measures include sedimentation basins, cofferdams, silt curtains and fences, leak proof concrete washout areas, etc. Such measures are implemented based on the relevant environmental impact assessment (EIA) reports and/or in compliance with local legislation. In 2019, no adverse impact to water bodies has been registered. Please refer to Subsection 5.5 "Water" of the present report for case studies regarding our consulting services related to water and the benefits incurred.



Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
303-2	Principle 8: Environment	SDG 6 - Sustainable water withdrawals	Management of water discharge-related impacts	<p>a. A description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined, including:</p> <p>i. How standards for facilities operating in locations with no local discharge requirements were determined;</p> <p>ii. Any internally developed water quality standards or guidelines;</p> <p>iii. Any sector-specific standards considered;</p> <p>iv. Whether the profile of the receiving waterbody was considered.</p>	<p>In all office settings, SNC-Lavalin operates in accordance with local legislation and collaborates with building owners who apply voluntary standards (such as LEED, BOMA Best, etc.) at their properties. It has to be noted that while SNC-Lavalin currently carries over 800 leases, the company only owns 13 properties worldwide and thus, is rarely directly responsible for the water discharge at office locations.</p> <p>On controlled project sites, SNC-Lavalin implements mitigation measures as required in the EIA specific to the site. EIAs do consider the profile of the receiving waterbody as well as potential risks to the local fauna and flora. The effectiveness of the implemented measures are monitored and regular reports are communicated to the client and relevant authorities.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
303-3	Principle 7: Environment Principle 8: Environment	SDG 6 - Sustainable water withdrawals	Water withdrawal	<p>a. Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:</p> <ul style="list-style-type: none"> i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water. <p>b. Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable:</p> <ul style="list-style-type: none"> i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv. <p>c. A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories:</p> <ul style="list-style-type: none"> i. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids); ii. Other water ($> 1,000$ mg/L Total Dissolved Solids). <p>d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	<p>SNC-Lavalin does not measure its global water withdrawal. Water is consumed in its offices and on project sites.</p> <p>In offices, water is used for drinking and domestic purposes. It has to be noted that less than 1% of the total area we occupy is actually owned by SNC-Lavalin. The vast majority of offices are rented and thus, SNC-Lavalin has very little control on the installed equipment, such as tenant-specific water meters.</p> <p>The principle use of water on project sites is for dust control and the production of concrete. Concrete tends to be manufactured off site and transported to the construction sites. Water for dust control is not considered to be significant.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
303-4	Principle 8: Environment		Water discharge	<p>a. Total water discharge to all areas in megaliters, and a breakdown of this total by the following types of destination, if applicable:</p> <ul style="list-style-type: none"> i. Surface water; ii. Groundwater; iii. Seawater; iv. Third-party water, and the volume of this total sent for use to other organizations, if applicable. <p>b. A breakdown of total water discharge to all areas in megaliters by the following categories:</p> <ul style="list-style-type: none"> i. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids); ii. Other water ($> 1,000$ mg/L Total Dissolved Solids). <p>c. Total water discharge to all areas with water stress in megaliters, and a breakdown of this total by the following categories:</p> <ul style="list-style-type: none"> i. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids); ii. Other water ($> 1,000$ mg/L Total Dissolved Solids). <p>d. Priority substances of concern for which discharges are treated, including:</p> <ul style="list-style-type: none"> i. How priority substances of concern were defined, and any international standard, authoritative list, or criteria used; ii. The approach for setting discharge limits for priority substances of concern; iii. Number of incidents of non-compliance with discharge limits. <p>e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	<p>SNC-Lavalin does not measure its global water discharge. As mentioned above, grey and sanitary waters are discharged in municipal sewers or are collected in septic tanks in very few instances.</p> <p>As for controlled project sites, measures, specific to each site, are put in place to insure that run off do not have detrimental impacts on surrounding watercourses, but are not measured unless instructed by regulatory or contractual obligations.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
303-5			Water consumption	<p>The reporting organization shall report the following information:</p> <ul style="list-style-type: none"> a. Total water consumption from all areas in megaliters. b. Total water consumption from all areas with water stress in megaliters. c. Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact. d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, estimated, modeled, or sourced from direct measurements, and the approach taken for this, such as the use of any sector-specific factors. 	As for water withdrawal, SNC-Lavalin does not measure its global water consumption.
Biodiversity					
304-1	Principle 8: Environment	SDG 6, 14 and 15 - Water-related ecosystems and biodiversity; Marine biodiversity; Mountain ecosystems; Natural habitat degradation; Terrestrial and inland freshwater ecosystems	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<ul style="list-style-type: none"> a. For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, the following information: <ul style="list-style-type: none"> i. Geographic location; ii. Subsurface and underground land that may be owned, leased, or managed by the organization; iii. Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas; iv. Type of operation (office, manufacturing or production, or extractive); v. Size of operational site in km² (or another unit, if appropriate); vi. Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem); vii. Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation). 	<p>Following an assessment in 2017, it was determined that only one SNC-Lavalin owned property was located within 1,000 m. of a protected area, namely the Bosque Oriental de Bogota, Colombia.</p> <p>It also has to be mentioned that the assembly plant leased by our Production & Processing Solutions division is located within 1,000 from the Attwater Prairie Chicken protected area in Texas, USA. As mentioned above, these facilities are scheduled to be shut down in 2020.</p> <p>This assessment was not undertaken in 2020, however, we do not expect any significant changes has SNC-Lavalin did not buy any new facilities in the last 12 months.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
304-2	Principle 8: Environment	SDG 6, 14 and 15 - Water-related ecosystems and biodiversity; Marine biodiversity; Mountain ecosystems; Natural habitat degradation; Terrestrial and inland freshwater ecosystems	Significant impacts of activities, products, and services on biodiversity	<p>a. Report the nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:</p> <ul style="list-style-type: none"> i. Construction or use of manufacturing plants, mines, and transport infrastructure; ii. Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources); iii. Introduction of invasive species, pests, and pathogens; iv. Reduction of species; v. Habitat conversion; vi. Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level). <p>b. Report significant direct and indirect positive and negative impacts with reference to the following:</p> <ul style="list-style-type: none"> i. Species affected; ii. Extent of areas impacted; iii. Duration of impacts; iv. Reversibility or irreversibility of the impacts. 	Although some of SNC-Lavalin's offices and projects are located near or adjacent to protected areas, it is considered that SNC-Lavalin's activities impacts are minimal, if any.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
304-3	Principle 8: Environment	SDG 6, 14 and 15 - Water-related ecosystems and biodiversity; Marine biodiversity; Mountain ecosystems; Natural habitat degradation; Terrestrial and inland freshwater ecosystems	Habitats protected or restored	<ul style="list-style-type: none"> a. Report the size and location of all habitat protected areas or restored areas, and whether the success of the restoration measure was or is approved by independent external professionals. b. Report whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures. c. Report on the status of each area based on its condition at the close of the reporting period. d. Report standards, methodologies, and assumptions used. 	<p>Although SNC-Lavalin occupies about 500 offices and buildings worldwide, it only owns 13 properties. One such property totaling about 197 hectares, is a former munitions factory, which operated from 1938 to 1990, after which it was decommissioned. The principal legacy environmental issue is a contaminated aquifer. By certificate of authorization issued by the Quebec Ministry of the Environment, SNC-Lavalin has been implementing a "Pump and treat" program for many years. Studies are currently underway to determine how best to increase the scope or pace of treatment. No significant environmental impact is anticipated on soils and ground water at other company properties.</p> <p>In addition to this property, SNC-Lavalin has been helping clients, mainly in the mining, military and oil and gas sectors, to restore their sites after the end of their operations. In 2019, SNC-Lavalin was still working on the Lac Renzy Mine (8 hectares nickel and copper mine) and Long Lake Mine (4 hectares gold mine) rehabilitations, as well as countless smaller mines, oil wells and military sites.</p>
304-4	Principle 8: Environment	SDG 6, 14 and 15 - Water-related ecosystems and biodiversity; Marine biodiversity; Mountain ecosystems; Natural habitat degradation; Terrestrial and inland freshwater ecosystems	IUCN Red List species and national conservation list species with habitats in areas affected by operations	<ul style="list-style-type: none"> a. Report the total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk: <ul style="list-style-type: none"> i. Critically endangered; ii. Endangered; iii. Vulnerable; iv. Near threatened; v. Least concern. 	<p>SNC-Lavalin is not aware of any IUCN Red List species that may be affected by its office operations.</p> <p>All project sites are governed by applicable environmental assessment studies and relevant permits which address wildlife protection and conservation issues as required.</p>



Other Standards Equivalency					
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Emissions					
305-1	Principle 7: Environment Principle 8: Environment	SDG 3, 12, 13, 14 and 15 - Air quality; Transport; GHG emissions; Ocean acidification; Forest degradation	Direct (Scope 1) GHG emissions	<ul style="list-style-type: none">a. Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent.b. Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCS, PFCs, SF₆, NF₃, or all.c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent.d. Base year for the calculation, if applicable, including:<ul style="list-style-type: none">i. The rationale for choosing it;ii. Emissions in the base year;iii. The context for any significant changes in emissions that triggered recalculations of base year emissions.e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.f. Consolidation approach for emissions; whether equity share, financial control, or operational control.g. Standards, methodologies, assumptions, and/or calculation tools used.	Please see SNC-Lavalin's CDP report (available at www.cdp.net).

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
305-2	Principle 7: Environment Principle 8: Environment	SDG 3, 12, 13, 14 and 15 - Air quality; Transport; GHG emissions; Ocean acidification; Forest degradation	Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent. b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent. c. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCS, PFCs, SF₆, NF₃, or all. d. Base year for the calculation, if applicable, including: <ul style="list-style-type: none"> i. The rationale for choosing it; ii. Emissions in the base year; iii. The context for any significant changes in emissions that triggered recalculations of base year emissions. e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. f. Consolidation approach for emissions; whether equity share, financial control, or operational control. g. Standards, methodologies, assumptions, and/or calculation tools used. 	Please see SNC-Lavalin's CDP report (available at www.cdp.net).

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
305-3	Principle 7: Environment Principle 8: Environment	SDG 3, 12, 13, 14 and 15 - Air quality; Transport; GHG emissions; Ocean acidification; Forest degradation	Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent. b. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCS, PFCs, SF₆, NF₃, or all. c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent. d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation. e. Base year for the calculation, if applicable, including: <ul style="list-style-type: none"> i. The rationale for choosing it; ii. Emissions in the base year; iii. The context for any significant changes in emissions that triggered recalculations of base year emissions. f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. g. Standards, methodologies, assumptions, and/or calculation tools used. 	Please see SNC-Lavalin's CDP report (available at www.cdp.net).

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
305-4	Principle 8: Environment	SDG 13, 14 and 15 - GHG emissions; Ocean acidification; Forest degradation	GHG emissions intensity	<ul style="list-style-type: none"> a. Report the GHG emissions intensity ratio. b. Report the organization-specific metric (the ratio denominator) chosen to calculate the ratio. c. Report the types of GHG emissions included in the intensity ratio: direct (Scope 1), energy indirect (Scope 2) and other indirect (Scope 3). d. Report gases included in the calculation. 	Please see SNC-Lavalin's CDP report (available at www.cdp.net).
305-5	"Principle 8: Environment Principle 9: Environment"	SDG 13, 14 and 15 - GHG emissions; Ocean acidification; Forest degradation	Reduction of GHG emissions	<ul style="list-style-type: none"> a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO₂ equivalent. b. Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCS, PFCs, SF₆, NF₃, or all. c. Base year or baseline, including the rationale for choosing it. d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3). e. Standards, methodologies, assumptions, and/or calculation tools used. 	Please see SNC-Lavalin's CDP report (available at www.cdp.net).
305-6	Principle 7: Environment Principle 8: Environment	SDG 3, 12 and 13 - Air quality; Transport; GHG emissions	Emissions of ozone-depleting substances (ODS)	<ul style="list-style-type: none"> a. Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent. b. Substances included in the calculation. c. Source of the emission factors used. d. Standards, methodologies, assumptions, and/or calculation tools used. 	SNC-Lavalin does not produce, import or export any Ozone Depleting substances.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
305-7	Principle 8: Environment	SDG 3, 12, 13, 14 and 15 - Air quality; Transport; GHG emissions; Ocean acidification; Forest degradation	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	<p>a. Significant air emissions, in kilograms or multiples, for each of the following:</p> <ul style="list-style-type: none"> i. NO_x; ii. SO_x; iii. Persistent organic pollutants (POP); iv. Volatile organic compounds (VOC);; v. Hazardous air pollutants (HAP) vi. Particulate matter (PM); vii. Other standard categories of air emissions identified in relevant regulations. <p>b. Source of the emission factors used.</p> <p>c. Standards, methodologies, assumptions, and/or calculation tools used.</p>	<p>Direct and indirect emissions of NO₂ from heating and electricity usage in office buildings are presented in SNC-Lavalin's GHG emissions report to the CDP (available at www.CDP.net).</p> <p>In 2019, SNC-Lavalin proceeded to close down its sole manufacturing plant which was assembling equipment for the oil and gas market, this indicator is thus considered to not being material to the current report.</p>
Effluents and Waste					
306-1	Principle 8: Environment	SDG 3, 6, 12 and 14 - Water quality; Sustainable water withdrawals; Water-related ecosystems and biodiversity; Water discharge to oceans	Water discharge by quality and destination	<p>a. Report the total volume of planned and unplanned water discharges by:</p> <ul style="list-style-type: none"> i. Destination; ii. Quality of the water including treatment method; iii. Whether it was reused by another organization. <p>b. Report standards, methodologies, and assumptions used.</p>	<p>SNC-Lavalin's water discharges are mainly domestic water which is collected and treated by the municipalities where we operate. In some instances, sanitary water is collected in septic tanks. However, all SNC-Lavalin locations operate in accordance with local legislation. As for controlled project sites, measures are put in place to ensure surrounding watercourses are protected. Those measures include sedimentation basins , cofferdams, silt curtains and fences, leak proof concrete washout areas, etc. Such measures are implemented based on the relevant EIA reports and/or in compliance with local legislation.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
306-2	Principle 8: Environment	SDG 3, 6 and 12 - spills; Waste; Water-related ecosystems and biodiversity	Waste by type and disposal method	<p>a. Total weight of hazardous waste, with a breakdown by the following disposal methods where applicable:</p> <ul style="list-style-type: none"> i. Reuse ii. Recycling iii. Composting iv. Recovery, including energy recovery v. Incineration (mass burn) vi. Deep well injection vii. Landfill viii. On-site storage ix. Other (to be specified by the organization) <p>b. Total weight of non-hazardous waste, with a breakdown by the following disposal methods where applicable:</p> <ul style="list-style-type: none"> i. Reuse ii. Recycling iii. Composting iv. Recovery, including energy recovery v. Incineration (mass burn) vi. Deep well injection vii. Landfill viii. On-site storage ix. Other (to be specified by the organization) <p>c. How the waste disposal method has been determined:</p> <ul style="list-style-type: none"> i. Disposed of directly by the organization, or otherwise directly confirmed ii. Information provided by the waste disposal contractor iii. Organizational defaults of the waste disposal contractor 	SNC-Lavalin does not compile a global register of hazardous waste and their treatment methods for project sites or offices. However, major project sites maintain such a register and are fully compliant with local legislation when it comes to the storage, management and disposal of hazardous and non-hazardous wastes.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
306-3	Principle 8: Environment	SDG 3, 6, 12, 14 and 15 - spills	Significant spills	<p>a. Report the total number and total volume of recorded significant spills.</p> <p>b. For spills that were reported in the organization's financial statements, report the additional following information for each such spill:</p> <ul style="list-style-type: none"> i. Location of spill; ii. Volume of spill; iii. Material of spill, categorized by: <ul style="list-style-type: none"> > Oil spills (soil or water surfaces); > Fuel spills (soil or water surfaces); > Spills of wastes (soil or water surfaces); > Spills of chemicals (mostly soil or water surfaces); > Other (to be specified by the organization). <p>c. Report the impacts of significant spills.</p>	<p>a. In 2019, there were no significant environmental incidents, i.e. high potential incidents which caused significant environmental impact or notices of violation.</p> <p>b. No environmental release was reported in the organization's financial statement.</p> <p>c. No impacts to report.</p>
306-4	Principle 8: Environment	SDG 3 and 12 - spills; Waste	Transport of hazardous waste	<p>a. Total weight for each of the following:</p> <ul style="list-style-type: none"> i. Hazardous waste transported ii. Hazardous waste imported iii. Hazardous waste exported iv. Hazardous waste treated <p>b. Percentage of hazardous waste shipped internationally.</p> <p>c. Standards, methodologies, and assumptions used.</p>	<p>The company does not export or ship hazardous waste internationally. Very small quantities of hazardous waste are generated in regular office operations (cleaning, maintenance and renovation works). Hazardous waste generated in these activities are transported and disposed of by licensed haulers.</p> <p>Controlled project sites also generate some hazardous wastes which are managed as per legal requirements in the country of operation.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
306-5	Principle 8: Environment	SDG 6 and 15 - Water-related ecosystems and biodiversity; Natural habitat degradation; Terrestrial and inland freshwater ecosystems	Water bodies affected by water discharges and/or runoff	<p>a. Water bodies and related habitats that are significantly affected by water discharges and/or runoff, including information on:</p> <ul style="list-style-type: none"> i. Size of the water body and related habitat; ii. Whether the water body and related habitat is designated as a nationally or internationally protected area; iii. The biodiversity value, such as total number of protected species. 	<p>a. To the best of the company's knowledge, no water bodies or related habitats were significantly impacted by SNC-Lavalin's activities in 2019. SNC-Lavalin, via its Global Health, Safety and Environment Management System (GHSEMS) prohibits the release of untreated process water or wastewater into the environment at all the facilities it controls.</p>
Environmental Compliance					
307-1		SDG 16 - Compliance with laws and regulations	Non-compliance with environmental laws and regulations	<p>a. Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations in terms of:</p> <ul style="list-style-type: none"> i. Total monetary value of significant fines; ii. Total number of non-monetary sanctions; iii. Cases brought through dispute resolution mechanisms. <p>b. If the organization has not identified any non-compliance with environmental laws and/or regulations, a brief statement of this fact is sufficient.</p>	<p>In 2019, no significant fine was imposed on SNC-Lavalin pertaining to environmental non-compliance.</p>
Supplier Environmental Assessment					
308-1	Principle 8: Environment		New suppliers that were screened using environmental criteria	<p>a. Report the percentage of new suppliers that were screened using environmental criteria.</p>	<p>At the time being, SNC-Lavalin does not screen product suppliers using environmental criteria. That being said, on construction projects, the main "suppliers" are contractors. Contractors and sub-contractors are expected to abide by SNC-Lavalin's Global HSE Management System and clauses to that effect are included in all major contracts. When a project is audited against corporate management system compliance, contractors are also audited. In 2019, 15 such audits were conducted.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
308-2	Principle 8: Environment		Negative environmental impacts in the supply chain and actions taken	<ul style="list-style-type: none"> a. Report the number of suppliers subject to environmental impact assessments. b. Report the number of suppliers identified as having significant actual and potential negative environmental impacts. c. Report the significant actual and potential negative environmental impacts identified in the supply chain. d. Report the percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment. e. Report the percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why. 	As mentioned above, SNC-Lavalin does not screen product supplier using environmental criteria.
Employment					
401-1	Principle 6: Labour	SDG 5 and 8 - Gender equality; Employment; Youth employment	New employee hires and employee turnover	<ul style="list-style-type: none"> a. Report the total number and rate of new employee hires during the reporting period, by age group, gender and region. b. Report the total number and rate of employee turnover during the reporting period, by age group, gender and region. 	<ul style="list-style-type: none"> a. In 2019, SNC-Lavalin hired 7,515 regular employees, representing about 16% of the total workforce. Among them, 5,280 were men and 2,015 (28%) were women. It has to be noted that some employees prefer not to disclose their gender, explaining the data gap; b. SNC-Lavalin considers this information to be business sensitive.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
401-2		SDG 8 - Earnings, wages and benefits	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>a. Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation. These include, as a minimum:</p> <ul style="list-style-type: none"> i. Life insurance; ii. Health care; iii. Disability and invalidity coverage; iv. Parental leave; v. Retirement provision; vi. Stock ownership; vii. Others. <p>b. The definition used for 'significant locations of operation'.</p>	SNC-Lavalin does not aggregate this information at the corporate level as this varies regionally in accordance with legislation and business environment. It also has to be noted that the main differences are between regular and temporary employees rather than between full time vs part time employees.
401-3	Principle 6: Labour	SDG 5 and 8 - Parental leave	Parental leave	<p>a. Report the total number of employees that were entitled to parental leave, by gender.</p> <p>b. Report the total number of employees that took parental leave, by gender.</p> <p>c. Report the total number of employees who returned to work after parental leave ended, by gender.</p> <p>d. Report the total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work, by gender.</p> <p>e. Report the return to work and retention rates of employees who took parental leave, by gender.</p>	At the time being, SNC-Lavalin does not track the relevant metrics in order to properly disclose on this topic.
Labour/Management Relations					
402-1	Principle 3: Labour	SDG 8 - Labor/management relations	Minimum notice periods regarding operational changes	<p>a. Report the minimum number of weeks' notice typically provided to employees and their elected representatives prior to the implementation of significant operational changes that could substantially affect them.</p> <p>b. For organizations with collective bargaining agreements, report whether the notice period and provisions for consultation and negotiation are specified in collective agreements.</p>	a. Although various situations need to be analyzed on a case by case basis, SNC-Lavalin ensure to provide sufficient notice to employees prior to making operational changes.

	Other Standards Equivalency				
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Occupational Health and Safety					
403-1		SDG 8 - Occupational health and safety	Occupational health and safety management system	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ul style="list-style-type: none">a. A statement of whether an occupational health and safety management system has been implemented, including whether:<ul style="list-style-type: none">i. The system has been implemented because of legal requirements and, if so, a list of the requirements;ii. The system has been implemented based on recognized risk management and/or management system standards/guidelines and, if so, a list of the standards/guidelines.b. A description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered.	<ul style="list-style-type: none">a. In 2018, SNC-Lavalin adopted an integrated Global Health, Safety and Environment Management System (GHSEMS). All our HSE processes are consolidated into one document referred to as the BlueBook. Updated annually, the BlueBook is consistent with the requirements of the ISO 14001:2015 environmental standard and ISO 45001:2018 occupational health and safety standard.b. The BlueBook is distributed across our organization and to clients and contractors to ensure everyone is working to the same standards and requirements. All SNC-Lavalin employees and controlled sites are covered by the GHSEMS. The GHSEMS oversees contractors HSE plans, programs and all related policies and procedures and takes precedence in case of conflict. The only exceptions are for workers at clients facilities or at sites that are not controlled by SNC-Lavalin where HSE expectations are equivalent or exceed that of SNC-Lavalin, in which cases the client's or the partner's system is adhered to. The BlueBook is available online: https://www.snclavalin.com/-/media/Files/S/SNC-Lavalin/download-centre/en/policy/blue-book_en.pdf

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
403-2		SDG 8 - Occupational health and safety	Hazard identification, risk assessment, and incident investigation	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ul style="list-style-type: none"> a. A description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls in order to eliminate hazards and minimize risks, including: <ul style="list-style-type: none"> i. How the organization ensures the quality of these processes, including the competency of persons who carry them out; ii. How the results of these processes are used to evaluate and continually improve the occupational health and safety management system. b. A description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals. c. A description of the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health, and an explanation of how workers are protected against reprisals. d. A description of the processes used to investigate work-related incidents, including the processes to identify hazards and assess risks relating to the incidents, to determine corrective actions using the hierarchy of controls, and to determine improvements needed in the occupational health and safety management system. 	<p>Please see the Section 9 "Health, Safety and Environment" of the present report as well as the HSE Manual of the organization, available at:</p> <p>https://www.snclavalin.com/~media/Files/S/SNC-Lavalin/download-centre/en/policy/blue-book_en.pdf</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
403-3		SDG 8 - Occupational health and safety	Occupational health services	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <p>a. A description of the occupational health services' functions that contribute to the identification and elimination of hazards and minimization of risks, and an explanation of how the organization ensures the quality of these services and facilitates workers' access to them.</p>	<p>Please see the Section 9 "Health, Safety and Environment" of the present report as well as the HSE Manual of the organization, available at: https://www.snclavalin.com/~media/Files/S/SNC-Lavalin/download-centre/en/policy/blue-book_en.pdf</p>
403-4		SDG 8 - Occupational health and safety	Worker participation, consultation, and communication on occupational health and safety	<p>a. A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers.</p> <p>b. Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.</p>	<p>a. The development, implementation, and evaluation of the occupational health and safety management system is under the responsibility of SNC-Lavalin Global HSE team, which compiles and validates the relevancy of all comments received from workers and other stakeholders.</p> <p>b. Joint Health and Safety Committees are formed at each SNC-Lavalin site. Local legislation must be referred to for specific guidance on membership requirements and committee responsibilities. There should always be balanced representation between management and workers on the committee to ensure that workers are engaged, consulted and their inputs are addressed in the decision-making process. Minutes for each meeting are kept. On Projects/ Operations where the size of the workforce or legislation does not require the establishment of such a committee, contractors and SNC-Lavalin communicate HSE related matters to its workforce in Toolbox meetings.</p>



Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
403-5		SDG 8 - Occupational health and safety	Worker training on occupational health and safety	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <p>a. A description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations.</p>	<p>All SNC-Lavalin employees must follow an induction training upon being hired and when arriving to a new controlled work site. Contractors are also offered a work site specific induction-type training. Upon being hired all SNC-Lavalin employees must also follow StepBack training. Additionally, in 2019 all SNC-Lavalin employees were required to complete a mandatory hand safety awareness e-learning module. The eight Critical Risk Control Protocols modules are also to be completed by every applicable SNC-Lavalin employee and by contractors who are on site for more than 30 days. Other specific trainings are given on site, depending on the tasks being performed. Finally, all visitors to any office must watch a 15 minutes video summarizing the specific safety features and requirements of the location.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
403-6		SDG 8 - Occupational health and safety	Promotion of worker health	<p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ul style="list-style-type: none"> a. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided. b. A description of any voluntary health promotion services and programs offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organization facilitates workers' access to these services and programs. 	<p>Medical and healthcare services provided vary greatly from region to region and no consolidated portrait was available in 2019. SNC-Lavalin will ensure it evaluates the relative materiality of this indicator by 2021.</p>
403-7		SDG 8 - Occupational health and safety	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p>The reporting organization shall report the following information:</p> <ul style="list-style-type: none"> a. A description of the organization's approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to its operations, products or services by its business relationships, and the related hazards and risks. 	<p>SNC-Lavalin's HSE management approach is risk based, proactive systematic and responsive to change. This is accomplished by having sites perform comprehensive risk assessments to ensure all hazards are identified, assessed and evaluated to effectively eliminate and or control risk levels. It consists of a 3-level approach: The first level is the development of a comprehensive Risk Register to identify the significant risks and their control measures, the second level is the Job Hazard Analysis (JHA) which consists of a comprehensive hazard assessment process intended to standardize, safe and specific methods of work. JHAs shall be conducted in advance for work activities identified in the Risk register and finally the third level consists of the StepBack process which is a guided field-level assessment tool. It prompts SNC-Lavalin personnel and contractors to step back 2 meters and take 2 minutes to think critically about their working environment and to identify how they can get hurt and what they can do about it.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
403-8		SDG 8 - Occupational health and safety	Workers covered by an occupational health and safety management system	<p>The reporting organization shall report the following information:</p> <ul style="list-style-type: none"> a. If the organization has implemented an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines: <ul style="list-style-type: none"> i. The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system; ii. The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited; iii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party. b. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded. c. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used. 	<ul style="list-style-type: none"> a. SNC-Lavalin has implemented an integrated HSE system that is consistent with the requirements of the ISO 14001:2015 environmental standard and ISO 45001:2018 occupational health and safety standard. i. All SNC-Lavalin employees and all (100%) of contractors' employees working on SNC-Lavalin's controlled sites must apply the BlueBook (our HSE manual). In rare instances where the client's HSE requirements are more stringent than ours, the client's HSE management system takes precedence over that of SNC-Lavalin. Furthermore, on non-controlled sites the system of the partner which is responsible for HSE is implemented, provided it is at least equivalent to ours. ii. The number of employees linked to contractors present on SNC-Lavalin controlled sites changes regularly (sometimes, daily) in accordance with the project's advancement and the tasks being carried out. As such, SNC-Lavalin is not able to provide definitive numbers. However, all contractors present on controlled sites are internally audited. iii. Some sites/business units are certified (ISO 14001 and/or 45001). Such certifications are externally audited as part of the certification process. SNC-Lavalin does not however tally the number of sites targeted by such audits. b. No workers excluded. c. No further contextual information to disclose.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
403-9		SDG 3 and 8 - Occupational health and safety	Work-related injuries	<p>The reporting organization shall report the following information:</p> <ul style="list-style-type: none"> a. For all employees: <i>i.</i> The number and rate of fatalities as a result of work-related injury; <i>ii.</i> The number and rate of high-consequence work-related injuries (excluding fatalities); <i>iii.</i> The number and rate of recordable work-related injuries; <i>iv.</i> The main types of work-related injury; <i>v.</i> The number of hours worked. b. For all workers who are not employees but whose work and/or workplace is controlled by the organization: <i>i.</i> The number and rate of fatalities as a result of work-related injury; <i>ii.</i> The number and rate of high-consequence work-related injuries (excluding fatalities); <i>iii.</i> The number and rate of recordable work-related injuries; <i>iv.</i> The main types of work-related injury; <i>v.</i> The number of hours worked. c. The work-related hazards that pose a risk of high-consequence injury, including: <i>i.</i> how these hazards have been determined; <i>ii.</i> which of these hazards have caused or contributed to high-consequence injuries during the reporting period; <i>iii.</i> actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls. d. Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls. e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked. f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded. g. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used. 	Please see the "Health, Safety and Environment section" of this report.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
403-10		SDG 8 - Occupational health and safety	Work-related ill health	<p>The reporting organization shall report the following information:</p> <ul style="list-style-type: none"> a. For all employees: <ul style="list-style-type: none"> i. The number of fatalities as a result of work-related ill health; ii. The number of cases of recordable work-related ill health; iii. The main types of work-related ill health. b. For all workers who are not employees but whose work and/or workplace is controlled by the organization: <ul style="list-style-type: none"> i. The number of fatalities as a result of work-related ill health; ii. The number of cases of recordable work-related ill health; iii. The main types of work-related ill health. c. The work-related hazards that pose a risk of ill health, including: <ul style="list-style-type: none"> i. How these hazards have been determined; ii. Which of these hazards have caused or contributed to cases of ill health during the reporting period; iii. Actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls. d. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded. e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used. 	At the present moment, SNC-Lavalin does not compile statistics regarding the "ill health" of employees or contractors. The company has yet to evaluate whether this indicator is material to its business activity.

	Other Standards Equivalency				
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Training and Education					
404-1	Principle 6: Labour	SDG 4, 5 and 8 - Employee training and education; Gender equality	Average hours of training per year per employee	a. Report the average hours of training that the organization's employees have undertaken during the reporting period, by: i. Gender; ii. Employee category.	Please see the "SNC-Lavalin Academy" subsection of this report.
404-2		SDG 8 - Employee training and education	Programs for upgrading employee skills and transition assistance programs	a. Report on the type and scope of programs implemented and assistance provided to upgrade employee skills. b. Report on the transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	Please see the "SNC-Lavalin Academy" subsection of this report.
404-3	Principle 6: Labour	SDG 5 and 8 - Gender equality; Employee training and education	Percentage of employees receiving regular performance and career development reviews	a. Report the percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.	In 2019, virtually all eligible employees received an evaluation. Eligible employees include all Professionals, Managers and Project Managers.

	Other Standards Equivalency				
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Diversity and Equal Opportunity					
405-1	Principle 6: Labour	SDG 5 and 8 - Equal remuneration for women and men; Gender equality; Women in leadership; Diversity and equal opportunity	Diversity of governance bodies and employees	<p>a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:</p> <p>i. Gender;</p> <p>ii. Age group: under 30 years old, 30-50 years old, over 50 years old;</p> <p>iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).</p> <p>b. Percentage of employees per employee category in each of the following diversity categories:</p> <p>i. Gender;</p> <p>ii. Age group: under 30 years old, 30-50 years old, over 50 years old;</p> <p>iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).</p>	<p>a. With respect to the composition of governance bodies, the company has always taken Board diversity into consideration, as it believes such diversity enriches Board discussions by providing a variety of expertise and perspectives, particularly for globally active companies such as SNC-Lavalin. The company is also convinced that diversity in all forms increases the efficiency and effectiveness of the Board and the Board committees. As of December 31, 2019:</p> <p>i. The Board of Directors of SNC-Lavalin was composed of 7 men and 3 women, excluding the president and CEO. The company's Leadership Team was composed of 10 men and 2 women, including the president and CEO.</p> <p>ii. Board of Director age distribution was: Less than 45 - 0% 46-55 - 20% 56-65 - 70% over 65 - 10%</p> <p>b. Percentage of employees by professional category:</p> <p>i. Workforce by gender on December 31, 2019: In Senior Leadership positions: Male – 85,5%; Female – 14,5% In Managers & Senior Professional positions: Male – 82%; Female – 18%</p> <p>ii. Workforce by age (December 31, 2019): 25 years old and under - 9% 26-35 - 31% 36-45 - 28% 46-55 - 19% 56-65 - 10% 66 and over - 2%</p>
405-2	Principle 6: Labour	SDG 5, 8 and 10 - Equal remuneration for women and men	Ratio of basic salary and remuneration of women to men	<p>a. Report the ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation.</p> <p>b. Report the definition used for 'significant locations of operation.'</p>	SNC-Lavalin considers this information as business sensitive and does not wish to publish it for the time being.

	Other Standards Equivalency				
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Non-Discrimination					
406-1	Principle 6: Labour	SDG 5, 8 and 16 - Non-discrimination	Incidents of discrimination and corrective actions taken	<ul style="list-style-type: none">a. Report the total number of incidents of discrimination during the reporting period.b. Report the status of the incidents and the actions taken with reference to the following:<ul style="list-style-type: none">i. Incident reviewed by the organization;ii. Remediation plans being implemented;iii. Remediation plans have been implemented and results reviewed through routine internal management review processes;iv. Incident no longer subject to action.	Very few allegations of discrimination were brought to the attention of senior management. For those deemed to be founded, remedies have been implemented or are in the process of implementation. A formal reporting process has been developed to facilitate the reporting of incidents, including an integrity hotline operated by an independent third-party service provider.
Freedom of Association and Collective Bargaining					
407-1	Principle 3: Labour	SDG 8 - Freedom of association and collective bargaining	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<ul style="list-style-type: none">a. Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of:<ul style="list-style-type: none">i. Type of operation (such as manufacturing plant) and supplier;ii. Countries or geographic areas with operations and suppliers considered at risk.b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.	SNC-Lavalin is not aware of any instances where these rights may have been violated.

	Other Standards Equivalency				
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Child Labor					
408-1	Principle 5	SDG 8 - Abolition of child labor	Operations and suppliers at significant risk for incidents of child labor	<p>a. Report operations and suppliers considered to have significant risk for incidents of:</p> <p>i. Child labour;</p> <p>ii. Young workers exposed to hazardous work.</p> <p>b. Report operations and suppliers considered to have significant risk for incidents of child labour either in terms of:</p> <p>i. Type of operation (such as manufacturing plant) and supplier;</p> <p>ii. Countries or geographical areas with operations and suppliers considered at risk.</p> <p>c. Report measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labour.</p>	Child labour is not permitted at SNC-Lavalin under any circumstances and represents a violation of our Code of conduct and Supplier code of conduct.
Forced or Compulsory Labor					
409-1	Principle 4: Labour	SDG 8 - Elimination of forced or compulsory labor	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<p>a. Report operations and suppliers considered to have significant risk for incidents of forced or compulsory labour either in terms of:</p> <p>i. Type of operation (such as manufacturing plant) and supplier;</p> <p>ii. Countries or geographical areas with operations and suppliers considered at risk.</p> <p>b. Report measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labour.</p>	<p>a. Forced and compulsory labour is a violation of SNC-Lavalin's Code of conduct and Supplier code of conduct. SNC-Lavalin has a zero tolerance policy pertaining to forced and compulsory labour within its offices and on project sites under its responsibility.</p> <p>i. and ii.</p> <p>Due to the prevalence of the use of third country nationals for labour on construction sites, the Middle East and North Africa regions are considered at risk.</p> <p>iii. SNC-Lavalin has developed processes for the recruitment of migrant workers which conform to international best practices (clear, unmodified contracts, no charging of recruitment costs to workers, no retention of passports, use of agents in country of origin that have been accredited by the relevant government administration, etc.). SNC-Lavalin conducts regular, detailed audits of workers transportation and accommodation (including accommodation used by third party agents) and screens prospective new business partners regarding their management of recruitment processes and accommodation.</p>

	Other Standards Equivalency				
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Security Practices					
410-1	Principle 1:Human Rights Aspect Security Practices	SDG 16 - Security	Security personnel trained in human rights policies or procedures	<div>a. Report the percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security.</div> <div>b. Report whether training requirements also apply to third party organizations providing security personnel.</div>	SNC Lavalin Global Security continues to work towards meeting the Voluntary Principle on Security and Human Rights (VPSHR) standards. To this end, we have reviewed our global security guard contract to ensure that we include a compliance requirement to the VPSHR.
Rights of Indigenous Peoples					
411-1	Principle 1:Human Rights Aspect Indigenous Rights	SDG 2 - Indigenous rights	Incidents of violations involving rights of indigenous peoples	<div>a. Report the total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period.</div> <div>b. Report the status of the incidents and actions taken with reference to:<div><div>i. Incident reviewed by the organization;</div><div>ii. Remediation plans being implemented;</div><div>iii. Remediation plans have been implemented and results reviewed through routine internal management review processes;</div><div>iv. Incident no longer subject to action.</div></div></div>	To the knowledge of the company, there were no identified incidents in relation to violations of the rights of indigenous peoples in 2019.
Human Rights Assessment					
412-1	Principle 1:Human Rights Aspect Assessment		Operations that have been subject to human rights reviews or impact assessments	<div>a. Report the total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.</div>	Please refer to the "Integrity" section of this report.
412-2	Principle 1:Human Rights Aspect Investment		Employee training on human rights policies or procedures	<div>a. Report the total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations.</div> <div>b. Report the percentage of employees in the reporting period trained in human rights policies or procedures concerning aspects of human rights that are relevant to operations.</div>	Please refer to the "Integrity" section of this report.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
412-3	Principle 2: Human Rights Aspect Investment		Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<ul style="list-style-type: none"> a. Report the total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening. b. Report the definition of 'significant investment agreements' used by the organization. 	<p>All SNC-Lavalin's suppliers must abide by our Supplier Code of Conduct (available at: https://www.snclavalin.com/~media/Files/S/SNC-Lavalin/download-centre/en/policy/supplier-code-conduct-en.pdf) which includes a chapter on Labour and states that "The Supplier will not use, nor support the use of, child labor nor use any forced labor, including but not limited to involuntary prison labor, victims of slavery and human trafficking." In 2019, 556 business partners were subjected to a compliance due diligence evaluation. For more information on integrity expectations bestowed on suppliers, please see the "Business Partner Compliance Due Diligence" subsection of the current report as well as our Web page dedicated to Integrity at https://www.snclavalin.com/en/about/integrity.</p>
Local Communities					
413-1	Principle 1: Human Rights Aspect: Local Communities		Operations with local community engagement, impact assessments, and development programs	<ul style="list-style-type: none"> a. Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of: <ul style="list-style-type: none"> i. Social impact assessments, including gender impact assessments, based on participatory processes; ii. Environmental impact assessments and ongoing monitoring; iii. Public disclosure of results of environmental and social impact assessments; iv. Local community development programs based on local communities' needs; v. Stakeholder engagement plans based on stakeholder mapping; vi. Broad based local community consultation committees and processes that include vulnerable groups; vii. Works councils, occupational health and safety committees and other worker representation bodies to deal with impacts; viii. Formal local community grievance processes. 	<p>Please see the "Economic Impacts" section of this report.</p> <p>It has to be noted that SNC-Lavalin does not carry permanent "operations" other than its office activities. All project sites are, by definition, temporary and their location is determined by clients. In general, SNC-Lavalin is not responsible for community relations for the duration of the project. Regardless of our responsibilities we support our clients to create positive relationships with communities and local stakeholders and we have the capacity to complete (social and/or environmental) impact assessments as required by clients (please see our service offering and brochure for more details). https://www.snclavalin.com/en/markets-and-services/markets-environment-and-geoscience#mod2</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
413-2	Principle 1: Human Rights Aspect: Local Communities	SDG 1 and 2 - Access to land	Operations with significant actual and potential negative impacts on local communities	<ul style="list-style-type: none"> a. Report operations with significant actual and potential negative impacts on local communities, including: <ul style="list-style-type: none"> i. The location of the operations; ii. The significant actual and potential negative impacts of operations. 	Not material. SNC-Lavalin is mainly an engineering company. As such, activities are either temporary (project sites) or office-based. When project sites are located close to densely populated or urban areas, SNC-Lavalin complies with all legislation and regulations relating to noise, traffic, dust, light, work hours, etc. Grievance mechanisms are in place to find solutions in the rare cases where local population are inconvenienced by the work carried by our teams.
Supplier Social Assessment					
414-1	Principle 2: Human Rights Aspect Supplier Human Rights Assessment	SDG 5, 8 and 16 - Workplace violence and harassment; Labor practices in the supply chain	New suppliers that were screened using social criteria	<ul style="list-style-type: none"> a. Percentage of new suppliers that were screened using social criteria. 	Please refer to the "Integrity" section of the current report
414-2	Principle 2: Human Rights Aspect Supplier Human Rights Assessment	SDG 5, 8 and 16 - Workplace violence and harassment; Labor practices in the supply chain	Negative social impacts in the supply chain and actions taken	<ul style="list-style-type: none"> a. Number of suppliers assessed for social impacts. b. Number of suppliers identified as having significant actual and potential negative social impacts. c. Significant actual and potential negative social impacts identified in the supply chain. d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment. e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why. 	Please refer to the "Integrity" section of the current report

	Other Standards Equivalency				
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Public Policy					
415-1	Principle 10: Anti-corruption	SDG 16 - Anti-corruption	Political contributions	<div><div>a.</div><div>Report the total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.</div><div>b.</div><div>Report how the monetary value of in-kind contributions was estimated, if applicable.</div></div>	<p>As stated in our Code of Conduct (http://www.snclavalin.com/en/code-of-ethics), Compliance Policy (https://www.snclavalin.com/~media/Files/S/SNC-Lavalin/documents/policies/compliance.pdf) and Lobbying report (https://www.snclavalin.com/~media/Files/S/SNC-Lavalin/download-centre/en/report/lobbying-and-political-activities-2018-EN.pdf), political contributions on behalf of SNC-Lavalin, whether at the federal, provincial/state or local level, in Canada or abroad, are prohibited, even in jurisdictions where it is permitted by law.</p> <p>All SNC-Lavalin personnel, including members of the Board, the CEO, members of the Executive Committee, members of the Senior Management Team, employees (regular, occasional, temporary, contractual, full- or part-time, etc.), consultants and loaned personnel, are forbidden from making political contributions on behalf of the company, or to use their position to solicit them for the benefit of any political party or candidate in any country. There is no exception to this policy.</p> <p>Separately, as authorized by the SNC-Lavalin Board and in accordance with relevant U.S. federal and state election laws, Atkins North America makes corporate donations in support of state and local ballot initiatives for infrastructure development and maintenance. These measures are non-partisan in nature and directly approved by the electorate.</p>
Customer Health and Safety					
416-1			Assessment of the health and safety impacts of product and service categories	<div><div>a.</div><div>Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.</div></div>	<p>Safety in design is considered by our teams for all SNC-Lavalin engineering projects. A Standard Operational Procedure was developed in 2017 and adopted in early 2018. This procedure outlines the methodology used to minimize occupational hazards during the design process, with an emphasis on optimizing HSE throughout the life cycle of materials and processes. Safety in design elements were also added to our audit tool in January 2018.</p>

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
416-2		SDG 16 - Compliance with laws and regulations	Incidents of non-compliance concerning the health and safety impacts of products and services	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by:</p> <ul style="list-style-type: none"> i. Incidents of non-compliance with regulations resulting in a fine or penalty; ii. Incidents of non-compliance with regulations resulting in a warning; iii. Incidents of non-compliance with voluntary codes. <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>	No incidents of non-compliance concerning the health and safety impacts of products and services to report.
Marketing and Labeling					
417-1		SDG 12 and 16 - Product and service information and labeling; Compliance with laws and regulations	Requirements for product and service information and labeling	<p>a. Whether each of the following types of information is required by the organization's procedures for product and service information and labeling:</p> <ul style="list-style-type: none"> i. The sourcing of components of the product or service; ii. Content, particularly with regard to substances that might produce an environmental or social impact; iii. Safe use of the product or service; iv. Disposal of the product and environmental or social impacts; v. Other (explain). <p>b. Percentage of significant product or service categories covered by and assessed for compliance with such procedures.</p>	Not material. SNC-Lavalin is mainly an engineering company. As such, we do not deliver "products" to clients, but services. However, SNC-Lavalin does fill specific CDP or GHG emission reports for clients who request it.

Disclosure Number	Other Standards Equivalency		Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
	UNGC Principle	UN SDGs			
417-2		SDG 16 - Compliance with laws and regulations	Incidents of non-compliance concerning product and service information and labeling	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling, by:</p> <ul style="list-style-type: none"> i. Incidents of non-compliance with regulations resulting in a fine or penalty; ii. Incidents of non-compliance with regulations resulting in a warning; iii. Incidents of non-compliance with voluntary codes <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>	No incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling to report. This criteria is not particularly relevant for a primarily engineering services company with extremely limited exposure to consumer retail activities.
417-3			Incidents of non-compliance concerning marketing communications	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by:</p> <ul style="list-style-type: none"> i. Incidents of non-compliance with regulations resulting in a fine or penalty; ii. Incidents of non-compliance with regulations resulting in a warning; iii. Incidents of non-compliance with voluntary codes. <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>	No incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications to report.

	Other Standards Equivalency				
Disclosure Number	UNGC Principle	UN SDGs	Disclosure Title	Reporting Requirements	SNC-Lavalin's 2019 Disclosure
Customer Privacy					
418-1		SDG 16 - Compliance with laws and regulations; Protection of privacy	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>a. Report the total number of substantiated complaints received concerning breaches of customer privacy, categorized by:</p> <p>i. Complaints received from outside parties and substantiated by the organization;</p> <p>ii. Complaints from regulatory bodies.</p> <p>b. Report the total number of identified leaks, thefts or losses of customer data.</p> <p>c. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.</p>	<p>a. No complaints were received in 2019.</p> <p>b. To the knowledge of SNC-Lavalin, no customer data was lost or stolen in 2019. SNC-Lavalin Cybersecurity team's core mission is to ensure the protection of confidential information, particularly clients' intellectual property and employees' personal information. The team has put in place a number of programs and actively monitor our infrastructures and assets to root out any weaknesses. In 2019, we thwarted 184 cybersecurity incidents.</p>
Socioeconomic Compliance					
419-1		SDG 16 - Compliance with laws and regulations	Non-compliance with laws and regulations in the social and economic area	<p>a. Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:</p> <p>i. Total monetary value of significant fines;</p> <p>ii. Total number of non-monetary sanctions;</p> <p>iii. Brought through dispute resolution mechanisms.</p> <p>b. If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.</p> <p>c. The context against which significant fines and non-monetary sanctions were incurred.</p>	<p>As mentioned above, SNC-Lavalin Group Inc. announced on December 18th, 2019 that the federal charges arising from legacy activities in Libya between 2001 and 2011 have been settled. The Court of Quebec has accepted a plea of guilty from SNC-Lavalin Construction Inc. (a subsidiary of SNC-Lavalin Group Inc.) to a single charge of fraud. As part of the settlement, SNC-Lavalin Construction Inc. will pay a fine in the amount of CA\$280 million, payable in equal instalments over 5 years, and will be subject to a three-year probation order.</p>

For questions around sustainability or how
we can help your business, please contact:

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Samuel De Champlain Bridge
Montréal, Québec, Canada
Photography by Infrastructure Canada