SNC-Lavalin Group Inc.

Annual Information Form

Year Ended December 31, 2022

March 2, 2023

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Interpretation

Reference in this Annual Information Form to "**SNC-Lavalin**" means, as the context may require, the Company (as such term is defined below) and all or some of its subsidiaries, joint arrangements or associates, or the Company or one or more of its subsidiaries, joint arrangements or associates.

Unless otherwise stated, currency amounts in this Annual Information Form are presented in Canadian dollars, or "**$**". Certain totals, subtotals and percentages may not reconcile due to rounding.

Unless otherwise expressly stated herein, information or documents found on our website that are referred to in this Annual Information Form do not form part of and are not incorporated by reference into this Annual Information Form.

Information in this Annual Information Form is as at December 31, 2022 unless otherwise indicated.

Caution Regarding Forward-Looking Statements

Statements made in this Annual Information Form that describe the Company's or management's budgets, estimates, expectations, forecasts, objectives, predictions, projections of the future or strategies may be "forward-looking statements", which can be identified by the use of the conditional or forward-looking terminology such as "aims", "anticipates", "assumes", "believes", "cost savings", "estimates", "expects", "forecasts", "goal", "intends", "likely", "may", "objective", "outlook", "plans", "projects", "should", "synergies", "target", "vision", "will", or the negative thereof or other variations thereon. Forward-looking statements also include any other statements that do not refer to historical facts. Forward-looking statements also include statements relating to the following: i) future capital expenditures, revenues, expenses, earnings, economic performance, indebtedness, financial condition, losses, project - or contract-specific cost reforecasts and claims provisions, and future prospects; ii) business and management strategies and the expansion and growth of the Company's operations; and iii) the expected additional impacts of the ongoing COVID-19 pandemic on the business and its operating and reportable segments as well as elements of uncertainty related thereto. All such forward-looking statements are made pursuant to the "safe-harbour" provisions of applicable Canadian securities laws. The Company cautions that, by their nature, forward-looking statements involve risks and uncertainties, and that its actual actions and/or results could differ materially from those expressed or implied in such forward-looking statements, or could affect the extent to which a particular projection materializes. Forward-looking statements are presented for the purpose of assisting investors and others in understanding certain key elements of the Company's current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of the Company's business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

Forward-looking statements made in this Annual Information Form are based on a number of assumptions believed by the Company to be reasonable on March 2, 2023. The assumptions are set out throughout the Company's 2022 Management's Discussion and Analysis dated March 2, 2023 (the "**2022 Management's Discussion and Analysis**") (particularly in the sections entitled "Critical Accounting Judgements and Key Sources of Estimation Uncertainty" and "How We Analyze and Report Our Results" in the Company's 2022 Management's Discussion and Analysis). If these assumptions are inaccurate, the Company's actual results could differ materially from those expressed or implied in such forward-looking statements. In addition, important risk factors could cause the Company's assumptions and estimates to be inaccurate and actual results or events to differ materially from those expressed in or implied by these forward-looking statements. These risks include, but are not limited to, matters relating to: (a) epidemics, pandemics, including COVID-19, and other global health crises; (b) execution of the Company's "Pivoting to Growth Strategy" unveiled in September 2021; (c) fixed-price contracts or the Company's failure to meet contractual schedule, performance requirements or to execute projects efficiently; (d) backlog and contracts with termination for convenience provisions; (e) contract awards and timing; (f) being a provider of services to government agencies; (g) international operations; (h) nuclear liability; (i) ownership interests in investments; (j) dependence on third parties; (k) supply chain disruptions; (l) joint ventures and partnerships; (m) information systems and data and compliance with privacy legislation; (n) qualified personnel (o) competition; (p) professional liability or liability for faulty services; (q) monetary damages and penalties in connection with professional and engineering reports and opinions; (r) gaps in insurance coverage; (s) health and safety; (t) work stoppages, union negotiations and other labour matters; (u) global climate change, extreme weather conditions and the impact of natural or other disasters; (v) divestitures and the sale of significant assets; (w) intellectual property; (x) liquidity and financial position; (y) indebtedness; (z) impact of operating results and level of indebtedness on financial situation; (aa) security under the CDPQ Loan Agreement (as hereinafter defined); (bb) dependence on subsidiaries to help repay indebtedness; (cc) dividends; (dd) post-employment benefit obligations, including pension-related obligations; (ee) working capital requirements; (ff) collection from customers; (gg) impairment of goodwill and other assets; (hh) the impact on the Company of legal and regulatory proceedings, investigations and dispute settlements; (ii) further regulatory developments as well as employee, agent or partner misconduct or failure to comply with anti-corruption and other government laws and regulations; (jj) reputation of the Company; (kk) inherent limitations to the Company's control framework; (ll) environmental laws and regulations; (mm) global economic conditions; (nn) inflation; (oo) fluctuations in commodity prices; and (pp) income taxes.

The Company cautions that the foregoing list of factors is not exhaustive. For more information on risks and uncertainties and assumptions that could cause the Company's actual results to differ from current expectations, please refer to the sections "Risks and Uncertainties", "How We Analyze and Report Our Results" and "Critical Accounting Judgements and Key Sources of Estimation Uncertainty" in the Company's 2022 Management's Discussion and Analysis filed with the securities regulatory authorities in Canada, available on SEDAR at **www.sedar.com** or on the Company's website at **www.snclavalin.com** under the "Investors" section.

The Company may, from time to time, make oral forward-looking statements. The Company advises that the above paragraphs and the risk factors described in the 2022 Management's Discussion and Analysis and in the Company's other documents filed with the securities regulatory authorities in Canada should be read for a description of certain factors that could cause the actual results of the Company to differ materially from those in the oral forward-looking statements. The forward-looking statements herein reflect the Company's expectations as at March 2, 2023, the date on which the Company's Board of Directors (the "**Board of Directors**") approved this document, and they are subject to change after this date. The Company does not undertake to update publicly or to revise any written or oral forward-looking information or statements whether as a result of new information, future events or otherwise, unless required by applicable legislation or regulation. The forward-looking information and statements contained herein are expressly qualified in their entirety by this cautionary statement.

1. Corporate Structure

1.1 Incorporation of the Company

SNC-Lavalin Group Inc. (the "**Company**") was incorporated under the laws of Canada on May 18, 1967 and was continued under the *Canada Business Corporations Act* on March 24, 1980. The articles of the Company were amended on several occasions, including for the following purposes: the split (in 1996) of its outstanding shares on a three-for-one basis, the change of its name, the creation of new classes of shares and the reorganization of its outstanding share capital, the modification of the maximum number of directors, the addition of a requirement that at least two-thirds of the directors must not be employees of the Company or its affiliates, the re-designation of its class A subordinate voting shares as common shares, and to permit the appointment by the Board of Directors of one or more additional directors to hold office until the close of the next annual meeting of shareholders, subject to the total number of directors so appointed not exceeding one-third of the number of directors elected at the previous annual meeting of shareholders.

The Company's head and registered office is located at 455 René-Lévesque Boulevard West, Montréal, Québec, Canada H2Z 1Z3.

1.2 Subsidiaries

The main subsidiaries of SNC-Lavalin as at December 31, 2022, their jurisdiction of incorporation or formation and the percentage of voting shares or other interests beneficially owned, controlled or directed, directly or indirectly by the Company were as follows.

Subsidiaries	Percentage of voting securities held	Subsidiaries	Percentage of voting securities held
Atkins China Limited *(Hong Kong)*	100%	SNC-Lavalin ATP Inc. *(Canada)*	100%
Atkins Danmark A/S *(Denmark)*	100%	SNC-Lavalin Capital Inc. *(Canada)*	100%
Atkins International Holdings Limited *(England & Wales)*	100%	SNC-Lavalin Construction Inc. *(Canada)*	100%
Atkins Limited *(England & Wales)*	100%	SNC-Lavalin Constructors Inc. *(Delaware)*	100%
Atkins North America Holdings LLC *(Florida)*	100%	SNC-Lavalin Constructors International Inc. *(Canada)*	100%
Atkins North America, Inc. (*Florida*)	100%	SNC-Lavalin Constructors (Pacific) Inc. *(Canada)*	100%
Atkins Nuclear Secured Holdings Corporation *(Delaware)*	100%	SNC-Lavalin Europe B.V. *(Netherlands)*	100%
Atkins US Holdings Inc. *(Delaware)*	100%	SNC-Lavalin GEM Québec Inc. *(Québec)*(1)	100%
Candu Energy Inc. *(Canada)*	100%	SNC-Lavalin Highway Holdings Inc. *(Canada)*	100%
Faithful+Gould Limited *(England & Wales)*	100%	SNC-Lavalin Inc. (*Canada*)	100%
Faithful+Gould Saudi Arabia Limited *(Saudi Arabia)*	51%	SNC-Lavalin International Inc. (*Canada*)	100%
Isotek Systems, LLC *(Tennessee)*	100%	SNC-Lavalin International S.A.S. (*France*)	100%
Kentz Canada Holdings Limited *(Canada)*	100%	SNC-Lavalin Investments Inc. *(Canada)*	100%
Linxon Gulf LLC (*United Arab Emirates*)	49%	SNC-Lavalin Major Projects Inc. (*Canada*)	100%
Linxon India Private Limited (*India*)	99%	SNC-Lavalin Nuclear Inc. (*Canada*)	100%
Linxon Pvt Ltd *(England & Wales)*	51%	SNC-Lavalin Operations & Maintenance Inc. (Canada)	100%
Linxon Saudi Arabia Co. Ltd. *(Saudi Arabia)*	100%	SNC-Lavalin Peru S.A. (Peru)	100%
Linxon Sweden AB (*Sweden*)	100%	SNC-Lavalin Projetos Industriais Ltda. (*Brazil*)	100%
Linxon Switzerland Ltd *(Switzerland)*	100%	SNC-Lavalin Rail & Transit Limited (*England & Wales*)	100%
Linxon UK Ltd. (*England & Wales*)	100%	SNC-Lavalin Romania S.A. *(Romania)*	100%
Linxon US LLC (*Delaware*)	100%	SNC-Lavalin Stavibel Inc. *(Canada)*	100%
Protrans BC Operations Ltd. *(British Columbia)*	100%	The SNC-Lavalin Corporation *(Delaware)*	100%
SNC-Lavalin (GB) Holdings Limited *(England & Wales)*	100%	TransitNEXT General Partnership (*Ontario*)	100%
SNC-Lavalin (GB) Limited *(England & Wales)*	100%	WS Atkins International Limited *(England & Wales)*	100%
SNC-Lavalin (Guernsey) Holdings Ltd. *(Guernsey)*	100%	WS Atkins Limited *(England & Wales)*	100%
SNC-Lavalin Algérie, EURL *(Algeria)*	100%	WS Atkins & Partners Overseas *(Gibraltar)*	100%
SNC-Lavalin Arabia Co. Ltd. *(Saudi Arabia)*	100%	WS Atkins & Partners Overseas Engineering Consultants *(Saudi Arabia)*	75%

(1) On January 1, 2023, SNC-Lavalin GEM Québec Inc. was merged into SNC-Lavalin Inc.

Additional direct and indirect subsidiaries of the Company (i) holding, individually, 10% or less, and in the aggregate, 20% or less of the Company's consolidated assets, and (ii) generating, individually, 10% or less, and in the aggregate, 20% or less of the Company's consolidated sales and operating revenues, in each case, as at and for the year ended December 31, 2022, have been omitted.

2. General Development of the Business

The highlights relating to the development of the Company's business over the past three years are described below.

2020

COVID-19

Early in the pandemic, the Company announced actions and measures taken in response to the economic disruptions resulting from the COVID-19 pandemic while continuing to closely monitor and adjust its plans for its different business segments and customers in response to the then rapidly evolving situation. The Company focused on reducing costs and managing cash flow across the Company to provide flexibility in addressing varying levels of revenue and customer business. These actions and measures included reductions in base pay and hours, temporary leaves of absence and furloughs across the broader employee population, a 20% reduction in base salary to SNC-Lavalin's executive leadership and 20% reduction in cash compensation for the second quarter of 2020 to members of the Company's Board of Directors.

Given the nature of the Company's activities, including in the important infrastructure space, the Company continued, in compliance with international, federal, provincial, state, municipal and local requirements, to operate in all substantial respects in 2020 despite the pandemic. However, notwithstanding the continued operations of the Company, the COVID-19 pandemic negatively impacted the Company's business and its operations and financial results in 2020.

Executive and Director Changes

On February 10, 2020, the Company announced the appointment of Jeffrey Bell as Executive Vice-President and Chief Financial Officer ("**CFO**"), effective April 14, 2020.

On May 7, 2020, Gary C. Baughman, Christie J.B. Clark, Michael B. Pedersen and Mary-Ann Bell were elected to the Company's Board of Directors as part of the ongoing renewal process focused on meeting the evolving needs of the Company and supporting its strategic objectives and long-term sustainability.

On August 25, 2020, the Company appointed Robert E. Alger, as President, Infrastructure Projects.

On September 10, 2020, the Company announced the appointment of William L. Young as Chair of the Board of Directors, effective September 9, 2020, replacing Kevin G. Lynch.

Transactions

On December 10, 2020, SNC-Lavalin completed the sale of its ownership interests in three of its subsidiaries in South Africa, which were part of the Oil & Gas business previously included in the Resources segment, in exchange for a total consideration of $14.9 million, resulting in a $6.2 million gain.

Financing Activities

On August 18, 2020, SNC-Lavalin issued, on a private placement basis, new unsecured Series 6 Debentures in the principal amount of $300 million, which bear interest at the rate of 3.80% per annum and mature on August 19, 2024. The net proceeds from this offering amounted to $297.6 million and were used as follows: (i) to repay certain outstanding indebtedness under SNC-Lavalin's revolving facility; (ii) to fund the repurchase, through open market purchases, of $40 million of the outstanding unsecured 2.689% Series 1 Debentures (the remainder of which subsequently matured on November 24, 2020) (plus accrued and unpaid interest thereon up to closing); and (iii) for general corporate purposes.

2021

Lump-sum Turnkey (“**LSTK**”) Legacy and Ongoing Projects Review

On February 9, 2021, the Company completed its previously announced review of legacy LSTK litigation matters, which was expanded to include all other significant claims, while concurrently reassessing the costs associated with its three remaining Canadian light rail projects in light of COVID-19. As a result, $140 million of provisions and $155 million of commercial claims receivable reduction was taken in the fourth quarter of 2020 financial accounts related to legacy LSTK litigation matters and commercial claims receivable. Additionally, following the review of the three remaining Canadian light rail projects, an updated cost reassessment based on the latest facts and information available at the time was completed. This included the cost impact of the unprecedented COVID-19 related challenges involving lower productivity attributable to revised working conditions caused by the pandemic and supply chain disruptions. In light of the ongoing uncertainty on the timing and scope of reimbursement of these COVID-19 incremental costs, an additional provision of $90 million was taken in the 2020 year-end accounts.

Executive and Director Changes

On February 10, 2021, the Company announced that Stephen Morriss, who had recently joined the Company as President, Middle East and Asia Pacific, would assume the executive leadership of the Latin America region as well as the Mining & Metallurgy business. Mr. Morriss was appointed President, Engineering Services, United States, Asia Pacific and Mining & Metallurgy effective January 1, 2022. In addition, following the announcement of the strategic divestiture of the Oil & Gas business (please refer to section “*General Development of the Business – 2021 – Transaction – Disposal – Oil & Gas business*” of this Annual Information Form), Craig Muir, President, Resources, left the Company at the end of March 2021.

Growth Strategy

On September 28, 2021, the Company released its three-year global “Pivoting to Growth Strategy” outlining how and where the Company intends to drive profitable growth through 2024. The strategic plan is underpinned mainly by a focus on core geographic areas of operation – primarily Canada, the United Kingdom and the United States – and distinct end customer markets. Across the Company’s services, SNC-Lavalin leverages its end-to-end global capabilities to meet the demands of the future for the Company’s clients in decarbonization and sustainable solutions by connecting people, data and technology, and expects that the strategy be driven largely by four growth areas:

- Engineering Services in the United States;
- Nuclear lifecycle services, including decommissioning and waste management;
- Major Projects with a focus on collaborative contract models; and
- Digital Transformation.

As part of its strategic plan, the Company also intends to allocate capital to further strengthen its financial resilience and to support growth. Future delivery of positive cash flows will be prioritized with a view to further improving SNC-Lavalin’s leverage and targeting a return to an investment grade credit rating. The Company’s growth strategy may also be accelerated through organic and inorganic investments. Opportunistically and depending on the Company’s cash resources, surplus capital may be returned to shareholders through share buybacks or dividend growth.

Transaction

Disposal – Oil & Gas business

On February 9, 2021, the Company announced that it entered into a binding agreement to sell its Resources Oil & Gas business, including services and LSTK projects. On July 29, 2021, the Company completed the sale of a substantial portion of its Oil & Gas business and the sale of the remaining Saudi Arabian portion of the business was completed on August 15, 2021. For accounting purposes, the transaction resulted in a gain on disposal of $573.0 million before income taxes ($565.9 million after income taxes), mainly from the reclassification from equity to net income of a cumulative exchange gain on translating foreign operations.

2022

Executive and Director Changes

On March 15, 2022, SNC-Lavalin announced the appointment of Joseph St. Julian, as the new President of Nuclear, starting April 1, 2022, replacing Alexander Taylor.

On May 5, 2022, Baroness Ruby McGregor-Smith, CBE and Robert Paré were elected to the Company's Board of Directors.

On November 21, 2022, SNC-Lavalin announced the appointment of Andrée-Claude Bérubé to the role of Executive Vice-President and General Counsel, effective December 1, 2022, replacing Charlene Ripley.

Various Developments

On May 11, 2022, SNC-Lavalin announced the Québec Superior Court's approval of a remediation agreement (the "**Remediation Agreement**") following negotiations between the Company and the Québec Crown Prosecutor's Office ("**DPCP**"). In accordance with the Remediation Agreement, the Company will pay $29.6 million over three years regarding the charges laid against SNC-Lavalin Inc. and SNC-Lavalin International Inc. in connection with events concerning the Jacques Cartier Bridge Refurbishment project that occurred between 1997 and 2004.

On the same date, the Company announced the signing of an administrative agreement with Public Services and Procurement Canada with regard to the same events mentioned above. This agreement allows the Company to continue to do business with the Government of Canada in accordance with its Integrity Regime originally adopted on July 3, 2015.

Transactions

On February 7, 2022, SNC-Lavalin announced that it closed the sale and transfer of its ownership interest in a sixth public-private partnership (P3) asset, InPower BC General Partnership, to SNC-Lavalin Infrastructure Partners LP ("**SNCL IP Partnership**") for a total cash consideration to the Company of approximately $41 million. InPower BC General Partnership is the entity contracted to deliver and provide services to the John Hart Generating Station in British Columbia. SNC-Lavalin holds a 20% interest in SNC-Lavalin Infrastructure Partners LP, which infrastructure fund was launched and announced on June 30, 2017. The initial closing of the first four assets occurred on September 27, 2017, with a fifth asset transfer completed on June 28, 2018.

In the third quarter of 2022, SNC-Lavalin settled with the purchaser on purchase price adjustments related to the consideration receivable, which resulted in a reduction of the gain on disposal of the Oil & Gas business of $7.5 million before income taxes ($6.9 million after income taxes). For more information on the disposal of the Oil & Gas business, please refer to the above section "*General Development of the Business – 2021 – Transaction – Disposal – Oil & Gas business*" of this Annual Information Form.

In the fourth quarter of 2022, SNC-Lavalin completed the sale of its ownership interest in Carlyle Global Infrastructure Opportunity L.P. (“**Carlyle**”) for a total consideration of US$52.1 million (approximately $71.2 million), of which US$21.5 million (approximately $29.5 million) was collected in 2022 and the remaining balance is to be collected in 2023. The Company’s ownership interest in Carlyle was accounted for at fair value through other comprehensive income.

Financing Activities

Amendment to the Credit Agreement

On May 16, 2022, the Company announced the signature of an agreement with its lenders to amend its credit agreement. Pursuant to the amended and restated agreement, the notional amount of the Company’s revolving credit facility (the “**Revolving Credit Facility**”) was reduced from $2,600 million to $2,000 million. The Company’s Revolving Credit Facility will be further reduced to $1,800 million in April 2023. The notional amount of the unsecured non-revolving variable interest bearing term loan (the “**Term Loan**”) remained unchanged, at $500 million. The maturity date of both the Revolving Credit Facility and the Term Loan (the “**Credit Facilities**”) has been extended until May 2025.

The amendments also incorporated certain environmental, social and governance (“**ESG**”) targets based on the achievement of reducing greenhouse gas emissions, as defined in the agreement, by 60% by 2025, using 2019 as a baseline year, and increasing diversity within the Company’s workforce, focusing on achieving 25% of women representation in managerial and senior professional roles by 2025. If the Company achieves those targets, the overall borrowing costs under the Credit Facilities will decrease. If the Company fails to achieve its targets, the overall borrowing costs under the Credit Facilities will increase.

On November 22, 2022, the Company issued, on a private placement basis, new Series 7 Debentures in the principal amount of $300 million, which bear interest at the rate of 7.00% per annum and mature on June 12, 2026. The net proceeds of the offering were used to repay indebtedness and for general corporate purposes.

Recent Developments in 2023

On March 2, 2023, the Toronto Stock Exchange (“**TSX**”) has approved the Company’s normal course issuer bid (the “**NCIB**”) pursuant to which the Company may purchase for cancellation up to 1,500,000 of its common shares, representing 0.85% of the issued and outstanding common shares as of February 28, 2023. The NCIB will commence on March 8, 2023 and will end no later than March 7, 2024.

3. Description of the Business

3.1 General

Founded in 1911, SNC-Lavalin is a fully integrated professional services and project management company with offices around the world dedicated to engineering a better future for our planet and its people. SNC-Lavalin creates sustainable solutions that connect people, technology and data to design, deliver and operate the most complex projects. SNC-Lavalin deploys global capabilities locally to its clients and delivers unique end-to-end services across the whole lifecycle of an asset including consulting, advisory & environmental services, intelligent networks & cybersecurity, design & engineering, procurement, project & construction management, operations & maintenance (“**O&M**”), decommissioning and capital.

How We Conduct our Business and Report our Results

For the financial year ended December 31, 2022, we report and break down the results of our activities in six reportable segments, namely: (i) Engineering Services; (ii) Nuclear; (iii) O&M; (iv) Linxon; (v) LSTK Projects; and (vi) Capital.

In addition, we further report certain results and provide certain financial information separately for (i) Professional Services & Project Management ("**PS&PM**") activities, which is comprised of five of our six segments, namely Engineering Services, Nuclear, O&M, and Linxon (combined, these four segments are presented under the SNCL Services line of business) as well as LSTK Projects, and (ii) Capital.

Operating and Reportable Segments

Engineering Services incorporates consultancy, engineering, design and project management services around the world, primarily for the transportation, building & places, defence, water, industrial & mining and power & renewables markets. A significant portion of Engineering Services revenues are derived from the public sector, including national, provincial, state and local and municipal authorities.

Nuclear supports clients across the entire nuclear lifecycle with the full spectrum of services from consultancy, engineering, procurement and construction management services, field services, technology services, spare parts, reactor support and decommissioning and waste management. As stewards of the CANDU® technology, it also provides new-build and full refurbishment services of CANDU® reactors.

O&M consists of providing operations, maintenance and asset management solutions for bridges, transit systems, highways, buildings and industrial plants including power plants, water supply and treatment systems and desalination plants, as well as postal services and ships.

Linxon offers engineering, procurement, management and construction services for execution of large, complex alternative current power substations including expansions and electrification, notably through repetitive engineering, procurement and construction ("**EPC**")[1] offerings in the following markets: utilities, renewable, conventional generation, transportation and data centers.

LSTK Projects is comprised of the remaining LSTK construction contracts of the Company, notably mass transit projects in Canada and one Mining & Metallurgy project in the Middle East. This segment also includes the financial results of legacy warranty costs and claims from completed LSTK projects. In July 2019, the Company decided to cease bidding on new LSTK construction contracts.

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 SNCL IP Partnership.

® CANDU is a registered trademark of Atomic Energy of Canada Limited, used under exclusive license by Candu Energy Inc., a subsidiary of the Company.
[1] Contracts that include engineering services, providing materials and providing or fabricating equipment, and construction activities are often referred to as "EPC contracts".

While the Company's contracts are negotiated using a variety of contracting options, PS&PM revenues are derived primarily from three major types of contracts: reimbursable and engineering services contracts, LSTK construction contracts, and standardized EPC contracts. PS&PM contracts can be found in the following segments and lines of business:

PS&PM Breakdown

	SNCL Services Line of Business				
	Engineering Services Segment	Nuclear Segment	O&M Segment	Linxon Segment	LSTK Projects Segment
Reimbursable and engineering services contracts	✓	✓	✓	✓	N/A
LSTK construction contracts	N/A	N/A (1)	N/A	N/A	✓
Standardized EPC contracts	✓	N/A	N/A	✓	N/A

(1) Nuclear includes one legacy LSTK construction contract.

Competitive Conditions

SNC-Lavalin derives its competitive strength from its project management expertise, its reputation for quality and delivery, its ability to work globally, its highly skilled and experienced technical personnel, its commitment to health and safety matters and to a sustainable environment, the scope of its geographical presence and its ability to execute projects of varying sizes calling for a wide range of services and technologies.

The Company operates in a highly competitive environment and has numerous competitors in all of its market segments. The competitive landscape varies by industry, geographic region and project type. Companies that compete within its PS&PM activities are principally: AECOM, Arcadis, Balfour Beatty, Bechtel, Fluor Corporation, Jacobs Engineering Group Inc., Stantec, Tetra Tech, Wood, Worley and WSP Global. Companies that compete with its Capital segment are principally: ACS Group, Bechtel, Ferrovial, Fluor Corporation, Kiewit, Vinci Concessions, Plenary, Fengate, Ellis Don for North American Infrastructure P3 and Aecon Concessions for Canadian P3.

We are positioned with a leading presence across Canada, the United States and the United Kingdom, as well as targeted operations in Europe, the Middle East, Asia-Pacific, and Latin America. Many of SNC-Lavalin's clients are repeat clients. In any given year, a single client may represent a material portion of the Company's consolidated revenues due to the size of a particular project and the progress accomplished on such project.

Clients of engineering firms in Canada range from small to large industrial companies and Crown corporations to municipal, provincial and federal governments as well as other statutory entities, such as the Caisse de dépôt et placement du Québec ("**CDPQ**").

Cash Management Policy

SNC-Lavalin's cash management policy requires that cash balances be invested in highly secure and highly liquid instruments that provide yields comparable to those available on the market for high-grade investment instruments. The Company invests its cash balances, primarily, in high-yield bank accounts, money market instruments and bonds of high-credit quality.

Organizational Structure

SNC-Lavalin has a network of marketing and operating offices across Canada and in many other countries. At any given time, its employees are active around the world carrying out projects, pursuing business opportunities and marketing its services, expertise and products. To gain better access to markets outside Canada and to facilitate the financing of international projects, SNC-Lavalin may form alliances or joint ventures, either with firms possessing expertise that is complementary to SNC-Lavalin's existing capabilities, or with leading local firms in such markets.

3.2 Revenue Backlog

A discussion of the revenue backlog of SNC-Lavalin is presented in the Company's 2022 Management's Discussion and Analysis, under the heading "Backlog (Remaining Performance Obligations)" which discussion is incorporated herein by reference. The Company's 2022 Management's Discussion and Analysis is available on SEDAR at **www.sedar.com** and on the Company's website at **www.snclavalin.com** under the "Investors" section.

3.3 Risk Factors

The Company is subject to a number of risks and uncertainties in carrying out its activities. SNC-Lavalin has measures in place to identify, monitor and, to a certain extent, mitigate such risks and uncertainties. Such measures include, among others, the enterprise risk management program, the work performed by various committees at the Board of Directors and management levels, as well as the enforcement of numerous policies and procedures.

A discussion of the risks and uncertainties to which SNC-Lavalin is subject is presented in the Company's 2022 Management's Discussion and Analysis under the heading "Risks and Uncertainties" which discussion is incorporated herein by reference. The Company's 2022 Management's Discussion and Analysis is available on SEDAR at **www.sedar.com** and on the Company's website at **www.snclavalin.com** under the "Investors" section.

3.4 Number of Employees

SNC-Lavalin had a global workforce of 33,876 as at December 31, 2022. The number of employees varies depending on the number and nature of ongoing projects, acquisitions, divestitures and restructuring initiatives.

3.5 Social and Other Important Policies: The Values that Guide Us

SNC-Lavalin is a global company – our employees live and work in many countries, represent some 150 nationalities and speak more than 70 languages. We are one of the world's leading professional services and project management organizations, dedicated to engineering a better future for our planet and its people. As a services business, everything we do is driven by our people and ideas. They have created an inclusive, diverse and energized work environment and share an open culture founded on our core values: SAFETY, INTEGRITY, INNOVATION, and COLLABORATION. Our shared 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.

Safety

For SNC-Lavalin, safety means protecting people, assets and the environment from harm and is regarded as an ethical responsibility. Safety is imbedded in everything we do. Safety is about more than numbers, processes and procedures. It is about looking out for one another and ensuring that every person involved in our operations returns home safely at the end of each day. Furthermore, safety is ensuring we have supported their wellbeing and have taken care of our environment in the communities we work in.

SNC-Lavalin has a Global Health, Safety and Environment ("**HSE**") Policy Statement that sets the tone for any work we undertake across the globe. This Policy Statement is available on the Company's website at **www.snclavalin.com**. The Policy Statement is based on the principles of visible safety leadership, consulting our employees, creating secure working conditions and respecting the environment at all levels. Our Global HSE Management System along with a series of tools have been developed from these principles. Global HSE metrics form part of the Company's annual incentive plan, highlighting their importance for our Company.

Integrity

SNC-Lavalin is committed to doing the right thing, whatever it takes. We are accountable for both our successes and our shortcomings. We focus on respecting each other, our communities and our environment, on having the courage to stand up for what's right and on keeping our promises.

Our Integrity Program – many times recognized – is a benchmark in our industry and is an integral part of our daily work and decision-making process. We demand integrity and professionalism of ourselves, just as others – such as our shareholders and clients – expect it of us. To that end, we continue to formalize our best practices, solidify them and make them more observable. Our Integrity Program is there to help us act on our values. It is more than just a program – it's a way of doing business. Integrity metrics also form part of the Company's annual incentive plan, reminding our employees of their importance.

Our Integrity team encompasses highly experienced professionals who work in three areas: the corporate Integrity & Regulatory Compliance function; dedicated sector, regional and functional Integrity officers; and the Compliance Remediation and Monitoring group.

Our Integrity team's responsibilities include developing, implementing and maintaining a comprehensive Integrity Program that influences the Company's activities and supports our sectors and regions. Integrity officers are appointed for each sector of activity and for each region in which SNC-Lavalin operates, and ultimately report to the Chief ESG and Integrity Officer, ensuring true independence of the compliance function. The Chief ESG and Integrity Officer operationally reports to the Executive Vice-President and General Counsel, with a direct reporting line to the Board of Directors.

In addition to our dedicated professionals, we have a network of some 150 Integrity Ambassadors to expand the integrity footprint from an awareness and communication perspective, foster a business environment that is committed to ethical practices and provide additional local support to employees.

Highlights of our Integrity Program are available on the Company's website at **www.snclavalin.com**.

SNC-Lavalin's Code of Conduct is made available in nine languages. Every employee working for SNC-Lavalin must, as a condition of employment, certify on an annual basis that they will abide by its provisions. The Company's Code of Conduct is available on SEDAR at **www.sedar.com** and on the Company's website at **www.snclavalin.com**.

SNC-Lavalin expects its business partners to adhere to its business principles, culture and values and comply with all applicable laws and regulations. Our business units perform risk assessments as well as compliance due diligence on prospective business partners. A Supplier Code of Conduct applies to all of our suppliers, including our business partners. The Supplier Code of Conduct is available on the Company's website at **www.snclavalin.com**.

For a third time, our commitment to integrity has earned us the prestigious Compliance Leader Verification effective 2023 and 2024 from the Ethisphere Institute, an independent centre for research, best practices and thought leadership. Ethisphere conducted a thorough assessment of our Integrity Program and benchmarked it against its 2022 World's Most Ethical Companies data set, providing insight into the programs and practices of leading companies around the world.

Collaboration

We each bring different views, experiences, and opinions. They enhance our ability to provide value-added performance and services to our clients and our communities. When we unite, we all feel included and by combining our differences, we truly make a difference.

SNC-Lavalin fosters an environment where respectful and collegial interactions can take place, where we can harness the power of teamwork, where everyone has a voice, and where relationships can be based on trust and openness.

At SNC-Lavalin, we nurture collaboration across our sectors, functions and regions in order to offer the best solutions to our clients and to unlock new sources of growth. Working collaboratively among our teams and creating enduring partnerships with clients is equally important to our long-term success and competitiveness.

To enable and support our aspirations, the Company provides employees with a work environment that:

- Prohibits harassment, discrimination and any form of violence;
- Promotes equality, diversity, and inclusion;
- Fosters mutual trust and respect at all levels of the organization;
- Enables employees to report misconduct without fear of retaliation; and
- Supports an inclusive culture where everyone feels they belong, can be their true self, and can reach their full potential.

Innovation

At SNC-Lavalin, we want to be one step ahead. To do so, we put the focus on reimagining our collective capabilities to better serve our clients by nurturing a culture conducive to new ideas, by thinking boldly, proudly and differently. We also strive to leverage technology, our competencies and our assets.

By cultivating an innovative company culture that empowers employees to engage one another, embrace new ideas and challenge the status quo, we will change our business for the better and have a meaningful impact on the way we approach our work.

In addition, SNC-Lavalin has begun to fully embrace the adoption of new digital technologies to better serve our clients across all of our services. Digital is more than just a label. It's fundamental to our way of working. Through our people, data insights and our technology, we deliver outcomes. From design to project execution, these new technologies are enabling us to deliver better, more cost-effective services to our customers.

ESG

As a leader in the design and delivery of the built environment, SNC-Lavalin has the opportunity to have a positive impact on society. We recognize that it is our responsibility to encompass ESG related considerations in our strategy; improve and report transparently on our own performance; and advise our clients in accordance with our purpose of ***Engineering a better future for our planet and its people***.

Spurred by these responsibilities, SNC-Lavalin committed to the Science Based Target initiative (SBTi) in March 2022 and will issue its first report in accordance with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations later in 2023.

Our 2021 Sustainability Report as well as our objectives, targets and metrics are available on the Company's website at **www.snclavalin.com**.

Environmental Protection

Our business scope involves in part the planning, engineering, design, project management, construction and construction management, and operations and maintenance at various sites, including but not limited to, nuclear facilities, mining sites, military, and other infrastructure-related facilities.

Much of our work is performed adjacent to environmentally sensitive locations such as wildlife habitats, wetlands, lakes and rivers. This means that certain activities can require us to manage, handle, remove, treat, transport or dispose of radioactive or hazardous substances. SNC-Lavalin is committed to protect the environment and defines its purpose as "Engineering a better future for our planet and its people" thereby enshrining this priority in the Company's very essence. This commitment is reflected in the Company's Global HSE Policy Statement which is available on the Company's website at **www.snclavalin.com** as well as in our Global HSE Management System.

In addition, the Company is committed to reduce green house gas emissions, whether its own, that of its clients or the ones emitted throughout the lifecycle of the buildings and infrastructure that sustain our cities and communities.

Human Rights

At SNC-Lavalin, we will not knowingly be complicit of human rights abuses. We work towards preventing modern slavery and human trafficking, including in our supply chain, and protecting individuals working directly or indirectly for SNC-Lavalin from any form of forced labor, child labor, modern slavery and human trafficking. Our Human Rights Policy and Modern Slavery and Human Trafficking Statement are available on the Company's website at **www.snclavalin.com**.

Equality, Diversity and Inclusion

At SNC-Lavalin, we are proud of our diverse and dedicated workforce. Our diversity is a key strength in helping us to understand and meet client needs worldwide. Our sustainable business strategy includes an Equality, Diversity and Inclusion program "Different makes a difference". We believe that greater diversity will further strengthen our talent pool, enabling us to better serve clients and achieve our business objectives. Additional details regarding our Equality, Diversity and Inclusion program are available on the Company's website at **www.snclavalin.com**.

Commitment to Indigenous Peoples

In July 2020, the Company published its inaugural Commitment to Indigenous Peoples. The Company is committed to establishing and maintaining mutually respectful and meaningful relationships between Indigenous communities, our clients and our Company. Consistent with this, SNC-Lavalin is committed to increased collaboration with communities and partnering with indigenous businesses for the benefit of all parties. In addition, all SNC-Lavalin employees residing in Canada were enrolled in a mandatory comprehensive Indigenous training program to improve awareness and understanding of Indigenous peoples in Canada. The Company also announced on November 22, 2022 the launch of *Indigenous E3*, a special purpose limited partnership formed between the Company and Indigenous Community and Engagement (ICE), a leading firm in Indigenous stakeholder engagement that specialized in developing Reconciliation-rooted approaches to advance Indigenous socio-economic development in Canada. Our Commitment to Indigenous Peoples is available on the Company's website at **www.snclavalin.com**.

Specialized Skill and Knowledge

We are a knowledge-based organization, always seeking talented and skilled professionals for all of our specialized services. In that regard, constant upskilling and re-skilling in a continuously evolving environment are key to attract, develop and retain the best talent and deliver outstanding services.

4. Dividends

In 2022, SNC-Lavalin declared and paid cash dividends on a quarterly basis. The declaration of a dividend is at the discretion of the Board of Directors and is based on its assessment on several factors including present and future: (i) earnings; (ii) cash flows; (iii) capital requirements; and (iv) assets and liabilities, subject to certain statutory restrictions. As a result, no assurance can be given as to whether the Corporation will pay dividends, or the frequency or amounts of any such dividends.

In the past three fiscal years, SNC-Lavalin has declared and paid the following quarterly dividends per common share:

	Q1 ($)	Q2 ($)	Q3 ($)	Q4 ($)	Annual ($)
2022	0.02	0.02	0.02	0.02	0.08
2021	0.02	0.02	0.02	0.02	0.08
2020	0.02	0.02	0.02	0.02	0.08

5. Capital Structure

General Description

The Company’s authorized share capital consists of an unlimited number of common shares, an unlimited number of first preferred shares and an unlimited number of second preferred shares (collectively, the “**Preferred Shares**”). Only common shares are currently issued and outstanding.

The following summarizes certain provisions relating to the Company’s common shares, first preferred shares and second preferred shares. This summary is qualified in its entirety by the actual rights, privileges, restrictions and conditions attached to such shares.

Common Shares

Dividends: Holders of the Company’s common shares are entitled to receive dividends as and when declared by the Board of Directors.

Voting rights: Entitled to one vote per share.

Rights upon liquidation, winding up or dissolution: Right to receive the residual of the Company’s assets subject to the prior rights of the holders of any then issued and outstanding Preferred Shares.

First Preferred Shares

Issuable in series: The Board of Directors is allowed to fix, before issuance, the designation, rights, privileges, restrictions and conditions attached thereto.

Dividends: Priority over all other classes of shares.

Voting rights: Not entitled to vote separately as a class except as provided by law.

Rights upon liquidation, winding up or dissolution: Priority over all other classes of shares.

Series A:

Dividends: Priority over all other classes of shares. Cumulative for an amount equal to 77% of the prime rate set by the National Bank of Canada. Payable quarterly. No redemption or repurchase of other shares is permitted until the cumulative dividend is paid in full.

Voting rights: Not entitled to vote separately as a class except as provided by law.

Rights upon liquidation, winding up or dissolution: Priority over all other classes of shares. Right to receive amount equal to the amount paid on the shares and all accrued unpaid dividends.

Redemption Right: At the option of the Company for an amount paid on the shares and all accrued unpaid dividends.

Second Preferred Shares

Issuable in series: The Board of Directors is allowed to fix, before issuance, the designation, rights, privileges, restrictions and conditions attached thereto.

Dividends: Priority over all other classes of shares, except for the First Preferred Shares.

Voting rights: Not entitled to vote separately as a class except as provided by law.

Rights upon liquidation, winding up or dissolution: Priority over all other classes of shares, except for the First Preferred Shares.

Debentures

On November 24, 2017, the Company, as issuer, and Computershare Trust Company of Canada, as trustee, entered into a trust indenture (the "**Master Trust Indenture**" and, together with any and all trust indentures supplemental thereto, the "**2017 Trust Indenture**").

The following table summarizes the principal amounts outstanding as at March 2, 2023 under the Company's issued and outstanding unsecured debentures, which are described in greater detail below.

Type	Maturity Date	Principal Amount Outstanding
3.235% Series 4 Debentures	March 2, 2023	$200 million
3.80% Series 6 Debentures	August 19, 2024	$300 million
7.0% Series 7 Debentures	June 12, 2026	$300 million

On March 2, 2018, the Company issued by way of private placement, pursuant to a trust indenture supplemental to the Master Trust Indenture, $200 million in 3.235% Series 4 Debentures due March 2, 2023 (the "**Series 4 Debentures**"). The Series 4 Debentures bore interest at a fixed annual rate of 3.235%, payable in equal semi-annual installments over the 5-year term, on the 2nd day of March and September of each year. They matured on March 2, 2023 and were repaid entirely at such date.

On August 18, 2020, the Company issued, by way of private placement, the Series 6 Debentures which are $300 million aggregate principal amount of unsecured debentures with a fixed annual interest rate of 3.80%, payable in equal semi-annual installments over the four-year term, on February 19 and August 19 of each year (the "**Series 6 Debentures**"). The Series 6 Debentures were issued pursuant to a trust indenture supplemental to the Master Trust Indenture.

On December 12, 2022, the Company issued, by way of private placement, the Series 7 Debentures which are $300 million aggregate principal amount of unsecured debentures with a fixed annual interest rate of 7.00%, payable in equal semi-annual installments over the three-and-a-half-year term, on June 12 and December 12 of each year (the "**Series 7 Debentures**" and, together with the Series 4 Debentures and the Series 6 Debentures, the "**Outstanding Debentures**"). The Series 7 Debentures were issued pursuant to a trust indenture supplemental to the Master Trust Indenture.

The 2017 Trust Indenture contains customary restrictive covenants (including with respect to incurrence of certain indebtedness and a negative pledge) with respect to the Company and certain of its subsidiaries and customary events of default.

The Outstanding Debentures are solidarily (jointly and severally) guaranteed, on an unsecured basis, as to the payment of principal, interest and premium, if any, and certain other amounts specified in the 2017 Trust Indenture, by certain material subsidiaries of the Company.

The Outstanding Debentures are redeemable at the Company's option, under certain circumstances and at the redemption prices set forth in the 2017 Trust Indenture.

Under the 2017 Trust Indenture, if a "Change of Control Triggering Event" (as defined therein) occurs, unless the Company has exercised its optional right to redeem all of the Outstanding Debentures of the relevant series (where applicable), the Company will be required to make (or arrange for a third party to make) an offer to repurchase all or, at the option of each holder of Outstanding Debentures, part of such holder's Outstanding Debentures, at a purchase price payable in cash equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase.

Credit Ratings

Credit ratings are a way to assess the quality of a company's credit and financial capacity. The credit ratings are intended to indicate the risk that the Company will not satisfy its obligations on a timely basis and disregard certain factors such as market risk or price risk. These factors should be considered by investors as risk factors in their process of investment decision making. Such ratings do not constitute a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating agencies. Credit ratings established by Standard & Poor's Rating Services ("**S&P**") and DBRS Limited ("**DBRS**") are based on quantitative and qualitative considerations relevant to the Company.

During the last two years, the Company has paid customary rating fees to S&P and DBRS in connection with their ratings of the Company's outstanding debt. The Company reasonably expects that such payments will continue to be made in the future. In addition, during the last two years, the Company has, in the ordinary course of business, made payments to S&P and DBRS in respect of other services provided to the Company.

The table below shows the ratings of our issuer credit and Outstanding Debentures as at March 2, 2023:

	Issuer Credit	**Outstanding Debentures**	**Credit Rating Description and Rank**
S&P	BB+ (Outlook:Stable)	BB+	Long-term debt obligations rated "BB" exhibit less vulnerability in the near-term but face major ongoing uncertainties or exposure to adverse, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitment on the obligations. This rating falls within the fifth highest of S&P's ten long-term credit rating categories which range from "AAA" to "D". The ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

	Issuer Credit	Outstanding Debentures	Credit Rating Description and Rank
			An S&P rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. A stable outlook means that a rating is not likely to change.
DBRS	BB (High) (Trend: Stable)	BB (High) (Trend: Stable)	Long-term debt rated “BB” is of non-investment grade credit quality. The capacity for the payment of financial obligations is considered uncertain and vulnerable to future events. This rating falls within the fifth highest of DBRS’ ten long-term debt rating categories which range from “AAA” to “D”. All rating categories other than “AAA” and “D” also contain subcategories “(high)” and “(low)”. The absence of either a “(high)” or “(low)” designation indicates the rating is in the middle of the category. DBRS’ rating trends provide guidance in respect of its opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories – “Positive”, “Stable” or “Negative”. DBRS’ rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue, or in some cases, unless challenges are addressed.

6. Market for Securities

Market

The common shares of the Company are listed for trading on the TSX under the symbol “SNC”.

Trading Price and Volume

The following table sets out the trading prices and volumes of the Company’s common shares on the TSX and alternative trading systems for the periods indicated.

2022	Volume (in ‘000s)	High*	Low*	Close
January	18,775	31.96	24.69	28.03
February	13,455	31.33	26.50	28.54
March	26,873	33.11	25.93	30.10
April	9,375	30.72	27.65	28.57
May	13,451	28.85	23.62	25.34
June	10,952	25.85	21.37	22.14
July	7,229	24.69	21.27	23.94
August	11,639	27.67	22.40	25.41
September	10,868	27.44	22.15	23.00
October	9,290	25.27	21.62	23.59
November	13,265	25.20	22.85	24.27
December	21,488	26.10	22.30	23.86

* Intra-day highs and lows during each month.

7. Directors and Officers

The following table lists the directors of the Company, as at March 2, 2023, their place of residence, and their respective principal occupations during the preceding five years:

Name, Place of Residence and Year of Appointment to SNC-Lavalin Board of Directors	Principal Occupations During the Preceding Five Years
Gary C. Baughman (1), (2) North Carolina (United States) Director since: 2020	- Corporate Director; - Operating Partner at Crescendo Capital Partners since 2022; - President at Back Tee Sports, LLC since 2006; - Former Partner and Consultant at The Collaborative Way (Lloyd Fickett & Associates, Inc.) from 2019 to 2022; - Former Chief Operating Officer at Elixsys Inc. from 2020 to 2022; - Former Chairman and Chief Executive Officer (“**CEO**”) at APTIM from 2017 to 2019.
Mary-Ann Bell, P. Eng. (3), (4) Québec (Canada) Director since: 2020	- Corporate Director.
Christie J.B. Clark, FCPA, FCA, CA (1), (3) Ontario (Canada) Director since: 2020	- Corporate Director.
Isabelle Courville (4) Québec (Canada) Director since: 2017	- Corporate Director.
Ian L. Edwards Québec (Canada) Director since: 2019	- President and CEO of the Company since 2019; - Former Interim President and CEO of the Company from June 2019 to October 2019; - Former Chief Operating Officer of the Company from January 2019 to June 2019; - Former President, Infrastructure Sector, of the Company from 2015 to 2019.
Ruby McGregor-Smith, CBE (2), (3) Berkshire (United Kingdom) Director since: 2022	- Corporate Director; - Chair of Mind Gym plc since 2021; - Chair of the Institute of Apprenticeships and Technical Education since 2021; - Non-Executive Director of Tideway Tunnel since 2019; - Chair of the Air Operators Association since 2019; - Former President of the British Chambers of Commerce from 2020 to 2022.
Steven L. Newman (2), (3), (4) Utah (United States) Director since: 2015	- Corporate Director; - Chairman and CEO of Aquadrill LLC since May 2021.
Robert Paré (2), (4) Québec (Canada) Director since: 2022	- Corporate Director; - Former Strategic Advisor to Fasken Martineau Du Moulin LLP from 2018 to 2022; - Former Senior Partner to Fasken Martineau Du Moulin LLP from 1982 to 2018.

Name, Place of Residence and Year of Appointment to SNC-Lavalin Board of Directors	Principal Occupations During the Preceding Five Years
Michael B. Pedersen (1), (2) Ontario (Canada) Director since: 2020	- Corporate Director; - Former Special Advisor to the CEO at The Toronto-Dominion Bank from 2017 to 2018.
Benita M. Warmbold, FCPA, CPA, ICD.D (1), (3) Ontario (Canada) Director since: 2017	- Corporate Director.
William L. Young, P.Eng (1) Massachusetts (United States) Director since: 2020	- Chair of the Board of the Company since 2020; - Corporate Director; - Former Partner at Monitor Clipper Partners LLC from 1996 to 2018.

(1) Member of the Human Resources Committee
(2) Member of the Safety, Project Oversight and Technology Committee
(3) Member of the Audit and Risk Committee
(4) Member of the Governance, Ethics and Sustainability Committee

Directors of the Company are elected at the annual meeting of shareholders of the Company. They hold office until their term expires at the following annual meeting, subject to re-election, retirement, resignation or vacancy caused by death, removal or other cause.

The Board of Directors of the Company currently has four standing Board Committees, namely the Audit and Risk Committee, the Governance, Ethics and Sustainability Committee, the Human Resources Committee, and the Safety, Project Oversight and Technology Committee. The Board of Directors does not have an executive committee. As at March 2, 2023, membership of the Board of Directors Committees was as follows:

Audit and Risk Committee

B.M. Warmbold (Chair)
M.-A. Bell
C.J.B. Clark
R. McGregor-Smith
S.L. Newman

Governance, Ethics and Sustainability Committee

S.L. Newman (Chair)
M.-A. Bell
I. Courville
R. Paré

Human Resources Committee

W.L. Young (Chair)
G.C. Baughman
C.J.B. Clark
M.B. Pedersen
B.M. Warmbold

Safety, Project Oversight and Technology Committee

M.B. Pedersen (Chair)
G.C. Baughman
R. McGregor-Smith
S.L. Newman
R. Paré

The following table lists the executive officers of the Company (who qualify as such under applicable securities rules and regulations) who are not also directors of the Company, as at March 2, 2023, their place of residence and their respective principal occupations during the preceding five years:

Name and Place of Residence	Principal Occupations During the Preceding Five Years
Robert E. Alger Connecticut (United States)	- President, Major Projects at SNC-Lavalin since January 2022; - President, Infrastructure Projects Sector at SNC-Lavalin from 2020 to December 2021; - Former Chairman at The Lane Construction Corporation from 2019 to 2020;

Name and Place of Residence	Principal Occupations During the Preceding Five Years
	- Former President and CEO at The Lane Construction Corporation from 2001 to 2019.
Jeffrey Bell Ontario (Canada)	- Executive Vice-President and Chief Financial Officer at SNC-Lavalin since April 2020; - Former Non-Executive Director of Spirit Energy from 2018 to 2020; - Former Financial Advisor at Centrica Plc from 2018 to 2019; - Former Group Chief Financial Officer at Centrica Plc from 2014 to 2018.
Andrée-Claude Bérubé Québec (Canada)	- Executive Vice-President and General Counsel at SNC-Lavalin since December 2022; - Former Deputy General Counsel and Corporate Secretary at SNC-Lavalin from September to December 2022; - Former Associate General Counsel and Corporate Secretary at SNC-Lavalin from September 2020 to September 2022; - Former Associate General Counsel and Assistant Corporate Secretary at Sherritt International Corporation from 2018 to 2020; - Former Senior Legal Counsel at Sherritt International Corporation from 2010 to 2018.
James Cullens London (United Kingdom)	- Executive Vice-President, Human Resources at SNC-Lavalin since 2017.
Philip Hoare Bristol (United Kingdom)	- President, Engineering Services, United Kingdom, Europe, Middle East, India and Canada at SNC-Lavalin since January 2022; - President, EPDM Sector at SNC-Lavalin from 2019 to December 2021; - Former CEO, Atkins, UK and Europe Region, at SNC-Lavalin from 2018 to 2019; - Former Managing Director, UK and Europe Transportation Division, of Atkins from 2015 to 2018.
Stephen Morriss California (United States)	- President, Engineering Services, United States, Asia Pacific and Mining & Metallurgy at SNC-Lavalin since January 2022; - President, Middle East, Asia Pacific, Latin America and Mining & Metallurgy at SNC-Lavalin from January 2021 to December 2021; - Former President, Design and Consulting Services, Americas at AECOM from 2017 to 2020.
Erik J. Ryan Québec (Canada)	- Executive Vice-President, Strategy, Marketing and External Relations at SNC-Lavalin since 2013.
Joseph St. Julian Texas (United States)	- President of Nuclear at SNC-Lavalin since April 2022; - Former Vice-President and General Manager at Bechtel from January 2005 to March 2022.
Stéphanie Vaillancourt Québec (Canada)	- President, Capital and Operations & Maintenance at SNC-Lavalin since September 2021; - Former Executive Vice-President, Capital and Treasurer at SNC-Lavalin from 2019 to 2021;

Name and Place of Residence	Principal Occupations During the Preceding Five Years
	- Former Senior Vice-President and Treasurer at SNC-Lavalin from 2016 to 2019.
Nigel W.M. White Staffordshire (United Kingdom)	- Executive Vice-President, Project Oversight at SNC-Lavalin since 2019; - Former Executive Director at Gammon Construction Limited from 2011 to 2019.

Except as described below, to the knowledge of the Company, in the last ten years, none of the directors or executive officers of the Company is or has been a director or executive officer of any company that, while that person was acting in that capacity, was the subject of a cease trade order or similar order, or an order that denied the relevant company access to any exemptions under securities legislation, for a period of more than thirty consecutive days. In addition, to the knowledge of the Company, in the last ten years, none of the above-named directors is or has been a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets, except as described below.

- Mr. William L. Young was a director of Pharmetics (2011) Inc., a private company, until he resigned in connection with the sale of Pharmetics in September 2017. Following the sale of Pharmetics, in February 2018, a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act* (Canada) was filed and Pharmetics was subsequently declared bankrupt as of March 16, 2018.

Furthermore, to the knowledge of the Company, in the last ten years, no director or executive officer of the Company has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his/her assets.

As at December 31, 2022, the above directors and executive officers of the Company, as a group, held, either directly or indirectly, or exercised control over 286 498 common shares, representing approximately 0.16% of the issued and outstanding common shares of the Company.

8. Legal Proceedings

Ruediger Class Action

On February 6, 2019, a Motion for authorization of a class action and for authorization to bring an action against SNC-Lavalin and certain of its directors and officers (collectively, the "**Ruediger Defendants**") pursuant to section 225.4 of the *Securities Act* (Québec) (the "**Ruediger Class Action**") was filed with the Superior Court of Québec, on behalf of persons who acquired SNC-Lavalin securities from February 22, 2018 through January 27, 2019 (the "**Ruediger Class Period**") and held some or all of such securities as of the commencement of trading on January 28, 2019.

The Ruediger Class Action alleges that certain documents filed by SNC-Lavalin and oral statements made by its then Chief Executive Officer during the Ruediger Class Period contained misrepresentations related to SNC-Lavalin's revenue forecasts and to the financial performance of the former Mining & Metallurgy segment and the former Oil & Gas segment, which misrepresentations would have been corrected by way of SNC-Lavalin's January 28, 2019 press release.

The Ruediger Class Action seeks leave from the Québec Superior Court to bring a statutory misrepresentation claim under the *Securities Act* (Québec). The plaintiff in the proposed action claims damages and seeks the condemnation of the Ruediger Defendants to pay the class members an unspecified amount for compensatory damages with interest and additional indemnity as well as full costs and expenses, including expert fees, notice fees and fees relating to administering the plan of distribution.

On October 15, 2019, the plaintiffs in the Ruediger Class Action delivered an amended “Motion for authorization of a class action and for authorization to bring an action pursuant to section 225.4 of Québec’s Securities Act”. The amendments extend the Ruediger Class Period to July 22, 2019 and broaden the scope of the claim to include, among other things, disclosure alleged to have been made regarding the Company’s ability to execute certain fixed price contracts.

On October 20, 2021, a class action in the Ontario Superior Court of Justice pertaining to facts similar to those in the Ruediger Class Action (the “**Drywall Class Action**”) was dismissed and the claimants in the Drywall Class Action were consequently entitled to have their claims included in the Ruediger Class Action.

The authorization hearing on the amended Ruediger Class Action occurred in April 2022 and, on October 11, 2022, the Québec Superior Court ruled dismissing the Ruediger Class Action, as amended, on all grounds. On November 18, 2022, the plaintiffs appealed the ruling to the Québec Court of Appeal. The final judgment is expected to be rendered in 2024.

Peters Class Action

On February 25, 2019, a Notice of action was issued with the Ontario Superior Court of Justice by a proposed representative plaintiff, Mr. John Peters, on behalf of persons who acquired SNC-Lavalin securities from September 4, 2018 through October 10, 2018. On March 25, 2019, a Statement of Claim was filed with the Ontario Superior Court of Justice with respect to the claims set out in the Notice of Action (together, the Notice of Action and the Statement of Claim are referred to as the “**Peters Class Action**”).

The Peters Class Action alleges that the defendants, including the Company, its Chairman and certain of its then officers, failed to make timely disclosure of a material change in the business, operations or capital of SNC-Lavalin, by failing to disclose that on September 4, 2018, the Director of the Public Prosecution Service of Canada communicated her decision to SNC-Lavalin not to award an opportunity to negotiate a remediation agreement.

The Peters Class Action seeks leave from the Ontario Superior Court of Justice to bring a statutory misrepresentation claim under the *Securities Act* (Ontario) and the comparable securities legislation in other provinces and also asserts a claim for common law negligent misrepresentation. The Peters Class Action claims damages in the sum of $75 million or such other amount as the Superior Court may determine plus interest and costs.

On March 5, 2020, the plaintiff in the Peters Class Action brought a motion for leave and certification of the Peters Class Action. The leave and certification hearing was held between June 1 and June 3, 2021 and, on July 16, 2021, the court dismissed the Peters Class Action. The Plaintiff has appealed the ruling and the appeal hearing was held on November 8, 2022. A judgment is expected to be rendered in the second half of 2023.

SNC-Lavalin believes that the claims outlined in the Ruediger Class Action and the Peters Class Action are, in each case, entirely without merit and is vigorously defending these claims. Due to the inherent uncertainties of litigation, it is not possible to predict the final outcomes of the Ruediger Class Action or the Peters Class Action, or to determine the amount of any potential losses resulting therefrom, if any, and SNC-Lavalin may, in the future, be subject to further class action lawsuits or other litigation. SNC-Lavalin has directors’ and officers’ liability insurance insuring individuals against liability for acts or omissions in their capacity as directors and officers, and the Company itself has coverage for such claims. The amount of coverage under the directors’ and officers’ policy is limited and such coverage may be less than any amounts the Company is required or determines to pay in connection with these proceedings. If the Company is required or determines to pay an amount in connection with any or all of the Ruediger Class Action and/or the Peters Class Action, such amount could have a material adverse effect on SNC-Lavalin's liquidity and financial results.

Pyrrhotite case

On June 12, 2014, the Québec Superior Court rendered a decision in "Wave 1" of the matter commonly referred to as the "Pyrrhotite Case" in Trois-Rivières, Québec and in which SNC-Lavalin was one of numerous defendants. The Québec Superior Court ruled in favour of the plaintiffs, awarding an aggregate amount of approximately $168 million in damages apportioned amongst the then-known defendants, on a solidary (in solidum) basis (the "**Wave 1 claims**"). The Québec Superior Court ruled that SNC-Lavalin's share of the damages award was approximately 70%. The Company's external insurers disputed the extent of the insurance coverage available to the Company and this dispute was included in the Pyrrhotite Case. The Company, among other parties, appealed the Québec Superior Court's ruling and, on April 6, 2020, the Québec Court of Appeal rendered its decision dismissing most of the appeals filed by all parties and upheld: (i) the Québec Superior Court's ruling regarding SNC-Lavalin's approximate 70% share of liability; and (ii) the solidary nature of the defendants' liability. In a further ruling, on June 12, 2020, the Québec Court of Appeal confirmed SNC-Lavalin's allocated share of the damages, inclusive of interest and costs at approximately $200 million, and the Company paid this amount of damages awarded to the plaintiffs on August 3, 2020. The Company filed a notice seeking leave to appeal to the Supreme Court of Canada.

The Québec Court of Appeal also dismissed an appeal from SNC-Lavalin's external insurers and confirmed that multiple insurance policy towers were triggered by the Wave 1 claims, resulting in multiple years of coverage. The Company's external insurers filed notices seeking leave to appeal to the Supreme Court of Canada.

On May 6, 2021, the Supreme Court of Canada dismissed both the Company's and its external insurers' applications seeking leave to appeal.

Given that SNC-Lavalin's external insurers initially refused to comply with terms contained in the relevant policies of insurance and the orders of the Québec Superior Court and the Québec Court of Appeal requiring them to pay a substantial portion of the $200 million damages award, SNC-Lavalin filed an application with the Québec Superior Court seeking an order requiring the Company's external insurers to comply with the Québec Court of Appeal's order and facilitate execution of the $200 million damages award by way of the multiple towers of insurance. On October 16, 2020, the Québec Superior Court ruled in favour of SNC-Lavalin ordering SNC-Lavalin's external insurers to pay the Company approximately $141 million, which was fully collected. An additional $33 million in insurance proceeds was also collected by the Company through a reinsurance policy which was not subject to this court ruling.

SNC-Lavalin filed a recourse in warranty claim against Lafarge Canada Inc. ("**Lafarge**") seeking its contribution to the damages awarded against SNC-Lavalin in the Wave 1 judgment. The trial commenced in March 2019 and concluded in 2020. On February 4, 2021, the Québec Superior Court dismissed SNC-Lavalin's claim and SNC-Lavalin has appealed the Québec Superior Court's ruling to the Québec Court of Appeal and the appeal hearing occurred from November 8 through 10, 2022.

In parallel to the Wave 1 claims, notices of additional potential claims have been made and continue to be made against certain defendants, including SNC-Lavalin, in "Wave 2" of the Pyrrhotite Case. In April 2022, the parties, including most of SNC-Lavalin's external insurers, reached a settlement concerning Wave 2 claims that relate to residential buildings. SNC-Lavalin's portion of the settlement in capital and interests totaled $60.9 million, of which the uninsured portion was $25.7 million. This settlement did not have an impact on the Company's financial results for the year ended December 31, 2022 as its outcome was covered by the amount previously provisioned for by the Company. The remaining Wave 2 claims will be dealt with separately and SNC-Lavalin expects some insurance coverage for these claims as well. A hearing for certain of the remaining claims has been scheduled to be held from May 23 to June 2, 2023. SNC-Lavalin's liability exposure for the remaining Wave 2 claims remains subject to several uncertainties. In addition, SNC-Lavalin has filed a separate recourse in warranty claim against Lafarge with respect to the Wave 2 claims.

Dubai civil case

In November 2018, WS Atkins & Partners Overseas, a subsidiary of the Company, was named as respondent together with other parties by the subrogated insurers of a property developer in a civil case initiated before the courts of Dubai. The claimant is seeking damages jointly from the respondents on account of the alleged refurbishment costs and loss of income arising from a fire at the property developer's building. WS Atkins & Partners Overseas was a subcontractor in the hotel's design and construction supervision and the claim revolves around alleged negligence in the specification, testing and installation of the building cladding which is claimed to have exacerbated the fire, thereby increasing the damage to the building. In a first instance court ruling in 2021, the claim was dismissed against all defendants including WS Atkins & Partners Overseas. The claimant filed an appeal and, in September 2022, the court dismissed the claimant's appeal. On November 14, 2022, the claimant filed a further appeal to the Court of Cassation (Dubai's highest tribunal).

Remediation Agreement on Jacques Cartier Bridge Criminal Charges (Canada)

On September 23, 2021, the Royal Canadian Mounted Police (the "**RCMP**") represented by the DPCP laid charges against the Company's subsidiary, SNC-Lavalin Inc. and its indirect subsidiary, SNC-Lavalin International Inc. Each entity was jointly charged (along with a former employee of the Company, Normand Morin) with the following counts: 1) forgery under Section 366 of the *Criminal Code* (Canada) (the "**Criminal Code**"), 2) fraud under Section 380 of the Criminal Code, and 3) fraud against the government under Section 121 of the Criminal Code. Each entity was charged with one count of conspiracy to commit the aforementioned crimes (the "**Criminal Charges**"). On the same date, the DPCP gave notice to SNC-Lavalin Inc. and SNC-Lavalin International Inc. of an invitation to negotiate a remediation agreement in accordance with Part XXII.1. of the Criminal Code with respect to the Criminal Charges and on October 1, 2021, both entities formally accepted the invitation. These Criminal Charges follow the RCMP's formal investigation relating to alleged payments in connection with a 2002 contract for the refurbishment of the Jacques Cartier Bridge by a consortium which included SNC-Lavalin Inc. and which has previously led to a guilty plea on certain criminal charges in 2017 by the former head of the Canada Federal Bridges Corporation. Another former employee of the Company, Kamal Francis, was also charged separately with similar offenses.

SNC-Lavalin Inc. and SNC-Lavalin International Inc. reached agreement on the terms of the remediation agreement and, on May 11, 2022, the Québec Superior Court issued an order approving the remediation agreement. The term of the remediation agreement is three years, requires a total payment of $29.6 million payable over three years, and the appointment of a monitor for a three-year period amongst other obligations. The Company estimated the net present value of these installments at $27.4 million at May 11, 2022, which is included in "DPCP Remediation Agreement expense" in the consolidated income statement. The Criminal Charges are suspended during the term of the remediation agreement, and, upon its expiry, provided the terms will have been complied with by SNC-Lavalin Inc. and SNC-Lavalin International Inc., and subject to Court approval, the Criminal Charges will be dismissed. Also on May 11, 2022, the Company entered into an administrative agreement with Public Services and Procurement Canada allowing the Company to continue to do business with the Canadian federal government and federal departments and agencies under the auspices of the federal Integrity Regime despite the remediation agreement.

The Company cannot predict what, if any, other actions may be taken by any other applicable government or authority or the Company's customers or other third parties as a result of the Criminal Charges.

Ongoing and Potential Investigations

The Company understands that there are investigations by various authorities which may remain ongoing in connection with certain legacy matters in various jurisdictions, including, without limitation, Algeria, Brazil and Angola.

Other Legal Proceedings

SNC-Lavalin Inc. has initiated court proceedings against a Canadian client stemming from engineering, procurement and construction management services that SNC-Lavalin Inc. provided in relation to the client's expansion of an ore-processing facility. SNC-Lavalin Inc. claimed from the client certain amounts due under the project contract. The client has counter-claimed alleging that SNC-Lavalin Inc. defaulted under the project contracts and is seeking damages.

9. Interest of Management and Others in Material Transactions

Other than the loan agreement dated as of April 20, 2017 relating to a loan made by CDPQ Revenu Fixe Inc. to SNC-Lavalin Highway Holdings Inc. (as amended, the "**CDPQ Loan Agreement**"), to the knowledge of the Company, none of the (i) directors or executive officers of the Company, (ii) shareholders of the Company that beneficially own, or control or direct, directly or indirectly, more than 10% of any class of shares of the Company, or (iii) any associate or affiliate of the persons referred to in (i) and (ii), has or has had any material interest, direct or indirect, in any transaction during the three most recently completed financial years or the current financial year that has materially affected or is reasonably expected to materially affect the Company or any of its affiliates or subsidiaries.

10. Transfer Agent and Registrar

Computershare Investor Services Inc. is the Company's transfer agent and registrar for the Company's common shares, with principal offices in the cities of Montréal (Québec), Toronto (Ontario), and Vancouver (British Columbia).

11. Material Contracts

Other than those contracts entered into during the normal course of business, the only contracts that are material to the Company and that were entered into within the fiscal year ended December 31, 2022, or prior to the last financial year of the Company but that are still in effect, and which are required to be filed with the Canadian securities regulatory authorities pursuant to applicable securities laws, are set out below:

(i) the 407 Sale SPA;

(ii) the CDPQ Loan Agreement; and

(iii) the Investor's Rights Agreement (as such terms are defined below).

The following descriptions of the material contracts are summaries only and a copy of the full text of such material contracts can be found on SEDAR at **www.sedar.com** under the Company's issuer profile.

407 Sale SPA

On August 15, 2019, SNC-Lavalin announced that it had completed the sale of 10.01% of the shares of 407 International Inc. ("**Highway 407 ETR**") to a company controlled by Canada Pension Plan Investment Board ("**CPPIB**") pursuant to a share purchase agreement dated August 14, 2019 (the "**407 Sale SPA**"). At closing and in accordance with the terms and conditions of the 407 Sale SPA, SNC-Lavalin received the base purchase price proceeds of $3.0 billion, with up to an additional $250 million contingently payable over a period of ten years, conditional on the attainment of certain financial thresholds related to the ongoing performance of Highway 407 ETR.

CDPQ Loan Agreement

As part of the acquisition of WS Atkins plc (the "**Atkins Acquisition**"), SNC-Lavalin Highway Holdings Inc., an indirect wholly-owned subsidiary of the Company holding shares of 407 International Inc., entered into the CDPQ Loan Agreement.

The CDPQ Loan Agreement is a limited recourse debt comprised of two tranches: i) tranche A which is a non-revolving term loan in an aggregate amount of $1 billion; and ii) tranche B which was a non-revolving term loan in an aggregate amount of $500 million (collectively, the "**CDPQ Loan**"). Recourse is limited to specific circumstances of enforcement on or against the shares of SNC-Lavalin Highway Holdings. Each of tranche A and tranche B was available by way of a single drawdown by SNC-Lavalin Highway Holdings. The maturity date of the CDPQ Loan Agreement is on the seventh anniversary of the funding date. Borrowings under tranche A and tranche B bear interest at a base rate, which is the greater of: i) the CDOR rate; and ii) 0.9%, plus an applicable margin. Tranche A is subject to a non-call period of 4 years after the disbursement date of the loan, a time during which early voluntary repayment of the loan by the Company is not allowed. Tranche B was repaid in full in 2018 and $600 million of Tranche A was repaid in 2019, upon agreement between the parties. The CDPQ Loan is subject to affirmative and negative covenants, as well as financial covenants, notably not to exceed, on a rolling 12-month and consolidated basis, a maximum net recourse debt to EBITDA ratio, as defined under the CDPQ Loan Agreement. Failure to meet the terms of one or more of these covenants may constitute a default, potentially resulting in accelerating the repayment of the CDPQ Loan Agreement.

Investor's Rights Agreement

On July 3, 2017, concurrently with the closing of the Atkins Acquisition, in 2017, the Company and the CDPQ entered into an investor's rights agreement (the "**Investor's Rights Agreement**").

Among other things, the Investor's Rights Agreement provides the CDPQ with the right, as long as it beneficially owns or exercises control or direction over, directly or indirectly, 10% or more of the Company's outstanding common shares, to recommend to SNC-Lavalin one nominee for election or appointment as a director, provided that the CDPQ nominee shall have no material relationship with SNC-Lavalin or the CDPQ, and that his or her nomination shall be subject to a favourable recommendation of SNC-Lavalin's Governance and Ethics and Sustainability Committee. In addition, the Company has agreed that it will consult with the CDPQ prior to the appointment of any new Chairman of the Board of Directors.

The Investor's Rights Agreement also contains the following provisions:

- As long as the CDPQ holds, directly or indirectly, at least 12% of the Company's issued and outstanding common shares, it has a pre-emptive right to participate in new issuances of common shares and convertible securities, subject to customary exceptions;

- Subject to applicable securities laws and the rules of the TSX, the CDPQ has the right to request that the Company repurchase its common shares directly or indirectly held by the CDPQ representing up to 25% of any purchase to be made by the Company under any normal course issuer bid; and

- The CDPQ has been granted "piggyback" (but not demand) qualification rights allowing it, as long as it directly or indirectly holds more than 12% of the Company's issued and outstanding common shares, to include its pro rata share of common shares sold in certain public offerings of common shares, subject to customary underwriter cutback demands and provisions.

12. Experts

Deloitte LLP is the auditor of the Company and is independent within the meaning of the Code of Ethics of the Ordre des comptables professionnels agréés du Québec.

13. Audit and Risk Committee

Mandate of the Audit and Risk Committee

The mandate of the Audit and Risk Committee of SNC-Lavalin is attached as Schedule "A" to this Annual Information Form.

Composition of Audit and Risk Committee

The Audit and Risk Committee of the Company consists of Ms. Benita M. Warmbold (Chair), Ms. Mary-Ann Bell, Mr. Christie J.B. Clark, Ms. Ruby McGregor-Smith, CBE and Mr. Steven L. Newman. Each member of the Audit and Risk Committee is independent as determined by the Board of Directors including in light of Canadian securities legislation and regulations, and none receives, directly or indirectly, any compensation from the Company other than for service as a member of the Board of Directors and its Committees. All members of the Audit and Risk Committee are financially literate, as this phrase is defined under *Regulation 52-110 respecting Audit Committees* of the Canadian Securities Administrators (the "**CSA**"). In considering the criteria for determining financial literacy, the Board of Directors considers the ability of the director to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Professional Qualifications and Experience of Audit and Risk Committee Members

Each of the members of the Company's Audit and Risk Committee has professional qualifications or business experience, or both, that are relevant to the performance of their responsibilities as a member of the Audit and Risk Committee.

Benita M. Warmbold (Chair) has more than 30 years of experience in the finance industry. She is the former Senior Managing Director and CFO of CPPIB, a position she held from December 2013 to July 2017. Prior to that, she was Senior Vice-President and COO from 2008 to 2013. CPPIB is a professional investment management organization responsible for investing funds on behalf of the Canada Pension Plan. Before joining CPPIB, she served as Managing Director and CFO for Northwater Capital Management Inc. from 1997 to 2008. She previously held senior positions with Canada Development Investment Corporation and KPMG. Ms. Warmbold is currently a director of The Bank of Nova Scotia (where she is chair of the audit and conduct review committee and a member of the governance committee) and Methanex Corporation (where she is chair of the audit, finance and risk committee and a member of the governance committee) and chairs the Canadian Public Accountability Board. She holds an Honours Bachelor of Commerce degree from Queen's University, is a Fellow of the Institute of Chartered Accountants of Ontario, a Fellow of the Institute of Corporate Directors and has been granted the ICD.D designation.

Mary-Ann Bell has more than 30 years of experience in the telecommunications sector. Prior to her retirement in 2014, she was Senior Vice-President, Québec and Ontario at Bell Aliant Regional Communications Inc. from 2009 to 2014, and from 2005 to 2009, Chief Operating Officer, Québec, where she led different operational functions, including engineering, field services and customer services. Ms. Bell is currently a director at Cogeco inc and Cogeco Communications Inc. (where she chairs the governance committee and is a member of the human resources committee) and mdf commerce inc. (where she chairs the audit committee). She was a former director of NAV Canada for the last 9 years (where she was a member of various committees including the audit committee), of Energir Inc./Valener Inc. (where she was chair of the audit committee) and Cominar Real Estate Investment Trust (where she was a member of the audit committee). In addition to these public company memberships, Ms. Bell is director and chair of the audit committee of the Institute for Governance of Private and Public Organizations (IGOPP) and was previously a director of the Institut National de la Recherche Scientifique (INRS) (where she was chair of the audit committee). Ms. Bell holds a Bachelor's degree in Industrial Engineering from Polytechnique de Montréal and a Master of Science degree from the Institut National de la Recherche Scientifique (INRS).

Christie J.B. Clark has more than 30 years experience in the accounting, finance and professional services industries. From 2005 to 2011, he was CEO and Senior Partner of PricewaterhouseCoopers LLP (professional services). Prior to being elected as CEO, Mr. Clark served as National Managing Partner and member of the firm's executive committee from 2001 to 2005. Mr. Clark is the chair of the audit committees of Air Canada and Loblaw Companies Limited, and a member of the audit committee of Choice Properties Real Estate Investment Trust. In addition to these public company memberships, Mr. Clark is a director and chair of the audit committee of the Canadian Olympic Committee, the Canadian Olympic Foundation, Own The Podium and the Sunnybrook Hospital Foundation. He is an Emeritus member of the advisory board of the Stephen J.R. Smith School of Business at Queen's University. Mr. Clark graduated from Queen's University with a Bachelor of Commerce degree and from the University of Toronto with a Master of Business Administration. He is a Fellow of Chartered Professional Accountants of Ontario and former National Academic Director for the Institute of Corporate Director's course entitled "Audit Committee Effectiveness".

Ruby McGregor-Smith, CBE has more than 25 years of experience in the sectors of infrastructure services and facilities management. From 2007 to 2016, she was CEO of the Mitie Group plc ("**Mitie**") and was the first Asian woman to be appointed to such a role in the FTSE 350. Ms. McGregor-Smith joined Mitie in 2002, serving as Group Financial Director and COO until her appointment as CEO in 2007. She previously held senior positions with SGI Babcock International Group as well as Serco Group, plc working a range of commercial and financial roles. Ms. McGregor-Smith is a director on the audit committees at Everyman Media Group PLC and Tideway (Bazalgette Tunnel Limited) and serves as the chair of Mind Gym plc, the Institute of Apprenticeships and Technical Education and the Airport Operators Association. Ms. McGregor-Smith was a former President of the British Chambers of Commerce and the former chair of the audit committee at Michael Page International plc. Ms. McGregor-Smith holds a Bachelor of Economics degree from Kingston University, a Postgraduate Diploma in Global Business from the Saïd Business School, University of Oxford and she is a Fellow of the Institute of Chartered Accountants in England and Wales. In 2012, she was appointed a Commander of the Order of the British Empire (CBE) for services to business and diversity in business and in 2015, a member of the House of Lords.

Steven L. Newman has more than 25 years of experience in the energy industry. Since May 2021, he is the chairman and CEO of Aquadrill LLC (offshore contract drilling). Prior to that, from March 2010 to February 2015, he was President and CEO and a director of Transocean, Ltd. (oil and gas drilling and exploration). Mr. Newman joined Transocean in 1994 and held various management and operational positions. He served as President and COO from May 2008 until March 2010 when he was appointed President and CEO. In his early career, Mr. Newman was Financial Analyst at Chevron Corporation and Reservoir Engineer at Mobil E&P US. Mr. Newman is a director of Dril-Quip, Inc. (where he is a member of the audit committee). He was a director of Rubicon Oilfield International Holdings GP, Ltd. (where he was a member of the finance and audit committee), of Tidewater, Inc. (where he was a member of the audit committee) and of Bumi Armada Berhad (where he was a member of the audit committee). Mr. Newman holds a Bachelor of Science degree in Petroleum Engineering from the Colorado School of Mines and a Master of Business Administration from Harvard Graduate School of Business. He is a member of the Society of Petroleum Engineers and of the National Association of Corporate Directors.

Auditor's Fees

The Audit and Risk Committee has considered whether the provision of services other than audit services is compatible with maintaining the auditor's independence. The aggregate fees paid for professional services rendered by Deloitte LLP and its affiliates, for the year ended December 31, 2022 and the year ended December 31, 2021, are presented in the following table:

	Year Ended December 31, 2022	Year Ended December 31, 2021
Audit fees (1)	$9,372,547	$8,925,295
Audit-related fees (2)	$1,946,039	$1,499,635
Tax fees (3)	$597,223	$841,901
Other fees (4)	$629,555	$85,155
Total	**$12,545,364**	**$11,351,986**

(1) Audit fees include fees for professional services rendered for the audit of the Company's annual financial statements and the review of the Company's quarterly reports. They also include fees for services that generally only the Company's auditor can provide, such as comfort letters, consents and assistance with and review of documents filed with the securities commissions.

(2) Audit-related fees include fees for assurance services that are reasonably related to the audit or review of the financial statements and are not reported under "Audit fees", including the statutory audits of subsidiaries that are not relied on for the audit opinion on the Company's consolidated financial statements, special attest services not required by statute or regulation, reporting on the effectiveness of internal controls as required by contract or for business reasons, accounting consultations in connection with various transactions, and the audit of the Company's various pension plans.

(3) Tax fees comprise fees for income, consumption and other tax compliance, advice and planning services relating to domestic and international taxation, review of tax returns and preparation of expatriate employee tax returns.

(4) Other fees include fees for services other than those described under "Audit fees", "Audit-related fees" and "Tax fees".

14. Additional Information

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the Management Proxy Circular relating to the May 5, 2022 annual meeting of shareholders of the Company.

Additional financial information, including comparative financial statements for the Company's most recently completed financial year, is contained in the Company's 2022 Management's Discussion and Analysis.

To order paper copies of this Annual Information Form, the most recent Management Proxy Circular, Annual Report and Financial Report, please visit the "Investors" section at **www.snclavalin.com**. These documents are also available on the CSA's website at **www.sedar.com**. Additional information relating to the Company may also be found on SNC-Lavalin's website at **www.snclavalin.com** and on the CSA's website at **www.sedar.com**.

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Schedule “A”

Audit and Risk Committee Mandate

1. MISSION

The Audit and Risk Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of SNC-Lavalin Group Inc. (the “Company”) which assists the Board in supervising the Company’s financial controls and reporting and in overseeing the Company’s Enterprise Risk Management (“ERM”) framework, strategy, policies and governance. The Committee also monitors through reasonable measures whether the Company complies with financial covenants and legal and regulatory requirements governing financial disclosure matters and financial risk management.

2. COMPOSITION

The Committee is composed of not less than three (3) and not more than seven (7) Directors, all of whom must be “independent” as determined by the Board in compliance with Canadian securities legislation and regulations.

Furthermore, every Committee member must be financially literate or must become financially literate[1] within a reasonable period of time following appointment to the Committee.

At least one (1) member of the Human Resources Committee sits on the Committee and vice versa. At least one (1) member of the Safety, Project Oversight and Technology Committee sits on the Committee and vice versa.

Subject to the By-Laws of the Company, the Chair and members of the Committee are recommended by the Governance, Ethics and Sustainability Committee and appointed by the Board.

3. ACTIVITIES, DUTIES AND RESPONSIBILITIES

3.1 Primary Accountability

(A) The Committee assists the Board in the discharge of its responsibilities relating to the Company’s accounting policies, reporting practices and internal controls and financial and enterprise risk management in compliance with applicable legal and regulatory requirements.

3.2 Financial Reporting

(A) The Committee reviews and recommends to the Board for approval the Company’s unaudited quarterly financial statements and accompanying notes and related press release.

(B) Before their publication, the Committee reviews and recommends to the Board for approval the Company’s audited annual financial statements and accompanying notes, related press release as well as the statement of management’s responsibility for the financial statements and any significant accounting changes and disclosure of issues.

(C) Before its publication, the Committee reviews and recommends to the Board for approval the Company’s Management’s Discussion and Analysis, with particular attention to the use and consistency of non-GAAP financial measures, and presentation of unusual or sensitive matters such as disclosure of related party transactions, significant non-recurring events, significant risks, changes in accounting policies, and estimates or reserves, and significant variances between comparative reporting periods.

(D) Before its publication, the Committee reviews and recommends to the Board for approval the Company’s Annual Information Form.

[1] In accordance with the definition of “financial literacy” set out in Section 1.6 of *Regulation 52-110 respecting Audit Committees* and as determined by the Board.

(E) The Committee periodically receives reports and assesses the adequacy of the procedures in place for the Company's public disclosure of financial information extracted or derived from the Company's financial statements, including periodic external investor presentations, other than the public disclosure documents set out in paragraphs (B), (C), and (D) above**.**

(F) Before their publication, the Committee reviews and recommends to the Board for approval the Company's financial information included in the Company's Environmental, Social and Governance (ESG) public disclosure documents.

(G) The Committee periodically reviews the appropriateness of the control framework in place with respect to the information included in the Company's ESG public disclosure documents.

3.3 Accounting Policies, Reserves and Tax Matters

(A) The Committee reviews the appropriateness of the accounting policies used in the preparation of the Company's financial statements and, at least each year, reviews the key accounting policies and accounting treatments that are particular to the Company, and any proposed changes to such policies.

(B) Each quarter, the Committee reviews the list of projects that required a policy escalation to the Corporate Controller in determining the project forecast.

(C) Each quarter, the Committee receives the legal report and reviews significant litigation matters and material developments in relation to the adequacy of the Company's reserves for litigation, claims or other contingencies and the appropriateness of related disclosure.

(D) Each year, the Committee receives a report and reviews tax filing compliance, uncertain tax provisions and emerging tax issues.

3.4 Controls and Control Deviations / CEO/CFO Certification

(A) The Committee reviews the quality and integrity of the Company's internal controls, disclosure controls and procedures and management information systems, with particular emphasis on accounting and financial controls, and recommends changes where appropriate.

(B) The Committee reviews management's reporting on internal controls and disclosure controls and procedures, including:

- (i) the disclosure of significant deficiencies in the design and operation of internal controls;
- (ii) the disclosure of significant changes in internal controls; and
- (iii) the disclosure of fraud involving management or an employee with significant impact on internal controls.

(C) If deemed necessary, the Committee can request and have conducted special investigations, and has access to personnel, books, records and facilities of the Company at all times.

(D) The Committee reviews the President and Chief Executive Officer's and Executive Vice-President and Chief Financial Officer's annual certification plan ("CEO/CFO Certification"); receives CEO/CFO Certification of interim and annual filings to be made in accordance with *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings*; and reviews the results of interim and annual CEO/CFO Certification testing.

(E) The Committee reviews the application of the procedures established by the Company for the receipt, retention and treatment of complaints or concerns regarding accounting, internal controls or auditing matters either in respect of the Company or a subsidiary and, as requested by the Board. At least each quarter, the Committee receives a report on:

- (i) issues, violations or complaints (including confidential and anonymous submissions) reported to the Company regarding accounting, internal controls, auditing or fraud[2]; and
- (ii) investigations on internal controls and deviations to the Company's *Levels of Authority Policy*.

[2] As defined in *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings*.

3.5 Enterprise Risk Management

(A) Each year, the Committee reviews and recommends to the Board for approval the Company's *Risk Management Policy, Risk Appetite Statement*[3] *and Risk Policy Statement*.

(B) Each quarter, the Committee reviews the Company's risk control matrix and enterprise risk register to provide oversight of the process.

(C) Each quarter, the Committee reviews with management the Company's most significant risks, emerging risks and trends, and the associated disclosure documents.

3.6 Independent Auditor

(A) The Committee formally considers the continuation of, or a change in, the independent auditor and reviews all issues related to a change of independent auditor, including any differences between the Company and the independent auditor that relate to the independent auditor's opinion or a qualification thereof or a comment by the independent auditor.

(B) Each year, the Committee recommends an independent auditor to the Board, for approval by the shareholders of the Company.

(C) The Committee reviews the annual confirmation of independence provided by independent auditor, and any relationships or services that may impact the objectivity and independence of the independent auditor.

(D) The Committee reviews and approves budgeted and actual audit, audit-related and non-audit related fees and services provided by the independent auditor and considers whether the provision of services other than audit services is compatible with maintaining the independent auditor's independence.

(E) The Committee periodically reviews and approves the audit/non-audit-related services policy.

(F) Each year, the Committee receives a report on the mandate, organization, staffing, qualifications, independence, performance and effectiveness of the independent auditor.

(G) The Committee reviews and approves the scope and timing of the independent auditor's reviews of the unaudited quarterly financial statements and of its annual audit plan.

(H) The Committee oversees the work of the independent auditor engaged for the purpose of preparing or issuing an independent auditor's report or performing other audit, review or attest services for the Company, including the resolution of any disagreement between management and the independent auditor regarding financial reporting.

(I) The Committee reviews (i) the content the independent auditor's annual audit report to the Committee as well as the results of the independent audit, and (ii) the results of its quarterly reviews, and any significant recommendations from the independent auditor to strengthen the Company's internal controls.

(J) Each year, the Committee reviews the risk of fraud with the independent auditor.

(K) The Committee reviews any significant problems encountered by the independent auditor in performing its independent audit or quarterly reviews as well as the content of any management letter issued by the independent auditor to the Company, and management's response thereto.

(L) The Committee reviews any significant unresolved issues between management and the independent auditor that could affect the financial reporting or internal controls of the Company.

(M) The Committee reviews and approves the *Policy for the Hiring of Employees and Former Employees of Present and Former Independent Auditor of the Company* (see Attachment "A" hereto).

(N) The Committee engages with the independent auditor on the required rotation of applicable audit partners in line with required regulation.

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[3] The Company's *Risk Appetite Statement* includes the Company's position around risk-taking capacity, thresholds and tolerance levels.

3.7 Internal Audit Function

(A) Each year, the Committee reviews and approves the charter, nature, scope of work and budget of the Internal Audit function, as well as the annual audit plan, and discusses with the Internal Auditor the resources necessary to fulfil its mandate and responsibilities.

(B) Each quarter, the Committee reviews the annual audit plan status and receives a progress report on the Internal Audit mandates and a follow-up on current, outstanding and past due recommendations.

(C) Each quarter, the Committee reviews the Internal Audit reports' conclusions and summary of findings.

(D) The Committee engages with the Internal Audit function as necessary so that it is free of any influence that could adversely affect its ability to objectively assume its responsibilities.

(E) The Committee reviews the succession plan for the Vice-President, Internal Audit as recommended by management.

(F) The Committee approves the appointment and dismissal of the Vice-President, Internal Audit as well as their annual performance evaluation and compensation.

3.8 Other Responsibilities and Issues

(A) The Committee periodically reviews the Company's *Disclosure and Insider Trading Policy* and makes recommendations to the Board regarding any required changes in light of applicable legal and regulatory requirements.

(B) Each quarter, the Committee reviews the minutes of Disclosure Committee meetings and any issues raised by the Disclosure Committee.

(C) The Committee reviews and recommends to the Board for approval the Disclosure Committee Charter as required and makes recommendations to the Board regarding any required changes.

(D) Each year, the Committee reviews the Company's treasury policy and receives reports on the Company's credit rating and liquidity status.

(E) Each year, the Committee receives a report on the Company's overall insurance coverage, including captive and directors' and officers' (D&O) and makes recommendations to the Board regarding any required changes.

(F) If applicable, the Committee periodically reviews with management any proposed external market financial outlook.

(G) The Committee periodically reviews the Company's related party transactions processes and makes recommendations to the Board regarding any required changes in light of applicable legal and regulatory requirements.

4. ENTERPRISE RISK OVERSIGHT

In supporting the Board's role and responsibility with respect to the Company's risk management framework and in accordance with the Company's *Risk Management Policy,* the Committee provides oversight of the Company's management of risks associated with financial performance, financial controls, capital structure, capital assets and investments, guarantees, taxation and insurance. The Committee also provides oversight of the Company's management of technology risk that could have a significant impact on the Company's ability to report on its financial results.

5. ORGANIZATION AND PROCEDURES

(A) Meetings of the Committee are held at least quarterly and as required. The Chair of the Committee, the Chief ESG and Integrity Officer, the President and Chief Executive Officer, the Chair of the Board, the Executive Vice-President and Chief Financial Officer, the Vice-President, Internal Audit, the independent auditor or any member of the Committee may request a meeting of the Committee. At each of the regularly scheduled meetings and special meetings of the Committee, an in-camera session of the independent Directors is held.

(B) The Chair of the Committee develops the agenda for each meeting of the Committee in consultation with the President and Chief Executive Officer, the Executive Vice-President and Chief Financial Officer and the Corporate Secretary. The Chair of the Committee presides at Committee meetings; in their absence, an alternate may be elected by the Committee.

(C) The Corporate Secretary or, in the case where they are unable to attend, the Assistant Corporate Secretary, acts as secretary of the meeting and forwards all minutes of Committee meetings to each Committee member in a timely manner.

(D) A majority of the members of the Committee constitute a quorum. The proceedings of the Committee are conducted in accordance with the By-Laws of the Company.

(E) The Executive Vice-President and Chief Financial Officer, the Vice-President, Internal Audit and the independent auditor have direct access to the Committee. They receive notice of and are invited to attend all meetings of the Committee, if they choose to, as non-voting participants.

(F) The President and Chief Executive Officer and the Chair of the Board each have direct access to the Committee. The President and Chief Executive Officer and Chair of the Board receive notice of and are invited to attend all meetings of the Committee as non-voting participants.

(G) Each quarter, the independent auditor, the Vice-President, Internal Audit and the Executive Vice-President and Chief Financial Officer each meets separately, in-camera with the Committee.

(H) The Committee has the authority to communicate directly with the independent auditor, the Vice-President, Internal Audit and the Executive Vice-President and Chief Financial Officer, and may also communicate directly with any employee of the Company, as it deems necessary.

(I) The Chair of the Committee reports to the Board at the next regularly scheduled Board meeting following a Committee meeting with respect to its activities and with such recommendations as are deemed appropriate in the circumstances.

(J) The Committee may require the assistance of the Company's resources to research, investigate and report on matters within the Committee's responsibilities. The President and Chief Executive Officer will appoint a member of management to be the Committee's prime interface.

(K) The Committee may engage outside advisors at the expense of the Company to research, investigate and report on matters within the Committee's responsibilities. The Committee approves the outside advisor's retention terms, which includes their compensation, and supervises their work.

(L) The Committee will annually review its mandate to ensure it continues to be appropriate, establish its annual working plan, and make recommendations thereon to the Board as required.

Nothing contained in this mandate shall be intended to assign to the Committee the Board's responsibility of ensuring the Company's compliance with applicable laws or regulations or expanding applicable standards of conduct or other obligations under any law or regulation for the Directors of the Company or the members of the Committee.

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ATTACHMENT "A"

Policy for the Hiring of Employees and Former Employees of Present and Former Independent Auditor of the Company

The Company and its subsidiaries shall not retain the services as an officer, employee or consultant in a position to influence the preparation of the Company's financial statements of any person if they or any member of their immediate family is participating on the engagement team of any firm that is acting as the independent auditor of the Company or any of its subsidiaries.

The same prohibition applies with respect to any person if they or any member of their immediate family previously participated on the engagement team of any firm that is so acting or has so acted, unless a period of at least one (1) year has elapsed from the date on which the financial statements audited by the engagement team were last filed with any regulatory authority.