SNC · LAVALIN

MANAGEMENT PROXY CIRCULAR

AND NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

March 14, 2022

CONTENTS

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Circular contains forward-looking statements which can be identified by the use of the conditional or forward-looking terminology such as "aims", "anticipates", "assumes", "believes", "estimates", "expects", "forecasts", "goal", "intends", "likely", "may", "metric", "objective", "outlook", "plans", "projects", "should", "target", "vision", "will", or the negative thereof or other variations thereon. Forward-looking statements include, but are not limited to, statements relating to the Company's future economic performance and financial condition, as well as ESG related objectives, vision and strategic goals. 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 other stakeholders in understanding certain key elements of the Company's current objectives, strategic priorities, expectations and plans, including the ways we intend to address ESG matters. Readers are cautioned that such information may not be appropriate for other purposes.

Forward-looking statements made in this Circular are based on a number of assumptions believed by the Company to be reasonable on March 14, 2022. Many of these assumptions are set out throughout the Company's 2021 MD&A dated March 2, 2022 (the "2021 MD&A") (particularly, in the sections entitled "Critical Accounting Judgments and Key Sources of Estimation Uncertainty" and "How We Analyze and Report Our Results" in the Company's 2021 MD&A). 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. For more information on risks and uncertainties and the 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 Judgments and Key Sources of Estimation Uncertainty" in the Company's 2021 MD&A 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 forward-looking statements herein reflect the Company's expectations as at March 14, 2022, and they are subject to change after this date. The Company does not undertake to update publicly or to revise any 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.

WEBSITE REFERENCES

Information contained in or accessible through any website mentioned in this Circular does not form part of this Circular, whether by implication or otherwise, except the 2021 MD&A, the AIF and sections thereof, to the extent explicitly referred to in this Circular.

GLOSSARY OF TERMS

AIF Annual Information Form

AIP Annual Incentive Plan

Board or **Board of Directors** SNC-Lavalin Group Inc.'s board of directors

CD&A Executive Compensation Discussion and Analysis

CEO Chief Executive Officer

CFO Chief Financial Officer

CIO Chief Integrity Officer

COO Chief Operating Officer

CSA Canadian Securities Administrators

Chair Chair of the Board / Chairs of the Committees

Circular Management Proxy Circular dated March 14, 2022

Committee A committee established by the Board of Directors of the Company

Common Shares SNC-Lavalin Group Inc.'s common shares

Company SNC-Lavalin Group Inc.

Computershare Computershare Investor Services Inc.

DCPP Defined Contribution Pension Plan

Directors Members of the Board of Directors of the Company

D-DSUs Director Deferred Share Units

D-DSUP Director Deferred Share Unit Plan

E&C Engineering and Construction

EBIT Earnings before interest and taxes

EBITDA Earnings before interest, taxes, depreciation and amortization

ED&I Equality, Diversity & Inclusion

EDPM Engineering, Design & Project Management

E-DSUs Executive Deferred Share Units

E-DSUP Executive Deferred Share Unit Plan

Employment Agreements Executive Employment Agreements

EPS Earnings per share

ERM Enterprise Risk Management

ESG Environmental, Social and Governance

ESOP Employee Share Ownership Plan

EVP Executive Vice-President

Executive Committee A committee established by management comprised of the President and CEO and other Senior Officers

GES Committee Governance, Ethics and Sustainability Committee of the Board

HR Committee Human Resources Committee of the Board

HSE Health, Safety and Environment

IFRS International Financial Reporting Standards

LSTK Lump Sum Turnkey

LTIP Long-Term Incentive Plan

MD&A Management's Discussion and Analysis

Meeting SNC-Lavalin Group Inc.'s annual meeting of shareholders to be held on May 5, 2022

NEOs Named Executive Officers

OLG Operational Leadership Group

PSUs Performance Share Units

PSUP Performance Share Unit Plan

RSUs Restricted Share Units

RSUP Restricted Share Unit Plan

Say on Pay Non-binding advisory vote on the Company's approach to executive compensation

Senior Officers Group composed of the Executive Committee members and other individuals reporting directly to the President and CEO, as determined by the HR Committee

SERP Supplemental Executive Retirement Plan

SNC-Lavalin SNC-Lavalin Group Inc.

Stock Option Plan SNC-Lavalin Group Inc.'s Stock Option Plan established in 2013

SPOT Committee Safety, Project Oversight and Technology Committee of the Board previously named the Safety, Workplace and Project Risk Committee

TDC Total Direct Compensation

TSR Total Shareholder Return

TSX Toronto Stock Exchange

LETTER FROM THE CHAIR OF THE BOARD

INVITATION TO SHAREHOLDERS

Dear Fellow Shareholders:

On behalf of the Board of Directors, management and employees of SNC-Lavalin, we are pleased to invite you to this year's Annual Meeting of Shareholders to be held on Thursday, May 5, 2022, at 11:00 a.m. (Eastern Time) in person and online via live webcast as further detailed in our "Notice of Annual Meeting of Shareholders".

MESSAGE TO SHAREHOLDERS

2021 marked the first full year of my tenure as Chair of the Board of Directors of SNC-Lavalin. During the past 18-months I have had the privilege of leading this highly engaged Board with the support of an executive leadership that managed, against the backdrop of a global pandemic, with clarity and fortitude. SNC-Lavalin stayed true to its purpose—to engineer a better future for our planet and its people—and delivered for its clients and the communities it serves, despite another unprecedented year of challenges and uncertainty caused by the pandemic.

Sustained and measurable progress on strategic direction

In 2021, SNC-Lavalin continued to make sustained and measurable progress on its strategy, launched almost three years ago, which marked the beginning of its transition away from LSTK contracts and the Oil & Gas business to one focused squarely on growing the high-potential Engineering Services business.

It is this future-facing business that will support the Company's growth and long-term sustainability as a leading professional services and project management company. The design & engineering services, project & program management, advisory and infrastructure services, as well as the global nuclear business—which form the cornerstone of the organization—had a strong performance last year. Although the remaining LSTK projects continued to be impacted by inflation and COVID-driven operational challenges, the run-off of these projects progresses, and it is expected that they will be mostly concluded by the end of first quarter 2023.

New additions to the Board

2021 was a pivotal year in SNC-Lavalin's transformation journey and saw the Company unveil its three-year strategic growth plan. The Board will continue to ensure that it is aligned to support SNC-Lavalin in the next phase of its growth journey. In this regard, I am pleased to introduce two (2) director nominees for election at the Meeting: Baroness Ruby McGregor-Smith CBE and Quebec-based Mr. Robert Paré. These individuals have relevant skills in corporate governance and leadership; their backgrounds complement the Board, and will enable them to effectively oversee and advise a global organization with SNC-Lavalin's ambitious vision and purpose. These nominations increase the percentage of women that would be Board directors from 30% to 36%, demonstrating our unwavering commitment to prioritize and focus on diversity in all its forms at the Board level.

On behalf of the Board of Directors and SNC-Lavalin management, I would also like to take this opportunity to thank outgoing Director Mr. Zin Smati, who will not stand for re-election for his tireless commitment and invaluable contributions and years of service to the Board.

Strengthening our ESG commitment

The Board recognizes and applauds the important work undertaken in 2021 to advance SNC-Lavalin's broad ESG agenda. An ambitious program that includes a commitment to ED&I, a clearly defined set of integrity and carbon targets, as well as the Engineering Net Zero work undertaken in partnership with clients, where SNC-Lavalin is positioned to make the most significant impact in tackling climate change.

For its part, the Board approved and adopted the "Commitment to Equality, Diversity & Inclusion", a statement that codifies the organization's pledge to maintaining and creating a more representative and inclusive culture for all its employees. This commitment serves as a foundation for the targets set by SNC-Lavalin to have at least 33% representation by women across the Company and at least 25% in its senior leadership team by 2025.

Moving forward, executive compensation, which has traditionally been tied to integrity and HSE performance, will now also be connected to sustainability and ED&I performance metrics.

The GES Committee continued to assist in developing the Company's approach to corporate governance, integrity issues, and in 2021 added oversight of ESG and the sustainability framework, governance, and strategy to its duties and responsibilities, including monitoring progress and ensuring accountability against publicly disclosed ESG targets. The Committee will also review the results of a comprehensive materiality assessment that will be undertaken in early 2022 to realign the Company's ESG priorities with its new vision and purpose.

Expanded oversight was also given to the Audit and Risk Committee as it adopted a broader mandate to oversee the Company's ERM framework, strategy, policies and governance.

The Board commends the Committees' additional responsibilities, and it remains committed to overseeing the evolution of the Company's best-in-class integrity program. Unremitting vigilance is critical to ensuring that the legacy issues of the past, a result of actions of a select group of bad actors, are not repeated.

I want to close by thanking our talented global workforce for their continued dedication and commitment to SNC-Lavalin and for their tremendous efforts in the face of another unprecedented year. I would also like to extend my appreciation to the shareholders for their ongoing support and confidence in SNC-Lavalin's future as a world leading professional services and project management firm.

Yours truly,

William L. Young, P.Eng.

Chair of the Board

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

We invite you to the 2022 Annual Meeting of Shareholders of SNC-Lavalin Group Inc. (the "**Meeting**").

DATE AND TIME

Thursday, May 5, 2022 11:00 a.m. (Eastern Time)

HOW CAN I ATTEND?

In person*
Montréal Science Centre
Perspective 235° Room & Passerelle
2 de la Commune Street West
Montreal, Quebec,
H2Y 4B2, Canada
or

Online
via live video webcast
at https://web.lumiagm.com/462713996

**Subject to public health directives*

WHO CAN ATTEND AND VOTE AT THE MEETING?

Registered shareholders and duly appointed proxyholders can attend, ask questions and vote at the Meeting of SNC-Lavalin Group Inc. (the "Company").

Each holder of Common Shares is entitled to one (1) vote at the Meeting for each Common Share registered in the holder's name as at the close of business on the record date, March 14, 2022.

Guests may attend the Meeting online via live webcast but will not be allowed to vote or ask questions.

WHAT IS THE DIFFERENCE BETWEEN A REGISTERED SHAREHOLDER AND A BENEFICIAL OWNER?

You are a registered shareholder if your shares are registered directly in your name with Computershare Trust Company of Canada ("**Computershare**"), our transfer agent.

You are a **non-registered (or "beneficial") owner** if your Common Shares are listed in an account statement provided to you by the SNC-Lavalin Employee Share Ownership Plan (ESOP) administrator or by a bank, a trust company, a securities broker or another financial institution.

WHAT WILL I BE VOTING ON?

You will vote on the matters listed below, for which you will find additional information in the "Business of the 2022 Annual Meeting of Shareholders" section of the Company's Management Proxy Circular dated March 14, 2022 (the "**Circular**") and consider any other business that is properly brought before the Meeting. A simple majority of the votes cast will constitute approval of the following matters:

		Board recommendation	Additional Information in the Circular
1.	To elect the Directors for the ensuing year;	VOTE FOR	p. 14
2.	To appoint the auditor for the ensuing year and to authorize the Directors of the Company to fix the auditor's remuneration;	VOTE FOR	p. 15
3.	To consider and, if deemed appropriate, to adopt a resolution providing for a non-binding advisory vote on the Company's approach to executive compensation; and	VOTE FOR	p. 15
4.	To consider three (3) shareholder proposals set forth in Schedule A of the Circular.	VOTE AGAINST	p. 15

Please take a moment to vote and read the following pages where you will find useful information about the Meeting.

Andrée-Claude Bérubé

Associate General Counsel and Corporate Secretary

By order of the Board of Directors

DELIVERY OF MEETING MATERIALS

Notice and Access

As permitted by Canadian securities regulators, we are using the "notice-and-access" mechanism for the delivery of the Company's Circular and 2021 annual financial documents to our shareholders (the "**Meeting Materials**").

Under notice-and-access, shareholders continue to receive a proxy form or voting instruction form enabling them to vote at the Company's Meeting. However, instead of a paper copy of the Meeting Materials, shareholders receive this notice which contains information on how they may access the Meeting Materials online and how to request a paper copy. The use of notice-and-access directly benefits the Company by substantially reducing its printing and mailing costs and is more environmentally friendly.

HOW TO ACCESS THE MEETING MATERIALS ONLINE

On our website

www.snclavalin.com

under "Investors"/"Investor's Briefcase"

or

On SEDAR

www.sedar.com

Shareholders are reminded to read the Circular and other Meeting Materials carefully before voting their Common Shares.

HOW CAN I REQUEST A PAPER COPY OF THE MEETING MATERIALS?

Before the Meeting

To ensure receipt of your paper copy of the Meeting Materials in advance of the voting deadline and Meeting date, requests should be received no later than Thursday, April 21, 2022.

Please note that you will not receive another form of proxy or voting instruction form; please retain your current one to vote your Common Shares.

REGISTERED SHAREHOLDERS

Call Computershare at 1-866-962-0498 (within North America) or 514-982-8716 (international direct dial) and enter your control number as indicated on your form of proxy.

NON-REGISTERED SHAREHOLDERS

Visit www.proxyvote.com and enter the control number located on your voting instruction form.

or

Submit a request by calling 1-877-907-7643 (within North America) or 905-507-5450 (international direct dial), or by email to noticeandaccess@broadridge.com.

After the Meeting

Submit a request by email at investors@snclavalin.com. A copy of the Meeting Materials will be sent to you within ten (10) calendar days of receiving your request.

You may request a paper copy of the Meeting Materials at no cost up to one (1) year from the date the Circular was filed on SEDAR.

PROXY SOLICITATION

The solicitation of proxies in connection with the Meeting is being made primarily by mail, but proxies may also be solicited by telephone, fax or other personal contact by Directors, officers or other employees of the Company. The Company has also hired Laurel Hill Advisory Group ("**Laurel Hill**") to act as the Company's proxy solicitation agent and shareholder communications advisor in connection with the Meeting. The solicitation costs will be at the expense of the Company and are estimated at approximately $40,000.

HOW WILL MY COMMON SHARES BE VOTED IF I GIVE MY PROXY?

Your proxyholder must vote according to the instructions provided on your form of proxy or voting instruction form. If you properly complete and submit your form of proxy or voting instruction form but do not appoint a different proxyholder and do not specify how you want to vote, your common shares will be voted for you as follows:

- **for** the election of the nominated Directors to the Board;
- **for** the appointment of the independent auditor;
- **for** the advisory resolution on the Company's approach to executive compensation; and
- **against** the shareholder proposals.

Your proxyholder will also decide how to vote on any amendment or variation to any item of business in this notice of meeting or any other maters that are properly brought before the Meeting.

The Chair of the Meeting has the discretion to accept or reject any late form of proxies or voting instruction forms submitted after **11:00 a.m. (Eastern Time) on Tuesday, May 3, 2022**, and can waive or extend this deadline without notice.

HOW CAN I VOTE?

OPTION 1 – EXERCISE YOUR VOTING RIGHTS BY PROXY (BEFORE THE MEETING)

Registered Shareholders

Internet
Visit www.investorvote.com and follow the instructions.

Smart Phone or Tablet
Scan the QR code on your form of proxy and follow the instructions.

Telephone
Call 1-866-732-8683 toll free and follow the instructions.

If you choose to vote by telephone, you cannot appoint any person other than the persons whose names already appear in your form of proxy.

Mail
Fill out your form of proxy and return it by mail in the envelope provided.

All forms of proxy must be received by 11:00 a.m. (Eastern Time) on Tuesday, May 3, 2022.

Non-Registered Shareholders

Internet
Visit www.proxyvote.com and follow the instructions. You will need the control number indicated on your voting instruction form.

Smart Phone or Tablet
Scan the QR code on your voting instruction form and follow the instructions.

Telephone
Call 1-800-474-7493 toll free and follow the instructions.

If you choose to vote by telephone, you cannot appoint any person other than the persons whose names already appear in your voting instruction form.

Mail
Fill out your voting instruction form and return it by mail in the envelope provided.

All voting instruction forms must be received by 11:00 a.m. (Eastern Time) on Tuesday, May 3, 2022.

OPTION 2 – VOTE AT THE MEETING

Registered Shareholders

Online via Live Webcast
If you wish to vote online at the Meeting, you do not have to return your form of proxy and you must follow these steps:

1. Visit https://web.lumiagm.com/462713996 and register online at least 15 minutes before the start of the Meeting. You will need the latest version of Chrome, Safari, Edge or Firefox.
2. Enter the control number located on your form of proxy as username and "snc2022" as password.

In person
If you wish to vote in person, you do not have to return your form of proxy. You may present yourself in person at the Meeting at:

Montréal Science Centre
Perspective 235° Room & Passerelle
2 de la Commune Street West
Montreal, Quebec
H2Y 4B2, Canada

Non-Registered Shareholders

Online via Live Webcast and in person
If you wish to vote online or in person at the Meeting, you must follow these steps:

1. Name yourself as proxyholder on your voting instruction form. To do so, write your name in the space provided for such purpose on the voting instruction form and follow the instructions to submit such voting instruction form.
2. You MUST also register yourself as proxyholder by visiting www.computershare.com/SNC **by 11:00 a.m. (Eastern Time) on Tuesday, May 3, 2022.** Please see the "How can I Appoint a Third-Party Proxyholder" section below for more information.

Failure to register yourself as proxyholder will result in the proxyholder not receiving a username to participate in the Meeting online or in person.

HOW CAN I APPOINT A THIRD-PARTY AS PROXYHOLDER?

As a shareholder, you have the right to appoint another person to be your proxyholder to attend, participate or vote for you at the Meeting. You can also appoint a proxyholder other than the persons whose names already appear in your form of proxy or voting instruction form and that is not a shareholder of the Company. Make sure that the person you appoint is aware that they have been appointed and participates in the Meeting, otherwise your vote will not be taken into account.

Registered Shareholders

Internet and Mail
If you wish to appoint a third-party proxyholder to attend, participate or vote for you online via live webcast or in person at the Meeting:

1. Insert the name of your chosen proxyholder in the space provided for such purpose in your form of proxy. Follow the instructions to submit your form of proxy by Internet or by mail.
2. You MUST also register your proxyholder by visiting www.computershare.com/SNC **by 11:00 a.m. (Eastern Time) on Tuesday, May 3, 2022** and providing the proxyholder's contact information so that Computershare may provide the proxyholder with a username via email.

Failure to register your proxyholder will result in the proxyholder not receiving a username to participate in the Meeting online or in person.

Non-Registered Shareholders

Internet and Mail
If you wish to appoint a third-party proxyholder to attend, participate or vote for you online via live webcast or in person at the Meeting:

1. Insert the name of your chosen proxyholder in the space provided for such purpose in your voting instruction form. Follow the instructions to submit your voting instruction form by Internet or by mail.
2. You MUST also register your proxyholder by visiting www.computershare.com/SNC **by 11:00 a.m. (Eastern Time) on Tuesday, May 3, 2022** and providing the proxyholder's contact information so that Computershare may provide the proxyholder with a username via email.

Failure to register your proxyholder will result in the proxyholder not receiving a username to participate in the Meeting online or in person.

IF I CHANGE MY MIND, HOW CAN I REVOKE A PROXY OR VOTING INSTRUCTION FORM?

Registered Shareholders

To revoke a previously submitted proxy:

- Fill out a new form of proxy bearing a later date and return it by using one of the manners indicated under section “How can I vote?” above.

or

- Attend the Meeting online or in person, where you will be provided the opportunity to revoke any and all previously submitted proxies, and vote by ballot on the matters put forth at the Meeting.

To appoint a different third-party proxyholder to attend, participate or vote for you online via live webcast or in person at the Meeting, follow the steps indicated under the section “How can I Appoint a Third-Party as Proxyholder?” above.

All forms of proxy must be received by 11:00 a.m. (Eastern Time) on Tuesday, May 3, 2022.

Non-Registered Shareholders

To revoke a previously submitted voting instruction form and appoint yourself as proxyholder to attend, participate or vote online via live webcast or in person at the Meeting, fill out a new voting instruction form bearing a later date and follow the steps indicated under section “How can I Appoint a Third-Party as Proxyholder?” above and make sure to register yourself prior to attending the Meeting.

To appoint a different third-party proxyholder to attend, participate or vote for you online via live webcast or in person at the Meeting, fill out a new voting form bearing a later date and follow the steps indicated under the section “How can I Appoint a Third-Party as Proxyholder?” above.

All voting instruction forms must be received by 11:00 a.m. (Eastern Time) on Tuesday, May 3, 2022.

QUESTIONS?

If you have questions or require assistance, please contact our proxy solicitation agent, Laurel Hill at 1-877-452-7184 collect calls within North America, 416-304-0211 outside of North America or by email at assistance@laurelhill.com

MANAGEMENT PROXY CIRCULAR

This Circular is being sent to shareholders in connection with the solicitation of proxies, by and on behalf of the management of the Company, for use in person and online at the Meeting to be held on Thursday, May 5, 2022, at the place and web address, commencing at the time and for the purposes set forth in the enclosed Notice of Meeting and at any and all adjournments or postponements thereof. Unless otherwise indicated, the information provided in this Circular is given as of March 14, 2022.

ADDITIONAL INFORMATION ABOUT THE MEETING

This year, we will hold our Meeting in a hybrid format, which will be conducted in person and online via live webcast. Due to the ongoing health impact of COVID-19, we reserve the right to take any additional precautionary measures and make any changes deemed to be appropriate, necessary or advisable in relation with the Meeting to abide by the public health restrictions. Any significant change will be announced in advance through a press release, which will be filed on SEDAR at www.sedar.com and posted on the Company's website at www.snclavalin.com, and will provide such other notice as may be required by applicable law.

Registered shareholders and duly appointed and registered proxyholders who will be attending the Meeting online will have an equal opportunity as those attending in person to participate in the Meeting, regardless of geographic location, ask questions and vote, all in real time, provided they are connected to the Internet and comply with all of the requirements set out in this Circular. Non-registered shareholders who have not duly appointed themselves as proxyholder and registered themselves with Computershare may attend the Meeting but will not be able to ask questions or vote at the Meeting. Guests may also attend the Meeting online but will not be able to ask questions or vote at the Meeting.

Information on Certain Shareholders of the Company

As of March 14, 2022, the Company had 175,554,252 Common Shares outstanding.

As of March 14, 2022, to the knowledge of the Directors and officers of the Company based on shareholders' public filings, the persons or companies who beneficially own, or control or direct, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all shares of the Company are:

i. **the Caisse de dépôt et placement du Québec** (the "**Caisse**"), an institutional fund manager. Based on public filings, the Caisse beneficially owned, or controlled or directed, directly or indirectly, 34,935,200 Common Shares representing 19.9% of the outstanding Common Shares of the Company; and

ii. **Jarislowsky Fraser Limited** ("**Jarislowsky**"), a global investment management firm. Based on public filings, Jarislowsky beneficially owned, or controlled or directed, directly or indirectly, approximately 21,066,480 Common Shares representing approximately 12% of the outstanding Common Shares of the Company.

On July 3, 2017, the Company completed its previously-announced acquisition of the entire share capital of Atkins (the "**Atkins Acquisition**"). The Atkins Acquisition was financed through a combination of equity and debt issuance, including, inter alia, a $400M private placement of subscription receipts (the "**Concurrent Private Placement**") with the Caisse and a $1,500M loan (the "**CDPQ Loan**") made by CDPQ Revenu Fixe Inc. (a wholly owned subsidiary of the Caisse) to SNC-Lavalin Highway Holdings Inc. ("**Highway Holdings**"), an indirect wholly-owned subsidiary of the Company.

Concurrently with the closing of the Atkins Acquisition, the Company and the Caisse entered into an investor's rights agreement (the "**Investor's Rights Agreement**"). Among other things, the Investor's Rights Agreement provides the Caisse 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 (1) nominee for election or appointment as a Director, provided that the Caisse nominee shall have no material relationship with SNC-Lavalin or the Caisse, and that their nomination shall be subject to a favourable recommendation of SNC-Lavalin's GES Committee. In addition, the Company has agreed that it will consult with the Caisse prior to the appointment of any new Chair of the Board.

Note that the Caisse has not recommended a nominee for election or appointment as a Director at this time.

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

i. As long as the Caisse 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;
ii. Subject to applicable securities laws and the rules of the TSX, the Caisse has the right to request that the Company repurchase its Common Shares directly or indirectly held by the Caisse representing up to 25% of any purchase to be made by the Company under any normal course issuer bid; and
iii. The Caisse 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 cut back demands and provisions.

For a complete description and the full text of the Investor's Rights Agreement's provisions, please refer to the SEDAR website at www.sedar.com, on which the Investor's Rights Agreement was filed July 7, 2017.

In addition, in connection with the Concurrent Private Placement and the CDPQ Loan, the Company has undertaken that, for a period of seven (7) years:

i. The head office of the Company will remain in Montreal and will remain the focus of the Company's strategic decision-making;
ii. A significant portion of the Company's management team, including its CEO, will be resident in the Province of Quebec; and
iii. The Company will propose nominees to ensure a strong representation of Quebec and Canadian residents on its Board of Directors (beyond statutory requirements).

Additional Information and Procedures for the Meeting

TECHNOLOGICAL ASPECTS OF THE ONLINE MEETING

If you participate in the Meeting online, it is important that you are connected to the Internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

Note that the Internet Explorer web browser cannot be used to access the Lumi platform. You should therefore consider using the latest version of a web browser such as Chrome, Safari, Edge or Firefox should you want to participate online in the Meeting.

An Online Meeting User Guide, which addresses how shareholders and duly appointed and registered proxyholders can register, participate, ask questions and vote during the Meeting when attending online is available on our website at www.snclavalin.com under "Investors"/"Investor's Briefcase" and on the SEDAR website at www.sedar.com.

PROCEDURE AT THE MEETING

We will strictly follow the agenda as we conduct the Meeting.

SHAREHOLDER PROPOSALS

Shareholders who submitted a shareholder proposal which is included in the Circular will be able to state their proposal at the Meeting by presenting themselves to the microphone if attending in person, or by telephone if attending online. The presentation of a shareholder proposal should not exceed the time needed to read the text accompanying each proposal reproduced in the Circular.

VOTING BEFORE OR DURING THE MEETING

Please refer to section "How can I vote?" included in the notice of Meeting for information on how to vote before or during the Meeting.

ASKING QUESTIONS AT THE MEETING RELATING TO MATTERS TO BE VOTED ON

Registered shareholders and duly appointed proxyholders who attend the Meeting in person will have the opportunity to ask questions relating to matters to be voted on before a vote is held on each matter, if applicable, by presenting themselves to the microphone.

Registered shareholders and duly appointed and registered proxyholders who attend the Meeting online will have the opportunity to ask questions relating to matters to be voted on before a vote is held on each matter, if applicable, by chat. We recommend that questions be submitted as soon as possible during the Meeting so that they can be addressed in due course.

ASKING GENERAL QUESTIONS FOLLOWING THE FORMAL BUSINESS OF THE MEETING

Following the formal business of the Meeting, management will give a presentation about the Company's business. At the conclusion of this presentation, management or the Chair of the Board will address appropriate general questions from shareholders regarding the Company.

Registered shareholders and duly appointed proxyholders who attend the Meeting in person will have the opportunity to ask general questions by presenting themselves to the microphone.

Registered shareholders and duly appointed and registered proxyholders who attend the Meeting online will have the opportunity to ask general questions by chat. We recommend that questions be submitted as soon as possible during the Meeting so that they can be addressed in due course.

Questions should be succinct and cover only one topic per question. Questions from multiple shareholders on the same topic or that are otherwise related may be grouped, summarized and answered together.

BEFORE ASKING A QUESTION

Shareholder questions are welcome, but conducting the business set out in the agenda for the benefit of all shareholders will be paramount. We do not intend to address any questions that are, among other things:

- irrelevant to the business of the Company or to the business of the Meeting;
- related to material non-public information of the Company;
- related to personal grievances;
- derogatory references to individuals or that are otherwise in bad taste;
- repetitious statements already made by another shareholder;
- in furtherance of the shareholder's personal or business interests; or
- out of order or not otherwise suitable for the conduct of the Meeting as determined by the Chair of the Meeting or Corporate Secretary in their reasonable judgment.

If there are any matters of individual concern to a shareholder and not of general concern to all shareholders, or if a question asked was not otherwise answered, such matters may be raised separately after the Meeting by contacting Investor Relations at investors@snclavalin.com.

OTHER CONSIDERATIONS

The Chair of the Meeting, our President and CEO and certain members of management will attend the Meeting and will also be visible via the live webcast for those attending the Meeting online.

If a technical malfunction or other significant problem disrupts the Meeting, the Chair of the Meeting may recess, expedite or adjourn the Meeting, or take such other action as the Chair determines is appropriate under the circumstances.

RECORDING OF MEETING

A webcast playback will be available 24 hours after the completion of the Meeting on the Company's website at www.snclavalin.com, under "Investors"/"Investor's Briefcase".

BUSINESS OF THE 2022 ANNUAL MEETING OF SHAREHOLDERS

1. CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The consolidated financial statements of the Company and the independent auditor's report for the fiscal year ended December 31, 2021, as well as the MD&A, are contained in the Company's 2021 Financial Report which is available on our website www.snclavalin.com under "Investors" / "Investor's Briefcase" and on the SEDAR website www.sedar.com under the name of SNC-Lavalin Group Inc.

2. ELECTION OF DIRECTORS

ELEVEN NOMINEES FOR 2022	
Gary C. Baughman	Steven L. Newman
Mary-Ann Bell	Robert Paré
Christie J.B. Clark	Michael B. Pedersen
Ian L. Edwards	Benita M. Warmbold
Isabelle Courville	William L. Young
Ruby McGregor-Smith	

The Board of Directors has fixed at eleven (11) the number of Directors to be elected for the current year. The term of office of each Director so elected will expire upon the election of their successor unless they shall resign their office or their office becomes vacant through death, removal or other cause. The management of the Company does not contemplate that any of the nominees will be unable, or for any reason will become unwilling, to serve as a Director.

Should this occur for any reason prior to the election, the persons named in the form of proxy or the voting instruction form reserve the right to vote for another nominee, at their discretion, unless the shareholder has specified in the form of proxy or the voting instruction form that their shares are to be withheld from voting on the election of any of the Directors.

Mr. Zin Smati, an independent Director who has served as a Director of the Company since May 5, 2016, will not be standing for re-election at the Meeting.

The "Information on our Director Nominees" section of this Circular sets out detailed information on each of these nominees.

Management and the Board of Directors recommend that each of the nominees listed above be elected to serve as Directors of the Company, to hold office until the next annual meeting of shareholders or until such person's successor is duly elected or appointed. **Unless contrary instructions are indicated on the form of proxy or the voting instruction form, the persons designated in the form of proxy or voting instruction form intend to vote FOR the election of these nominees.**

3. APPOINTMENT OF AUDITOR

The auditor of the Company is Deloitte LLP, a registered limited liability partnership. Deloitte LLP was first appointed as auditor of the Company on May 8, 2003.

Management and the Board of Directors recommend that Deloitte LLP be appointed to serve as auditor of the Company to hold office until the next annual meeting of shareholders, at a remuneration to be fixed by the Directors. **Unless contrary instructions are indicated on the form of proxy or the voting instruction form, the persons designated in the form of proxy or voting instruction form intend to vote FOR the appointment of Deloitte LLP, as auditor of the Company, to hold office until the next annual meeting of shareholders, at a remuneration to be fixed by the Directors.**

Auditor's Fees

The aggregate fees paid, including the Company's pro-rata share of the fees paid by its joint ventures and other investees, for professional services rendered by Deloitte LLP and its affiliates, for the year ended December 31, 2021, and the year ended December 31, 2020, can be found in the Company's AIF available on SEDAR's website www.sedar.com and on the Company's website www.snclavalin.com under "Investors" /"Investor's Briefcase".

4. ADOPTION OF A SAY ON PAY RESOLUTION

An advisory Say on Pay resolution (reproduced below) is submitted for adoption by the shareholders.

As this is an advisory vote, the results will not be binding upon the Company. If a significant number of shareholders vote against the Say on Pay resolution, the Board will consult with the Company's shareholders so that they may voice their concerns about the compensation plans in place and so that Directors clearly understand their concerns. The Board will then review the Company's approach to compensation in light of these concerns.

The Board took note of the Say on Pay vote and the 96.82% of favourable votes obtained at the 2021 Annual Meeting of the Shareholders of the Company held on May 14, 2021, consistent with the previous four (4) years voting results all in excess of 91%.

At the Meeting, shareholders will be asked to review and, if deemed appropriate, to adopt the following resolution:

"BE IT RESOLVED:

THAT, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, the shareholders accept the approach to executive compensation disclosed in the Company's Management Proxy Circular delivered in advance of the 2022 annual meeting of shareholders of the Company."

Management and the Board of Directors recommend that the shareholders vote in favour of the approval of this resolution. **Unless contrary instructions are indicated on the form of proxy or the voting instruction form, the persons designated in the form of proxy or voting instruction form intend to vote FOR this Say on Pay resolution.**

5. SHAREHOLDER PROPOSALS

Schedule A to this Circular sets forth five (5) proposals received from two (2) shareholders.

Following discussions with the Mouvement d'éducation et de défense des actionnaires ("**MÉDAC**"), in light of the Company's answer included in Schedule A to this Circular, it was agreed not to hold a vote on Proposals No.1 and No.2.

The Board of Directors recommends that the shareholders vote "AGAINST" Proposals No.3, No.4 and No.5 for the reasons described in Schedule A to this Circular. **Unless contrary instructions are indicated on the form of proxy or the voting instruction form, the persons designated in the form of proxy or voting instruction form intend to vote AGAINST these proposals.**

INFORMATION ON OUR DIRECTOR NOMINEES

The following is a summary of relevant biographical and compensation information relating to each Director proposed for election. For further details on the compensation components, see the "Directors' Compensation Discussion and Analysis" section of this Circular.

Gary C. Baughman

Independent

Charlotte (North Carolina), United States

Director since: May 7, 2020

Age: 59

Mr. Baughman is a corporate director and brings more than 35 years of international engineering, construction, operations, maintenance and environmental industry experience. He is currently the COO of Elixsys Inc., a specialty chemical company, and the President of Back Tee Sports, LLC, a global event management company.

From 2017 to 2019, he was Chairman and CEO of Texas-based APTIM Corp (global design, construction, environmental remediation and maintenance services supplier). He previously worked at M+W Group GmbH a global high-technology engineering services company, where he first served as COO, Americas in 2015 until he was appointed CEO, Americas in 2017. Prior to that, Mr. Baughman served as Executive Vice-President at AECOM (Engineering and Construction) from 2012 to 2015, where he was responsible for leading growth for the industrial end market in the Americas as well as globally for the chemical/pharmaceutical market. He began his career at Fluor Corporation, where he spent 15 years in a number of sales, marketing and finance roles.

Mr. Baughman holds a Bachelor of Science degree in Accounting from Clemson University and obtained his National Association of Corporate Directors (NACD) directorship certification in December 2020.

Areas of Expertise

- Engineering Industry Knowledge
- Strategic Planning
- Risk Management
- Operations
- HR/Compensation
- Mergers & Acquisitions, Divestitures, Restructuring

Board/Committee Membership as at December 31, 2021	Overall Attendance: 100% Regular	Special	Other Public Board Memberships During the Last Five (5) Years
Board	5 of 5	5 of 5	None
HR Committee	5 of 5	1 of 1	
SPOT Committee	4 of 4	3 of 3	

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $810,000 (5-year target)
As at Dec. 31, 2021	1,400	7,539	8,939	$276,304	In process (34%)
As at Dec. 31, 2020	N/A	3,282	3,282	$71,715	In process (13%)(1)

(1) Based on previous annual retainer of $180,000 which was reviewed as of July 1, 2021

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	%Withheld
123,431,040	99.11%	1,111,902	0.89%

Mary-Ann Bell, P. Eng.

Independent

Bromont (Quebec), Canada

Director since: May 7, 2020

Age: 62

Ms. Bell is an engineer and a corporate director and brings more than 30 years of experience in the telecommunications sector. Prior to her retirement in 2014, she was Senior Vice-President, Quebec and Ontario at Bell Aliant Regional Communications Inc. from 2009 to 2014, and from 2005 to 2009, COO, Quebec, where she led different operational functions, including engineering, field services and customer services. She previously worked at Bell Canada from 1982 to 2005, where she held various management positions, including Senior Vice-President, Contact Centres and Vice-President, Operations.

In addition to the public company boards listed below, Ms. Bell is a director of the Institute for Governance of Private and Public Organizations (IGOPP) and chairs its audit committee. She served as director of the Institut national de la recherche scientifique (INRS) from 2002 to 2017 and chaired its board from 2012 to 2017. Ms. Bell has been actively involved in the community. She is a former director of the Théâtre du Nouveau Monde, the International Women's Forum of Canada, the Quebec Council on Science and Technology, Centraide du Grand Montréal and Women's Y of Montreal.

Ms. Bell holds a Bachelor's degree in Industrial Engineering from Polytechnique Montréal and a Master of Science degree from INRS. She also completed the corporate governance certification from the Collège des administrateurs de sociétés.

Areas of Expertise

- Strategic Planning
- Risk Management
- Operations
- HR/Compensation
- Technology/IT
- Public Company Leadership

Board/Committee Membership as at December 31, 2021	Overall Attendance: 100% Regular	Special	Other Public Board Memberships During the Last Five (5) Years
Board	5 of 5	5 of 5	Cogeco Inc. (2016 – Present)
Audit and Risk Committee	4 of 4	3 of 3	NAV Canada (2014 – Present)
GES Committee	4 of 4	2 of 2	mdf commerce inc. (2021 – Present)
			Énergir Inc./Valener Inc. (2014 – 2019)
			Cominar Real Estate Investment Trust (2012 – 2018)

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $810,000 (5-year target)
As at Dec. 31, 2021	13,800	7,539	21,339	$659,588	In process (81%)
As at Dec. 31, 2020	10,000	3,282	13,282	$266,630	In process (49%)[1]

(1) Based on previous annual retainer of $180,000 which was reviewed as of July 1, 2021

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	%For	Votes Withheld	% Withheld
123,134,819	98.87%	1,408,123	1.13%

Christie J.B. Clark

Independent

Toronto (Ontario), Canada

Director since: May 7, 2020

Age: 68

Mr. Clark is a corporate director and brings more than 30 years of 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.

In addition to the public company boards listed below, Mr. Clark is also a director 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 and a former director of Brookfield Office Properties Inc., IGM Financial Inc., Hydro One Limited, Hydro One Inc. and Alpine Canada.

Mr. Clark graduated from Queen's University with a Bachelor of Commerce degree and from the University of Toronto with a MBA. He is a Fellow Chartered Accountant and former National Academic Director for the Institute of Corporate Director's course entitled "Audit Committee Effectiveness".

Areas of Expertise

- Strategic Planning
- Risk Management
- Accounting/Finance
- HR/Compensation
- Capital Markets
- Mergers & Acquisitions, Divestitures, Restructuring
- Public Company Leadership

Board/Committee Membership as at December 31, 2021	Overall Attendance: 100% Regular	Special	Other Public Board Memberships During the Last Five (5) Years
Board	5 of 5	5 of 5	Air Canada (2013 – Present)
Audit and Risk Committee	4 of 4	3 of 3	Choice Properties Real Estate Investment Trust (2013 – Present)
HR Committee	5 of 5	1 of 1	Loblaw Companies Limited (2011 – Present)
			Hydro One Limited (2015 – 2018)

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $810,000 (5-year target)
As at Dec. 31, 2021	3,600	9,061	12,661	$391,352	In process (48%)
As at Dec. 31, 2020	N/A	3,282	3,282	$71,715	In process (13%)(1)

(1) Based on previous annual retainer of $180,000 which was reviewed as of July 1, 2021

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	% Withheld
122,625,327	98.46%	1,917,615	1.54%

Isabelle Courville

Independent

Rosemere (Quebec), Canada

Director since: May 4, 2017

Age: 59

Ms. Courville is a corporate director and is chair of the board of directors of Canadian Pacific Railway Limited. She is an engineer and attorney by training and has more than 25 years of experience in the telecommunications, IT and energy sectors. Ms. Courville was President of Hydro-Québec Distribution (electricity distribution operations) from 2011 to 2013 and Hydro-Québec TransÉnergie (electricity transmission) from 2007 to 2011. She served as President of Bell Canada's Enterprise business segment from 2003 to 2006 and as President and CEO of Bell Nordiq Group from 2001 to 2003.

In addition to the public company boards listed below, Ms. Courville is a director of the Institute for Governance of Private and Public Organizations (IGOPP) and of the Quebec Chapter of the Institute of Corporate Directors. She is a former director of the Montreal Heart Institute Foundation, Polytechnique Montréal and the Chamber of Commerce of Metropolitan Montreal. She is also a former member of the APEC (Asia-Pacific Economic Cooperation) Business Advisory Council.

Ms. Courville graduated with a degree in Engineering Physics from the Polytechnique Montréal and holds a civil law degree from McGill University. In 2012, Ms. Courville was selected amongst Fortune Magazine's 50 Most Powerful Women in Business. In 2007, she received the McGill Management Achievement Award for her contribution to the business world and community involvement. In 2010, the Ordre des ingénieurs du Québec awarded her the Prix Hommage for her exceptional contribution to the engineering profession. In 2017, she received an honorary doctorate from the Université de Montréal.

Areas of Expertise

- Project Management
- Operations
- Government/Regulatory Affairs
- HR/Compensation

Board/Committee Membership as at December 31, 2021	Overall Attendance: 100% Regular	Special	Other Public Board Memberships During the Last Five (5) Years
Board	5 of 5	5 of 5	Veolia Environnement S.A. (2016 – Present)
GES Committee	4 of 4	2 of 2	Canadian Pacific Railway Limited (2013 – Present)
HR Committee (Chair)	5 of 5	1 of 1	Laurentian Bank of Canada (2007 – 2019)
			Gecina S.A. (2016 – 2018)

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $810,000 (5-year target)
As at Dec. 31, 2021	3,205	26,961	30,166	$1,080,533	Yes (133%)
As at Dec. 31, 2020	3,205	19,834	23,039	$853,459	Yes (158%)(1)

(1) Based on previous annual retainer of $180,000 which was reviewed as of July 1, 2021

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	% Withheld
122,128,178	98.06%	2,414,764	1.94%

Ian L. Edwards

Non-Independent (member of management)

Montreal (Quebec), Canada

Director since: June 11, 2019

Age: 59

Mr. Edwards was appointed Interim President and CEO on June 11, 2019 and later appointed President and CEO of the Company on October 31, 2019. He has over 30 years of global experience in delivering complex infrastructure and resources projects and leading businesses in many sectors and across numerous geographies including North America, Europe, the Middle East and Asia Pacific.

Mr. Edwards joined the Company in 2014 as Executive Vice-President, Infrastructure Construction, and was appointed President, Infrastructure sector in 2015. As President, Infrastructure sector, he led employees within the Company's global Infrastructure business and oversaw the turnaround and transformation of the sector. He served as COO from January 2019 to June 2019 when he was appointed Interim President and CEO. As COO, he led the initiative to simplify, focus and grow the business and implemented measures to improve the operational performance of the Company. Prior to joining the Company, Mr. Edwards spent six (6) years in senior roles with the Leighton Group (General Contractors), where, as Managing Director, Leighton Asia, India and Offshore, he led a diverse business of 20,000 employees spanning the construction, infrastructure, oil and gas and mining sectors in 14 countries.

Mr. Edwards holds Higher and Ordinary Certificates in Civil Engineering from Lancashire University in the U.K. He is an incorporated Member of the Chartered Institute of Building, a Fellow of the Institution of Civil Engineers, and Fellow of the Hong Kong Institution of Engineers.

Areas of Expertise:

- Engineering Industry Knowledge
- Strategic Planning
- Risk Management
- Project Management
- Operations

Board/Committee Membership as at December 31, 2021[1]	Overall Attendance: 100%		Other Public Board Memberships During the Last Five (5) Years
	Regular	Special	
Board	5 of 5	5 of 5	None

Securities Held

Year	Common Shares	Deferred Share Units (E-DSUs)	Unvested Restricted Share Units (RSUs)	Total Common Shares, E-DSUs and Unvested RSUs	Total Value of Common Shares, E-DSUs and Unvested RSUs[2]	Meets Minimum Shareholding Requirement[3]
As at Dec. 31, 2021	19,886	116,597	129,283	265,766	$8,558,215	–
As at Dec. 31, 2020	14,306	78,666	79,374	172,346	$5,043,876	–

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	% Withheld
123,672,879	99.30%	870,063	0.70%

(1) Mr. Edwards, as President and CEO, is not a member of any Committee but attends Committee meetings at the invitation of the Committees. In 2021, he attended 100% of all Committee meetings as a non-voting participant. He does not receive compensation as a member of the Board of Directors of the Company. For details on Mr. Edwards's compensation as President and CEO and in his former roles, see the "Executive Compensation Discussion and Analysis" section of this Circular.

(2) For details on the calculation of the total value of Mr. Edwards' Common Shares, vested E-DSUs and unvested RSUs, see the "Executive Share Ownership Guidelines" subsection under the "Executive Compensation Discussion and Analysis" section of this Circular.

(3) Note that the President and CEO does not have a minimum shareholding requirement as a Director. For details on Mr. Edwards' share ownership requirement as President and CEO, see the "Executive Share Ownership Guidelines" subsection under the "Executive Compensation Discussion and Analysis" section of this Circular.

Ruby McGregor-Smith, CBE

Independent

Ascot (Berkshire), United Kingdom

Director since: N/A

Age: 59

Ms. McGregor-Smith is a corporate director and brings 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, the strategic outsourcing and energy services company, and was the first Asian woman to be appointed to such a role in the FTSE 250 or FTSE 100. 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 the President of the British Chambers of Commerce and was appointed a member of the House of Lords in 2015. She is currently the Chair of Mind Gym plc, the Institute of Apprenticeships and Technical Education, and the Air Operators Association. Ms. McGregor-Smith is a non-executive director for the Tideway Tunnel.

Ms. McGregor-Smith holds a Bachelor of Economics from Kingston University and a Post Graduate Diploma in Global Business from the Saïd Business School, University of Oxford. She is a Fellow of the Institute of Chartered Accountants in England and Wales. In 2012, Ms. McGregor-Smith was appointed a Commander of the Order of the British Empire (CBE) for services to business and diversity in business.

Areas of Expertise:

- Public Company Leadership
- Government/Regulatory Affairs
- Accounting/Finance
- Capital Markets
- Operations

Board/Committee Membership as at December 31, 2021	Overall Attendance: N/A		Other Public Board Memberships During the Last Five (5) Years
	Regular	Special	
Board	N/A	N/A	None

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $810,000 (5-year target)
As at Dec. 31, 2021	N/A	N/A	N/A	N/A	N/A
As at Dec. 31, 2020	N/A	N/A	N/A	N/A	N/A

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	% Withheld
N/A	N/A	N/A	N/A

Steven L. Newman

Independent

Holladay (Utah), United States

Director since: November 5, 2015

Age: 57

Mr. Newman is a corporate director and brings more than 25 years of experience in the energy industry. He is currently the Chairman and CEO of Aquadrill LLC, a private offshore contract drilling company. 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 holds a Bachelor of Science degree in Petroleum Engineering from the Colorado School of Mines and a MBA from Harvard Graduate School of Business. He is a member of the Society of Petroleum Engineers and the National Association of Corporate Directors (NACD).

Areas of Expertise:

- Strategic Planning
- Operations
- HR/Compensation
- Mergers & Acquisitions, Divestitures, Restructuring
- Public Company Leadership

Board/Committee Membership as at December 31, 2021	Overall Attendance: 100%		Other Public Board Memberships During the Last Five (5) Years
	Regular	Special	
Board	5 of 5	5 of 5	Dril-Quip, Inc. (2015 – Present)
Audit and Risk Committee	4 of 4	3 of 3	Tidewater, Inc. (2017 – 2019)
GES Committee (Chair)	4 of 4	2 of 2	Bumi Armada Berhad (2015 – 2017)
SPOT Committee	4 of 4	3 of 3	

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $810,000 (5-year target)
As at Dec. 31, 2021	4,917	39,334	44,251	$1,607,563	Yes (169%)
As at Dec. 31, 2020	4,917	29,885	34,802	$1,311,716	Yes (243%)(1)

(1) Based on previous annual retainer of $180,000 which was reviewed as of July 1, 2021

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	% Withheld
122,650,862	98.48%	1,892,080	1.52%

Robert Paré

Independent

Westmount (Quebec), Canada

Director since: N/A

Age: 67

Mr. Paré is a corporate director and brings more than 40 years of experience in business law, particularly in the areas of capital markets, mergers and acquisitions, and corporate governance. He is currently a Strategic Advisor to the law firm Fasken Martineau Du Moulin LLP where he was previously a Senior Partner. As legal and strategic senior advisor, Mr. Paré has been involved in many corporate transactions having marked the Canadian and Québec economic landscapes.

In addition to the public company boards listed below, Mr. Paré is a director of the Institute for Research and Immunology and Cancer (IRIC) as well as of the Institute of Corporate Directors (ICD), having chaired the Québec Chapter from 2015 to 2017.

Mr. Paré has a Bachelor's degree in Law from the Université de Laval and is a member of the Quebec Bar.

Areas of Expertise:

- Capital Markets
- Government/Regulatory Affairs
- Mergers & Acquisitions, Divestitures, Restructuring
- HR/Compensation

Board/Committee Membership as at December 31, 2021	Overall Attendance: N/A		Other Public Board Memberships During the Last Five (5) Years
	Regular	Special	
Board	N/A	N/A	› National Bank of Canada (2018 – Present) › Quebecor Inc. (2014 – Present) › ADF Group Inc. (2008 – 2019)

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $810,000 (5-year target)
As at Dec. 31, 2021	N/A	N/A	N/A	N/A	N/A
As at Dec. 31, 2020	N/A	N/A	N/A	N/A	N/A

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	% Withheld
N/A	N/A	N/A	N/A

Michael B. Pedersen

Independent

Toronto (Ontario), Canada

Director since: May 7, 2020

Age: 61

Mr. Pedersen is a corporate director and brings more than 30 years of experience in the banking and finance sectors. Prior to his retirement in 2018, he was Special Advisor to the CEO of The Toronto-Dominion Bank since June 2017 and, from 2013 to 2017, President and CEO of TD Bank US Holding Company's retail and commercial banking business. From 2007 to 2013, he served as Group Head for The Toronto-Dominion Bank's corporate operations and global wealth and insurance businesses. Prior to joining TD Bank Group in 2007, Mr. Pedersen worked at Barclays plc (financial institution) in the U.K. where he was responsible for three (3) global businesses and prior to that he worked at CIBC where he held senior executive roles in retail and business banking.

In addition to the public company board listed below, Mr. Pedersen is the chairperson of the board of the Business Development Bank of Canada (BDC), the chair of the board of Nature Conservancy of Canada, the co-chair of the Personal Philanthropy Project, the chair of the advisory committee of the Intact Centre on Climate Adaptation, as well as a member of the sustainable finance advisory committee of the Global Risk Institute.

Mr. Pedersen holds a Bachelor of Commerce degree from the University of British Columbia and a Master of Industrial Relations degree from the University of Toronto.

Areas of Expertise:

- Strategic Planning
- Risk Management
- Extensive Knowledge/ Experience of U.S. and U.K. Markets
- Government/Regulatory Affairs
- HR/Compensation
- Mergers & Acquisitions, Divestitures, Restructuring
- Public Company Leadership

Board/Committee Membership as at December 31, 2021	Overall Attendance: 100% Regular	Special	Other Public Board Memberships During the Last Five (5) Years
Board	5 of 5	5 of 5	CGI Inc. (2017 – Present)
HR Committee	5 of 5	1 of 1	
SPOT Committee	4 of 4	3 of 3	

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $810,000 (5-year target)
As at Dec. 31, 2021	75,000	15,904	90,904	$2,809,843	Yes (346%)
As at Dec. 31, 2020	75,000	7,113	82,113	$2,144,328	Yes (397%)(1)

(1) Based on previous annual retainer of $180,000 which was reviewed as of July 1, 2021

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	% Withheld
123,528,468	99.19%	1,014,474	0.81%

Benita M. Warmbold, FCPA, FCA, ICD.D

Independent

Toronto (Ontario), Canada

Director since: May 4, 2017

Age: 63

Ms. Warmbold is a corporate director and brings more than 30 years of experience in the finance industry. She is the former Senior Managing Director and CFO of the Canada Pension Plan Investment Board ("**CPPIB**"), a position she held from December 2013 to July 2017. Prior to that, she was Senior Vice-President and COO of CPPIB 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.

In addition to the public company boards listed below, Ms. Warmbold is chair of the Canadian Public Accountability Board. She is also a former director of Crestone Peak Resources (now, Civitas Resources, Inc.) and a former member of Queen's University Board of Trustees.

Ms. Warmbold holds an Honours Bachelor of Commerce degree from Queen's University, is a Fellow of CPA-Ontario and has been granted the ICD.D designation by the Institute of Corporate Directors. She was recognized as a Top 100 Most Powerful Women in 2009, 2010 and 2015 and in 2016 was inducted into the Women's Executive Network's Hall of Fame. She was also selected by the Canadian Board Diversity Council for its first-ever Diversity 50, which recognizes qualified, diverse candidates for board of director appointments.

Areas of Expertise:

- Strategic Planning
- Risk Management
- Operations
- Accounting/Finance
- Capital Markets
- Mergers & Acquisitions, Divestitures, Restructuring

Board/Committee Membership as at December 31, 2021	Overall Attendance: 87% Regular	Special	Other Public Board Memberships During the Last Five (5) Years
Board	4 of 5	5 of 5	The Bank of Nova Scotia (2018 – Present)
Audit and Risk Committee (Chair)	3 of 4	3 of 3	Methanex Corporation (2016 – Present)
HR Committee	4 of 5	1 of 1	

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $810,000 (5-year target)
As at Dec. 31, 2021	3,000	19,264	22,264	$833,040	Yes (102%)
As at Dec. 31, 2020	3,000	14,977	17,977	$696,561	Yes (129%)(1)

(1) Based on previous annual retainer of $180,000 which was reviewed as of July 1, 2021

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	% Withheld
122,689,736	98.51%	1,853,206	1.49%

William L. Young, P.Eng.

Independent

Lexington (Massachusetts), United States

Director since: September 9, 2020

Age: 67

Mr. Young is a corporate director with extensive public company board experience and has been Chair of the Board since September 9, 2020. He also brings more than 30 years of experience in the private equity sector. He co-founded, and until 2018 was a partner of, Monitor Clipper Partners, a private equity firm established in 1998. He is also a founding partner of Westbourne Management Group (1988) and was a partner in the European practice of Bain & Company (1981 to 1988). Mr. Young possesses significant operational experience, as well as extensive mergers & acquisitions experience.

In addition to the public company boards listed below, he is Chair Emeritus of the Board of Trustees of Queen's University, which he chaired from 2006 to 2012, and chair of the board of the Canadian Institute for Advanced Research (CIFAR). Mr. Young has also acquired significant private company board and board leadership experience over the last 20 years, including at a number of European and U.S.-based companies.

He is a professional engineer (P.Eng. – Ontario) and holds an Honours Bachelor of Science in chemical engineering from Queen's University and a MBA with distinction from Harvard Business School.

Areas of Expertise:

- Strategic Planning
- Extensive Knowledge/ Experience of U.S. and U.K. Markets
- Accounting/Finance
- Capital Markets
- Mergers & Acquisitions, Divestitures, Restructuring
- Public Company Leadership

Board/Committee Membership as at December 31, 2021	Overall Attendance: 100%		Other Public Board Memberships During the Last Five (5) Years
	Regular	Special	
Board (Chair) As Chair of the Board, Mr. Young attended 100% of all Committee meetings as an ex-officio member	5 of 5	5 of 5	› Intact Financial Corporation (2018 – Present) › Magna International Inc. (2011 – Present)

Securities Held

Year	Common Shares	Deferred Share Units (D-DSUs)	Total Common Shares and D-DSUs	Greater of Actual Cost Incurred in Buying Common Shares and D-DSUs or Total Market Value	Meets Minimum Shareholding Requirement of 3 X Annual Retainer i.e. $1,350,000 (5-year target)
As at Dec. 31, 2021	12,300	17,531	29,831	$922,076	In process (68%)
As at Dec. 31, 2020	12,300	3,080	15,380	$304,545	In process (25%)(1)

(1) Based on previous annual retainer of $400,000 which was reviewed as of July 1, 2021

Voting Results of 2021 Annual Meeting of Shareholders

Votes For	% For	Votes Withheld	% Withheld
123,619,826	99.26%	923,116	0.74%

ADDITIONAL INFORMATION ON OUR DIRECTOR NOMINEES

As of the date hereof, to the knowledge of the Company, in the last ten (10) years, none of the above-named nominees is or has been a director or 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 (each, an "**order**"), for a period of more than thirty (30) consecutive days. To the knowledge of the Company, in the last ten (10) years, none of the above-named nominees is or has been a director or officer of any company that was subject to an order that was issued after that person ceased to act in that capacity and which resulted from an event that occurred while that person was acting in that capacity.

In addition, to the knowledge of the Company, in the last ten (10) years, none of the above-named nominees 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 their assets. Furthermore, to the knowledge of the Company, in the last ten (10) years, none of the above-named nominees is or has been a director or 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 for the following:

- **William L. Young**, our Chair of the Board, served as a director of Pharmetics Inc. ("**Pharmetics**"), a private company, from 2011 until he resigned in connection with the sale of Pharmetics in September 2017. Approximately five (5) months after the sale, in February 2018, Pharmetics filed a notice of intention to make a proposal under the Bankruptcy and Insolvency Act (Canada) and was subsequently declared bankrupt as of March 16, 2018.

DIRECTORS' COMPENSATION DISCUSSION AND ANALYSIS

DIRECTORS' COMPENSATION PHILOSOPHY, REVIEW AND PROCESS

Our philosophy with respect to Directors' compensation is based on the following guiding principles:

- Recruit and retain qualified individuals to serve as Directors of the Company;
- Align the interests of the Directors with those of shareholders by requiring Directors to hold a multiple of their annual retainer in Common Shares or D-DSUs, or a combination of both;
- Provide compensation reflecting the risks and responsibilities inherent to the role of Director and recognizing the increasing complexity of the Company's business; and
- Provide competitive compensation based on market standards.

The GES Committee is responsible for reviewing Directors' compensation every year and recommending changes to the Board, if required. In order to appropriately benchmark Directors' compensation, the GES Committee reviews our Directors' compensation scheme against that of a group of companies as outlined below, referred to herein as the "**Director Comparator Group**". The Director Comparator Group is created with the assistance of an external consultant who the Company retains to benchmark its Directors' compensation. Based on these findings and the above guiding principles, the GES Committee makes its recommendations to the Board thereon.

A review with respect to the compensation of our Chair of the Board and non-executive Directors was carried out by the GES Committee in June 2021. To assist in its review, the GES Committee retained the services of Willis Towers Watson to assess whether the level and structure of our Chair of the Board and non-executive Directors' compensation were aligned with market practices.

The following Director Comparator Group was used by Willis Towers Watson:

Company Name	Industry
Canada	
CGI Inc.	IT Consulting and Other Services
Teck Resources Limited	Diversified Metals and Mining
WSP Global Inc.	Engineering and Construction
Finning International Inc.	Trading Companies and Distributors
Stantec Inc.	Research and Consulting Services
Aecon Group Inc.	Engineering and Construction
CAE Inc.	Aerospace and Defense
United States	
Fluor Corporation	Engineering and Construction
Jacobs Engineering Group Inc.	Research and Consulting Services
AECOM	Engineering and Construction
EMCOR Group, Inc.	Engineering and Construction
KBR, Inc.	Research and Consulting Services
Tutor Perini Corporation	Engineering and Construction
Tetra Tech, Inc.	Environmental and Facilities Services
United Kingdom	
Balfour Beatty plc	Engineering and Construction
Babcock International Group PLC	Aerospace and Defence
Serco Group plc	Environmental and Facilities Services
Capita plc	Data Processing and Outsources Services

The Director Comparator Group is representative of global companies located in Canada, U.S. and the U.K.

The selection criteria included companies that are:

- publicly listed;
- SNC-Lavalin's direct competitors and companies operating in the same or related industry and in the same business sectors of activities;
- included in one (1) of the three (3) peer groups in place at the time at SNC-Lavalin(1);
- within comparable revenue scope falling in a range of 0.5x and 2x of SNC-Lavalin revenues and comparable market capitalization; and
- in the typical recruitment market for board members having the required experience and expertise.

Pursuant to this review, the GES Committee recommended to the Board the adoption of a broadly flat-fee approach with annual retainers, for both the Chair of the Board and non-executive Directors so as to allow:

- a better alignment with market practices;
- the simplification of the administration of the compensation; and
- an enhanced recognition of the experience and contribution of Directors that is, to a lesser extent, based on the number of meetings attended in a given year.

(1) These peer groups are the Executive Compensation Comparator Group, the Performance Comparator Group and the prior Director Comparator Group.

DIRECTORS' COMPENSATION PACKAGE

The following table outlines the revised compensation received by our Chair of the Board and non-executive Directors which was adopted as of July 1, 2021. Note that our President and CEO does not receive compensation as a member of the Board of Directors of the Company. For details on our President and CEO's compensation, see the "Executive Compensation Discussion and Analysis" section of this Circular.

ANNUAL RETAINER	AMOUNT($) As of July 1, 2021
Director Retainer	
Annual retainer consisting of:	
i) a cash award[1]	110,000
ii) a lump sum credited in D-DSUs	160,000
Total	**270,000**
Chair of the Board Retainer	
Annual retainer consisting of:	
i) a cash award[1]	202,500
ii) a lump sum credited in D-DSUs	247,500
Total	**450,000**
Committee Chair Retainer[1]	
Audit and Risk Committee	25,000
GES, HR and SPOT Committees	20,000
Meeting Fees[1][2][3]	
Additional Board or Committee meeting, or meeting with Stakeholders	2,250
Travel Fees[1]	
For travel requiring more than three (3) hours but less than five (5) hours (one way)	1,500
For travel requiring five (5) hours or more (one way)	3,000

(1) The Chair of the Board and other non-executive Directors may elect to receive 100% of their compensation payable in cash, in either cash or D-DSUs (i.e. cash award portion of annual retainer, meeting fees, travel fees and Committee Chair retainer (if applicable)).

(2) A non-executive Director is paid $2,250 for attendance at a meeting of the Board or Board Committee on which they sit as a member when more than eight (8) meetings of the Board or of such Committee are held over a calendar year.

(3) A non-executive Director (excluding the Chair of the Board) is also paid $2,250 when required to meet with management or any other person in the course of their work as a Director. This fee is payable per day of meeting, notwithstanding the number of meetings held during that day.

The Company also reimburses any reasonable travel and other out-of-pocket expenses relating to their duties as Chair of the Board or non-executive Directors.

D-DSUS

D-DSUs are the "at-risk" component of our Directors' compensation program designed to encourage Directors to better align their interests with those of shareholders.

Under the D-DSUP, Directors are credited D-DSUs as part of their annual retainer (i.e. lump sum credited in D-DSUs). They can also elect to receive 100% of their cash compensation in D-DSUs (i.e. cash award portion of their annual retainer, meeting fees, travel fees and Committee Chair retainer, if applicable). In 2021, three (3) Directors elected to receive all of their compensation in D-DSUs, including our Chair of the Board.

D-DSUs track the value of our Common Shares. They accumulate during the Director's term in office and are redeemed in cash when the Director leaves the Board. For the purposes of redeeming D-DSUs, the value of a D-DSU on any given date is equivalent to the average of the closing price for a Common Share on the Toronto Stock Exchange for the five (5) trading days immediately prior to such date. D-DSUs are credited on a quarterly basis and do not carry voting rights. Furthermore, additional D-DSUs accumulate as dividend equivalents whenever cash dividends are paid on Common Shares.

ANTI-HEDGING AND ANTI-MONETIZATION

The Board has adopted a policy prohibiting hedging and trading in derivatives applicable to the Company's insiders, which include our Directors.

DIRECTORS' SHARE OWNERSHIP REQUIREMENT

The Board believes it is important that Directors demonstrate their commitment to the Company's growth through share ownership. In order to align the interests of the Directors with those of the shareholders, the Company requires its Directors to hold a multiple of their annual retainer in Common Shares or DSUs, or a combination of both.

The last review with respect to the Directors' share ownership requirement was carried out by the GES Committee in October 2021. To assist in its review, the GES Committee retained Willis Towers Watson, Willis Towers Watson prepared a benchmarking study using the same Director Comparator Group used for the Directors compensation review and concluded that the Company's current share ownership requirements were either aligned (for the non-executive Directors) or higher than market median for the Chair of the Board. Following this review, Willis Towers Watson recommended to maintain the current share ownership requirement and therefore, the GES Committee did not recommend any changes to the Board in this respect.

Directors' Share Ownership Requirement(1) 5-Year Target = 3 X Annual Retainer Position 2021 (approx.)

Position	2021 (approx.)
Chair of the Board	$ 1,350,000
Non-executive Directors	$ 810,000

(1) The value of the share ownership requirement is determined as the greater of:

(i) The actual purchase cost of the Common Shares incurred by the Director, plus the total value, at the time of the grant, of the D-DSUs granted under the D-DSUP to such Director; or

(ii) The market value, at the time of assessment, of all Common Shares held by a Director and of all Common Shares represented by DSUs granted to such Director under the D-DSUP.

Ownership can be achieved by purchasing Common Shares and by participating in the Company's DSUP. All non-executive Directors, are required to continue to hold all their D-DSUs throughout their tenure as Directors. They can, however, dispose of their Common Shares as long as the minimum Director share ownership requirement is satisfied.

OUTSTANDING SHARE-BASED AWARDS

The following table reflects all awards outstanding as at December 31, 2021 with respect to our non-executive Directors. For further details on each Director's share ownership requirement, see the "Securities Held" section of each nominee Director's biographical and compensation information located under the "Information on Our Director Nominees" section of this Circular.

	Share-based Awards	
Director	Number of D-DSUs that have not vested (#)	Market or payout value of D-DSUs that have not vested(1) ($)
G.C. Baughman	7,539	233,030
M.-A. Bell	7,539	233,030
C.J.B. Clark	9,061	280,076
I. Courville	26,961	833,365
S.L. Newman	39,334	1,215,814
M.B. Pedersen	15,904	491,593
J. Raby(2)	17,460	539,689
Z. Smati	23,695	732,412
B.M. Warmbold	19,264	595,450
W.L. Young	17,531	541,883

(1) The value of outstanding D-DSUs is based on the closing price for a Common Share on the TSX on December 31, 2021 ($30.91).

(2) Mr. Raby ceased to be a Director on May 14, 2021 and has not redeemed his D-DSUs as of March 14, 2022.

TOTAL DIRECTORS' COMPENSATION

Note that the President and CEO does not have a minimum shareholding requirement as a Director but rather as President and CEO. For his minimum shareholding requirement as President and CEO, see the "Executive Share Ownership Guidelines" subsection under the "Executive Compensation Discussion and Analysis" section of this Circular.

	Fees Earned						
	Non-Executive Director Retainer and Chair of the Board Retainer[(1)]	Committee Chair Retainer[(2)]	Board and Committee Meeting Fees[(3)]	Share-based Awards[(4)]	All Other Compensation[(5)]	TOTAL	Percentage of Total Fees Received in D-DSUs[(6)]
Director	($)	($)	($)	($)	($)	($)	(%)
G.C. Baughman	90,000	–	32,250	135,000	16,130	273,380	50%
M.-A. Bell	90,000	–	24,750	135,000	9,380	259,130	53%
C.J.B. Clark	90,000	–	–	177,750	464	268,214	67%
I. Courville	–	16,000	29,250	225,000	15,280	285,530	80%
S.L. Newman	–	16,000	–	287,750	2,694	306,444	95%
M.B. Pedersen	–	–	–	274,500	850	275,350	100%
J. Raby[(7)]	25,962	–	29,250	40,797	678	96,687	43%
Z. Smati	90,000	16,000	44,250	135,000	12,920	298,170	46%
B.M. Warmbold	90,000	22,700	33,750	135,000	12,566	294,016	47%
W.L. Young	–	–	–	452,750	700	453,450	100%
TOTAL	475,962	70,700	193,500	1,998,547	71,662	2,810,371	74%

(1) Such amounts represent the portion of the annual retainer elected to be received in cash by the Chair of the Board and each non-executive Director.

(2) Such amounts represent fees elected to be received in cash by Committee Chairs.

(3) Such amounts represent fees elected to be received in cash by the Chair of the Board and non-executive Directors and include (i) fees paid to members of non-standing Board Committees, (ii) fees paid to our Chair of the Board and non-executive Directors for attendance at special Board and special Committee meetings, and (iii) travel fees paid to our non-executive Directors (totaling $7,500 in 2021).

(4) Such amounts represent (i) the cash award portion of the annual retainer elected to be received in D-DSUs by the Chair of the Board and each non-executive Director, and (ii) the lump sum portion of the annual retainer payable in D-DSUs. Such amounts also represent fees elected to be received in D-DSUs by the Chair of the Board and non-executive Directors and include (i) meeting fees, travel fees and Committee Chair retainers (if applicable), (ii) fees paid to members of non-standing Board Committees, (iii) fees paid to the Chair of the Board and non-executive Directors for attendance at special Board and special Committee meetings, and (iv) fees paid to Committee Chairs and other non-executive Directors for meetings with stakeholders.

(5) Such amounts represent (i) D-DSUs from dividend equivalents, and (ii) fees elected to be received in cash paid to Committee Chairs and other non-executive Directors for meetings with stakeholders.

(6) Such percentage is calculated by dividing the aggregate of the value provided under the share-based awards column and the dividend equivalents included in the all other compensation column, by the value provided under the total column.

(7) Mr. Raby ceased to be a Director on May 14, 2021. As a result, his compensation was prorated.

BOARD COMMITTEE REPORTS

AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee is primarily responsible for assisting the Board in overseeing the Company's financial controls and reporting and in overseeing the Company's 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 as well as the Company's relationship with its independent auditor and its internal audit function.

THE MEMBERS OF THE AUDIT AND RISK COMMITTEE ARE:

Benita M. Warmbold (Chair)

Mary-Ann Bell

Christie J.B. Clark

Steven L. Newman

Jean Raby (until May 2021)

Independence, Audit and Related Experience and Financial Literacy of Audit and Risk Committee Members

The Audit and Risk Committee shall be 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.

For the purposes of determining whether a Director is suitably qualified to become a member of the Company's Audit and Risk Committee, the Board has adopted the definition of "financial literacy" set out in Section 1.6 of Regulation 52-110 – Audit and Risk Committees ("**Regulation 52-110**")[1], which has been incorporated in the terms of the mandate of the Audit and Risk Committee.

The Audit and Risk Committee members complied with the independence and financial literacy requirements throughout 2021.

For details on the mandate of the Audit and Risk Committee and on the relevant professional qualifications/business experience of each Audit and Risk Committee member, see the Company's AIF available on SEDAR's website at www.sedar.com and on the Company's website at www.snclavalin.com under "Investors"/"Investor's Briefcase".

(1) Regulation 52-110 sets out requirements concerning the composition and responsibilities of an issuer's Audit and Risk committee and concerning an issuer's reporting obligations with respect to audit-related matters. The Company complies with Regulation 52-110 and appropriate disclosure of such compliance is made in this Report of the Audit and Risk Committee.

Cross membership

The mandate of the Audit and Risk Committee provides for at least one (1) member to sit on the HR Committee and vice versa in order to monitor and maintain the link between pay and performance, both financial and individual, and thus mitigate risks. Christie J.B. Clark and Benita M. Warmbold are currently members of both the Audit and Risk and HR Committees. The mandate of the Audit and Risk Committee also provides for at least one (1) member to sit on the SPOT Committee and vice versa in order to understand the operational issues which may have a negative impact on the financial outcome of a project, and thus mitigate risks. Steven L. Newman is currently member of both the Audit and Risk and SPOT Committees.

2021 Highlights

Following the review of the Company's risk management governance framework and ESG framework, governance and strategy, the Committee was assigned additional, or clarified, duties and responsibilities with respect to, amongst others:

- The reviews, prior to their publication, of the Company's financial information included in the Company's ESG public disclosure documents;
- The annual review of the Company's Risk Management Policy, Risk Tolerance and Risk Appetite Statements;
- The review and discussion of the Company's risk control matrix and enterprise risk register to provide oversight to the process; and
- The review of the Company's most significant risks, emerging risks and trends, and the associated disclosure documents as well as key risk indicators and any associated deviations.

In 2021, four (4) regular meetings and three (3) special meetings of the Audit and Risk Committee were held.

FINANCIAL DISCLOSURE

A major part of the Committee's activities is to review the Company's annual and quarterly financial disclosure documents listed below. This includes reviewing any reports or materials prepared by management, the independent auditor or the internal auditor outlining any significant financial reporting issues as well as critical judgments made by management in connection with the preparation of the financial statements. This review is to provide reasonable assurance that the accounting principles used to prepare the Company's financial statements are appropriate, in particular where judgments, estimates, risks and uncertainties are involved, and that adequate disclosure of material items is provided.

In 2021, the Committee:

- Reviewed and recommended for approval by the Board the quarterly and annual financial statements and accompanying notes, MD&A, press releases, AIF and other disclosure documents;
- Reviewed the quarterly CEO and CFO certification of the effectiveness of the disclosure controls and procedures and internal controls over financial reporting, in compliance with Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings ("**Regulation 52-109**");
- Reviewed the annual CEO/CFO certification testing results with respect to the effectiveness of the disclosure controls and procedures and internal controls over financial reporting, in compliance with Regulation 52-109;
- Reviewed significant management judgments relating to a number of accounting matters, including provisions, claims recoverable and project reforecasts including as regards to significant litigation and commercial claims, on-going COVID-19 impacts on Canadian LSTK infrastructure projects and the divestiture of the Company's Resources, Oil & Gas business;

- Reviewed the results of impairment testing;
- Reviewed and discussed the appropriateness of accounting policies, including the Revenue Recognition Policy;
- Reviewed the Disclosure and Insider Trading Policy;
- Reviewed the minutes from the Disclosure Committee; and
- Reviewed the operating cashflow performance as well as the current and forecasted liquidity of the Company.

The Committee also met in camera with the CFO at each regular meeting.

RISK MANAGEMENT

- Following the review and update of the Company's overall risk management governance framework, the Committee has been assigned oversight responsibilities of the Company's risks associated with financial performance, financial controls, capital structure, capital assets and investments, guarantees, taxation and insurance.

INDEPENDENT AUDITOR

The Committee retains an independent auditor to conduct the annual audit of the financial statements. In 2021, the Committee reappointed Deloitte LLP as its independent auditor to undertake the 2021 audit. The Committee discussed with its independent auditor its responsibilities, its determination of areas of significant audit risk and its related mitigation procedures.

The Committee reviewed:

- The independent auditor's annual audit report and quarterly review reports as well as its audit plan and fees;
- The Company's hiring policies regarding partners, employees and former partners and employees of the independent auditor; and
- The independence of the independent auditor.

The Committee also:

- Approved the independent auditor's fees and those that were either pre-approved internally by management or that required direct approval by the Committee, as per the Company's written policy;
- Reviewed and discussed with the independent auditor and management the quality, appropriateness and disclosure of the Company's critical accounting principles and policies, underlying assumptions and reporting practices, and any changes thereto;
- Discussed with the independent auditor the process for how the independent auditor ensures the quality of the audit; and
- Performed an annual review of the mandate, organization, staffing, qualifications and performance of the independent auditor.

The Committee also met in camera with the independent auditor at each regular meeting.

INTERNAL AUDITOR

The Committee oversaw the work completed by the Company's internal auditor and:

- Reviewed the internal audit charter;
- Reviewed and approved the annual internal audit plan and the changes thereto, including the impact of the sale of the Oil & Gas business; and
- Reviewed and discussed the internal audit reports and reviewed the status of corrective actions with management at regular quarterly meetings.

The Committee also met in camera with the internal auditor at each regular meeting.

INTERNAL CONTROLS & OTHER

The Committee also:

- Reviewed the corporate controllership report, including financial controls and governance and updates on regulatory requirements;
- Reviewed insurance programs and overall insurance coverage;
- Reviewed tax filing compliance and discussed emerging tax issues and proposed tax legislation changes;
- Reviewed and discussed new disclosure rules with respect to non-GAAP financial measures;
- Reviewed reports on significant litigation matters and discussed with the General Counsel to assess the appropriateness of financial disclosure in relation thereto;
- Reviewed reports from the CIO with respect to progress on the results of compliance investigations (conducted by the Integrity team) and deviations to the Company's policies and procedures;
- Completed the thorough review of its mandate at the end of which the Committee decided to change its name to better reflect its increased responsibility with respect to overseeing the Company's risk management framework;
- Updated the Committee's annual work plan;
- Reviewed the Treasury Policy and portfolio;
- Reviewed and provided input on the performance of the internal auditor;
- Reviewed and provided input on the performance of the CFO;
- Reviewed the Related Party Transactions Process;
- Reviewed the Finance transformation initiative; and
- Reviewed the performance of the Audit and Risk Committee and its Chair.

Submitted by the members of the Audit and Risk Committee

GOVERNANCE ETHICS AND SUSTAINABILITY COMMITTEE REPORT

The GES Committee assists the Board in developing the Company's approach to corporate governance and overseeing the Company's approach to integrity issues and its ESG and sustainability framework, governance and strategy. The Committee proposes new Board nominees and assesses the effectiveness of the Board and its Committees, their respective chairs and individual Directors. The GES Committee also provides its statement of corporate governance practices in the "Statement of Corporate Governance Practices" section of this Circular. For a complete copy of the GES Committee mandate, see the Company's website at www.snclavalin.com, under "About Us"/"Leadership & Governance"/"Governance".

THE MEMBERS OF THE GES COMMITTEE ARE:


Steven L. Newman (Chair)


Mary-Ann Bell


Isabelle Courville


Zin Smati (until May 5, 2022)

Each member of the GES Committee is independent.

2021 Highlights

During 2021, the GES Committee applied particular focus to conducting a comprehensive review of all Board committee mandates. This review was primarily aimed at ensuring the appropriate identification and oversight of key issues and topics and, more particularly, improving the Board's oversight over the Company's risk management and ESG framework, governance and strategy. Revisions were also made to clarify wording, remove unnecessary language and ensure consistency among mandates.

Following this review, the Committee was assigned additional duties and responsibilities with respect to, amongst others:

- the review and monitoring of the development and implementation of ESG performance targets and metrics;
- the oversight and review of the sustainability report and any other material ESG related public disclosures; and
- the review of social responsibility activities, community engagement efforts and other ESG and sustainability related matters as well as the Company's Statement of Purpose.

In 2021, four (4) regular meetings and two (2) special meetings of the GES Committee were held.

During the course of 2021, the GES Committee:

INTEGRITY FUNCTION

- Reviewed quarterly reports by the CIO and the Integrity team so as to provide them with timely and constructive feedback and oversight on the integrity framework and programs;
- Reviewed the progress against the integrity targets included in the 2021 AIP and established sustainability and integrity targets for the 2022 AIP; and
- Conducted, via the Chair of the GES Committee and the EVP and General Counsel, the performance evaluation of the CIO and the review of their compensation and their objectives for the coming year.

The Committee also met in camera with the CIO at each regular meeting.

ESG

- Reviewed the Company's ED&I Commitment;
- Reviewed the Company's 2020 Sustainability Report; and
- Reviewed the ESG Approach for the 2022 Annual Incentive Plan.

RISK MANAGEMENT

- Following the review and update of the Company's overall risk management governance framework, the Committee was assigned oversight responsibilities of the Company's risks associated with corporate governance, ethics and compliance, regulatory, litigation, stakeholder relations, and sustainability.

BOARD MATTERS

Directors Compensation

- Initiated a benchmarking exercise and review of the directors' compensation, share ownership requirements, and directors' tenure, which resulted in a revised compensation framework and tenure limit. For details on this review, see the "Directors' Compensation Discussion and Analysis" section of this Circular.

Director Succession and Board Renewal

- Undertook an analysis of the requirements for new directors, including with respect to Board diversity, skill, competency and experience requirements and other selection criteria, following Mr. Raby's departure from the Board of Directors in May 2021;
- With the assistance of external resources, conducted a director search in light of the selection criteria identified by the Committee, which led to two (2) new Board nominees being invited to stand for election at the Meeting, namely Ms. Ruby McGregor-Smith and Mr. Robert Paré. Both are highly experienced senior executives. Ms. McGregor-Smith has extensive experience in public company leadership, infrastructure services and facilities management. Mr. Paré is a strategic advisor and corporate lawyer with considerable experience in capital markets, mergers and acquisitions, and corporate governance; and
- Reviewed qualifications of incumbent Directors, including independence, board interlocks, availability and the skills and experience required to assist the Board with its mandate.

For details on this process, see the "Board Annual Review and Succession Process" subsection of this Circular.

Board Effectiveness Assessment

- Set the 2021 Board effectiveness objectives subsequent to the 2020 Board evaluation process and monitored progress; and
- Launched the 2021 Board and Committee effectiveness and peer review process.

Ongoing Director Education

- Ensured that ongoing development and education opportunities were made available to Directors during 2021, such as virtual project site visits and presentations on various topics to the Board, including ESG.

Other Board-related matters

- Developed Rules of Engagement for the Board of Directors;
- Reviewed the process for the identification and management of potential conflicts of interests of Directors;
- Reviewed the on-boarding and mentoring program for new directors; and
- Reviewed the Board and Committee meeting schedules for 2023.

CORPORATE GOVERNANCE MATTERS

- Reviewed and recommended amendments to the Company's Code of Conduct;
- Reviewed, monitored and oversaw compliance with the Code of Conduct;
- Reviewed amendments to the Company's Levels of Authority Policy;
- Reviewed amendments to the Modern Slavery and Human Trafficking Statement;
- Reviewed the Notice of Annual Meeting and Circular, including meeting date and record date;
- Conducted the annual review of the Ethics and Compliance Committee Charter;
- Monitored developments in corporate and securities laws and regulations, legal and regulatory requirements and best practices; and
- Completed a thorough review of its mandate at the end of which the Committee decided to change its name to better reflect its increased responsibility with respect to overseeing the Company's sustainability framework.

OTHER

- Updated the Committee's annual work plan;
- Reviewed the performance of the GES Committee and its Chair;
- Oversaw review of certain legal proceedings and compliance-related matters; and
- Reviewed the Lobbying and Political Activities Report.

Submitted by the members of the GES Committee

SAFETY, PROJECT OVERSIGHT AND TECHNOLOGY COMMITTEE REPORT

The SPOT Committee assists the Board in discharging its responsibilities with regard to the overall framework for managing projects, technology and health, safety, environment and security, arising from the Company's operations and businesses, and associated risks.

THE MEMBERS OF THE SPOT COMMITTEE ARE:

Zin Smati (Chair) (Until May 5, 2022)

Gary C. Baughman

Steven L. Newman

Michael B. Pedersen

Jean Raby (Until May 14, 2021)

Each member of the SPOT Committee is independent.

Cross membership

The mandate of the SPOT Committee provides for at least one (1) member to sit on the Audit and Risk Committee and vice versa, in order to understand the operational issues which may have an impact on the financial outcome of a project, and thus mitigate risks. Steven L. Newman is currently a member of both the Audit and Risk and SPOT Committees. For a complete copy of the SPOT Committee mandate, see the Company's website at www.snclavalin.com, under "About Us"/"Leadership & Governance"/"Governance".

2021 Highlights

The key focus for the Committee in 2021 was the review of the Company's overall risk management framework, including recommendations as to its governance and the oversight responsibilities of specific risk categories and sub-categories by the Board of Directors and its standing Committees.

Following this review, the Committee was assigned additional duties and responsibilities with respect to, amongst others, technology and information technology.

In 2021, four (4) regular meetings and three (3) special meetings of the SPOT Committee were held.

During the course of 2021, the SPOT Committee:

HSE

- Continued to review the impact of COVID-19 on the Company's workforce by regions and sectors and the Company's response to the pandemic, including with respect to the physical and mental well-being of its employees;
- Reviewed and oversaw the Company-wide HSE framework and related processes;
- Reviewed continued progress on the "Perfect Days" initiative, an account of the days where the Company's projects and operations were incident free. In 2021, the Company recorded 111 Perfect Days, exceeding the target set for 2021 at 110;
- Reviewed high potential incidents; and
- Oversaw HSE performance by sector.

INFORMATION TECHNOLOGY & SECURITY

- Reviewed the information technology update, including management action plans with respect to internal audit findings;
- Reviewed cyber security risks;
- Reviewed the Company's proposal to move from an outsourcing approach to information technology support to an external resourcing approach; and
- Reviewed the global security report.

RISK MANAGEMENT

- Oversaw the Company's risk management framework review; and
- Was assigned, following the review and update of the Company's overall risk management governance framework, oversight responsibilities of the Company's risks associated with managing projects, including with respect to work winning, project delivery, project services and contractual liabilities, as well as health, safety and environment, operational excellence and quality, physical asset security, cyber security, data management, IT systems and technical capability.

PROCESSES

- Completed a thorough review of its mandate at the end of which the Committee decided to change its name to better reflect its oversight responsibility with respect to the Company's risks, more specifically those associated with managing projects and technology; and
- Reviewed the peer review process, including the type of projects reviewed and the type of recommendations issued.

PROJECTS

- Reviewed project performance by sector including an overview of worst-case/best-case analysis, key drivers and project risks control matrix;
- Reviewed key findings and resulting action plans from peer reviews;
- Reviewed claims value included in policy escalations by sector and project; and
- Reviewed major project bids.

OTHER

- Updated the Committee annual work plan;
- Reviewed the performance of the SPOT Committee and its Chair; and
- Reviewed the HSE targets for the AIP.

Submitted by the members of the SPOT Committee

HUMAN RESOURCES COMMITTEE REPORT

The HR Committee is responsible for assisting the Board in discharging its responsibilities relating to the attraction, retention and development of an engaged workforce to deliver on the Company's strategic plan and initiatives and overseeing associated risks.

The HR Committee is responsible for the development and review of the Company's executive compensation philosophy and strategy; reviewing and recommending Senior Officers' performance objectives to the Board and assessing performance against such objectives; and supporting President and CEO succession planning by developing succession plans for annual Board review and approval. The HR Committee is also responsible for the operation of compensation programs, including the Company's pension plans, and for ensuring that compensation design and practices do not incentivize undue risk-taking. Additional responsibilities include monitoring the Company's talent management and development programs and its people and culture strategy.

THE MEMBERS OF THE HR COMMITTEE ARE:


Isabelle Courville (Chair)


Gary C. Baughman


Christie J.B. Clark


Michael B. Pedersen


Benita M. Warmbold

Each of the members of the HR Committee is independent.

These Directors possess a range of skills and experience related to human resources, public company leadership, corporate governance, and risk assessment which enhance the HR Committee's ability to make effective decisions regarding the Company's compensation practices. The following is a brief description of the relevant experience of each HR Committee member:

Isabelle Courville has extensive experience in human resources and compensation matters. She served as President of Hydro-Québec Distribution from March 2011 to January 2013 and as President of Hydro-Québec TransÉnergie from 2007 to 2011. Prior to that, she was President of Bell Canada's Enterprise business segment from 2003 to 2006 and President and CEO of Bell Nordiq Group from 2001 to 2003. Ms. Courville is a member of the human resources committee of the Institute for Governance of Private and Public Organizations (IGOPP). She is the former chair of the management resources and compensation committee of Canadian Pacific Railway Limited (2016-2019), the former chair (2009-2013) and member (2008-2019) of the Laurentian Bank of Canada's human resources and corporate governance committee, the former chair of the human resources and corporate governance committee of Miranda Technologies Inc. (2006-2012) and a former member of the compensation committee of TVA Group Inc. (2013-2016).

Gary C. Baughman has extensive experience in overseeing various human resources and compensation matters acquired through his 35 years of experience as an operational executive in the engineering, construction and diversified services industry. He is currently the COO of Elixsys Inc. and the President of Back Tee Sports, LLC, a global event management company. From 2017 to 2019, he was Chairman and CEO of APTIM Corp and previously worked at M+W Group GmbH, where he first served as COO, Americas in 2015 until he was appointed CEO, Americas in 2017. Prior to that, he served as Executive Vice-President at AECOM from 2012 to 2015 and spent 15 years in various roles at Fluor Corporation. During his career, Mr. Baughman has actively participated in the development and implementation of compensation programs as well as the periodic review and modification of compensation plans. He is a former partner in an organizational development consultancy firm that delivers a platform called The Collaborative Way. Mr. Baughman holds a Bachelor of Science degree in Accounting from Clemson University and obtained his National Association of Corporate Directors (NACD) directorship certification in December 2020.

Christie J.B. Clark has extensive experience in overseeing various human resources and compensation matters. From 2005 to 2011, he was CEO and Senior Partner of PricewaterhouseCoopers LLP where he had overall responsibility for compensation matters at the firm. Prior to being elected as CEO, Mr. Clark served as National Managing Partner and was member of the firm's executive committee from 2001 to 2005. He is a director of Air Canada and Loblaw Companies Limited, a former member of the human resources and compensation committee of Hydro One Inc. and Hydro One Limited and a former member of the governance and compensation committee of Choice Properties Real Estate Investment Trust. Mr. Clark graduated from Queen's University with a Bachelor of Commerce degree and from the University of Toronto with a MBA. He also completed the Institute of Corporate Director's course entitled "Human Resources & Compensation Committee Effectiveness".

Michael B. Pedersen has extensive experience in various human resources and compensation matters acquired during his career. Over his 30 years of experience, he has managed more than 200,000 people and occupied various roles in human resource and labor relations. Until his retirement in 2018, he served as Special Advisor to the CEO of The Toronto-Dominion Bank, prior to which, from 2013 to 2017, he was President and CEO of TD Bank US Holding Company's retail and commercial banking business. From 2007 to 2013, he served as Group Head for The Toronto-Dominion Bank's corporate operations and global wealth and insurance businesses. Prior to joining TD Bank Group in 2007, Mr. Pedersen worked at Barclays plc and previously at CIBC where he held senior executive roles including Vice-President Human Resources. Mr. Pedersen is currently the chairperson of the board of the Business Development Bank of Canada (BDC) and a director of CGI Inc. Mr. Pedersen holds a Bachelor of Commerce degree, with a Major in Organizational Behavior, from the University of British Columbia and a Master of Industrial Relations degree from the University of Toronto.

Benita M. Warmbold has extensive experience in overseeing various human resources and compensation matters. She served as Senior Managing Director and CFO of the Canada Pension Plan Investment Board ("**CPPIB**") from December 2013 to July 2017. Prior to that, she was Senior Vice-President and COO of CPPIB from 2008 to 2013. As a member of the senior management team, she worked through the complete revamp of CPPIB's compensation structure. 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 and a former member of its human resources committee. She is also a former member of the human resources and compensation committee of Crestone Peak Resources (now Civitas Resources, Inc.). She is the chair of the Canadian Public Accountability Board and a former chair of its human resources and governance committee. She has been granted the ICD.D designation by the Institute of Corporate Directors.

Cross membership

The HR Committee mandate requires at least one (1) member to sit on both the HR Committee and the Audit and Risk Committee in order to monitor and maintain the link between pay and performance and to further ensure the mitigation of compensation-related risks. Christie J.B. Clark and Benita M. Warmbold are currently members of both the Audit and Risk and HR Committees. For a complete copy of the HR Committee mandate, see the Company's website at www.snclavalin.com under "About Us"/"Leadership & Governance"/"Governance".

In 2021, five (5) regular meetings and one (1) special meeting of the HR Committee were held.

Human Resources Achievements

In 2021, the Company delivered against the following human resources initiatives:

- Actively led aspects of the COVID-19 response for the organization, helping to preserve both our talent and liquidity, whilst managing our working environments safely and appropriately for our people;
- Developed a new People & Culture strategy for the Company and rolled it out across all business sectors and geographic regions;
- Facilitated the Company's people and succession planning processes throughout the year, to ensure that the appropriate talent is available;
- Through the delivery of Learning & Development programs, ensured our leaders, managers and wider employee base are all well equipped to deliver against the Company's strategic plans and its long-term performance and growth agenda;
- Continued to deploy online learning tools, and development activities to support employees' physical and mental wellbeing and remote working through the pandemic, as well as pulse engagement surveys to help manage morale proactively;
- Delivered our global Vox employee engagement survey which provided evidence of increasing employee engagement levels (overall engagement score in 2021 of 83% positive, compared to 78% positive in 2019, and ahead of external norms for our sector);
- Appointed a Head of ED&I and developed an overarching global ED&I Program, which is rolled out regionally, to develop a culture where everyone feels they belong, can be their true-selves and can realize their full potential;
- Continued to enhance the Human Resources Workday platform making it a globally available tool as the repository for all people data and people-related transactions;
- Continued to develop regional social media attraction campaigns and assets to improve our engagement with external candidates and attract top talent into the Company;
- Maintained high volumes of early careers intake into our Graduate and Apprenticeship programs to grow our future talent pipelines with a particular focus on a new program for Canada;
- Continued the deployment of #WOW, our technology platform to manage financial and non-financial recognition globally;
- Conducted a comprehensive compensation benchmarking review for executive committee level roles; and
- As part of the ongoing Transformation initiative, continued to restructure and transform the Company's Human Resources function into a regional shared service operating model, providing common processes and a standardized service to all of the businesses present in each geography.

Key Activities Undertaken

During 2021, the HR Committee undertook the following key activities:

ANNUAL ACTIVITIES

- Reviewed and recommended for Board approval:
  - AIP payouts for 2020 (paid in 2021);
  - The performance payout multiplier and settlement of the PSU awards granted in 2018 (paid in 2021) as well as awards granted in 2019 and 2020 for payments on a prorated basis to employees that left the Company in 2020 following retirement or termination without cause (also paid in 2021);
  - Long-term incentive awards granted during 2021 under the 2019 PSUP and 2019 RSUP;
  - The PSU performance factor calculation methodology for 2021, following the approval of the performance peer group for the 2021 PSU awards;
  - The termination of the Canadian Defined Benefit Pension Plan;
  - The 2021 Circular CD&A section;
  - The President and CEO's non-financial objectives for 2021, including ESG objectives and the closing of the sale of a portion of the Resources Oil & Gas business;
  - The succession plans for the President and CEO, members of the Executive Committee and OLG;
  - The AIP structure, financial performance metrics and targets, and the target setting methodology and targets for non-financial metrics for 2022;
  - The level of the threshold payout in the AIP for the financial metrics;
  - The introduction of ESG targets, including ED&I and environmental sustainability measures, in the 2022 AIP following a market review of ESG metrics in incentive plans;
  - The introduction of a scheme to incentivize the close-down of LSTK projects and support the retention of key staff in the Major Projects sector;
  - The re-introduction of stock options in our LTIP, starting with the 2022 LTI awards, after a review of market practices, considerations for stock option usage and various granting scenarios; and
  - Changes to the HR Committee mandate including, following the review and update of the Company's overall risk management governance framework, inclusion of specific oversight responsibilities of the Company's risks associated with human resources matters, including amongst others, talent management and organizational culture.
- Reviewed:
  - The Performance Comparator Group for the 2021-2023 PSUP performance period, based on the selection criteria approved in 2020 for the 2021 PSU awards onwards;
  - The proposal to introduce a second performance metric in the PSU plan starting with the 2023 awards;
  - The People and Culture Strategy plan over the next five (5) years;
  - The global ED&I program;
  - Market perspective on incentives in the context of the COVID-19 pandemic;
  - Results of the employee engagement survey;
  - Results of the executive compensation benchmarking exercise for the members of the Executive Committee, excluding the President and CEO role that was reviewed in 2020;
  - 2022 salary budgets by country;
  - Status and projections of the share ownership requirements for Senior Officers and other EVPs not reporting to the President and CEO subject to these requirements;
  - The Company's retirement plans' investment performance, funding status and overall administration and governance;
  - The Company's major benefits programs features, administration and governance structure for plans operating in Canada, U.S. and the U.K.;
  - Presentation of market compensation and governance trends;

- Results of the Glass Lewis and ISS reports (proxy advisory firms);
- Human Capital metrics dashboards including ED&I measures such as gender;
- Integrity performance reports, as a mitigation tool, given the interest in a culture of integrity and in the light of ED&I initiatives; and
- Participation of Senior Officers in for-profit company boards as non-executive directors and the new policy with regards to employees acting as non-executive directors on external boards of non-profit or for-profit organizations.

EVENT-DRIVEN ACTIVITIES

- Reviewed and recommended for Board approval:
  - The appointment, compensation and employment terms for Senior Officers hired or promoted in 2021;
  - Adjustments to the 2020 AIP paid in 2021 to exclude legacy items related to substantially completed projects and to ensure that management is held accountable for in-year LSTK projects where adjustments have been made; and
  - The treatment of LTI and ESOP for employees affected by the sale of a portion of the Resources Oil & Gas business.

OTHER

- Reviewed the performance of the HR Committee and its Chair.

Executive Compensation Consultants

Since 2008, the HR Committee has retained Hugessen Consulting Inc. to provide independent advice on executive compensation and related performance assessment and governance matters. The nature and scope of services provided by Hugessen Consulting Inc. to the HR Committee during 2021 included:

- Review and advice on:
  - President and CEO compensation;
  - Corporate performance as it relates to determining President and CEO and other NEOs' compensation;
  - The 2021 Circular CD&A section;
  - The calculation of the performance payout multipliers of the PSU awards granted in 2018 as well as awards granted in 2019 and 2020 for payments on a prorated basis to employees that left the Company in 2020 following retirement or termination without cause; and
  - Management-prepared materials and recommendations in advance of HR Committee meetings as requested.
- Attendance at HR Committee meetings as requested;
- Presented North American market compensation trends, governance trends, ESG metrics in compensation plans and COVID-19 impacts on executive pay to HR Committee members.

Hugessen Consulting Inc. does not provide any services to management directly and work conducted by them raises no conflicts of interest. Any services provided by Hugessen Consulting Inc. require HR Committee pre-approval and the Chair of the HR Committee approves all invoices for work performed. The Committee has the authority to hire and replace its independent advisor and reviews its performance periodically.

The table below outlines the fees paid by the Company to Hugessen Consulting Inc. in 2021 and 2020:

Nature of work	2021 Fees	2020 Fees
Executive Compensation Fees – Annual Work Plan	$69,375	$76,429
Executive Compensation Fees – Mandates outside of Annual Work Plan scope(1)	$79,146	$48,326
All Other Fees	$0	$0
Total	**$ 148,521**	**$ 124,755**

(1) Increase in 2021 is primarily due to advice on the design of the LTIP and the re-introduction of stock options.

Management of the Company spent $30,531 on executive compensation-related matters with Willis Towers Watson in 2021 and $67,021 in 2020, as shown in the table below:

Nature of work	2021 Fees	2020 Fees
Executive Compensation[1]	30,531	67,021
All other fees:		
Benefits plan management and ongoing consulting for various countries[2]	943,281	1,231,788
Accounting	63,783	48,476
Global job classification, compensation surveys and communication	17,553	3,267
Risk management consulting	289,533	251,423
Total	$ 1,344,681	$ 1,601,975

(1) Fees for Executive Committee compensation benchmarking data. Excludes fees related to the review of Director compensation.

(2) Mainly related to Canada and U.S. Includes fees paid for Rx Collaborative, a drug plan management outsourcing service in the U.S., benefits brokerage services, benefits-related projects and Canadian pension plan management and End of Service valuations in the Middle East.

The nature of the work performed by Willis Towers Watson raises no conflict of interest. Its “Professional Excellence” policies and consulting protocols ensure their objectivity.

The HR Committee reviews the information and advice provided by Hugessen Consulting Inc. and the benchmarking data provided by Willis Towers Watson, among other factors, in making its executive compensation decisions and recommendations to the Board. The HR Committee ultimately makes its own recommendations and decisions on compensation matters.

LETTER TO SHAREHOLDERS

Dear Fellow Shareholders:

On behalf of the Board of Directors, I am pleased to provide an overview of our executive compensation program during 2021.

We believe in providing clear and comprehensive information to help you fully understand and evaluate our compensation programs and we are committed to engaging with our shareholders, listening to your feedback and ensuring that our approach to executive compensation remains aligned with your interests.

Executive Compensation Principles

Our executive compensation programs are designed to align the interests of our executive officers with those of our shareholders.

We provide market-competitive programs that enable SNC-Lavalin to attract and retain talented individuals in a global market.

Compensation is directly linked to the achievement of performance goals designed to foster the creation of sustainable long-term shareholder value.

Fiscal year 2021 and our Continued Response to COVID-19

Fiscal year 2021 continued to be affected by the global pandemic with far-reaching consequences for our people, our clients and the way we have managed our operations. During the year our primary focus has once again been to protect the health and safety of our workforce and to enact robust business continuity plans for our customers. Many of our office-based employees continued to work remotely for a significant part of the year and quickly adapted to changing circumstances, to ensure continuity of services to our clients around the world.

Our leaders across the Company worked diligently to communicate regularly with all of our employees about how we are managing the ongoing impact and risks of COVID-19 in our business and working environment. This has included running regular townhalls, dedicated intranet pages, webinars, manager briefings, as well as training and support from our employee assistance providers.

2021 Performance Highlights

The Company's financial performance in 2021 from continuing operations saw strong cash flow performance and resilient profitability and operational performance in SNCL Engineering Services, while the impact of COVID-19 was the primary driver of losses in SNCL Projects.

The Company's continued focus on driving improved cash flow performance resulted in a positive net cash generated from operating activities in 2021 of $134M, despite the significant usage of cash in the SNCL Projects business line. As a result, the Company ended 2021 with $608M in cash and cash equivalents.

Financial performance in SNCL Engineering Services continued to be resilient during the COVID-19 pandemic, with revenue growing by 3.3% in 2021 compared to 2020, and the Segment Adjusted EBIT to revenue ratio, a key performance metric, being 10.7% above our targeted range of 9.0-9.5%. Backlog of SNCL Engineering Services also finished the year strongly at $10.9B.

In Capital, financial performance for 2021 improved with increased dividends from 407 International Inc. mainly reflecting improved traffic volumes compared to 2020.

In SNCL Projects, the Company successfully completed the sale of its Oil & Gas business, significantly reducing operational and executional risk. However, mainly due to unfavorable cost reforecasts in the Infrastructure EPC Projects segment driven by COVID-19, supply chain disruptions and inflation, which caused project productivity losses, delays and cost increases on the last remaining LSTK projects, SNCL Projects reported a negative Segment Adjusted EBIT of $290M in 2021.

As a result of the above, for its continuing operations, the Company reported a net income attributable to SNC-Lavalin shareholders of $100M in 2021 ($0.57 per diluted Common Share). The Company also reported a net income from discontinued operations of $566M in 2021, primarily driven by the non-cash gain on the disposal of the Resources Oil & Gas business.

Pay for Performance Philosophy

SNC-Lavalin's pay for performance philosophy rewards executives for their contribution to the achievement of the Company's annual operational and financial objectives and aligns management's interests with shareholder value growth.

SHORT-TERM INCENTIVE – AIP

As a result of the financial performance of the Company, the financial elements of our AIP generated a bonus at an SNC-Lavalin corporate level. However, the NEOs and Executive Committee were only rewarded for the Free Cash Flow element and did not earn AIP for the EBITDA element. Employees in sectors which have performed above target were rewarded for the financial performance of their sector.

LONG-TERM INCENTIVE – LTIP

PSUs constitute 60% of the LTIP for NEOs. For the PSUs vested on December 31, 2021 the performance factor for the performance period was 0.25x, as a result of the Company's TSR performance relative to its peer group from 2019 to 2021. This resulted in payments significantly below target for NEOs, other members of the Executive Committee and all other senior executives.

Shareholder Engagement

The HR Committee seeks to align the Company's executive compensation programs with the interests of the Company's shareholders.

At our 2021 Annual Meeting, shareholders again showed strong support for our executive compensation programs with 96.8% of the votes cast approving our advisory vote on our approach to executive compensation.

The Committee considers the results of the annual Say on Pay vote, the long-term vision and strategic goals of the Company, input from management, input from its independent compensation consultant, and investor engagement feedback when determining compensation for our executives. In 2021, the HR committee made the following revisions to executive compensation:

Investor alignment topics	Activities in 2021
ESG focus and performance	ESG performance continues to be a focus for the Company. In 2021, the HR Committee restructured the AIP to incentivise management to improve ESG performance. In 2021, the ESG measures in AIP were Integrity, HSE and were expanded to include ED&I. The latter was included as a personal goal for NEOs, the Executive Committee and OLG (approximately 45 leaders). In 2022, the ESG measures will be further expanded to include Integrity, Health and Safety, ED&I and Sustainability measures constituting 10% of the AIP for all participants.
Appropriate Peer Group Selection	The HR Committee regularly reviews the peer groups to benchmark pay and to measure relative TSR performance for the PSU plan. In 2021, the Committee made changes to the Performance Comparator Group that is referenced to determine relative TSR performance to ensure that the peer group composition remained appropriate as we continue to transform the organization. A full disclosure of our approach and framework can be found in the "Executive Compensation Comparator Group" and "PSUP Design" subsections of this CD&A.
Creating sustainable long-term shareholder value	Our LTIP structure aims to incentivise and reward management for the creation of shareholder value growth. LTIP grants in 2021 for NEOs and Executive Committee members were structured as 60% PSU with a performance condition linked to relative TSR vs a peer group and 40% RSU. A detailed summary of our LTIP framework can be found in the "LTIP" subsection of this CD&A. In 2021, the HR Committee conducted a review of PSUP targets, with support from its independent remuneration consultant. The purpose of the review was to determine the PSU metrics that most closely correlate to shareholder value creation. The outcome of the analysis supported the continued use of relative TSR as the preferred performance metric for the PSUP. The review also highlighted a market trend towards referencing a second metric in the PSUP and this will be in the Committee workplan to consider further in 2022. Stock option grants have not been made for several years, despite SNC-Lavalin having a shareholder approved stock option plan. In 2021, the Committee, advised by its independent remuneration consultant, reviewed the Stock Option Plan to consider whether the design of the plan continued to meet good governance practices and to assess the conditions in which it would be appropriate to make share option grants. As a result of this review, the Committee concluded that stock options have the potential to incentivize executives, promote improved retention and further improve alignment with shareholder value creation, as they have value only to the extent the share price increases. Stock options will be therefore reintroduced as a component of the LTIP grant for NEOs and other senior executives in 2022. These grants will be made in line with the provisions of the shareholder approved plan. They will not lead to an increase in overall LTIP grant values for executives and grants will be made from the options currently available for future grants, therefore will not result in dilution. A full description of the Stock Option Plan can be found in Schedule C of this Circular.
Align the interests of our executive officers with our shareholders	Our executives have share ownership requirements, so they have a significant interest in our future success and are exposed to the same share price volatility as our shareholders. The HR Committee reviews progress against these requirements annually and in 2021 our President and CEO and our other NEOs executives have all met, exceeded, or are on track to achieve their share ownership requirements.

Compensation Decisions for Ian Edwards – President and Chief Executive Officer

The Board of Directors evaluates the performance of Mr. Edwards through an assessment of achievements relative to strategic and operational measures established by the HR Committee at the beginning of the year.

In 2021, Mr. Edwards provided solid leadership in a volatile and challenging environment to keep SNC-Lavalin focused on delivery to its clients, long-term value creation for its shareholders and keeping the safety and well-being of our people a priority, as well as progressing its transformation goals.

Operational and individual performance highlights under Mr. Edwards leadership include:

- Finalisation of the Company's 5-year strategic plan, including capital allocation strategy and engagement with capital markets;
- Completing the divestiture of the Oil & Gas business;
- Implementation of a revised organisation structure and leadership team, including the establishment of a new global Engineering Services business, alongside our Nuclear, Major Projects and Capital and Operations & Maintenance businesses;
- Establishing and leading internal transformation process, development of targets, and focus on overhead savings delivery post the divestiture of the Oil & Gas business;

- Continued focus on employee engagement, evidenced by a 5-point improvement in the VOX all employee engagement survey;
- Establishing an improved ERM framework for the Company to identify and address the potential events that represent risks to the achievement of its strategic objectives, or to opportunities to gain competitive advantage;
- Retain a focus on clients needs, via regular discussions with the Company's largest clients; and
- Further develop the Company's focus on ESG through the creation and appointment of two (2) new roles, to head ESG and ED&I globally, and the establishment of carbon neutral targets and revised ED&I targets for the Company, alongside existing HSE and Integrity targets.

The HR Committee made the following pay decisions based on performance, competitive market data, and feedback from its independent compensation consultant:

Base Pay	$1,400,000 no change from 2021 level.
AIP	Target pay-out 100% of salary $1,400,000 value no change from 2021 level.
LTIP	Target pay-out increased from 300% of salary $4,200,000 value to 325% of salary $4,550,000 value.
Total Target Compensation	Increase from $7,000,000 to $7,350,000.

The increase to Mr. Edwards compensation represents a 5% increase to his total target compensation. This is reflective of Mr. Edwards contribution and experience, in his third year of being in the role as President and CEO. The increase aligns Mr. Edwards' compensation to the market median of our peer group of benchmark companies and is delivered solely in the long-term incentive to reinforce alignment with shareholder experience.

As noted above and indicated in this Circular, the 2022 LTIP grant for Mr. Edwards and other members of the Executive Committee, will be split 55% PSUs, 35% RSUs and 10% stock options. The inclusion of small component of stock options in the 2022 LTIP grant is intended to further align management with long-term share value creation.

Leadership appointments

Steve Morriss joined the Company in January 2021 into the newly created role of President, Asia Pacific and Middle East. Following the sale of our Oil & Gas business and the creation of our global Engineering Services sector, he was appointed as President, Engineering Services, United States, Asia Pacific and Mining & Metallurgy.

In March 2022, Joe St. Julian joined the Company as President of Nuclear to succeed Sandy Taylor, who will be retiring in 2022.

Having originally joined the Company as Group Treasurer, Stéphanie Vaillancourt was promoted to the role of President, Capital and Operations & Maintenance in September 2021.

Conclusion

The following information elaborates on the Board and Company's pay-for-performance philosophy and the compensation programs outlined in this letter.

On behalf of the HR Committee and the Board, we thank you for taking the time to read our disclosure and we invite you to cast your advisory vote on our approach to executive compensation.

Should you have any outstanding concerns, we invite you to contact the Chair of the HR Committee.

Yours truly,

Isabelle Courville (signed)

Chair of the HR Committee

EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

INTRODUCTION

THE FOLLOWING SECTION OUTLINES THE COMPENSATION PROGRAMS IN WHICH THE NEOS PARTICIPATE. FOR 2021, THE NEOS ARE:

Ian Edwards – President and CEO;

Jeffrey (Jeff) Bell – EVP and CFO;

Robert Alger – President, Major Projects sector;

Steve Morriss – President, Engineering Services sector, US, Asia Pacific, Mining & Metallurgy; and

Philip Hoare – President, Engineering Services sector, UK & Europe, Middle East, India and Canada.

Executive Committee

Our NEOs are part of our Executive Committee, a team composed in 2021 of Senior Officers led by the President and CEO. Our Executive Committee is responsible for delivering on commitments made to shareholders, setting the strategic direction for the Company, monitoring performance against targets, and setting policies and common operating procedures.

ANNUAL OVERSIGHT OF EXECUTIVE COMPENSATION

The HR Committee is responsible for reviewing and recommending to the Board the compensation arrangements of the President and CEO and other Senior Officers, including the NEOs.

The HR Committee, with support from the Committee's independent advisor and management, undertakes the following process:

At the Outset of the Year:

ESTABLISH TARGET COMPENSATION LEVELS AND MIX

The Company establishes target compensation levels and mix in order to attract, retain and motivate a high-performing executive team.

The HR Committee recommends to the Board the target compensation level and mix for the President and CEO, considering the executive compensation policy, market practices, and advice from its independent advisor. The HR Committee also reviews the President and CEO's recommendations for target compensation levels and mix for other Senior Officers, considering individual level of responsibility, skills and experience, for recommendation to the Board.

ESTABLISH PERFORMANCE OBJECTIVES AND TARGETS

The ultimate objective of the Company is to drive long-term sustainable growth in shareholder value by engaging and motivating our employees to deliver quality projects on time and on budget for our clients around the globe. To this end, the HR Committee develops and recommends to the Board annual and multi-year performance measures and goals to incentivize management and align executive compensation with this objective.

The HR Committee annually evaluates financial and operational objectives under our short-term and long-term incentive plans to ensure alignment with our strategic plan. We believe that key financial results, including Company profit and cash management, measure the sustainability of our core operations and drive long-term value creation. Our non-financial goals reflect our strong commitment to ethical business practices and the health and safety of our employees, over and above their individual performance. Our LTIP incorporates relative TSR targets, thereby strengthening the alignment of our executive compensation with shareholder return.

Performance targets under the AIP are set on an annual basis. The target-setting process occurs in conjunction with our annual budget-setting process which is reviewed by the HR Committee. Performance target recommendations by management for AIP purposes are put forward for HR Committee review and Board approval. In assessing these recommendations, the HR Committee and Board confer with the Audit and Risk Committee and consider historical performance achievement and market and stakeholder expectations.

During the Year and Following Year-End:

ASSESS THE EXECUTIVE COMPENSATION FRAMEWORK AND PROGRAMS

The HR Committee continually reviews the Company's executive compensation framework and programs against the Company's compensation philosophy and strategy, evolving best practices, market trends and shareholder expectations. Adjustments to compensation programs are considered and implemented, as appropriate, on an ongoing basis.

ASSESS PERFORMANCE AGAINST OBJECTIVES

The President and CEO shares and reviews performance results with the HR Committee, and discusses how the Company, Senior Officers are tracking against the performance targets and objectives established at the beginning of the year. Adjustments to performance goals are considered, on an as-needed basis, in light of any acquisitions and/or divestitures or other types of transactions by the Company during the year. In 2021, the Board did not make any adjustments to performance goals.

At the end of the year, the HR Committee reviews performance against pre-set financial and non-financial goals considering input from management and its independent advisor. Additionally, the President and CEO shares with the HR Committee individual performance ratings for each member of the Executive Committee.

RECOMMEND PAY OUTCOMES FOR BOARD APPROVAL

All incentive plan payouts are put forward by the HR Committee to the Board for final approval. The Board, in its sole discretion and considering recommendations from the HR Committee, may exercise discretion to adjust incentive plan payouts in order to achieve the appropriate outcomes in light of unanticipated internal or external developments. In 2022, the Board did not exercise discretion on the financial results when approving the 2021 AIP payouts.

OUR COMPENSATION PHILOSOPHY

Our compensation objectives and philosophy are to attract, retain and motivate a high performing leadership team to deliver against key financial and strategic objectives and reward them for the creation of long-term sustainable value for our shareholders. Our executive compensation framework supports this overarching philosophy by:

- Linking compensation outcomes with Company (including sector and business unit) performance over multiple time horizons and individual performance results;
- Motivating our leadership to achieve and exceed the Company's financial, operational and strategic objectives by providing above-target awards for above-target performance over the short- and long-term; and
- Promoting an ownership mentality for our leadership through equity-based awards and share ownership guidelines and thus a long-term view of Company strategy and performance.

Risk Management Measures

The HR Committee ensures that the executive compensation framework encourages behaviour that drives sustainable long-term shareholder value while discouraging excessive risk-taking. Consistent with prudent risk management, our executive compensation design incorporates a balance of short-term and long-term incentive programs and a mix of performance metrics (both financial and non-financial). A significant portion of TDC is awarded in the form of long-term equity-based compensation.

Additionally, we believe that, among other factors, the policies and guidelines summarized in the table below (and described in greater detail throughout this document) help to discourage inappropriate risk-taking:

What we do
Maintain a compensation mix in which a significant portion of the compensation is performance based.
Require incentives for all NEOs and executive committee members to be subject to clawback provisions.
Require Senior Officers and other EVPs to comply with Executive Share Ownership Guidelines. The President and CEO is also subject to a minimum share ownership requirement for one year following retirement.
Hold an annual Say on Pay vote to facilitate engagement between shareholders and the Company.
Engage independent executive compensation consultants to provide advice on market best practices and compensation levels.
Limit incentive awards under the AIP and PSUP, including the possibility of a zero pay-out.
Limit on bonus payouts in circumstances where the Company profit falls below a threshold level of performance to further reinforce linkage between financial performance and bonus payout.
Maintain an Insider Trading Policy requiring directors, executive officers, and all other senior leaders to trade only during established window periods after receiving preclearance from our legal department.
Maintain double-trigger change in control provisions for Senior Officers.
Maintain an anti-monetization and anti-hedging policy for all insiders of the Company that prohibits hedging Company equity exposure and trading in derivatives of the Company.

What we don't do
Provide guaranteed, multi-year cash bonuses.
Provide guaranteed increases in compensation in executive employment agreements.
Count PSUs towards achievement of the share ownership guidelines.
Offer compensation changes to Senior Officers without appropriate Board approval.
Allow the repricing or backdating of equity awards.
Provide tax gross ups on perks or benefits except in the case of standard expatriate tax equalization benefits available to all similarly situated employees.

Executive Compensation Comparator Group

The HR Committee undertakes an executive compensation benchmarking exercise every two (2) years. In 2020, the HR Committee reviewed the benchmark peer group that is referenced for this analysis and adopted some revisions to the peer group to ensure that this group of peers accurately reflects the key markets and organizations where SNC-Lavalin competes for senior talent and to provide competitive market context to support pay level and pay mix decision-making. The new peer group contains a global group of companies with an equal weighting of Canadian, U.S. and U.K. headquartered organizations, which are reflective of SNC-Lavalin's current size.

Company	Headquarters	Market Capitalization(1)(2)	Total Enterprise Value(1)(2)	Last 12 Months Total Revenues(1)(3)	Primary Industry(4)
AECOM	U.S.	$13,788	$16,214	$16,723	Engineering and Construction
Aecon Group Inc.	Canada	$1,018	$1,274	$3,966	Engineering and Construction
Babcock International Group Inc.	U.K.	$2,778	$5,215	$7,409	Aerospace and Defense
Balfour Beatty plc	U.K.	$2,889	$2,591	$12,790	Engineering and Construction
CAE Inc.	Canada	$10,115	$12,671	$3,294	Aerospace and Defense
Capita plc	U.K.	$1,060	$2,657	$5,625	Data Processing and Outsourced Services
CGI Group Inc.	Canada	$27,302	$29,782	$12,127	IT Consulting and Other Services
EMCOR Group Inc.	U.S.	$8,523	$8,396	$11,965	Engineering and Construction
Finning International Inc.	Canada	$5,096	$6,379	$7,011	Trading Companies and Distributors
Fluor Corporation	U.S.	$4,391	$4,176	$16,212	Engineering and Construction
Jacobs Engineering Group Inc.	U.S.	$22,593	$26,983	$17,665	Research & Consulting Services
John Wood Group plc	U.K.	$1,657	$3,283	$8,309	Oil and Gas Equipment and Services
KBR, Inc.	U.S.	$8,374	$9,970	$7,905	Research & Consulting Services
Serco Group plc	U.K.	$2,827	$3,941	$7,296	Environmental and Facilities Services
Smiths Group plc	U.K.	$10,698	$12,626	$4,149	Industrial Conglomerates
Stantec Inc.	Canada	$7,906	$8,974	$4,518	Research and Consulting Services
Tetra Tech, Inc.	U.S.	$11,469	$11,830	$4,028	Environmental and Facilities Services
WSP Global Inc.	Canada	$21,611	$23,864	$9,636	Engineering and Construction
Percentile 75		$11,280	$12,660	$12,090	
Median		$8,140	$8,690	$7,660	
Percentile 25		$2,840	$4,000	$4,790	
Average		$9,116	$10,601	$8,924	
SNC-Lavalin Group Inc.(5)	Canada	$5,426	$7,288	$7,124	Engineering and Construction
Percentile Rank		P42	P44	P38	

(1) Source: Bloomberg and Company filings. Data in $M CAD, converted to CAD using the relevant Bank of Canada spot currency exchange rates as at December 31, 2021.

(2) As at December 31, 2021.

(3) Based on information that was publicly available on December 31, 2021.

(4) As per the Global Industry Classification Standards (GICS) sub-industry classification used by Bloomberg.

(5) Market capitalization and total enterprise value are based on a market close share price of $30.91.

The Company also uses a Performance Comparator Group to assess the Company's relative TSR under the PSUP. This Performance Comparator Group is described in the "PSUP Design" subsection of this CD&A.

Target Positioning

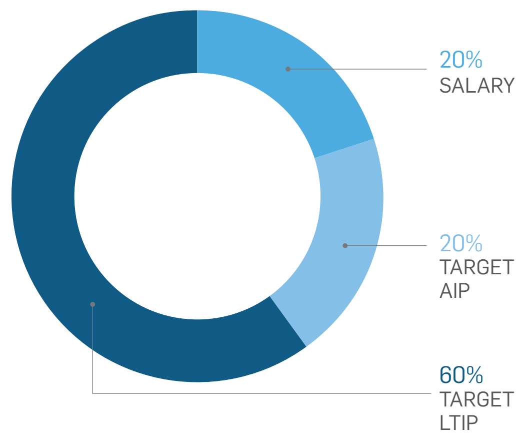
For all of our Senior Officers, the executive compensation framework targets TDC, which includes base salary and target short-term and long-term incentive awards (at grant date fair value), at median compared to the Executive Compensation Comparator Group, giving equal weighting to each of the companies and adjusting for currency exchange, with above median pay realized through incentive payouts for above target performance and below median pay realized for below target performance.

Pension, benefits and perquisites are targeted at a level that is competitive with local companies of similar size.

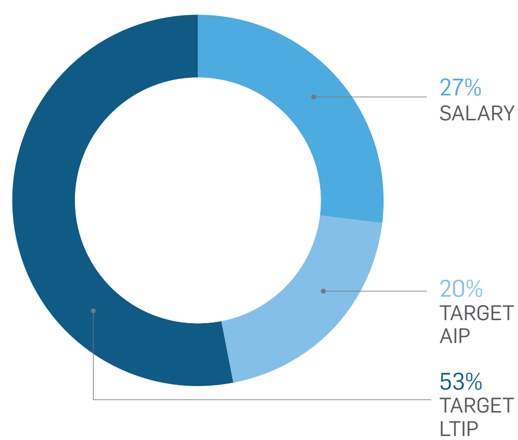
EXECUTIVE COMPENSATION DESIGN AND MIX

A significant portion of our NEOs' compensation is variable and linked to performance against: 1) our short-term financial and non-financial objectives under our AIP; and 2) TSR as well as share price performance under our LTIP. The following charts illustrate our President and CEO's 2021 target TDC mix as well as that of the other NEOs (on average).

CEO Target TDC Mix(1)(2)



Average NEO Target TDC Mix(2)



(1) Reflects the target TDC mix of Mr. Edwards effective January 1, 2021.

(2) NEOs are offered annually the option to elect to convert in whole or in part their bonus under the AIP into E-DSUs. Regardless of their election, the full amount of their bonus is included in "Target AIP" in this graph.

COMPONENTS OF COMPENSATION

Our NEOs receive compensation that is both fixed and variable and triggered by Company and individual performance. There are six (6) elements incorporated in our executive compensation program: i) base salary; ii) AIP; iii) LTIP (PSUP, RSUP, E-DSUP); iv) ESOP; v) benefits and perquisites; and vi) pension.

Component	Risk	Objectives	Time Frame	Description
Components of TDC				
Base Salary	Fixed	**Provides competitive level of fixed compensation**	**Set annually**	› Primary fixed component of TDC › While typically set in reference to the median of their Executive Compensation Comparator Group, individual NEO salaries reflect level of responsibility, skills and experience, as well as individual performance
AIP	Variable	**Rewards individual contributions to and achievement of Company objectives**	**1 year**	› Cash bonus › Payout based on combination of Board-approved financial and non-financial objectives, the latter including individual performance
PSUP	Variable	**Promotes retention, rewards performance and creates incentive to enhance shareholder value**	**3 years**	› Annual grants › Cliff vesting (0-200% of units granted) on the third December 31st following the grant date based on Company relative TSR performance vs. the Performance Comparator Group and on the five-day average closing price of the Company's common shares immediately preceding the vesting date of December 31st
RSUP	Variable	**Promotes retention and rewards contribution to long-term value creation**	**3 years**	› Annual grants › Cliff vesting on the third anniversary of the grant based on the five-day average closing price of the Company's common shares immediately preceding the vesting date
E-DSUP	Variable	**Aligns the interests of management with those of shareholders and rewards contribution to long-term value creation**	**5 years when granted (vesting)**	› Grants are made on an ad hoc basis under special circumstances. These awards typically vest at a rate of 20% at the end of each calendar year following the date of grant, or referencing a vesting schedule as determined by the Board › Separately, Senior Officers and other EVPs not reporting to the President and CEO subject to share ownership requirements have the option to elect to convert all or part of their bonus under the AIP into E-DSUs to assist them in meeting their requirements. E-DSUs received pursuant to an election to convert a bonus under the AIP into E-DSUs are immediately vested › Payout of vested units made one (1) year following the termination of employment

Component	Risk	Objectives	Time Frame	Description
Other Components of Compensation				
ESOP	Variable	**Encourages share ownership and aligns participant interests with shareholder interests**	**3 years**	› Voluntary share purchase plan › Employee contributions of up to 10% of base salary in a given year with a 35% Company-matching contribution over the subsequent two-year period › Senior Officers and other EVPs not reporting to the President and CEO subject to share ownership requirements may contribute up to 20% without the Company-matching contribution on the incremental 10%
Benefits and Perquisites	Fixed	**Provides an effective and attractive executive compensation program**	**1 year**	› Flexible group life, health and disability insurance program and perquisite allowance
Pension	Fixed		**1 year**	› DCPP – a registered retirement plan (Canadian NEOs) › SERP – a non-registered supplemental executive retirement plan (Canadian NEOs) › 401(k) – (U.S. paid NEOs) › Mercer Master Trust – U.K. Trust based Plan

From April 2021, U.K. pension contributions have been paid into the Mercer Master Trust. All pension funds were transferred from the Atkins Pension Plan - Defined Contribution section into the Mercer Master Trust in June 2021.

COMPONENTS OF TDC

Base Salary

We determine NEOs' base salaries by reference to the median of their Executive Compensation Comparator Group, with each NEO's base salary taking into account the level of responsibility, skills and experience of the NEO as well as individual performance. Base salaries for the President and CEO's direct reports are recommended by the President and CEO and are reviewed by the HR Committee for final Board approval in the first quarter of each calendar year, in conjunction with a review of total compensation. The President and CEO's base salary is recommended by the HR Committee for Board approval at the same time.

The following table outlines our NEOs' 2021 base salaries:

	Annual Base Salary at Year-End		
Name	**2020**	**2021**	**Change from 2020**
Ian Edwards(1)	$1,090,000	$1,400,000	28.4%
Jeff Bell	$720,000	$734,000	1.9%
Robert Alger(2)	$758,220	$773,384	2.0%
Steve Morriss(3)	N/A	$758,220	N/A
Philip Hoare(4)	$615,852	$752,708	22.2%

(1) Following the review of the results of a compensation benchmarking exercise conducted by the Board's compensation consultant, Mr. Edwards' base salary was increased to $1,400,000 effective January 1, 2021. As part of this review, both his short and long term incentive opportunities were reduced from 125% to 100% and 350% to 300% respectively. His base salary is unchanged in 2022.

(2) Mr. Alger's base salary is paid in USD. For the purposes of this disclosure, amounts were converted to CAD using the December 31, 2021 spot currency exchange rate of 1 USD = 1.2637 CAD.

(3) Mr. Morriss joined the Company on January 11, 2021. His base salary is paid in USD. For the purposes of this disclosure, amounts were converted to CAD using the December 31, 2021 spot currency exchange rate of 1 USD = 1.2637 CAD.

(4) Mr. Hoare's base salary was increased by 22.2% to GBP 440,000 on January 1, 2021 following a salary review in the context of his experience, development and performance in the role alongside with a comparison with his internal peers and similar external roles. Mr. Hoare's base salary is paid in GBP. For the purposes of this disclosure, amounts were converted to CAD using the December 31, 2021 spot currency exchange rate of 1 GBP = 1.7107 CAD.

AIP

Our NEOs are eligible to participate in the AIP which rewards the achievement of various objectives in the short term by an annual cash bonus.

PLAN DESIGN

For our NEOs, the AIP is linked to a combination of financial and non-financial objectives at the Company and individual levels and is structured as follows:

BASE SALARY ($) × **AIP TARGET (% SALARY)** × **PERFORMANCE SCORE (0-200%)** = **AIP PAYOUT ($)**

TARGET AWARD LEVELS

Under the AIP, each NEO has a target award (expressed as a percentage of base salary) with no payout for performance at or below the threshold level, and maximum payout of 200% of target for performance at or above maximum objectives. The threshold, target and maximum awards for our NEOs are as follows:

Name	Threshold (% of salary)	Target (% of salary)	Maximum (% of salary)
Ian Edwards(1)	0%	100%	200%
Jeff Bell	0%	75%	150%
Robert Alger	0%	75%	150%
Steve Morriss	0%	75%	150%
Philip Hoare	0%	75%	150%

(1) Effective January 1, 2021, Mr. Edwards' AIP target was decreased from 125% to 100% of base salary.

PERFORMANCE MEASUREMENT

The plan structure for 2021 was changed in the following manner:

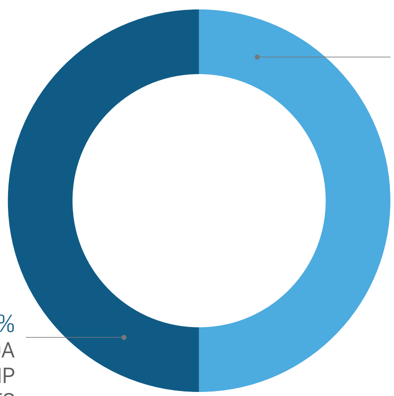
- All members of the Executive Committee are now measured on the same line of sight, namely SNC-Lavalin, irrespective of their sector responsibilities;
- The split between financial and non-financial measures has changed from 66.67% to 70% and from 33.33% to 30% respectively;
- The sector level EBIT weight was eliminated and the weight of the SNC-Lavalin Adjusted EBITDA for AIP purposes was increased from 25% to 50%;
- The Free Cash Flow weight at the sector level was eliminated and the weight of the SNC-Lavalin Free Cash Flow for AIP purposes was increased from 25% to 50%;
- The Integrity measures were reviewed and approved by the GES Committee. The mandatory training metric was eliminated and metrics that measure feedback monitoring of negative findings and the development of a positive integrity culture were introduced;
- The HSE measures were reviewed and approved by the SPOT Committee. Safety Critical Activities and High Potential events were introduced, and Perfect Days were eliminated; and
- The HSE and Integrity weights were increased from 15% to 16.67% each within the non-financial component and the individual performance's weight was decreased accordingly from 70% to 66.67%.

The performance score under the AIP is calculated as follows:

PERFORMANCE SCORE (0-200%)	=	FINANCIAL OBJECTIVES (70% WEIGHTING) 1. SNC-Lavalin Adjusted EBITDA for AIP purposes (50%) 2. SNC-Lavalin Free Cash Flow for AIP purposes (50%)	+	NON-FINANCIAL OBJECTIVES (30% WEIGHTING) 1. Integrity (16.67%) 2. HSE (16.67%) 3. Individual performance (66.67%)

2021 FINANCIAL PERFORMANCE OBJECTIVES AND ACHIEVEMENT (70% WEIGHTING)

In 2021, the financial measures were defined as follows:



The consolidated SNC-Lavalin Adjusted EBITDA for AIP purposes was below the threshold level of performance, mainly as a result of COVID-19, supply chain disruptions, inflation and commissioning challenges, causing productivity losses, delays and cost increases on the remaining LSTK projects. The Company's continued focus on driving improved cash flow performance led to the SNC-Lavalin Free Cash Flow for AIP purposes being paid at the maximum level of 200% of target.

Performance Measure (Weighting)[1]	Threshold (0% payout)	Target (100% payout)	Maximum (200% payout)	Actual Achievement	Actual Score[2]
SNC-Lavalin Adjusted EBITDA for AIP Purposes (000s) (50%)	$569,096	$632,329	$695,561	$479,316	0.00
SNC-Lavalin Free Cash Flow for AIP Purposes (000s) (50%)	$(247,584)	$(147,584)	$(47,584)	$(14,101)	2.00

(1) The terms "SNC-Lavalin Adjusted EBITDA for AIP purposes" and "SNC-Lavalin Free Cash Flow for AIP purposes" are non-IFRS financial measures, which do not have any standardized meaning under IFRS. Therefore, they may not be comparable to similar measures presented by other issuers. The calculations of SNC-Lavalin Adjusted EBITDA for AIP purposes and SNC-Lavalin Free Cash Flow for AIP purposes for 2021 can be found below.

(2) Scores are interpolated on a linear basis between threshold, target and maximum performance levels.

Performance Measure	Actual achievement (in 000s)
SNC-Lavalin Adjusted EBITDA(1) for the year ended December 31, 2021	$524,980
Adjustment for Canadian Emergency Wage Subsidy program	$(45,664)
SNC-Lavalin Adjusted EBITDA for AIP Purposes(1)	**$479,316**

(1) A non-IFRS measure.

SNC-Lavalin Adjusted EBITDA for AIP purposes consists of the Company's consolidated Adjusted EBITDA of $525.0M a non-IFRS measure (disclosed in page 99 and sections 13.1 and 13.4.2 of the 2021 annual MD&A available on SEDAR at www.sedar.com which pages and sections are incorporated by reference into this Circular) adjusted by the recognized gain related to the Canadian Emergency Wage subsidy in 2021 of $45.7M.

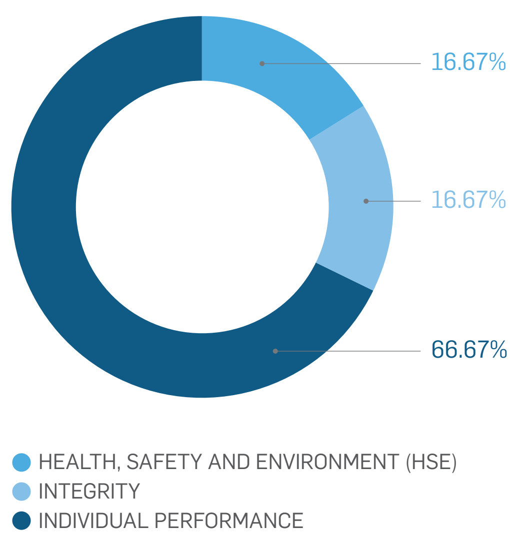
Performance Measure	Actual achievement (in 000s)
SNC-Lavalin net cash generated from operating activities for the year ended December 31, 2021	$134,198
Acquisition of property and equipment	$(106,291)
Proceeds on property and equipment disposals	$26,932
Adjustment for Canadian Emergency Wage Subsidy program cash inflow	$(68,940)
SNC-Lavalin Free Cash Flow for AIP Purposes(1)	**$(14,101)**

(1) A non-IFRS measure.

SNC-Lavalin Free Cash Flow for AIP purposes consists of the Company's consolidated net cash generated from operating activities of $134.2M (as disclosed in the 2021 audited annual consolidated financials statements) adjusted by i) the acquisition of property and equipment of $ 106.3M; ii) the proceeds on disposals of property and equipment of $26.9M; and iii) the cash received related to the Canadian Emergency Wage subsidy in 2021 of $68.9M.

2021 NON-FINANCIAL PERFORMANCE OBJECTIVES AND ACHIEVEMENT (30% WEIGHTING)

In 2021, our non-financial performance measures included Integrity and HSE, as well as individual performance.



Performance Measure (Weighting)	Objectives	Achievements
Integrity (16.67%)	› At individual level, score is 0% in the case of a written warning/sanction and/ or if mandatory training modules are not completed within allocated time › Score is 0% in case of major breach or serious allegations for the relevant BU / sector / corporate functions and members of the Executive Committee › Feedback on negative findings or issues noted in court appointed monitor reports and follow-up testing › Positive integrity culture development measured by the improvement of the results of the Integrity Culture Survey over previous results › Communication of integrity related topics more than twice from the top and middle management	› Integrity program is operating effectively and is seen as best in class for industry segment › Assessment: overall performance factor is above or at target
HSE (16.67%)	› Score of 0% in the case of a fatality › Total recordable incident frequency (TRIF)[1]: 0.10 › Lost time incident frequency (LTIF)[1]: 0.029 › Leading indicators for members of the Executive Committee: two (2) site safety visits, completion of personal safety commitment, participation in two (2) safety critical activities per year and 90% closure rate on findings from significant incidents and high potential events › Maximum performance can be reached only if all members of the Executive Committee and OLG have published a personal Safety Commitment	› Overall, at the Company level, the TRIF objective is not met while the LTIF is at stretch › Overall leading indicators were met for each NEO
Individual Performance Rating (66.67%)	› Each NEO had specific individual performance objectives	› For a discussion regarding individual executive achievements against these objectives, see the "President and CEO Compensation and Review" and "Other NEO Compensation and Review" subsections of this CD&A

(1) Measured at the SNC-Lavalin level for each NEO in 2021 (measured at the sector level for Sector Presidents in 2020).

On the non-financial side, the Company continues to lead with its standard-setting Integrity program and has delivered above target HSE and Integrity performance overall.

2021 AIP PAYOUTS

Based on the financial and non-financial performance results described above, the NEOs were awarded the following AIP payouts with respect to the 2021 performance year:

Name	Actual AIP payout	Actual AIP as a % of Target
Ian Edwards	$1,650,041	118%
Jeff Bell	$663,284	121%
Robert Alger[(1)]	$634,965	111%
Steve Morriss[(1)(2)]	$554,800	101%
Philip Hoare[(3)]	$703,839	124%

(1) Mr. Alger and Mr. Morriss' actual AIP payouts are paid in USD. For the purposes of this disclosure, amounts were converted back to CAD using a monthly average exchange rate of 1 USD = 1.2537 CAD.

(2) Mr. Morriss joined the Company on January 11, 2021. Therefore, the AIP bonus for the 2021 performance year has been prorated to reflect the number of days worked during the year.

(3) Mr. Hoare's actual AIP payout is paid in GBP. For the purposes of this disclosure, amounts were converted back to CAD using a monthly average exchange rate of 1 GBP = 1.7243 CAD.

UNDISCLOSED TARGETS

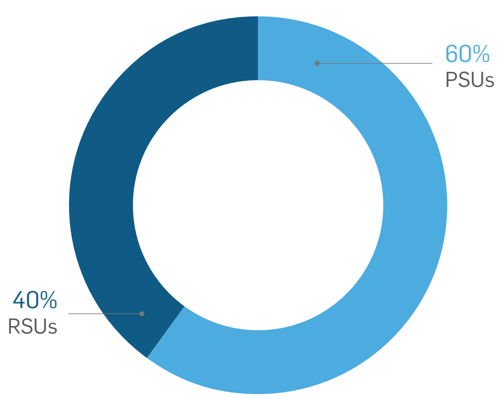
The three NEOs who lead sectors within the Company have a proportion of the AIP (Integrity) determined with reference to the performance of the sectors that they lead. The Company does not provide further details on the performance targets of these sectors as these targets contain strategically confidential information.The remainder of the AIP is determined with reference to corporate level targets and personal goals, the details of which are disclosed in this Circular.

The Sector level performance goals for the Integrity component of the AIP which are not fully disclosed contain threshold, target, and stretch performance targets, which the Company believes are challenging and encourage NEOs to exceed expectations and therefore have a positive impact on the Company's performance.

The percentage of total compensation related to undisclosed performance goals for the 2021 financial year is 1% for Messrs. Alger and Morriss and 2% for Mr. Hoare. The performance goals are fully disclosed for Messrs. Edwards and Bell.

LTIP

In addition to the AIP, our NEOs are eligible for annual long-term incentive grants with a mix of PSUs (60% of annual LTIP grant) and RSUs (40% of annual LTIP grant) as presented in the graph below. More weighting is put on PSUs to bring additional focus on long term performance and align with shareholders' interests.



Our NEOs and other executive-level employees receive their annual grant of LTIP, calculated as a percentage of base salary in accordance with their terms of employment, once a year and just after the year-end results are published. Off-cycle LTIP grants may be made exceptionally at other times of the year in connection with promotions or recruitment of executives. As an incentive to join the Company, Mr. Morriss was granted an additional RSU award in March 2021. Such award is described in more detail in the "2021 RSU Grants" subsection of this CD&A.

PSUP

PSUP Design

Under the PSUP adopted in 2019, the interests of our eligible employees and executives are aligned with those of our shareholders by tying the vesting of PSUs to the ranking of our TSR relative to the Performance Comparator Group, as described below, over a three-year period. TSR measures the appreciation of our Common Shares as well as dividends paid during the performance period assuming dividend reinvestment. The payout is capped at target (100%) if our absolute TSR is negative over the performance period, to further drive performance even in the context of declining markets.

The 2021 PSU grant has a performance period from January 1, 2021 to December 31, 2023 and units vest at the end of the third calendar year. At vesting, the number of units granted will be adjusted by the performance payout multiplier (0% to 200% of the units granted), based on performance according to the following schedule:

Relative TSR Rank vs. Performance Comparator Group	Performance Payout Multiplier(1)(2)
Below 25th Percentile	0%
25th Percentile	25%
Median	100%
At or above the 75th Percentile	200%

(1) The performance payout multiplier is interpolated between the quartiles on a linear basis and is capped at 100% if our absolute TSR is negative over the performance period.

(2) Under the 2019 PSUP, the performance payout multiplier is capped at 100% for participants terminated without cause when the payouts are triggered by a termination in the first two (2) years of the three-year performance period.

At the end of the three-year period, the actual number of vested units, adjusted for performance, is settled in cash or, if elected by the Senior Officer or other EVP not reporting to the President and CEO, subject to share ownership requirements, in Common Shares purchased on the open market, net of all applicable taxes.

The Performance Comparator Group has been updated for grants made in 2021 and onwards to more accurately reflect the market that SNC-Lavalin competes for capital with on a go-forward basis, particularly given the change of strategic focus to a professional services business. The new Performance Comparator Group also aligns with our transformation and priorities moving forward, including an alignment of industries, markets/geographies and comparably sized companies. Our LTIP grants will continue to incentivize improvements to SNC-Lavalin's share price and TSR over a three-year period.

Below are the companies that form the Performance Comparator Group:

Company	Headquarters	Market Capitalization(1)(2)	Total Enterprise Value(1)(2)	Last 12 Months Total Revenues(1)(3)	Primary Industry(4)
AECOM	U.S.	$13,788	$16,214	$16,723	Engineering and Construction
Aecon Group Inc.	Canada	$1,018	$1,274	$3,966	Engineering and Construction
Arcadis	Netherlands	$5,678	$6,223	$4,834	Engineering and Construction
Balfour Beatty plc	U.K.	$2,889	$2,591	$12,790	Engineering and Construction
EMCOR Group Inc.	U.S.	$8,523	$8,396	$11,965	Engineering and Construction
Ferrovial, S.A.	Spain	$29,979	$36,814	$9,755	Engineering and Construction
Fluor Corporation	U.S.	$4,391	$4,176	$16,212	Engineering and Construction
Jacobs Engineering Group Inc.	U.S.	$22,593	$26,983	$17,665	Research & Consulting Services
John Wood Group plc	U.K.	$1,657	$3,283	$8,309	Oil and Gas Equipment and Services
KBR, Inc.	U.S.	$8,374	$9,970	$7,905	Research & Consulting Services
Stantec Inc.	Canada	$7,906	$8,974	$4,518	Research & Consulting Services
Tetra Tech, Inc.	U.S.	$11,469	$11,830	$4,028	Environmental & Facilities Services
Tutor Perini	U.S.	$792	$1,857	$6,211	Engineering and Construction
WorleyParsons Limited	Australia	$5,253	$6,737	$8,958	Oil and Gas Equipment and Services
WSP Global Inc.	Canada	$21,611	$23,864	$9,636	Engineering and Construction
Percentile 75		$12,630	$14,020	$12,380	
Median		$7,910	$8,400	$8,960	
Percentile 25		$3,640	$3,730	$5,520	
Average		$9,728	$11,279	$9,565	
SNC-Lavalin Group Inc.(5)	Canada	$5,426	$7,288	$7,124	Engineering and Construction

(1) Source: Bloomberg and Company filings. Data in $M CAD. Converted to CAD using the relevant Bank of Canada spot currency exchange rates as at December 31, 2021.

(2) As at December 31, 2021.

(3) Based on information that was publicly available on December 31, 2021.

(4) As per the Global Industry Classification Standards (GICS) sub-industry classification used by Bloomberg.

(5) Market capitalization and total enterprise value are based on a market close share price of $30.91 as at December 31, 2021.

2021 PSU GRANTS

Under this plan, participants are awarded a number of units based on a target percentage of the participant's base salary on the date of grant. The following PSU grants were made to NEOs in 2021:

	2021 PSU Awards			
Name	Target LTI as a % of Base Salary	Portion of LTI granted in PSUs	Grant Date Fair Value	Number of Units Awarded(1)
Ian Edwards(2)	300%	60%	$2,520,000	89,267
Jeff Bell	240%	60%	$1,056,960	37,442
Robert Alger(3)	180%	60%	$825,341	29,237
Steve Morriss(3)	180%	60%	$809,158	28,664
Philip Hoare(4)	180%	60%	$826,230	29,268

(1) For the purposes of determining the number of PSUs granted, each PSU is attributed a notional value equivalent to the average closing price of Common Shares for the five (5) business days immediately preceding the date of grant. For all NEOs, the average share price was $28.23 on the date of grant (March 18, 2021).

(2) Effective January 1, 2021, Mr. Edwards' LTI target was decreased from 350% to 300% of base salary.

(3) Mr. Alger and Mr. Morriss' PSU awards, valued at USD 660,960 and USD 648,000 respectively, have been converted to CAD using the spot currency exchange rate, on the date of grant (March 18, 2021), of 1 USD= 1.2487 CAD.

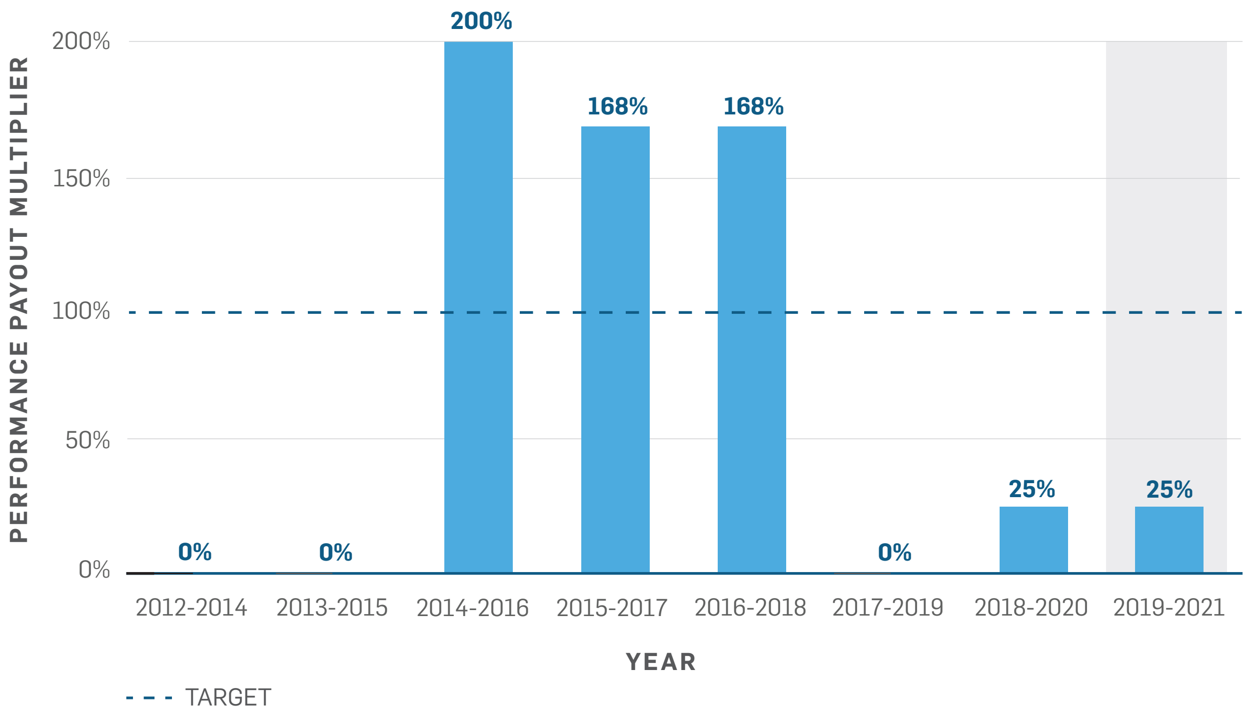
(4) Mr. Hoare's PSU award valued at GBP 475,200 has been converted to CAD using the spot currency exchange rate, on the date of grant (March 18, 2021), of 1 GBP = 1.7387 CAD.

2019 PSU VESTING AND SETTLEMENT

PSU awards made by the Company in 2019 vested on December 31, 2021. The performance payout multiplier for the 2019 grant (performance period from January 1, 2019 to December 31, 2021) was determined according to the methodology described in this CD&A.

During this performance period, the Company achieved a TSR of -31.7%, which placed the Company's TSR at the 25th percentile within its Performance Comparator Group. As a result, PSUs granted in 2019 vested with a performance payout multiplier of 25%.

The following graph shows historical payout of the PSUs starting with the 2012 awards. PSU awards granted in 2012 and 2013 resulted in no payout(1) and PSU awards granted in 2014, 2015, 2016, 2017 and 2018 vested with performance payout multipliers of 200%, 168%, 168%, 0% and 25% respectively.(2)



(1) PSUs awarded in 2012 and 2013 were granted under the legacy 2009 PSUP and were measured entirely on EPS growth. The thresholds were not met for the respective 3-year performance periods.

(2) PSUs awarded from 2014 to 2016 were granted under the legacy 2014 PSUP and PSUs awarded in 2017 and 2018 were granted under the legacy 2017 PSUP. Their relative TSR were compared to those of the Performance Comparator Group applicable to each award.

RSUP

RSUP Design

The RSUP aligns the interests of participants with those of shareholders and rewards the creation of shareholder value by tying payout of units to the value of our Common Shares. It further promotes employee and executive retention through time-based vesting. RSUs vest on the third anniversary of the date of grant and are settled in cash or, if elected by the Senior Officer or other EVP not reporting to the President and CEO subject to share ownership requirements, in Common Shares purchased on the open market, net of all applicable taxes.

2021 RSU Grants

Under this plan, participants are awarded a number of units based on a target percentage of the participant's base salary on the date of grant. The following RSU grants were made to NEOs in 2021:

	2021 RSU Awards			
Name	Target LTI as a % of Base Salary	Portion of LTI granted in RSUs	Grant Date Fair Value	Number of Units Awarded[1]
Ian Edwards[2]	300%	40%	$1,680,000	59,512
Jeff Bell	240%	40%	$704,640	24,961
Robert Alger[3]	180%	40%	$550,227	19,491
Steve Morriss[3]	180%	40%	$539,438	19,109
Philip Hoare[4]	180%	40%	$550,820	19,512

(1) For the purposes of determining the number of RSUs granted, each RSU is attributed a notional value equivalent to the average closing price of Common Shares for the five (5) business days immediately preceding the date of grant. For all NEOs, the average share price was $28.23 on the date of grant (March 18, 2021).

(2) Effective January 1, 2021, Mr. Edwards' LTI target was decreased from 350% to 300% of base salary.

(3) Mr. Alger and Mr. Morriss' RSU awards, valued at USD 440,640 and USD 432,000 respectively, have been converted to CAD using the spot currency exchange rate, on the date of grant (March 18, 2021), of 1 USD= 1.2487 CAD.

(4) Mr. Hoare's RSU award valued at GBP 316,800 has been converted to CAD using the spot currency exchange rate, on the date of grant (March 18, 2021), of 1 GBP = 1.7387 CAD.

Additional RSU Grant to Mr. Morriss

In addition to the grants indicated in the "2021 RSU Grants" subsection of this CD&A, Mr. Morriss received a grant of 8,847 RSUs on March 18, 2021 as an incentive to join the Company, representing a grant value of USD 200,000, equivalent to $249,740 using the spot currency exchange rate, on the date of grant (March 18, 2021), of 1 USD= 1.2487 CAD. These RSUs will become fully vested after three (3) years.

E-DSUP

E-DSUP Design

Effective 2014, annual recurring grants of E-DSUs have been discontinued; however, the plan remains in place to allow for discretionary grants under exceptional circumstances.

Similar to the RSUP, the E-DSUP aligns the interests of participants with those of shareholders and rewards the creation of shareholder value by tying payout of units to the value of our Common Shares. It additionally promotes executive retention through time-based vesting. E-DSUs generally vest 20% at the end of each calendar year for a five-year period and are paid out in cash one (1) year following termination of employment. The rules of the E-DSUP were modified in 2019 to allow Board discretion to determine alternative vesting schedules for ad hoc grants.

Senior Officers and other EVPs not reporting to the President and CEO subject to share ownership requirements have the option to annually elect to convert their bonus under the AIP, in whole or in part, into E-DSUs. This conversion option is offered to facilitate achievement of share ownership requirements within the prescribed time limits. E-DSUs received by NEOs pursuant to their election to convert their bonus under the AIP into E-DSUs, whether in whole or in part, are fully vested at the time of grant, are not forfeitable and there are no Company-matching grants related to them. Mr. Edwards, Mr. Bell and Mr. Hoare were given the opportunity to make the conversion in 2020 for the 2020 performance year and in 2021 for the 2021 performance year. Only Mr. Edwards elected to make the conversion for the 2020 performance year and none of them has elected to make the election for the 2021 performance year. Mr. Edwards received his elected E-DSUs in March 2021.

Given that Mr. Alger and Mr. Morriss are U.S. taxpayers and subject to the U.S. tax code, they were offered the option to make such election in 2021 for the 2022 performance year to be compliant with tax regulations. They did not elect to make such conversions.

STOCK OPTION PLAN

Effective 2014, annual recurring grants under our stock option plan have been discontinued and no stock options were granted in 2021. All options granted under our 2013 Stock Option Plan expired before or on May 13, 2019. As stated in the HR Committee Chair Letter to shareholders of this Circular, stock options will be re-introduced in our LTIP for our senior executives starting in 2022. For details on our 2013 Stock Option Plan, see Schedule C of this Circular.

OTHER COMPONENTS OF COMPENSATION

ESOP

The ESOP is a voluntary share purchase plan that encourages the equity participation of our employees, emphasizing the Company's belief that share ownership by employees contributes to the Company's success. This plan is available to the vast majority of Canadian employees as well as to employees in a number of business units outside of Canada. It provides for a matching contribution by the Company of 35% on employee contributions of up to 10% of base salary in a given year (paid in two (2) instalments over the subsequent two-year period), provided that during this time the participant remains an employee of the Company and does not sell the underlying Common Shares.

In order to encourage and facilitate the purchase of Common Shares through an automatic plan, the ESOP also allows Senior Officers and other EVPs not reporting directly to the President and CEO subject to share ownership requirements to contribute up to 20% of their base salary in the ESOP. However, contributions in excess of 10% of base salary do not attract the Company-matching contribution.

Approximately 4,400 employees participated in the ESOP and through this plan held Common Shares representing approximately 2% of all Common Shares outstanding as at December 31, 2021.

Benefits and Perquisites

To provide an attractive total rewards package, the Company provides executives with select benefits and perquisites. These benefits and perquisites are designed to be competitive with those offered to executives at comparable organizations. Perquisites are reviewed periodically to ensure they are market aligned. Our executive benefits program includes elements such as life, medical, dental and disability insurance. Perquisites are provided to our executives, including the NEOs, in the form of a taxable cash allowance.

Pension

Our NEOs located in Canada, Mr. Edwards and Mr. Bell, participate in the DCPP, which is available to the vast majority of our Canadian employees. Annually, the Company contributes a percentage of the participating NEO's annual base salary to the DCPP, subject to the maximum amounts allowed under the Income Tax Act (Canada) for registered plans. The DCPP offers target-date funds in line with the expected retirement date of the participant, each of which has three (3) different risk profiles (conservative, moderate, aggressive), as well as à-la-carte investment funds. Each NEO chooses the funds in which the contributions will be invested.

To provide an attractive and competitive compensation plan and to supplement income after retirement, our Senior Officers located in Canada participate in our SERP. Contributions representing 20% of the annual base salary in excess of the maximum allowed under the Income Tax Act (Canada) for registered plans are credited to a notional account under this plan (which is guaranteed through a letter of credit with a major financial institution). Mr. Edwards participates in the notional plan. The contributions attributed to the notional account accrue interest as if they were invested in long-term Government of Canada bonds or the moderate target-date fund offered to participants of the DCPP with a maturity date closest to the average age of the active members with notional accounts (but not exceeding age 65), whichever would have provided a higher rate of return during the year. The notional account is payable upon retirement or termination of employment, either in a lump sum or in monthly instalments paid over a period of five (5) or ten (10) years, at the participant's discretion.

Since 2015, new participants, including Mr. Bell, participate in a non-registered SERP where 20% of the annual base salary in excess of the maximum allowed under the Income Tax Act is paid, net of income taxes, to a non-registered plan offering target-date and à-la-carte funds similar to the DCPP.

Mr. Alger and Mr. Morriss participate in the Company's 401(k) savings plan. This plan is available to the majority of U.S. paid employees offering a 1:1 employer contribution match up to a max of 3% of plan eligible salary and then a 1:2 employer contribution match on the next 2% of plan eligible salary. Members select their investment strategy, either target-date funds or self-select, from a limited number of funds chosen by the Trustee of the Plan.

Mr. Hoare participates in the Mercer Master Trust. This trust-based plan is available to the majority of U.K. employees offering a 1:2 employer contribution match to a max of 5%: 10% of salary. Members select their investment strategy, either lifecycle or self-select, from a limited number of funds chosen by the Trustee of the Plan. The Company acknowledges that affected employees may wish to limit their pension contributions to manage how they meet their income tax liabilities so Mr. Hoare has elected to limit Company pension contributions with the remainder paid as an additional salary payment.

The pension component is reviewed periodically to ensure it is appropriate.

PRESIDENT AND CEO COMPENSATION AND REVIEW

As per the terms of his Employment Agreement as President and CEO effective October 31, 2019 and following the review of the results of the compensation benchmarking exercise conducted by the HR Committee's compensation consultant for his role, Mr. Edwards is entitled to the following annual compensation package, effective January 1, 2021:

- A base salary of $1,400,000;
- A target AIP of 100% of base salary; and
- A target LTIP of 300% of base salary (PSUs and RSUs).

The Board has approved changes in Mr. Edwards' compensation package effective as of January 1, 2021, following the review of the results of the compensation benchmarking exercise conducted by its compensation consultant for his role. Mr. Edwards' base salary was increased to $1,400,000 while his AIP and LTI targets were adjusted downwards to 100% and 300% of base salary respectively.

AIP Payout

In light of his performance during 2021 against his individual performance objectives listed in the HR Committee Report of this Circular, the President and CEO was entitled to a bonus under the 2021 AIP of $1,650,041 which represents 118% of target.

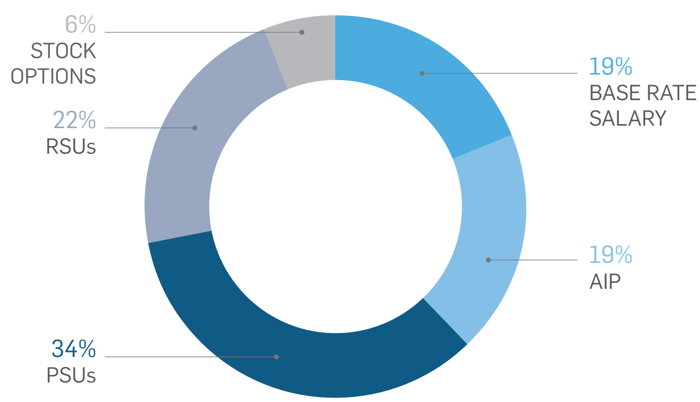
2021 LTIP Grants

Mr. Edwards' annual LTIP grant was 300% of base salary (i.e. $4,200,000), 60% of which was granted in the form of PSUs and 40% of which was granted in the form of RSUs.

Summary of President and CEO Compensation

Compensation Component	Target Compensation (effective January 1, 2022)
Base Salary	$1,400,000
AIP (100% of base salary)	
Financial Component (70%)	$ 980,000
Non-Financial Component (30%)	$ 420,000
Total	**$1,400,000**
LTI (325% of base salary)	
PSUs (55%)	$2,502,500
RSUs (35%)	$1,592,500
Stock Options (10%)	$455,000
Total	**$4,550,000**
Annual TDC	$7,350,000

Target Pay Mix



President and CEO Realized and Realizable Compensation: 2019-2021

The following table compares the value of target TDC (i.e. recurring compensation excluding special awards) awarded to the President and CEO with the value of realized and realizable TDC (i.e. what was actually received or "realized" plus the market value of outstanding awards, or what was "realizable") as at December 31, 2021.

Specifically, target TDC includes base salary, target AIP, and grant date fair value of annual recurring long-term incentives. Realized compensation includes base salary, the actual paid bonus under the AIP as well as the value at vesting of annual recurring share-based awards. Realizable compensation includes the market value of share-based awards that are still outstanding.

Mr. Edwards' compensation prior to his appointment to the role of President and CEO is included.

				Value of $100 invested annually in compensation and in shares	
Year	Target Total Direct Compensation Awarded ($000s)	Realized/Realizable Total Direct Compensation as at Dec. 31, 2021 ($000s)	Period	CEO(1)(2)	Shareholders(3)
2019(4)	$3,928	$2,396	Jan. 1, 2019 – Dec. 31, 2021	$61	$68
2020	$6,199	$5,934	Jan. 1, 2020 – Dec. 31, 2021	$96	$104
2021	$6,987	$7,636	Jan. 1, 2021 – Dec. 31, 2021	$109	$143
Aggregate	$17,114	$15,966	Jan. 1, 2019 – Dec. 31, 2021	$93	$68

(1) Represents the actual aggregate value earned or outstanding for each $100 awarded to the President and CEO in target TDC during the fiscal year indicated.

(2) Outstanding units under the LTIP are valued using the closing share price of $30.91 as at December 31, 2021. A performance payout multiplier of 100% is assumed for PSUs granted in 2020 and 2021. PSUs granted in 2019 are valued with a performance payout multiplier of 25% and with a share price of $31.13 (five-day average closing price of Common Shares immediately preceding the vesting date of December 31, 2021). Mr. Edwards has elected to settle his PSUs granted in 2019 in the form of common shares of the Company. He will receive a number of shares equivalent to 25% of his PSUs granted in 2019, net of statutory withholdings in March 2022. The equivalent value is included in this table.

(3) Represents the cumulative value of a $100 investment in shares made on the first trading day of the period indicated, assuming reinvestment of dividends.

(4) Mr. Edwards' base salary of $822,000 and target bonus of 75% for his role as COO are prorated from January 1, 2019 to June 10, 2019, combined with his base salary of $1,050,000 and target bonus of 125% for his role as Interim President and CEO, and then President and CEO, prorated from June 11, 2019 to December 31, 2019.

OTHER NEO COMPENSATION AND REVIEW

Individual AIP Objectives and Achievements

The following table provides an overview of the individual achievements of each of the other NEOs during 2021:

JEFF BELL

- Managed financial implementation of the sale of Oil & Gas business, materially reducing future risk exposure
- Delivered net cash generated from operating activities of $134M, above target despite impacts of COVID-19 on LSTK projects, extended revolver credit facility and delivered improved covenant ratio debt metrics
- Supported the President CEO in development of "Pivot to Growth" strategy for 2022-2024, and led development of associated financial performance targets and capital allocation priorities. Led delivery of first capital markets Investor Day in four (4) years

- Led Finance transformation initiative, including finance systems strategy roadmap, improved processes and additional use of offshore talent pools
- Supported the development of improved financial and enterprise risk frameworks for the Audit and Risk Committee to support improved enterprise risk management goals

ROBERT ALGER

- Significantly reduced the existing LSTK backlog of Infrastructure EPC Projects from $1,765.8M as at December 31, 2020 to $1,134.1M as at December 31, 2021
- Reshaped the leadership team for Major Projects to set the business up for success as the Company continues delivering on Major Projects
- Developed a significant pipeline of opportunities to pursue with the Company's new non-LSTK delivery platform in 2022
- Successfully managed the impacts of the continuing COVID-19 pandemic, delivering significant infrastructure in extremely difficult conditions, whilst lowering the remaining LSTK backlog of Infrastructure EPC Projects
- Settled a substantial amount of project claims
- Significantly reduced the sector Lost Time Incident Frequency from 2020, meaning more people went home safely every day

STEVE MORRISS

- Reshaped the leadership team in the Middle East business to deliver improved cash flow, reduced costs and much improved profitability. Attracted key talent into the team and set the business on the path for profitable growth. Delivered cash and profit targets for Infrastructure Services Middle East
- Delivered plan profit and cash in Asia Pacific. Recruited a new leader for the Australian business. Improved approach in Asia to reduce cost of delivery while maintaining profitability and quality
- Led the Resources sector through the divestment of the Oil & Gas business. Implemented a systematic approach to the completion of legacy Resources sector issues such as warranties, claims and bonds
- Pivoted the Mining business to strong growth with some key industry hires at the same time as exceeding budget cash and profit targets
- Chaired the Linxon business, installing a new CEO and strengthening the leadership team. Implemented an enhanced approach to growth and project delivery with stronger links to both parent companies
- Developed a unified company-wide approach to support the Company's "Pivot to Growth" strategy addressing markets, clients and bid opportunities

PHILIP HOARE

- Led the continued strong financial performance of the EDPM sector, with a double digit percentage improvement in Segment Adjusted EBIT over 2020 and a return to top-line revenue growth
- Worked closely with colleagues across the business to form Engineering Services that brings together EDPM, Infrastructure Services and Mining & Metallurgy
- Re-positioned the business around the "Pivot to Growth" strategy achieving a record high backlog for EDPM of $3.2B as at September 30, 2021 with a Booking to Revenue ratio for the full year of 107%(1). Quarterly revenue in the fourth quarter of 2021 exceeded $1B for the first time
- Took important steps towards the 2025 ED&I targets with increases in sector staff gender diversity amongst all staff and senior managers
- Made good progress continued on major projects in Canada with design now complete on the Trillium Line Extension project and a refreshed leadership team in place on the Réseau Express Métropolitain ("**REM**") project to ensure design completion in 2022
- Resolved a number of long standing commercial issues

- Made good progress on the Digital and Engineering Net Zero program driving revenue growth; embedding new ways of working across the business; and launching DecarbonomicsTM, a new platform that will support carbon reduction plans for existing buildings around the world

(1) Booking to Revenue ratio is a non-IFRS ratio and does not have a standardized definition within IFRS and therefore may not be comparable to similar measures presented by other issuers. Further details, including an explanation of the composition and usefulness of this ratio, as well as a calculation of this ratio, are provided at Sections 13.1 and 13.4.4 of the Company's 2021 MD&A, available on SEDAR at www.sedar.com, which sections and pages are incorporated by reference into this Circular.

Aggregate NEO Realized and Realizable Compensation: 2019-2021

The following table compares the value of target TDC (i.e. recurring compensation excluding special awards) awarded to the other NEOs with the value of realized/realizable TDC (i.e. what was actually received or "realized" plus the market value of outstanding awards, or what was "realizable") as at December 31, 2021.

The table includes Mr. Bell, Mr. Alger, Mr. Morriss and Mr. Hoare for 2021, Mr. Bell, Mr. Alger and Mr. Hoare for 2020 and Mr. Hoare for 2019. Mr. Hoare's compensation in his prior role is included (see notes).

Year	Target Total Direct Compensation Awarded ($000s)	Realized/Realizable Total Direct Compensation as at Dec. 31, 2021 ($000s)	Period	Value of $100 invested annually in compensation and in shares	
				Other NEOs(1)(2)	Shareholders(3)
2019(5)	$1,166	$948	Jan. 1, 2019 – Dec. 31, 2021	$81	$68
2020(4)(5)	$5,533	$6,149	Jan. 1, 2020 – Dec. 31, 2021	$111	$104
2021(4)(5)	$11,128	$12,002	Jan. 1, 2021 – Dec. 31, 2021	$108	$143
Aggregate	$17,827	$19,099	Jan. 1, 2019 – Dec. 31, 2021	$107	$68

(1) Represents the actual aggregate value earned or outstanding for each $100 awarded to NEOs in target TDC during the fiscal year indicated.

(2) Outstanding units under the LTIP are valued using the closing share price of $30.91 as at December 31, 2021. A performance payout multiplier of 100% is assumed for PSUs granted in 2020 and 2021. PSUs granted in 2019 are valued with a performance payout multiplier of 25% and with a share price of $31.13 (five-day average closing price of Common Shares immediately preceding the vesting date of December 31, 2021).

(3) Represents the cumulative value of a $100 investment in shares made on the first trading day of the period indicated, assuming reinvestment of dividends.

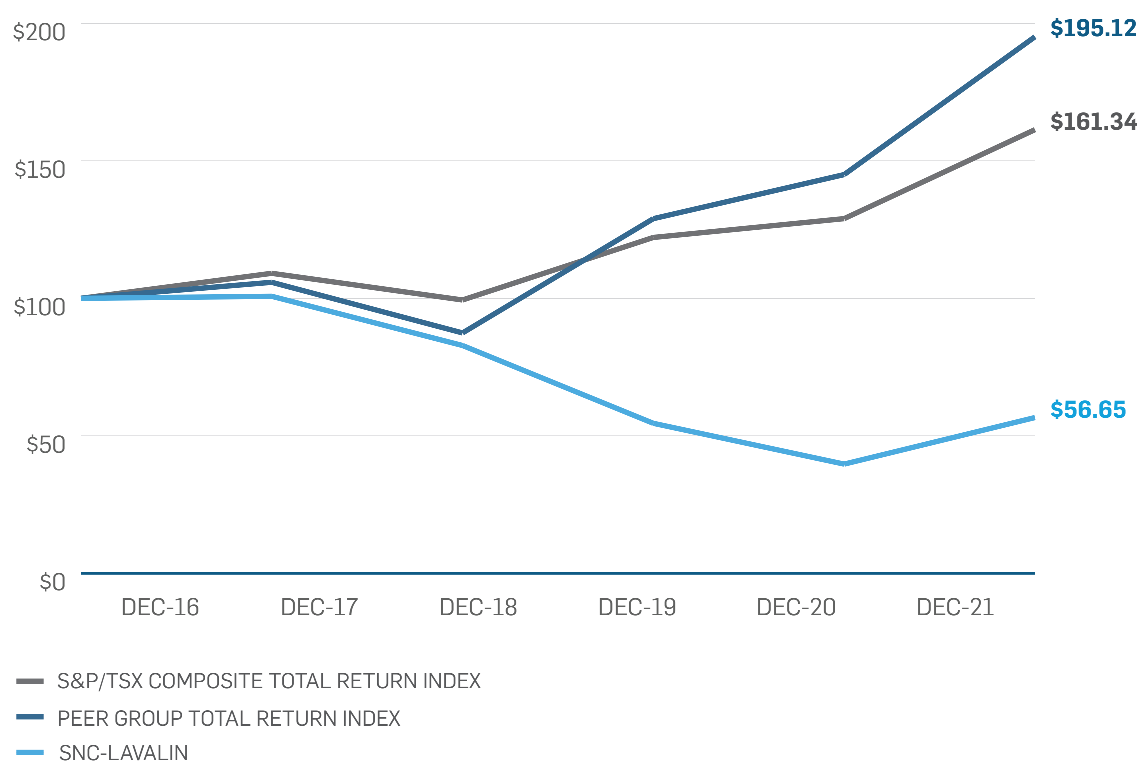
(4) Mr. Alger and Mr. Morriss' base salary and other cash compensation are paid in USD and converted to CAD using monthly average currency exchange rate of 1 USD = 1.3409 CAD in 2020 and 1 USD = 1.2537 CAD in 2021.

(5) Mr. Hoare's base salary and other cash compensation are paid in GBP and converted to CAD using monthly average currency exchange rate of 1 GBP = 1.6940 CAD in 2019, GBP = 1.7201 CAD in 2020 and GBP = 1.7243 CAD in 2021. Mr. Hoare's base salary of GBP 245,000, AIP target of 40% and LTI target of 75% were increased to $320,000, 75% and 180% respectively upon his promotion from CEO, U.K. & Europe to the role of President, Atkins, EDPM on May 1, 2019.

PERFORMANCE GRAPH

The graph depicts the cumulative return of a $100 investment on December 31, 2016, in the Company's Common Shares, in the S&P/TSX Composite Total Return Index, and in an index composed of a peer group of E&C companies, which includes AECOM, Balfour Beatty plc, Fluor Corporation, Jacobs Engineering Group Inc., John Wood Group plc and WorleyParsons Limited. The peer group is a subgroup of the Performance Comparator Group presented in the "PSUP Design" subsection of this CD&A. For calculation purposes, a weighted-average based on market capitalization of each company in the peer group was used.

Five-year cumulative total return on $100 invested (assuming dividends are reinvested)



Financial Years	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21
SNC-Lavalin	100.00	100.74	82.85	54.55	39.72	56.65
Peer Group Total Return Index	100.00	105.83	87.42	128.97	145.00	195.12
S&P/TSX Composite Total Return Index	100.00	109.10	99.40	122.14	128.98	161.34

The Company believes in providing a significant portion of NEO compensation in the form of long-term incentives, which mirror the trend in share price movement and serve to align the interests of management with those of our shareholders. As illustrated in the "President and CEO Realized and Realizable Compensation: 2019-2021" and "Aggregate NEO Realized and Realizable Compensation: 2019-2021" subsections of this CD&A, the value of realized and realizable compensation is slightly below the equivalent shareholders' returns over the three-year performance period (2019-2021) for Mr. Edwards and slightly above for Mr. Hoare.

Mr. Hoare's realized compensation for the three-year period was 81% of his target compensation due to having a lower proportion of variable compensation (53%) in his compensation package prior to his appointment to the role of President, Atkins, EDPM sector in May 2019. Over the one-year and two-year performance periods (2021 and 2020-2021), the realizable compensation is based on assumptions for average share prices and performance factors that may or may not reflect actual results when the PSUs and RSUs awarded in 2020 and 2021 vest.

COST OF MANAGEMENT RATIO

The following table shows the total aggregate compensation awarded to the NEOs for the last three (3) years, expressed as a percentage of net income attributable to SNC-Lavalin shareholders. The total aggregate compensation is the sum of the annual total compensation values as reported in the Summary Compensation Table for the 2019, 2020 and 2021 years.

Year	Total NEO Compensation ($M)(1)	Net Income (loss) Attributable to SNC-Lavalin Shareholders ($M)(2)	Cost of Management Ratio
2021	20.1	666.6	3.02%
2020	23.7	(965.4)	N/A(3)
2019	21.0	328.2	6.40%

(1) NEO compensation is the sum of base salary, non-equity incentives, share-based awards plus the value of any pension benefit and other compensation, as reported in the respective Summary Compensation Tables. NEOs vary as follows from year to year:
- 2019 – Mr. Edwards, Mr. Bruce, Mr. Girard, Mr. Muir, Mr. Wilkinson and Mr. Taylor;
- 2020 – Mr. Edwards, Mr. Bell, Mr. Girard, Mr. Muir, Mr. Taylor and Mr. Hoare; and
- 2021 – Mr. Edwards, Mr. Bell, Mr. Alger, Mr. Morriss and Mr. Hoare.

(2) As published in the Company's annual financial statements.

(3) Not applicable since there was a net loss attributable to SNC-Lavalin shareholders during the year.

SUMMARY COMPENSATION TABLE

The following table sets forth, for the fiscal years ended December 31, 2021, December 31, 2020 and December 31, 2019, the compensation paid by the Company to the NEOs for services rendered in all capacities.

Name and principal position	Year	Salary ($)	Share-based Awards[1] ($)	Option-based Awards ($)	Non-Equity Incentive Plan Compensation ($) Annual Incentive Plans[2]	Non-Equity Incentive Plan Compensation ($) Long-term incentive plans	Pension Value[3] ($)	All Other Compensation[4] ($)	Total Compensation ($)
Ian Edwards President and CEO	2021	1,386,884	4,200,000	0	1,650,041	0	277,377	115,325	7,629,627
	2020	1,029,568	5,615,000	0	1,070,789	0	216,462	90,179	8,021,998
	2019	949,430	1,972,800	0	531,556	0	193,712	88,887	3,736,385
Jeff Bell EVP and CFO	2021	731,200	1,761,600	0	663,284	0	83,851	58,553	3,298,488
	2020	603,541	2,088,000	0	319,772	0	72,243	83,483	3,167,039
	2019	–	–	–	–	–	–	–	–
Robert Alger[5] President, Major Projects sector	2021	764,371	1,375,568	0	1,034,965	0	14,543	99,779	3,289,226
	2020	285,766	0	0	104,483	0	1,447	16,023	407,719
	2019	–	–	–	–	–	–	–	–
Steve Morriss[6] President, Engineering Services sector, US, Asia Pacific, Mining & Metallurgy	2021	708,823	1,598,336	0	554,800	0	14,543	46,784	2,923,286
	2020	–	–	0	–	–	–	–	–
	2019	–	–	–	–	–	–	–	–
Philip Hoare[7] President, Engineering Services sector, UK & Europe, Middle East, India and Canada	2021	820,815	1,377,050	0	703,839	0	5,173	60,711	2,967,588
	2020	592,809	1,164,197	0	479,227	0	62,247	62,439	2,360,919
	2019	505,446	331,394	0	441,079	0	44,982	65,993	1,388,894

(1) Share-based awards include RSUs, PSUs, and E-DSUs as described in detail under the "LTIP" subsection of this CD&A. The value of RSU and PSU awards is disclosed at the grant date, as described in the relevant subsections of this CD&A. It is calculated by multiplying the number of units by the average closing price of Common Shares for the five (5) business days immediately preceding the date of grant. A performance payout multiplier of 100% is assumed for the PSUs. For accounting purposes, the fair value of RSUs and PSUs is calculated by multiplying the number of units by the closing price of Common Shares on the date of grant.

Mr. Morriss was awarded an additional RSU grant of USD 200,000 as an incentive to join the Company, equivalent to $249,740, as described in the "LTIP" subsection of this CD&A.

(2) Bonus amounts earned in the respective year and paid in the subsequent year under the AIP. None of the NEOs has elected the conversion of their 2021 AIP payout into E-DSUs for the 2021 performance year. Given that Mr. Alger and Mr. Morriss are U.S. taxpayers and subject to the U.S. tax code, they were offered the option to make such election in 2021 for the 2022 performance year to be compliant with tax regulations. They did not elect to make such conversions. Mr. Edwards, Mr. Bell and Mr. Hoare were given the opportunity to make the conversion in 2020 for the 2020 performance year. Only Mr. Edwards elected to make the conversion for the 2020 performance year. Mr. Edwards was prevented from making the election to convert

his 2019 AIP payout into E-DSUs for the 2019 performance year because he was restricted from trading pursuant to the Company's Disclosure and Insider Trading policy. Mr. Hoare did not elect to convert his 2019 AIP payout into E-DSUs. Nevertheless, the AIP amount for the respective performance years is included in this column.

Mr. Alger received a cash signing bonus of $1,200,000 paid in three (3) installments: $400,000 in 2021, $400,000 in 2022 and $400,000 in 2023.

Mr. Hoare received a special retention bonus in the amount of GBP 122,500 in 2019. Such bonus was earned between December 1, 2018 and September 30, 2019. This payment relates to a previous retention bonus that was awarded when he was CEO, U.K. & Europe.

(3) Includes the Company's contributions to Mr. Edwards' notional account under the SERP and contributions to his DCPP account, as well as the Company's net contribution to Mr. Bell's non-registered account and contribution to his DCPP account. Such contributions are described in detail under the "Pension" subsection of this CD&A. Contributions are made by reference to salaries paid within the given year.

Includes Company contributions into the 401(k) savings plan for Mr. Alger and Mr. Morriss. A portion of Company contribution for Mr. Alger contributions was deducted during 2020 and paid to the Plan in 2021.

Includes Company contributions into the U.K.-based Mercer Master Trust for Mr. Hoare.

(4) Includes the estimated value of the premiums paid by the Company for the benefits program offered to NEOs, in excess of that generally available to salaried employees. It also includes perquisites in the form of taxable cash allowance ($50,000 for Mr. Edwards, $35,000 for Mr. Bell and USD 35,000 for Mr. Alger and Mr. Morriss, prorated for the portion of year worked) and the value of parking provided to NEOs, when applicable. Mr. Hoare receives an annual car allowance of GBP 13,200.

This column also includes employer contributions to the ESOP.

Mr. Edwards received a $2,803 reimbursement in 2021 to cover the costs of relocation and immigration professional services related to his permanent relocation to Canada.

Mr. Bell received a $39,554 reimbursement in 2020 related to his relocation to Canada. The reimbursement included the costs of shipment of household goods, air transportation and tax preparation services. He received $2,228 to cover tax professional services in 2021.

Mr. Alger received a USD1,180 reimbursement in 2020 and reimbursements of USD3,037 and CAD43,021 in 2021 related to his work performed on assignment in Canada. The reimbursement included the costs of relocation, immigration and tax professional services and gross-ups of assignment-related benefits.

Mr. Hoare received a lump sum amount in lieu of perquisites in 2019 and a gross up for tax to compensate for the cost of travel & subsistence in 2019, 2020 and 2021.

(5) Mr. Alger's base salary and other cash compensation are paid in USD and converted to CAD using a monthly average exchange rate of 1 USD = 1.2537 CAD for the year 2021 and 1 USD = 1.3409 CAD for the year 2020. Mr. Alger's Share-based Awards were converted to CAD using the exchange rate on the date of grant of 1 USD = 1.2487 CAD (March 18, 2021).

(6) Mr. Morriss' base salary and other cash compensation are paid in USD and converted to CAD using a monthly average exchange rate of 1 USD = 1.2537 CAD for the year 2021. Mr. Morriss' Share-based Awards were converted to CAD using the exchange rate on the date of grant of 1 USD = 1.2487 CAD (March 18, 2021).

(7) Mr. Hoare's base salary and other cash compensation are paid in GBP and converted to CAD using a monthly average exchange rate of 1 GBP = 1.7243 CAD for the year 2021, 1 GBP = 1.7201 CAD for the year 2020 and 1 GBP = 1.6940 CAD for the year 2019. Mr. Hoare's Share-based Awards were converted to CAD using the exchange rates on the date of grant of 1 GBP = 1.7387 CAD (March 18, 2021), 1 GBP = 1.7966 CAD (March 9, 2020) and 1 GBP = 1.7534 CAD (March 4, 2019). Mr. Hoare's salary included the taxable cash allowance of 2,636 GBP that he has elected to receive in exchange for Company pension contributions to the defined contribution section of the Mercer Master Trust in 2020. In 2021, his base salary includes the taxable cash allowance of 36,028 GBP that he has elected to receive in exchange for Company pension contributions.

RISK MANAGEMENT

The following section provides an overview on our policies and guidelines related to risk management.

Clawback

Effective May 7, 2009, the Company adopted a clawback policy covering performance-based incentive compensation (i.e. AIP and LTIP). Under this policy, the Board may, in its sole discretion and to the extent that it determines it is in the Company's best interest to do so, require the reimbursement of all or a portion of any performance-based incentive compensation, if:

- This compensation was based on the achievement of certain financial results that were subsequently the subject of, or affected by, a restatement of all or a portion of the Company's financial statements;
- The executive officer engaged in gross negligence, intentional misconduct or fraud that caused or partially caused the need for the restatement; and
- The amount of performance-based incentive compensation that would have been awarded to, or the profit realized by the executive officer would have been lower had the financial results been properly reported.

Additionally, the President and CEO's Employment Agreement provides that the Company may cancel outstanding incentive awards and/or demand repayment for compensation that has already been paid in the event where:

- A material restatement of the Company's financial results resulted in awards or payments which would not have been paid based on such restated financial statements for the relevant period; or
- The President and CEO has engaged in willful misconduct or gross negligence that either has resulted in, or could reasonably be expected to result in, negative economic or reputational consequences for the Company.

Anti-Hedging and Anti-Monetization

The Board has adopted a policy prohibiting hedging and trading in derivatives applicable to the Company's insiders, which include our NEOs and Directors. Hedging includes prepaid variable forward contracts, equity swaps, collars, or units of exchange funds designed to hedge or offset a decrease in the market value of equity securities.

Executive Share Ownership Guidelines

For more than a decade, the Company has had share ownership requirements in place as we believe that share ownership by Senior Officers is fundamentally important and contributes to our success by aligning the goals of our executives with those of our shareholders. To this end, the Company requires that Senior Officers and other EVPs not reporting directly to the President and CEO acquire within five (5) years of appointment, and hold for the duration of their employment, Common Shares having a minimum total value as shown in the table on the next page. In addition to maintaining his share ownership requirement during his employment, the President and CEO must continue to meet this requirement for one-year post employment with the Company. Compliance with these requirements is reviewed annually by the HR Committee.

Executive Share Ownership Guidelines can be met with the following shares or units:

- Common Shares privately held at the higher of the acquisition price or market price;
- Common Shares acquired through the ESOP at the higher of the acquisition or market price;
- Vested share units not redeemed under the E-DSUP on a pre-tax basis at the higher of the price when issued or market price;
- Unvested E-DSUs as long as they are not subject to performance conditions on a pre-tax basis at the higher of the price when issued or market price; and
- Unvested RSUs on a pre-tax basis, at the market price.

PSUs do not count towards achievement of the share ownership guidelines.

A minimum of 50% of the share ownership requirement must be met through actual share ownership, and not solely with unvested share units.

Under the 2019 PSUP, Senior Officers will be deemed to have elected to receive 100% of the PSU payout in the form of shares until they have achieved the required level of share ownership, if they have not met the requirements at the time of payout.

The following table shows the results of the NEOs' share ownership requirements:

			Common Shares								
Name	**Required Ownership (multiple of base salary)**	**Ownership Requirement**	**Privately held**	**ESOP**	**Deferred Share Units (E-DSUs)**	**Unvested Restricted Share Units (RSUs)**	**Total Common Shares, Unvested RSUs and E-DSUs**	**Value as at Dec. 31, 2021[1]**	**Actual Ownership/ Requirement**	**Compliance test[2]**	**Meets Requirements**
Ian Edwards[3]	5x	$7,000,000	0	19,886	116,597	129,283	265,766	$8,558,215	1.22	57%	Met (deadline: October 31, 2024)
Jeff Bell	3x	$2,202,000	2,000	1,325	0	76,618	79,943	$2,473,030	1.12	5%	In process (deadline: February 11, 2025)
Robert Alger[4]	3x	USD 1,836,000	0	0	0	19,491	19,491	USD 476,748	0.26	0%	In process (deadline: August 24, 2025)
Steve Morriss[4]	3x	USD 1,800,000	0	0	0	27,956	27,956	USD 683,802	0.38	0%	In process (deadline: January 25, 2026)
Philip Hoare[5]	3x	GBP 1,320,000	0	0	0	40,263	40,263	GBP 727,497	0.55	0%	In process (deadline: May 1, 2024)

(1) The value as at December 31, 2021 based on the rules described above. To evaluate the market value, the closing share price of $30.91 as at December 31, 2021 was used.

(2) 50% of ownership requirement must be met through actual share ownership, and not solely with unvested share units.

(3) Following his appointment to the role of President, Infrastructure sector, Mr. Edwards' required ownership level increased from 2x base salary to 3x base salary. Mr. Edwards is still required to achieve a level of 2x base salary within the original five-year time frame which began on his hire date. The incremental 1x base salary ownership requirement must be achieved within five (5) years from the date of his appointment to the role of President, Infrastructure sector. In addition, Mr. Edwards is required to achieve a level of 5x base salary within five (5) years of his appointment to the role of President and CEO on October 31, 2019.

(4) Mr. Alger and Mr. Morriss' ownership requirements are stated in USD. For the purposes of this disclosure, amounts were converted to CAD using the December 31, 2021 spot currency exchange rate of 1 USD= 1.2637 CAD.

(5) Mr. Hoare's ownership requirement is stated in GBP. For the purposes of this disclosure, amounts were converted to CAD using the December 31, 2021 spot currency exchange rate of 1 GBP = 1.7107 CAD.

PRESIDENT AND CEO'S ACCUMULATED COMMON SHARES AND SHARE UNITS OR EQUIVALENT EQUITY HOLDINGS

The following table provides an overview of the President and CEO's accumulated holdings as at December 31, 2021:

	Common Shares		Share Units			
	Privately held	ESOP	PSUs not already vested[1]	RSUs not already vested	Vested Deferred Share Units (E-DSUs)	Total
Number	—	19,886	161,704	129,283	97,610	408,483
Value as at Dec. 31, 2021[2]	—	$614,683	$4,998,271	$3,996,138	$3,017,125	$12,626,217

(1) A performance payout multiplier of 100% is assumed.

(2) The value as at December 31, 2021 was based on a closing share price of $30.91.

INCENTIVE PLAN AWARDS

Outstanding Option-Based and Share-Based Awards

The following table sets forth information with respect to the NEOs concerning PSUs, RSUs and E-DSUs held as at December 31, 2021:

	Option-Based Awards					Share-Based Awards		
Name	Date of Grant	Number of Securities Underlying Unexercised Options	Option Exercise Price ($)	Option Expiration Date	Value of Unexercised In-The-Money Options ($)	Number of PSUs, E-DSUs and RSUs That Have Not Vested	Market or Payout Value of Share- based Awards That Have Not Vested[1] ($)	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed[1] ($)
Ian Edwards	–	–	–	–	–	309,974	9,581,296	3,017,125
Jeff Bell	–	–	–	–	–	165,009	5,100,428	–
Robert Alger	–	–	–	–	–	48,728	1,506,182	–
Steve Morriss	–	–	–	–	–	56,620	1,750,124	–
Philip Hoare	–	–	–	–	–	91,636	2,832,469	–

(1) This amount is calculated based on the closing share price of $30.91 on December 31, 2021.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information with respect to the NEOs regarding the value of incentive plan awards vested or earned during the year ended December 31, 2021:

Name	Option-Based Awards – Value Vested During the Year ($)	Share-Based Awards – Value Vested During the Year(1) ($)	Non-Equity Incentive Plan Compensation – Value Vested During the Year(2) ($)
Ian Edwards	–	2,160,331	1,650,041
Jeff Bell	–	–	663,284
Robert Alger(3)	–	–	634,965
Steve Morriss(3)	–	–	554,800
Philip Hoare(4)	–	126,407	703,839

(1) Based on a share price of $26.23 for RSUs attributed to all NEOs that vested on March 5, 2021 (average closing price); based on a share price of $31.13 combined with a 25% performance payout multiplier for PSUs attributed to all NEOs that vested on December 31, 2021; based on a share price of $28.23 for elected or deemed elected E-DSUs received on March 18, 2021 (average closing price) for Mr. Edwards who converted his AIP to E-DSUs; and based on a share price of $30.91 for E-DSUs that vested on December 31, 2021 (closing price) for Mr. Edwards. Mr. Edwards has elected to settle his PSUs granted in 2019 in the form of common shares of the Company. He will receive a number of shares equivalent to 25% of his PSUs granted in 2019, net of statutory withholdings in March 2022. The equivalent value is included in this table.

(2) Bonus earned in the year under the AIP.

(3) Mr. Alger and Mr. Morriss' AIP Payouts of 506,473 and 442,530 respectively are paid in USD and converted to CAD for the purposes of this disclosure using a monthly average exchange rate of 1 USD = 1.2537 CAD.

(4) Mr. Hoare's AIP Payout of 408,188 is paid in GBP and converted to CAD for the purposes of this disclosure using a monthly average exchange rate of 1 GBP = 1.7243 CAD.

Options Exercised During the Year Ended December 31, 2021

No options were exercised by NEOs during the year ended December 31, 2021. All options granted under our 2013 Stock Option Plan expired before or on May 13, 2019.

PENSION PLAN BENEFITS

DCPP and SERP

The following table sets forth information with respect to the amounts accumulated under the DCPP and SERP accounts:

Name	Accumulated Value at Start of Year ($)	Compensatory Change[1] ($)	Accumulated Value at Year End ($)
(a)	(b)	(c)	(d)
Ian Edwards	1,174,152	277,377	1,520,966
Jeff Bell	81,966	83,851	189,422
Robert Alger	–	14,543	54,908
Steve Morriss	–	14,543	49,753
Philip Hoare	1,076,665	5,173	1,166,951

(1) Includes the Company's contributions to Mr. Edwards' notional account under the SERP and contributions to his DCPP account, and the Company's contribution to Mr. Bell's DCPP account and net contribution to his non-registered account under the SERP. Contributions are made by reference to salaries paid within the given year.

Includes the Company contributions into the 401(k) savings plan for Mr. Alger and Mr. Morriss. The Company contributions of 11,600 USD are converted to CAD using a monthly average exchange rate of 1 USD = 1.2537 CAD.

The accumulated values at the end of year for Mr. Alger and Mr. Morriss are held in USD and converted to CAD using the exchange rates of 1 USD = 1.2637 CAD (December 31, 2021).

Includes the Company contributions into the U.K.-based Mercer Master Trust for Mr. Hoare. The Company contribution of 3,000 GBP is converted to CAD using a monthly average exchange rate of 1 GBP = 1.7243 CAD. From December 2020, Mr. Hoare has elected to cap his Company pension contributions at 4,000 GBP per year, starting in April 2021 The remainder of the Company pension contributions are paid as a cash allowance which is included in Mr. Hoare's salary in the "Summary Compensation Table" subsection of this CD&A.

The accumulated values at the start and end of year for Mr. Hoare are held in GBP and converted to CAD using the exchange rates of 1 GBP = 1.7422 CAD (December 31, 2020) and 1 GBP = 1.7107 CAD (December 31, 2021).

EMPLOYMENT AGREEMENTS

The Company has entered into Employment Agreements with all of the NEOs effective on the dates noted below:

Name	Commentary
Ian Edwards – October 31, 2019	Agreement lastly amended upon promotion to the role of President and CEO on October 31, 2019
Jeff Bell – February 11, 2020	New agreement on hire; the terms of his Executive Employment Agreement were not changed when he was confirmed in his role of EVP and CFO on April 14, 2020
Robert Alger – August 24, 2020	New agreement on appointment
Steve Morriss – January 11, 2021	New agreement on appointment
Philip Hoare – May 1, 2019	New agreement on promotion to the role of President, EDPM

These Employment Agreements cover the various aspects of their duties and cover subjects, such as compensation components, termination of employment, non-solicitation, and confidentiality.

RETIREMENT AND TERMINATION COMPENSATION

Termination of employment provisions are in place for each of the NEOs under their respective Employment Agreements. No incremental amounts would be provided to NEOs in the event of termination for cause or a resignation if the NEO does not meet the definition of retirement under the relevant plans. In the case of a resignation, any vested E-DSUs at the time of the termination shall be paid in accordance with the E-DSUP.

Termination Not For Cause

In the event of termination initiated by the Company for reasons other than for cause, the following conditions will apply:

Type of Allowance		Ian Edwards	Jeff Bell	Robert Alger	Steve Morriss	Philip Hoare[(1)]
Severance	Twice the sum of the annual base salary plus the annual target bonus under the AIP.	✓				
	One and a half times the sum of the annual base salary plus the annual target bonus under the AIP.		✓			
	The sum of the annual base salary plus the annual target bonus under the AIP.				✓	
	Half the sum of the annual base salary plus the annual target bonus under the AIP.			✓		✓
Benefits and Perquisites	Lump sum payment equivalent to pension benefits that would have continued to accrue for two (2) years.	✓				
	Lump sum payment equivalent to pension benefits that would have continued to accrue for 18 months.		✓			
	Lump sum payment equivalent to pension benefits that would have continued to accrue for 6 months.					✓
	Lump sum payment representing the value of perquisites for a two-year period.	✓				
	Lump sum payment representing the value of perquisites for a 18-month period.		✓			
	Lump sum payment representing the value of perquisites for a 6-month period.					✓
Awards granted including any unvested share-based or option-based awards	Will continue to vest, become exercisable, be paid or settled (as applicable) as if the individual had remained in employment for 24 months following termination.	✓				
	Will continue to vest, become exercisable, be paid or settled (as applicable) as if the individual had remained in employment for 18 months following termination.		✓			
	Will vest on a prorated basis at the date of termination and be paid or settled (as applicable) following termination.			✓	✓	✓

(1) Mr. Hoare is entitled to six (6) months' prior written notice of termination by the Company without serious reason or cause. However, the Company reserves the right to terminate Mr. Hoare's employment with immediate effect by making a payment to Mr. Hoare in lieu of notice.

The following table sets out the incremental amounts which would have been payable had a not-for-cause termination occurred on December 31, 2021:

Involuntary Termination	Ian Edwards	Jeff Bell	Robert Alger[1]	Steve Morriss[1]	Philip Hoare[2]
Severance	$5,600,000	$1,926,750	$676,711	$1,326,885	$658,620
Benefits and Perquisites	$660,000	$272,700	—	—	$48,926
ESOP	$68,977	—	—	—	—
Value of RSUs not already vested[3]	$3,865,234	$2,183,853	$158,321	$227,096	$609,143
Value of PSUs not already vested[3][4]	$4,998,271	$2,537,711	$301,249	$295,345	$757,295
Value of E-DSUs not already vested[3]	$586,888	—	—	—	—
Total	$ 15,779,370	$ 6,921,014	$ 1,136,281	$ 1,849,326	$2,073,984

(1) Mr. Alger and M. Morriss' severance would be paid in USD. For the purposes of this disclosure, amounts were converted to CAD using the December 31, 2021 spot rate of 1 USD = 1.2637 CAD.

(2) Mr. Hoare's severance and Benefits and Perquisites would be paid in GBP. For the purposes of this disclosure, amounts were converted to CAD using the December 31, 2021 spot rate of 1 GBP = 1.7107 CAD.

(3) Amounts are calculated based on the closing share price of $30.91 on December 31, 2021.

(4) Assuming that the PSUs would vest at 100% (i.e. at target).

Change in Control

The Company has double-trigger change in control agreements for the NEOs. A change of control, as approved at the November 6, 2014 Board meeting, occurs when:

- A person or a number of persons acting jointly or in concert holds or exercises control over, directly or indirectly, 50% or more of the shares of a class of voting shares of the Company;
- A person or a number of persons acting jointly or in concert successfully completes a take-over bid or an exchange bid for 50% or more of the shares of a class of voting shares of the Company;
- The Company undergoes a liquidation or dissolution or sells all or substantially all of its assets; or
- Those persons acting as Directors of the Company cease at any time to constitute the majority of the Directors of the Company, except where such situation arises following an uncontested election of directors.

In the event of involuntary termination of employment or resignation for good reason(1) following a change in control, the following conditions will apply:

Severance	Two (2) times the sum of the annual base salary plus the annual target bonus under the AIP
Benefits and Perquisites	Two (2) times the annual contribution under DCPP and SERP plus two (2) times the annual allowance for perquisites for NEOs located in Canada Two (2) times the annual contribution under the 401(k) savings plan plus two (2) times the annual allowance for perquisites for NEOs located in the U.S. Two (2) times the annual contribution under the Mercer Master Trust plus two (2) times the annual car allowance for NEOs located in the U.K.
ESOP	Future contributions required to be made under the terms of the Plan, but not yet made, are accelerated in order for all outstanding matching contributions to be paid by the Company
RSUP, PSUP and E-DSUP	All granted RSUs, PSUs and E-DSUs fully vest and are redeemable for cash within 30 days of the termination of employment. For the purposes of the PSUP, the maximum performance payout multiplier (200%) is used

(1) Resignation for good reason is defined as a resignation prompted by a significant change in employment conditions as a result of:
- A significant change or reduction in the scope or scale of the business led by such NEO;
- A significant change in duties or responsibilities;
- A NEO no longer serving at the highest level of the Company's executive leadership;
- A significant reduction of base salary or other compensation or benefits; or
- A major relocation of the business or a requirement to relocate from the NEO's home city.

The following table sets out the incremental amounts which would have been payable had a not-for-cause termination or resignation for good reason (as defined above), following a change in control, occurred on December 31, 2021:

Change in Control	Ian Edwards	Jeff Bell	Robert Alger[(1)]	Steve Morriss[(1)]	Philip Hoare[(2)]
Severance	$5,600,000	$2,569,000	$2,706,845	$2,653,770	$2,634,478
Benefits and Perquisites	$660,000	$363,600	$117,777	$117,777	$195,704
ESOP	$68,977	$15,019	—	—	—
Value of RSUs not already vested[(3)]	$3,996,138	$2,368,262	$602,467	$864,120	$1,244,529
Value of PSUs not already vested[(3)]	$9,996,541	$5,464,332	$1,807,431	$1,772,008	$3,175,879
Value of E-DSUs not already vested[(3)]	$586,888	—	—	—	—
Total[(4)]	$20,908,544	$10,780,213	$5,234,520	$5,407,675	$7,250,590

(1) Mr. Alger and M. Morriss' severance would be paid in USD. For the purposes of this disclosure, amounts were converted to CAD using the December 31, 2021 spot rate of 1 USD = 1.2637 CAD.

(2) Mr. Hoare's severance and Benefits and Perquisites would be paid in GBP. For the purposes of this disclosure, amounts were converted to CAD using the December 31, 2021 spot rate of 1 GBP = 1.7107 CAD.

(3) Amounts are calculated based on the closing share price of $30.91 on December 31, 2021.

(4) Mr. Edwards would be entitled to an outplacement counselling services reimbursement up to a maximum of $50,000 in the case of termination following a change in control. This amount is excluded from the total.

Retirement

In the event of retirement (as defined in the Company's policies), all unvested granted E-DSUs fully vest. All granted RSUs vest on a prorated basis and are redeemable for cash in accordance with the provisions of the plans. All granted PSUs vest on a prorated basis and are subject to the performance conditions until the end of the calendar year of retirement. The following table sets out the incremental amounts which would have been payable under the plans had retirement occurred on December 31, 2021.

Name	Value of Non-vested PSUs[(1)(2)]	Value of Non-vested E-DSUs[(2)]	Value of Non-vested RSUs[(2)]	Total Incremental Payment
Ian Edwards	$2,413,144	$586,888	$2,011,623	$5,011,655
Jeff Bell	$1,436,171	–	$1,213,867	$2,650,038
Robert Alger	$301,249	–	$158,321	$459,570
Steve Morriss	$295,345	–	$227,096	$522,441
Philip Hoare	$757,295	–	$609,143	$1,366,438

(1) Assuming that the PSUs would vest with a Performance Payout Multiplier of 100%.

(2) Amounts are calculated based on the closing share price of $30.91 on December 31, 2021.

SUCCESSION PLANNING

On behalf of the Board, the HR Committee oversees succession planning and talent management for the Company and develops a succession plan for the President and CEO position. The President and CEO succession planning process involves working with the President and CEO to review internal and external candidates. A succession planning process and business continuity policies were put in place in 2014 by the HR Committee and by management to ensure continuous preparedness in the event of an emergency succession.

During the year, the HR Committee reviewed the outcomes of the 2021 succession and talent review. This process is used to identify talent within the Company and put in place a succession pipeline, including succession plans for the President and CEO's direct reports, the OLG, and other key executives. The HR Committee also reviewed the development programs available for executives and management. The HR Committee recommends the President and CEO succession plan to the Board on an annual basis and reports to the Board at least once a year on succession plans for other Senior Officers.

APPROVAL OF THE REPORT ON EXECUTIVE COMPENSATION

It is the responsibility and duty of the HR Committee to determine and recommend for Board approval, in accordance with the executive compensation framework, the principles for establishing specific compensation levels for the NEOs and other Senior Officers. In carrying out these duties, the HR Committee reviews the compensation plans, programs and policies, reviews objectives for the President and CEO and the other Senior Officers, monitors their performance and compensation and makes appropriate recommendations to the Board.

The HR Committee has reviewed and recommended to the Board for approval, the compensation of our NEOs as described in the CD&A of this Circular. The HR Committee was appointed by the Board and is composed of Directors who meet the legislative and regulatory standards governing independence, and none of whom has any indebtedness towards the Company.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors believes that sound corporate governance practices are essential to the positive working and success of the Company. The Company strives to act proactively by progressively adopting forward-looking governance principles, creating corresponding structures and implementing procedures designed to enable the Board to carry out its duties in accordance with best governance principles and to allow the Board to evaluate and improve its own performance. These principles, structures and procedures include, among others, a Code of Conduct that applies to the employees, officers and Directors of the Company and its subsidiaries.

As reflected throughout this Circular, the Company's governance practices comply with the current CSA and TSX disclosure requirements, and the Company is committed to adjusting its governance practices on an ongoing basis so as to remain at the fore front of best governance practices as they evolve.

BOARD ROLE AND MANDATE

The Board is responsible for supervising the management of the Company's business and affairs. In addition to the strategy and enterprise risk oversight responsibilities described below, the Board's mandate lists the principal areas of responsibility of the Board relevant to its oversight role. The Board's mandate is found in Schedule "B" to this Circular and is also posted on the Company's website at www.snclavalin.com under "About Us"/"Leadership & Governance"/"Governance".

Strategy Oversight

Strategy oversight and monitoring is one of the Board's primary roles. Management, led by our President and CEO, develops, implements and tracks the Company's five-year strategic plan, and the Board actively participates in supervising its development, implementation and tracking, and providing guidance.

Each year, the Board reviews and approves the Company's strategic plan and budget. The plan takes into account, among other things, the opportunities and risks of the Company's business. The Board also reviews on a regular basis, the strategy of the Company with respect to, among other things, people and culture, technology, risks, ESG, capital allocation, key focus areas and growth.

Enterprise Risk Oversight

Risk oversight is also one of the Board's primary roles. In general terms, the objective of the Board's oversight of the Company's risk management activities is to ensure, through reasonable measures, that the principal risks of the Company's business and affairs are identified and assessed and that the implementation of measures to respond to such risks are monitored.

Reviewing the Company's Risk Philosophy	This is done through active discussion between management and the Board at the Company's annual strategic planning session where a mutual understanding of the Company's overall risk profile is reviewed and discussed. The Company's position around risk-taking capacity, risk appetite, thresholds, tolerance levels and desire to optimize opportunities is also assessed through the Board's yearly review of the Company's Risk Management Policy and Risk Appetite Statements.
Overseeing the Design, Implementation and Governance of the enterprise risk management framework	This oversight is a full Board responsibility and is completed by reviewing management reporting on existing and developing risk management activities and on the effectiveness of the systems in identifying, assessing and managing the Company's most significant risk exposures.
Reviewing the Company's Major Risks	The Board's understanding of the risk exposure faced by the Company in both its present operations and strategic planning initiatives is integral to its risk oversight role. This understanding is partly acquired through the Board's participation in the annual strategic planning session. This review allows management and the Board to, among others, focus on whether developments in the business environment have resulted in changes in the material assumptions and inherent risks underlying the Company's strategy and the potential effects such changes may have on the Company's strategic plan.
Staying Informed of the Most Significant Risks Faced by the Company and Management's Response to these Risks	As risks are constantly evolving, the Board obtains ongoing updates by management on risks affecting the Company. This is done formally by integrating information on ongoing risks into the Board and Committees meeting agendas, including those over which they have specific oversight responsibilities as per their respective mandates.

2021 Highlights

In 2021, the SPOT Committee undertook a review of the Company's Risk Management Framework with the assistance of a third-party expert in order to benchmark the ERM framework against industry best practice. The objectives of this third-party review included a maturity assessment of the Company's ERM program and the development of recommendations which align with the Company's overall strategy and objectives.

The review and follow-up activities included the following:

- Detailed maturity assessment of the Company's Risk Management Framework;
- Establishment of risk management Guiding Principles;
- Update of the Risk Management Policy and risk governance model, including Risk Sponsor accountability for Executive Committee and Board reporting;
- Establishment of Risk Appetite Statements and tolerance levels;
- Revamp of enterprise risk assessment and prioritization elements;
- Selection of Key Risk Indicators (KRIs) for top risks; and
- Redesign of reporting requirements and templates.

These efforts have resulted in the relaunch of the renewed Risk Management Framework with the intent to provide greater transparency and accountability around reporting of risk exposure, ultimately driving more risk-informed decision making.

Risk Oversight Governance

While the Company considers that risk oversight, like oversight of the Company's strategy, is a responsibility of the full Board, each of the Committees is tasked with overseeing specific risks in those areas of responsibility related to their respective mandate (and as described in the table below) and to report thereon to the full Board after each Committee Meeting. This approach allows the Board to gain valuable insights and Committee support providing more focused attention on risks inherent to the scope of each Committee and an overall view of the Company's risk management framework.

Board of Directors	Audit and Risk Committee	HR Committee	GES Committee	SPOT Committee
Strategic Risks › Geopolitical and Market Conditions › Market Strategy › Clients and account management › Competitors and Disruptors › Mergers and Acquisitions › Strategic Initiatives › Brand and Reputation Management **Operational Risk** › Enterprise Knowledge › Business Transformation › Business Resilience	**Financial Risks** › Financial Performance › Financial Controls › Capital Structure › Capital Assets and Investments › Guarantees › Taxation › Insurance	**Human Resources Risks** › Talent Management › Organizational Culture	**Compliance and ESG Risks** › Corporate Governance › Ethics and Compliance › Regulatory › Litigations › Stakeholder Relations › Sustainability	**Operational Risks** › HSE › Operational Excellence and Quality › Physical Asset Security › Cyber Security › Data Management › IT Systems › Technical Capability **Project Risks** › Managing Projects (work winning, project delivery and project services)

Risk Evaluation

Assessing the Company's risks:	On a quarterly basis, KRIs associated with each of the Company's top risks are compiled and reviewed with the Risk Owners, Risk Sponsors and key executive personnel to secure an understanding of changes in context and exposure profile for each of the top risks. The insight provided allows for meaningful informed discussions in support of any required mitigative strategies or corrective actions.
Addressing Risks:	The assessment of the inherent impact and probability of occurrence of each risk serves as a baseline for measuring the effectiveness of controls and/or specific efforts undertaken as risk treatment measures. The assessment of the residual risk exposure, considering these different measures, provides valuable insight for establishing priorities, identifying specific issues, and making sure the risk management process is effectively being managed.
Enhancing the Company's Risk culture:	The Guiding Principles, Risk Appetite Statements, Key Risk Indicators and associated tolerances provide the basis for consideration of risk in every aspect of the Company's business, in all regions where we operate, and serve to proactively engage the Company's personnel in effective review, reporting and timely escalation of risk exposures to support management decision-making at all levels, ensuring this meets senior management and Board oversight expectations.

BOARD AND COMMITTEE STRUCTURE, ORGANIZATION AND COMPOSITION

Structure

Under its mandate, the Board may establish and seek the advice of and delegate responsibilities to Committees of the Board. As of December 31, 2021, the following four (4) standing Committees were in place:

- Audit and Risk Committee
- GES Committee
- HR Committee
- SPOT Committee

Committees review specific aspects of the Company's business and affairs as outlined in their mandates. They analyze policies and strategies which are developed by management and are designed to be more conducive to deeper discussion on assigned subjects. They examine alternatives and where appropriate make recommendations to the Board. Committees do not take action or make decisions on behalf of the Board unless specifically mandated to do so. The Chair of each Committee provides a report of the Committee's activities to the full Board after each of the Committee's regular meetings.

Committee mandates are posted on the Company's website at www.snclavalin.com under "About Us"/"Leadership & Governance"/"Governance".

Furthermore, the Special Risk Review Committee, a non-standing Board Committee created in 2020 to assist the Board with the oversight over management's review of the Company's risks related to certain legacy litigation and other related risks, was disbanded in 2021 further to the completion of its mandate.

Organization

- Five (5) regularly scheduled Board meetings are held each year including a two-day strategic planning session in December to consider and approve the Company's budget;
- Each standing Committee has at least four (4) regularly scheduled meetings per year;
- Special meetings of the Board and standing Committees are held when deemed necessary; and
- Non-standing Board Committees are also created from time to time to provide a more in-depth review of issues of particular strategic importance.

The Board and each of the standing Committees have a one-year work plan of items for discussion. These work plans are reviewed and adapted at least annually to ensure that all of the matters reserved to the Board and the Committees as well as other key issues, are discussed at the appropriate time.

The Corporate Secretary also maintains a running list of action items that is provided to the Board and each Committee at each quarterly meeting.

The Chair of the Board sets Board agendas with the President and CEO and works together with the Corporate Secretary to make sure that the information communicated to the Board and the Committees is accurate, timely and clear and that there is an appropriate balance between presentation and discussion time during meetings. In addition, Directors are provided with Board and Committee materials electronically in advance of each meeting through a secured Internet site ("**Board Portal**"). Electronic versions of all corporate governance documentation such as Board and Committee mandates are also available through this Board Portal.

Composition

As of March 14, 2022, the Board of Directors is composed of ten (10) members, nine (9) of whom will be standing for election at the Meeting.

Mr. Zin Smati will not stand for re-election at the Meeting. Ms. Ruby McGregor-Smith and Mr. Robert Paré are new Director nominees. The Board has therefore set the number of Directors at eleven (11) for election at the Meeting. As for Committee membership, it is set at no less than three (3) and no more than seven (7) Independent Directors.

The GES Committee is responsible for making annual recommendations to the Board with respect to the size and composition of the Board and its Committees. The GES Committee engages in a regular review of the Director Selection Criteria to identify the ideal size and skillsets that should be represented on a board of directors of a major global engineering services organization such as the Company and to maintain and, if necessary, add critical competencies that may be required. For details regarding the Director Selection Criteria, see the "Board Annual Review and Succession Process" subsection of this Circular.

To the extent possible, taking into account regulatory and internal requirements with respect to the personal expertise of the members of specific Committees (e.g. the financial literacy required of the Audit and Risk Committee members and the human resources and executive compensation experience and knowledge required of the HR Committee members) and other considerations such as a Board requirement that one (1) member of the Audit and Risk Committee also be a member of the HR Committee (and vice versa), there is a regular rotation of Directors on Committees. This provides Directors exposure to different management issues and the opportunity to serve in several areas and allows the Committees to benefit from the expertise of a variety of Board members.

INDEPENDENCE

The Board's policy with respect to the independence of its members is that a majority of Directors must be independent, as determined by the Board including in light of Canadian securities legislation and regulations. Furthermore, the Board has established that members of a standing Committee must be Directors who are independent. This requirement forms part of the mandate of each standing Committee.

As a Canadian corporation listed on the TSX, SNC-Lavalin is subject to various guidelines, requirements and disclosure rules governing the independence of the members of its Board and Committees, including the governance guidelines and audit committee rules adopted by the CSA.

The Board has adopted independence criteria for its members and that of its Committees which mirror the independence criteria of subsection 1.2(1) of Regulation 58-101 – Disclosure of Corporate Governance Practices ("**Regulation 58-101**") and sections 1.4 and 1.5 of Regulation 52-110.

In order to ensure the independence of its Directors, the Board, through its GES Committee, requests that each Director complete a comprehensive questionnaire each year. In addition to providing information on their educational history, occupation and directorships, each Director must answer a series of questions on their independence in order to determine if they meet the independence criteria established by the CSA.

These questions are based on the independence criteria of subsection 1.2(1) of Regulation 58-101 and section 1.4 of Regulation 52-110. The Board also asks each Director to disclose any other material facts that the Board should consider for the purpose of its determination of a Director's independence. Furthermore, Audit and Risk Committee members are asked to answer a series of questions based on the independence criteria of section 1.5 of Regulation 52-110 which applies to Audit and Risk Committee members only.

To ensure ongoing director independence, the same questionnaire provides for disclosure by each Director of any potential conflict of interest that could affect their status. Furthermore, our Directors must certify, on an annual basis, that they comply with our Code of Conduct, including the obligation to disclose any actual or potential conflict of interest.

Once each Director has completed their questionnaire, the GES Committee performs a review of Directors' interests in which potential conflicts and other matters relevant to their independence are considered and reports to the Board thereon. The results obtained through the questionnaires help the GES Committee, and ultimately the Board, in determining which Director is independent.

For a Director to be considered independent, the GES Committee analyzes all of the relationships each Director has with SNC-Lavalin and must determine that the Director does not have any direct or indirect material relationship with SNC-Lavalin.

Further to the last review performed by the GES Committee, it was determined that, with the exception of Ian Edwards, our President and CEO, all of our current and Director nominees are independent, including William L. Young, our Chair of the Board, whose role is separate from that of our President and CEO.

	Director		Status of Director Nominees		Reason For Non-Independent Status
Name	**Current**	**Nominee**	**Independent**	**Not Independent**	
G.C. Baughman	✓	✓	✓		
M.-A. Bell	✓	✓	✓		
C.J.B. Clark	✓	✓	✓		
I. Courville	✓	✓	✓		
I.L. Edwards	✓	✓		✓	President and CEO
R. McGregor-Smith		✓	✓		
R. Paré		✓	✓		
S.L. Newman	✓	✓	✓		
M.B. Pedersen	✓	✓	✓		
B.M. Warmbold	✓	✓	✓		
W.L. Young	✓	✓	✓		

It is important to note that:

- In 2021, the GES Committee retained the services of Willis Towers Watson to assess whether the "Independent Director Term and Retirement Guidelines" were aligned with market practices and more particularly those of the Director Comparator Group. Pursuant to this review, the GES recommended to the Board the adoption of revised guidelines according to which a Director will not be eligible for re-election at the annual general meeting of shareholders following the 12th anniversary (previously, following the 15th anniversary) of their initial election to the Board (for details, see the "Board Annual Review and Succession Process / Director Tenure, Term and Retirement" subsection of this Circular);

- As of March 14, 2022, the average tenure of our Director nominees is 2.5 years (for details, see the "Board Annual Review and Succession Process / Director Tenure, Term and Retirement" subsection of this Circular); and
- The Company does not have a controlling shareholder (for details, see page 11 of this Circular).

IN CAMERA SESSIONS

The mandates of the Board and each of the standing Committees require that, at each of the regularly scheduled meetings of the Board and standing Committees during a particular year, the non-executive Directors hold in camera sessions (sessions at which members of management are not present). Directors are also obliged to hold such in camera sessions when executive compensation issues are discussed.

In 2021, a total of 36 Board and standing Committee meetings were held. An in camera session was held at each of these Board and standing Committee meetings. For a summary of Board and Committee meetings held in 2021, see the "Director Attendance" subsection below.

POSITION DESCRIPTIONS

Our Board has adopted a description of the role of our Chair of the Board and that of our President and CEO. It has also adopted general terms with respect to the responsibilities of the Chairs of each of the standing Committees, which are set out in the mandate of each Committee. The position descriptions of the Chair of the Board and of the President and CEO are posted on the Company's website at www.snclavalin.com under "About Us"/"Leadership & Governance"/"Governance".

A brief summary of these roles and responsibilities is also provided below.

Chair of the Board

Our Chair of the Board is an independent Director designated by the Board and is responsible for the management, development and effective performance of the Board and for providing leadership to the Board for all aspects of its work. He takes all reasonable measures to ensure that the Board (i) has structures and procedures in place to enable it to function independently of management, (ii) carries out its responsibilities effectively and (iii) clearly understands and respects the boundaries between Board and management responsibilities. Our Chair of the Board acts in an advisory capacity to the President and CEO and to other officers in all matters concerning the interests and management of the Company and, in consultation with the President and CEO, plays a role in the Company's external relationships.

Committee Chairs

The general terms with respect to the responsibilities of the Chair of each standing Committee are set out in the mandate of each Committee. These responsibilities include presiding at Committee meetings and overseeing the way in which each Committee carries out its mandate. Committee Chairs are required, following a meeting of their Committee, to report to the Board on the Committee's activities at its next regularly scheduled meeting.

President and CEO

Our President and CEO is responsible for the management of the Company's business and affairs. His key responsibilities involve articulating the vision of the Company, focusing on creating value for shareholders and developing and implementing a plan that is consistent with the Company's vision and its long-term strategy. He is supported by the Senior Officers of the Company and is appointed by the Board.

Our President and CEO is accountable to the Board and Committees and his performance is reviewed once a year by the Board. The Board has also established levels of authority delegated to the President and CEO and management.

DIRECTOR ATTENDANCE

Summary of Board and standing Committee Meetings Held in 2021

	Regular	Special	Total
Board	5	5	10
Audit and Risk Committee	4	3	7
GES Committee	4	2	6
HR Committee	5	1	6
SPOT Committee	4	3	7
TOTAL	22	14	36

Under the Company's policies and guidelines, all Directors must have a total combined attendance rate of 75% or more for Board and Committee meetings to stand for re-election unless exceptional circumstances arise such as illness, death in the family or other similar circumstances.

Non-attendance at Board and Committee meetings is rare, usually when an unexpected commitment arises, a special meeting is convened on short notice or when there is a prior conflict with a meeting which had been scheduled and could not be rearranged.

Given that Directors are provided with Board and Committee materials in advance of the meetings, Directors who are unable to attend are encouraged to provide comments and feedback to either the Chair of the Board, the Chair of the Committee or the Corporate Secretary, all of whom ensure these comments and views are raised at the meeting.

RECORD OF ATTENDANCE BY DIRECTORS AT REGULAR AND SPECIAL BOARD AND COMMITTEE MEETINGS FOR THE 12 MONTHS ENDED DECEMBER 31, 2021

Directors	Regular Board & Committee Meetings Attended		Total Regular Meetings		Special Board & Committee Meetings Attended		Total Special Meetings		Overall Attendance	
	(#)	(%)	(#)	(%)	(#)	(%)	(#)	(%)	(#)	(%)
G. Baughman[1]	5 of 5 Board	100	14 of 14	100	5 of 5 Board	100	9 of 9	100	23 of 23	100
	5 of 5 HR	100			1 of 1 HR	100				
	4 of 4 SPOT	100			3 of 3 SPOT	100				
M.-A. Bell[2]	5 of 5 Board	100	13 of 13	100	5 of 5 Board	100	10 of 10	100	23 of 23	100
	4 of 4 Audit	100			3 of 3 Audit	100				
	4 of 4 GES	100			2 of 2 GES	100				
C. Clark[3]	5 of 5 Board	100	14 of 14	100	5 of 5 Board	100	9 of 9	100	23 of 23	100
	4 of 4 Audit	100			3 of 3 Audit	100				
	5 of 5 HR	100			1 of 1 HR	100				
I. Courville[4]	5 of 5 Board	100	14 of 14	100	5 of 5 Board	100	8 of 8	100	22 of 22	100
	4 of 4 GES	100			2 of 2 GES	100				
	5 of 5 HR	100			1 of 1 HR	100				
I. L. Edwards[5]	5 of 5 Board	100	5 of 5	100	5 of 5 Board	100	5 of 5	100	10 of 10	100
S.L. Newman[6]	5 of 5 Board	100	17 of 17	100	5 of 5 Board	100	13 of 13	100	30 of 30	100
	4 of 4 Audit	100			3 of 3 Audit	100				
	4 of 4 GES	100			2 of 2 GES	100				
	4 of 4 SPOT	100			3 of 3 SPOT	100				
M. Pedersen[7]	5 of 5 Board	100	14 of 14	100	5 of 5 Board	100	9 of 9	100	23 of 23	100
	5 of 5 HR	100			1 of 1 HR	100				
	4 of 4 SPOT	100			3 of 3 SPOT	100				
J. Raby[8]	1 of 1 Board	100	3 of 3	100	3 of 4 Board	75	6 of 8	75	9 of 11	82
	1 of 1 Audit	100			2 of 3 Audit	67				
	1 of 1 SPOT	100			1 of 1 SPOT	100				
Z. Smati[9]	5 of 5 Board	100	13 of 13	100	5 of 5 Board	100	10 of 10	100	23 of 23	100
	4 of 4 GES	100			2 of 2 GES	100				
	4 of 4 SPOT	100			3 of 3 SPOT	100				
B. Warmbold[10]	4 of 5 Board	80	11 of 14	79	5 of 5 Board	100	9 of 9	100	20 of 23	87
	3 of 4 Audit	75			3 of 3 Audit	100				
	4 of 5 HR	80			1 of 1 HR	100				
W. Young[11]	5 of 5 Board	100	5 of 5	100	5 of 5 Board	100	5 of 5	100	10 of 10	100
Total	50 of 51 Board	100	123 of 126	98	53 of 54 Board	98	93 of 94	98	216 of 221	98
	16 of 17 Audit	94			14 of 15 Audit	93				
	16 of 16 GES	100			8 of 8 GES	100				
	24 of 25 HR	96			5 of 5 HR	100				
	17 of 17 SPOT	100			13 of 13 SPOT	100				

(1) In addition to his Committee memberships, Mr. Baughman attended one (1) regular GES, two (2) special Audit and Risk and one (1) special GES Committee meetings as a non-voting participant.

(2) In addition to her Committee memberships, Ms. Bell attended one (1) special HR Committee and one (1) regular SPOT Committee meeting as non-voting participant.

(3) In addition to his Committee memberships, Mr. Clark attended one (1) regular and one (1) special GES Committee meetings as a non-voting participant.

(4) In addition to her Committee memberships, Ms. Courville attended one (1) regular and two (2) special Audit and Risk Committee meetings as a non-voting participant.

(5) Mr. Edwards, as President and CEO, is not a member of any Committee but attends Committee meetings at the invitation of the Committees. In 2021, he attended all Committee meetings as a non-voting participant.

(6) In addition to his Committee memberships, Mr. Newman attended one (1) special HR Committee meeting as non-voting participant.

(7) In addition to his Committee memberships, Mr. Pedersen attended one (1) regular and one (1) special GES and two (2) special Audit and Risk Committee meetings as a non-voting participant.

(8) Mr. Raby ceased to be a Director and a member of the Audit and Risk and SPOT Committees on May 14, 2021. In addition to his Committee memberships, Mr. Raby attended one (1) special GES Committee meetings and one (1) special HR Committee meeting as a non-voting participant.

(9) In addition to his Committee memberships, Mr. Smati attended one (1) regular, one (1) special HR Committee meetings and two (2) special Audit and Risk Committee meetings as a non-voting participant.

(10) In addition to her Committee memberships, Ms. Warmbold attended one (1) regular SPOT Committee meeting and one (1) special GES Committee meeting as a non-voting participant.

(11) As Chair of the Board, Mr. Young attended all regular and special Committee meetings as an ex-officio member.

DIRECTOR AVAILABILITY

The mandate of the GES Committee requires that its members consider candidates who have the capability and willingness to travel, to attend and to have adequate availability to contribute to Board functions. The number of publicly traded corporations for which nominees act as directors is one of the general criteria considered with respect to availability. To further clarify Director availability, the Board, upon recommendation of the GES Committee, has set the following Director availability guidelines for its Directors:

DIRECTOR AVAILABILITY GUIDELINES

- Directors may not sit on the board of more than four (4) other publicly traded companies, unless otherwise approved by the Board.
- Directors who are also CEOs in office may not sit on the board of more than one (1) publicly traded company other than their company's and SNC-Lavalin's, unless otherwise approved by the Board.

The GES Committee carried out its customary review for 2021 and was satisfied that our current and Director nominees were able to commit the requisite time for the proper performance of their duties. As of March 14, 2022, all of our current Directors and Director nominees complied with the above Director availability guidelines.

Name of Director	Other reporting issuers of which our Director is also a Director	Type of Company	Stock symbol: Exchange
G.C. Baughman	—	—	—
M.-A. Bell	Cogeco Inc. NAV Canada mdf commerce inc.	Telecommunications Services Civil Air Navigation Service Software and Technology Services	CGO:TSX N/A MDF:TSX
C.J.B. Clark	Air Canada Choice Properties Real Estate Investment Trust Loblaw Companies Limited	Airline Real Estate Investment Trust (REIT) Grocery Stores	AC:TSX CHP-UN:TSX L:TSX
I. Courville	Veolia Environment S.A. Canadian Pacific Railway Limited	Environmental Services Railroads	VIE:EPA CP:TSX CP:NYSE
I.L. Edwards	—	—	—
R. McGregor-Smith	—	—	—
S.L. Newman	Dril-Quip, Inc.	Oil & Gas Equipment & Services	DRQ:NYSE
R. Paré	National Bank of Canada Quebecor Inc.	Banking Services Telecommunications Services	NA:TSX QBR-B:TSX
M.B. Pedersen	CGI Inc.	Information Technology Services	GIB-A:TSX GIB:NYSE
Z. Smati	Boralex Inc.	Utility – Renewable Energy	BLX:TSX
B.M. Warmbold	The Bank of Nova Scotia Methanex Corporation	Banking Services Chemicals	BNS:TSX BNS:NYSE MX:TSX MEOH:NASDAQ
W.L. Young	Intact Financial Corporation Magna International Inc.	Insurance Auto Parts	IFC: TSX MG:TSX MGA:NYSE

INTERLOCKING OUTSIDE BOARDS

The Company has established an additional guideline that no more than two (2) of its Directors may serve on the same outside board of a public or non-public corporation together. The only Board interlock is between Mary-Ann Bell and Isabelle Courville, who are both directors of the Institute for Governance of Private and Public Organizations (IGOPP), a not-for-profit corporation. This Board interlock occurred following Ms. Bell's election to the Board of Directors on May 7, 2020.

BOARD ANNUAL REVIEW AND SUCCESSION PROCESS

Boards are strongest and most effective when key qualifications and core competencies are represented thereon. The objective of the Board annual review and succession process is to ensure that this is the case and that, collectively, Directors have the knowledge and skills necessary to enhance the long-term performance of the Company.

Annual Process for Directors Currently in Office

The process listed below sets out the steps followed annually in determining whether the Directors currently in office continue to hold the qualifications necessary to qualify as nominees.

DETERMINATION OF QUALIFICATIONS OF INCUMBENT DIRECTORS AS NOMINEES

- Assess Directors' tenure against our Independent Director Term and Retirement Guidelines (for details, see the "Director Tenure, Term and Retirement" subsection below);
- Review Directors' performance through an annual peer review (for details, see the "Director Performance Assessment" subsection below);
- Perform annual credentials review of Directors;
- Review our Director Selection Criteria to identify the required and/or missing qualifications determined to be essential to ensure appropriate strategic direction, supervision and oversight (for details, see the "Director Selection Criteria" subsection below);
- Assess independence of each Director and address concerns, if any;
- Assess continuing qualifications under the Canada Business Corporations Act; and
- Assess qualifications of Directors under applicable securities and corporate laws.

Once this determination has been made, the GES Committee recommends, and the Board approves, the list of individuals to be recommended for election by the shareholders.

Board Succession Planning Process

The Board succession planning process, more fully described below, takes into account the challenges and opportunities facing the Company and aims to maintain an appropriate balance of qualifications on the Board. It also assists the Board with a smooth transition when a Director leaves the Board or when new qualifications need to be added. Succession planning also assists with a reasonable level of turnover of Directors and keeps the Board at an appropriate size – i.e. large enough to allow Directors to fulfill their mandate on each Committee while remaining at a size that allows for open, informal and responsible discussion and debate.

The GES Committee is responsible for identifying the need for future appointments well in advance of the expiry of current Director's terms of office. When a term is coming to an end, a position becomes vacant or a decision is taken to increase the number of Directors on the Board, the Committee develops a skills profile for the position(s) which includes, amongst others, the Director Selection Criteria (as defined in the table below).

Consideration is given to the present membership of the Board and the qualifications which should be added or strengthened over time to maintain a Board which will meet the evolving needs of the Company.

Director Recruitment Process

In identifying and evaluating individual candidates, a general profile is applied taking the following qualifications into consideration:

Individual Qualifications Required for All Director Nominees
Integrity, honesty and the ability to generate public confidence and maintain the goodwill and confidence of the Company's shareholders;
Business background and diversified experience;
Independence of mind;
Capability and willingness to travel, to attend and to have adequate availability to contribute; and
Any other eligibility criteria deemed applicable by the GES Committee.

As reflected in the GES Committee mandate, in its efforts to select new Directors, the GES Committee will also abide by the provisions of the Company's "Diversity and Inclusion on the Board of Directors and in Senior Leadership Positions policy" (the "**Diversity Policy**"), which requires considering women, Aboriginal peoples, persons with disabilities and members of visible minorities as Board nominees.

The Chair of the Board and the GES Committee work together to identify and review qualified candidates. They are assisted by external executive search firms who cover both the Canadian and international markets and provide lists of potential candidates. Current Directors, including the President and CEO, are also encouraged to identify potential candidates known to them through personal or professional contacts who correspond to the candidate profile.

The Chair of the GES Committee, following discussions with the Chair of the Board, reviews the list of potential candidates presented from these sources, ensures diversity within this list, and develops a preliminary list of names to provide to the Committee for further discussion. The GES Committee then reviews this list, ranks the candidates and develops a short list of candidates which the Committee has determined have the required qualifications that best suit the Board's and Company's needs.

Candidates from this short list are then interviewed by the Chair of the Board, the President and CEO and members of the GES Committee. During the course of the interviews, they ensure that candidates have a clear understanding of the requirements of being a member of the Board and that they are prepared to make the necessary commitments of time, energy and expertise if appointed. They also discuss the time frame for the appointment and the candidate's availability.

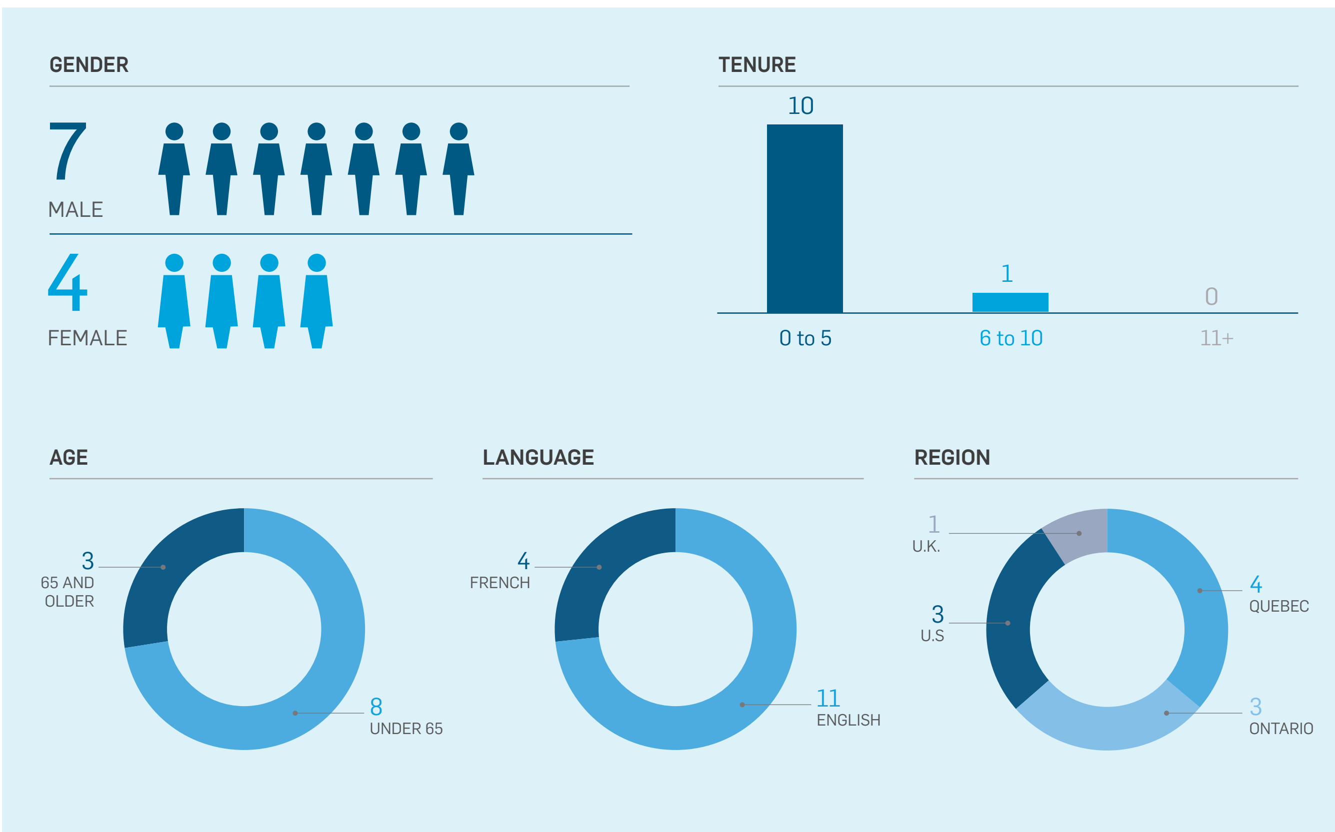
Following the initial interviews, a verification of the independence criteria and a thorough background and security check are performed on the selected candidate(s). If the results of this verification are satisfactory to the Chair of the Board and the Chair of the GES Committee, they will come back to the GES Committee with their recommendation which is reviewed and discussed by the Committee members. If the Committee approves the recommendation, the candidate(s) are then presented to the Board for final approval. Following this approval, the selected candidate(s) are invited to join the Board either as appointees, if they join the Board prior to the annual meeting of shareholders, or as nominees for election at the annual meeting of shareholders.

Note that the Caisse has the right to recommend to SNC-Lavalin one (1) nominee for election or appointment as a Director, and that SNC-Lavalin has agreed that it will consult with the Caisse prior to the appointment of any new Chair of the Board. For details, see page 11 of this Circular.

As mentioned in subsection 2 under the "Business of the 2022 Annual Meeting of Shareholders" section of the Circular, and in order to bring additional expertise in, amongst others, the U.K. market and the Quebec business community, two (2) new Director nominees are being invited to stand for election at the Meeting.

Directors Qualification Criteria

The GES Committee's mandate provides for the establishment and update of Directors Qualification Criteria, which is a list of industry-specific experience, business expertise and individual qualifications of Directors, so as to identify any eventual gaps on the Board. The general profile as well as the level of experience by skill and competency of each of our Director nominees are set forth in the following tables.



LEVEL OF EXPERIENCE BY SKILL/COMPETENCY
1: LOW 2: MEDIUM 3: HIGH

	ENGINEERING INDUSTRY KNOWLEDGE	STRATEGIC PLANNING	RISK MANAGEMENT(1)	PROJECT MANAGEMENT	OPERATIONS	EXTENSIVE KNOWLEDGE/ EXPERIENCE U.S. AND U.K. MARKETS	GOVERNMENT/ REGULATORY AFFAIRS(2)	ACCOUNTING/ FINANCE	HR/ COMPENSATION(3)	TECHNOLOGY/IT(4)	CAPITAL MARKETS	MERGERS & ACQUISITIONS DIVESTITURES, RESTRUCTURING	PUBLIC COMPANY LEADERSHIP
G.C. Baughman	3	3	3	2	3	2	2	2	3	2	2	3	2
M.-A. Bell	2	3	3	2	3	1	2	2	3	3	2	2	3
C.J.B. Clark	1	3	3	2	1	1	2	3	3	2	3	3	3
I. Courville	2	2	1	3	3	1	3	1	3	2	1	2	2
I.L. Edwards	3	3	3	3	3	2	1	1	2	2	1	1	2
R. McGregor-Smith	2	3	3	2	3	2	3	3	2	2	3	2	3
R. Paré	1	2	2	1	1	1	2	2	2	1	3	3	2
S.L. Newman	2	3	2	2	3	2	1	2	3	1	2	3	3
M.B. Pedersen	1	3	3	2	2	3	3	2	3	2	2	3	3
B.M. Warmbold	1	2	3	2	3	2	1	3	2	2	3	3	2
W.L. Young	2	3	2	2	2	3	2	3	2	2	3	3	3

(1) Understanding of internal controls, risk assessments and reporting.

(2) Understanding of government and public policy at various levels (Federal, Provincial/State, Local, etc.).

(3) Understanding of executive compensation, talent management/retention, people development and succession planning.

(4) Knowledge of relevant emerging technologies, including artificial intelligence, applicable to the engineering industry.

Director Tenure, Term and Retirement

As of March 14, 2022, the average tenure of our Director nominees is 2.5 years.

In 2021, following a review of the market practices made by the GES Committee with the assistance of Willis Towers Watson, the Board has set the following revised "Independent Director Term and Retirement Guidelines":

INDEPENDENT DIRECTOR TERM AND RETIREMENT GUIDELINES

The term of office of each Director expires upon the election of their successor unless they resign their office or their office becomes vacant by death, removal or other cause.

Unless the Board agrees at its discretion to an extension of the Director's term of service, they are no longer eligible for re-election at the annual general meeting of shareholders following the **12th** anniversary of their initial election to the Board.

The above guidelines do not apply to the President and CEO of the Company, who shall leave the Board upon their ceasing to be President and CEO. In the case where an incoming President and CEO has been recruited from outside the Company, the Board may consider keeping the former President and CEO as a Director during a transition period to be determined at the Board's discretion.

Following the review that was conducted, the Board did not consider it necessary to set a retirement age for its Directors.

Majority Voting Policy

The Board has adopted a Majority Voting Policy under which any Director nominee in an uncontested election who receives a greater number of shares withheld than shares voted in favour their election must immediately tender their resignation to the Chair of the Board. The GES Committee and the Board will promptly consider the Director's resignation, and the Board will accept the resignation absent exceptional circumstances. The resignation will be effective upon its acceptance by the Board. The Board will make its decision within 90 days of the relevant shareholders' meeting and promptly announce it, including the reasons for rejecting the resignation, if applicable, through a news release. A Director who tenders their resignation pursuant to this policy will not participate in any meeting of the GES Committee or the Board at which the resignation is considered.

BOARD ASSESSMENT

In 2021, the assessment of the Board effectiveness was led by the Chair of the Board with all the Directors, while the assessment of the Chair of the Board's effectiveness was led by the Chair of the GES Committee, without participation of the Chair of the Board and of the President and CEO. Directors were provided with assessment tools to prepare for the discussion, which covered seven (7) broad categories:

- Oversight of Company Strategy: Direction, Performance and Major Risk Factors;
- Oversight of Integrity, Ethics and Compliance Issues;
- Management Assessment and Compensation and Talent Development and Succession Planning;
- Board Operations and Processes;
- Board Committees;
- Board and Committee Leadership, Renewal and Succession Planning; and
- Chair's Role.

The Committee assessments were divided into two (2) categories:

- Committee Effectiveness; and
- Committee Chair's Role.

The Committee effectiveness evaluations were led by the Committee Chair, focusing first on the Committee's effectiveness. They were followed by a session without the Committee Chair, led by either the Chair of the Board or the Chair of the GES, to review the Committee Chair's effectiveness.

Individual peer reviews were also conducted and one-on-one discussions were held between the Chair of the Board and each of the Directors to review and discuss results.

Feedback and Action Planning

With a focus on continuous improvement, the Chair of the Board and the Chair of the GES Committee have identified areas of opportunity for the coming year.

These objectives were presented to the GES Committee and the full Board and progress will be monitored and reported on by the GES Committee.

DIRECTORS' ON-BOARDING PROGRAM

Process

The Board ensures, through its GES Committee, that newly appointed Directors understand the roles of the Board and Committees, and the contribution that individual Directors are expected to make. The GES Committee is responsible for reviewing and approving the on-boarding program for new Directors and reporting to the Board thereon.

On-Boarding Program

Upon becoming a member of the Board, each new Director is provided with a detailed on-boarding package made available to them on the Company's Board Portal. This package includes all administrative documents that need to be completed by the new Directors and an extensive Frequently Asked Questions ("**FAQ**") on board practices and processes, structure, policies, procedures, compensation, logistics, training, insider reporting, entity governance and other information to help them prepare for their role as Directors. The FAQ provides links to all underlying documentation that they need to be aware of as well as a number of practical internal and external links to allow them to go deeper into issues of particular concern to them.

Orientation sessions take place over the course of the first year a Director joins the Board and begin with new Directors being invited to attend all Committee meetings preceding the Board meeting during which they will be appointed as a Director. This is followed by orientation sessions with management, the Chair of the Board and Committee Chairs either preceding or following the quarterly Board meetings.

ONGOING DIRECTOR EDUCATION

Process

The Board also ensures, through its GES Committee, that ongoing development and education opportunities are made available to existing Directors. The GES Committee is responsible for reviewing and approving ongoing development and education initiatives.

As part of the Board performance assessment and in order to help determine the needs of our Directors in terms of ongoing education, each of our Directors are invited to provide the Company with their interests and views on ongoing education.

Development and Education Opportunities

Current ongoing Director development and education opportunities include regular presentations by senior management on the Company's markets, competitors, risks affecting the business, people and culture, technology and ESG, amongst others.

Outside advisors are also invited to make presentations on various topics when required.

The Corporate Secretary provides Directors with summaries of up-to-date information on upcoming legislative changes, evolving governance and Board practices as well as general trends related to the Board and Committees' mandates on an ongoing basis.

Our Directors are also encouraged to participate in outside professional development and training activities and are provided with a corporate membership for the Institute of Corporate Directors ("**ICD**") and the National Association of Corporate Directors ("**NACD**") which offers a continuing education program for directors.

Summary Table of Ongoing Director Education

The following table provides details on specific ongoing education initiatives provided to our Directors in 2021:

Topic:	Presented by:	Attended by:
ESG	Management and Norton Rose Fulbright	All Directors
ERM	Management	All Directors
People, Culture & Strategy	Management	All Directors
Global Water Market	Management	All Directors
Engineering Net Zero	Management	All Directors
Cyber Security	Management	All Directors
North American Market Compensation Trends	Hugessen Consulting	HR Commitee

Site Visits

Site visits of the Company's facilities and operations are also viewed as educational opportunities for Directors. Site visits provide Directors with direct access to offices and construction site personnel, both employees and independent contractors, and assist them in grasping the nature and complexity of the Company's business and operations. Directors are invited to participate in full Board site visits which are organized on a yearly basis. They are also encouraged to do individual or small group site visits where the Company carries on its operations.

In 2021, given the COVID-19 pandemic, the following virtual site visits were held. All of our Directors attended these visits. No site visits were held in person.

Site name:	Location:	Attended by:
Hinkley Point C Nuclear Power Station Project	U.K. - Virtual Site Visit	All Directors
East West Rail (Phase 2) Project	U.K. - Virtual Site Visit	All Directors
Global Technology Center	India - Virtual Site Visit	All Directors

Procedures

In addition to the above-mentioned ongoing development and education opportunities, procedures are also in place to ensure that the Board is kept up to date and to facilitate timely and efficient access to all information necessary to carry out its duties. These procedures include reports from the President and CEO and members of senior management on important projects and issues related to the business, reports from each of the Committees on their work at their previous Committee meeting, updates between Board meetings on matters that affect the Company's operations and full access to the Company's Senior Officers.

CONFLICT OF INTEREST

To ensure ongoing director independence, each Director is required to inform the Board of any potential conflict of interest they may have at the beginning of each Board and Committee meeting. A Director who is in a situation of potential conflict of interest in a matter before the Board or a Committee must not attend any part of a meeting during which the matter is discussed, have access to the relevant material on such matter or participate in a vote on the matter. The GES Committee performs an annual review of Directors' interests in which potential or perceived conflicts and other matters relevant to their independence are considered.

Potential or perceived conflicts of interests are updated on a quarterly basis and any relevant changes are reported to the GES Committee Chair and the Chair of the Board. As potential business conflicts are dynamic at a large, global organization, management conducts an internal review of potential conflicts on a quarterly basis.

ETHICAL BUSINESS CONDUCT

SNC-Lavalin is committed to ethics excellence and continuously, meaningfully reinforces this commitment. The Company has instituted a number of measures aimed at verifying standards of conduct from certified training to strengthening internal controls and processes, and continues to review its integrity environment as part of its promise to stakeholders to be a Company that operates with the highest ethical standards.

Code of Conduct

The Company's Code of Conduct ("Code") applies to all employees, individual consultants, loaned personnel, officers and Directors of SNC-Lavalin[(1)]. When joining SNC-Lavalin, and on an annual basis thereafter, all personnel are required to complete an online certification process demonstrating that they have received, read and understood the Code and confirming that they will comply with its terms.

Our Code is available in eight (8) languages on our website at www.snclavalin.com under "About Us"/"Integrity"/"Code of Conduct" and on SEDAR at www.sedar.com under the name of SNC-Lavalin Group Inc.

The Code is under the responsibility of the CIO. The Company oversees compliance with the Code through its Ethics and Compliance Committee ("**ECC**"), a management committee chaired by the CIO. The specific monitoring of compliance with the Code by the ECC is reflected in the charter of the ECC.

Additionally, the Board oversees compliance with the Code through its GES Committee, which is mandated to review overall compliance with the Code and report to the Board any issues relating thereto. The Audit and Risk Committee and the HR Committee are mandated to report to the Board any committee-specific element which falls under their responsibility. The CIO is required to provide quarterly reports to the GES Committee on the ECC's overall activities and to the Audit and Risk Committee on accounting, internal accounting controls, auditing or fraud matters, while the EVP, HR provides quarterly reports to the HR Committee on HR-related compliance matters.

In 2021, no material change reports were required or filed in relation to any departure from the Code.

(1) In the Code, reference to "SNC-Lavalin" means, as the context may require, SNC-Lavalin Group Inc. and all entities, joint ventures, partnerships or other undertakings under its direct or indirect control.

SUPPLIER CODE OF CONDUCT

In September 2017, the Company introduced its first Supplier Code of Conduct ("**Supplier Code**") which was updated in 2021 and is applicable to all of its suppliers, subcontractors and consultants (collectively, "**Suppliers**"), including any entity over which the Supplier has direct or indirect control. The Supplier Code summarizes the Company's expectations and governing principles as they apply to Suppliers – whether they work with SNC-Lavalin or on its behalf. In May 2021, the Company published the Counterparty Code of Conduct ("**Counterparty Code**") to be used with partners that are not Suppliers, such as our joint venture partners ("**Counterparty**").

Our Supplier Code and the Counterparty Code are translated in seven (7) languages. The Supplier Code is available on our website at www.snclavalin.com under "About Us"/"Integrity"/"Supplier Code of Conduct".

REPORTING MECHANISM

Individuals with an issue or complaint regarding any known or suspected violation of our Code and our governance documents , as well as any violation of applicable laws, rules or regulations or any observed instances of misconduct or pressure to compromise our ethical standards may report the matter via multiple lines of reporting as established by the Code. Issues, violations or complaints may be reported directly through managers, integrity officers, Human Resources representatives, relevant function representatives (e.g., Global HSE, Legal, Global Security, Finance or Internal Audit), or via the reporting line which is a secure system operated by ClearView Connects, an independent third-party service provider which operates a toll-free telephone number and reporting website.

The reporting line allows for anonymous reporting should the reporter wish to protect their identity. For details, see the Company's website at www.snclavalin.com under "About Us"/"Integrity"/"Reporting Line". Similarly, if a Supplier or Counterparty has evidence or suspicion that an SNC-Lavalin employee or anyone engaged in business with the Company has breached our Code, our Supplier Code, our Counterparty Code or any applicable laws, rules or regulations, the Supplier or Counterparty must immediately report the matter to their SNC-Lavalin point of contact or via the reporting line.

The stewardship of issues, violations or complaints reported via the multiple lines of reporting is the responsibility of the GES Committee and under its direction, the ECC administers the Company's reporting mechanism and must ensure that the structure in place promptly and adequately responds to the activities reported.

Protection of Reports and Confidentiality

The Company is committed to maintaining a reporting mechanism that permits the confidential, anonymous reporting of an issue, violation or complaint. Information regarding the identity of any person making such a report remains anonymous and confidential at all times, unless otherwise expressly permitted by this person or as required by applicable laws and is only disclosed to those who have a need to know such information to properly carry out an investigation of the issue, violation or complaint, in accordance with the Code.

No person, acting in good faith, who provides information relating to an issue, violation or complaint, can be subjected to any form of reprisal or retaliation and any such behaviour will be treated as a serious violation of the Code. Corrective measures of varying degrees of severity, including but not limited to, termination without notice or termination of a contractual relationship, will be taken against any person who is determined to have engaged in this behaviour.

Integrity Organization and Program

A global integrity organization has been in place at the Company since March 2013. This organization is comprised of a corporate integrity and regulatory compliance function, dedicated sector, regional and functional integrity officers, and a compliance remediation and monitoring group. It is responsible for developing, implementing and maintaining a comprehensive integrity program at the Company. All integrity officers ultimately report to the CIO, thus ensuring true independence of the integrity function. The CIO reports directly to the GES Committee of the Board of Directors and, operationally, to the EVP and General Counsel of the Company.

Integrity officers are appointed for each sector of activity and for each region in which the Company operates. All employees are encouraged to ask questions about the interpretation or the application of compliance procedures directly to the integrity officer responsible for their particular sector or region. The close and trustful relationship between integrity officers and Company employees is the bedrock of our program's success.

In addition to our dedicated professionals, the integrity ambassador program aims 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. Ambassadors act as points of contact for the integrity function, assist with on-location and in-person follow-ups for integrity matters where necessary, and participate in management meetings in order to communicate news and developments as they relate to integrity. In addition, they provide feedback for continuous improvement of the program to ensure we are committed to applying best practices.

Integrity principles, procedures and controls are firmly embedded and integrated in all of the key processes of the Company's operations. The Company's integrity program encompasses all of its activities.

Our integrity program is mandatory in all entities, sectors, business units and functional units across the organization, and is comprised of three action elements: prevent, detect and respond. This comprehensive and integrated approach maintains our ethical health, supports our long-term success, and preserves and promotes our values. Our integrity program components adhere to ethics and compliance principles from international bodies such as Transparency International, the Organization for Economic Cooperation and Development ("**OECD**"), the United Nations Global Compact, the World Bank, the African Development Bank, and follow the United States Department of Justice FCPA Guidance.

2021 Highlights

In order to maintain a culture centered on our value of integrity throughout the Company, in 2021, the Board of Directors provided oversight and/or approval of initiatives such as:

- The launch of an updated version of the Code as well as the conduct of the annual Code certification process;
- The introduction of a new Integrity KPI measure on communication by managers on Code topics;
- The continuous improvement and expansion of the integrity ambassador program across the Company's regions with the establishment of a dedicated knowledge sharing platform;
- The launch of a range of new and refresher training modules on integrity and finance topics;
- The launch of an updated version of our modern slavery and human trafficking statement;
- The holding of our annual integrity awards, with winners selected among employees by a committee of peers under the leadership of the CIO;
- The conduct of a Company-wide integrity culture survey to measure the effectiveness of our integrity-related training and communications;
- The launch of the third global integrity week across the Company which focused on the themes of modern slavery and human trafficking, data compliance, and further elements of ED&I. Certain aspects of our integrity program, such as the ambassadors' program and the integrity communication tools (videos and presentations) were also highlighted;
- The sponsorship of the 5th edition of the Ted Rogers Ethical Leadership Case Competition, organized by Ryerson University in Toronto (Canada), where teams from universities across Canada were presented with a real- life case and evaluated on their approaches to the challenges of ethical leadership; and
- The participation in outreach events to inform our customers, business partners and other stakeholders about our initiatives to strengthen compliance in our industry that benefits all stakeholders.

In January 2021, for the second time, we were awarded with the prestigious "**Compliance Leader Verification**" from the Ethisphere Institute, an independent center for research, best practices and thought leadership. Ethisphere benchmarked our integrity program against the "2020 World's Most Ethical Companies" data set, providing insight into the programs and practices of leading companies around the world. Effective from 2021 to 2022, this recognition is conferred exclusively to companies with the best industry ethics and compliance program.

SHAREHOLDER ENGAGEMENT

Initiatives

Our Board of Directors believes in the importance of reaching out and engaging with our shareholders. Its accountability and communication with them are enhanced by each of the following practices:

- Corporate and investor relations websites;
- Annual meeting of shareholders;
- Presentations, webcasts and audio recordings of past annual shareholders' meetings available on the Company's website at www.snclavalin.com, under "Investors"/"Investor's Briefcase";
- Quarterly earnings conference calls held with financial analysts and institutional investors to present quarterly results;
- Presentations, webcasts, audio recordings and transcripts of past quarterly earnings conference calls available on the Company's website at **www.snclavalin.com**, under "Investors"/"Investor's Briefcase";
- News releases announced throughout the year to disclose selected news and events;
- Ongoing investor relations' initiatives, such as meetings with investors and attendance at industry-related conferences;
- Virtual investor day, where the President and CEO, the EVP and CFO and other members of the senior leadership team provided an in-depth review of the business strategy, financial outlook and initiatives to drive long-term stakeholder value; for which the recording is available on the Company's website at www.snclavalin.com, under "Investors"/"2021 Virtual Investor Day"; and
- Investors' e-mail address to encourage investors to address any specific questions or concerns they might have. Investors may send comments or questions via investors@snclavalin.com.

The Board also believes it is important to communicate with shareholders on matters that are important to them. Shareholders may submit individual queries, comments or suggestions to our Chair of the Board and other Directors by email at chairoftheboard@snclavalin.com. Shareholders may also send their questions in writing to the Associate General Counsel and Corporate Secretary at:

Associate General Counsel and Corporate Secretary
455 René-Lévesque Blvd.
West Montreal, Quebec (Canada) H2Z 1Z3

In 2021, our Chair of the Board communicated periodically with a number of our largest shareholders and investors through various channels, including meetings, the annual report and the Letter from the Chair of the Board included in the Circular.

Our Board and Committees consider and review other engagement activities which they believe can further enhance the Company's long-term commitment to allowing and facilitating the processes by which our shareholders may express their views on governance, compensation and other matters. They believe this engagement assists them in carrying out their responsibilities in the Company's interest. In addition, the Board met with the Canadian Coalition for Good Governance (CCGG) to review the Company's governance practices described in the 2021 Management Proxy Circular with respect to Board composition and succession planning, ESG issue oversight and disclosure, executive compensation and related topics, management succession planning, risk oversight and diversity.

EQUALITY, DIVERSITY & INCLUSION (ED&I)

Diversity and Inclusion Policy

OUR DIVERSITY POLICY

SNC-Lavalin is committed to ED&I. Our Diversity Policy has been in place at the Company since 2016, which reflects the Company's commitment to this important issue. The Diversity Policy, which initially focused primarily on gender diversity, was amended in February 2020 in order to refer to diversity within "designated groups" and include individuals from the following four (4) categories as outlined in the Canada Business Corporations Act and defined in the Employment Equity Act (Canada) (the "**Designated Groups**"):

1. Women,
2. Aboriginal peoples (defined as First Nations, Inuit or Métis)[1],

3. Persons with disabilities (defined as persons who have a long-term or recurring physical, mental, sensory, psychiatric or learning impairment and who (i) consider themselves to be disadvantaged in employment by reason of that impairment, or (ii) believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of that impairment), and
4. Members of visible minorities (defined as persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in color).

The Diversity Policy reflects the Company's view that diversity within its ranks is important to ensure that the profiles of Directors, executive officers and senior leaders provide the necessary range of perspectives, backgrounds, experience and expertise required to achieve effective stewardship and management. It is an important means to ensure that a wide-variety of perspectives are brought to bear on issues, while enhancing the likelihood that proposed solutions will be nuanced and comprehensive.

The GES Committee (for Directors) and the HR Committee (for executive officers and senior leaders) are responsible for annually monitoring the implementation of the Diversity Policy and reviewing its content as well as assessing the effectiveness of the Director nomination and the hiring, promotion, retention and succession planning for executive officers and senior leaders processes against the progress made towards achieving the Company's diversity objectives outlined in the Diversity Policy and reporting to the Board thereon.

The Company is of the view that it is preferable to identify and develop its internal talent pipeline. The Company considers the level of representation of individuals from the Designated Groups and other components of diversity within its ranks and considers both as important factors in its search process for new candidates. Talent review sessions are held at least once a year to assess the succession plans for all executive officers and key senior leader positions and to adjust the strategy so as to ensure that talent is properly developed. The Company requires that succession plans for all executive officer and key senior leader positions should include successors from the Designated Groups. The Company also measures, year over year, the representation of individuals from the Designated Groups in its talent pool.

BOARD APPOINTMENTS

The GES Committee is responsible for recommending qualified persons for Board nominations. As mentioned in the Diversity Policy, the GES Committee has developed a set of criteria for Board membership that strives to attain a diversity of backgrounds and skills for the Board and, through its Board member search practices, seeks out qualified Board candidates, including individuals from the Designated Groups. The GES Committee mandate expressly provides for the GES Committee to abide by the provisions of the Diversity Policy to select new Directors. For details on our process for nominating new Directors, see the "Board Succession Planning Process" subsection of this Circular.

As mentioned in the Diversity Policy, in fulfilling their role, the HR Committee and the Board of Directors, when appointing the President and CEO and executive officers, and the various senior leaders, consider candidates that are highly qualified based on their experience, education, expertise and personal qualities. They review potential candidates from the Designated Groups and with diverse perspectives, with the Company's diversity objectives in mind, and consider the level of representation of candidates from the Designated Groups in executive officer and senior leader positions before making such appointments. As reflected in its mandate, the HR Committee monitors the effectiveness of programs, targets and initiatives put in place by management to meet the goals and objectives of the Diversity Policy.

ED&I TARGETS

Women

In 2020, we set out revised gender targets to be met by the end of 2025. These diversity targets are as follows:

- Commitment from the Board to maintain at least 30% representation by women
- Female representation among executives(1) – 25% by 2025
- Female representation in managers and senior professionals(2) – 25% by 2025
- Female representation in all regular staff – 33% by 2025

At the end of 2021 our impact towards our 2025 targets was as follows:[(3)(4)(5)]

- Female representation among executives[(1)] – baseline as at December 31, 2020 was 18.3%, now 19.7%, an increase of 1.4% in year (target of 25% by 2025)
- Female representation in managers and senior professionals[(2)] – baseline as at December 31, 2020 was 19.9%, now 21%, an increase of 1.1% in year (target of 25% by 2025)
- Female representation in all regular staff – baseline as at December 31, 2020 was 30.3%, now 30.9%, an increase of 0.6% in year (target of 33% by 2025)

Our local action plans are being revisited to make sure we have appropriate actions in place to meet our gender targets.

After the Meeting, if all Directors nominees are elected, 36% of our Board Directors will be women.

ABORIGINAL PEOPLES, PERSONS WITH DISABILITIES AND MEMBERS OF VISIBLE MINORITIES

SNC-Lavalin has not set specific targets regarding the representation of Aboriginal peoples, persons with disabilities and members of visible minorities on its Board, in executive officer positions and in senior leader positions for the time being. The Company will evaluate the possibility of establishing targets for the representation of Aboriginal peoples, persons with disabilities and members of visible minorities on its Board, in executive officer positions and in senior leader positions. SNC-Lavalin recognizes, however, the important role Aboriginal peoples, persons with disabilities and members of visible minorities, with appropriate and relevant skills and experience, can play in contributing to different views and perspectives within the Board and management.

As at March 14, 2022, there were no (i.e. 0%) Aboriginal peoples, persons with disabilities or members of visible minorities represented on the Board.

As at March 14, 2022, no (i.e. 0%) Aboriginal peoples, four (4) (i.e. 3.1%) persons with disabilities and ten (10) (i.e. 7.8%) members of visible minorities occupied senior executive positions as at March 14, 2022[(5)].

(1) This category comprises members of the Executive Committee and other executives (such as senior vice presidents and vice-presidents) and senior project managers.

(2) These categories include managers, senior professionals and project managers.

(3) For 2021, the increase between the baseline and the year on year progress is the same as the cumulative increase.

(4) Both the current and historical data takes into account the transfer of employees following the sale of the Company's Resources Oil & Gas business.

(5) The foregoing disclosure is derived from information provided by Directors and employees. In accordance with privacy legislation, such information was collected on a voluntary basis, and where a particular individual chose not to respond, SNC-Lavalin did not make assumptions or otherwise assign data to that individual.

ED&I PROGRAM

2021 was a pivotal year for SNC-Lavalin in terms of our longstanding commitment to ED&I. Our commitment grew stronger with the launch of our global ED&I program "Different makes a difference". The program, which was co-created with our employees, recognises the strength of the SNC-Lavalin family by acknowledging and celebrating our differences around the world. It puts our employees, our clients and our communities at the heart of everything we do and helps us to deliver fully inclusive design.

Our program also recognises that we all need to change to truly deliver on our ED&I commitment. To recognise the changes required, we are delivering our program at both the global and local level – co-creating robust and relevant action plans across all of our regions.

As part of our new program we revisited our commitment and our approach:

OUR COMMITMENT:

is to create and maintain an inclusive culture where everyone belongs, can be their true self and can reach their full potential.

OUR APPROACH:

is to continue to build engagement, broaden awareness, empower our employees and communities to make a difference and continue to hold ourselves and others to account.

To help us stay accountable, we have set clear objectives which include targets and we will formally evaluate our progress against them annually.

We want to make sure that all of this work is informed by the personal experiences of our employees and endorsed and accredited by ED&I partners where appropriate.

2021 ED&I INITIATIVES

In support of our program, a number of initiatives were held across our regions. In the U.S., our Women Inspiring Leadership group ("**WIL**") held quarterly "Career Conversations" and nationwide panel discussions, recognizing and celebrating Women of Color. WIL also increased their presence from 2 to 9 "chapters" across the U.S..

Our 16 Employee Resource Groups (ERGs), which are dedicated networks owned and managed by our employees, demonstrated their collaboration across the world by coming together and creating our very own "Difference Makers in Living Color" awards. These awards recognized our black and ethnic minority employees around the world who are truly making a difference to our culture and representing our core SNC-Lavalin values.

Our learning and talent development programs also supported our commitment this year with the introduction of Female mentoring, Reverse mentoring, and dedicated programs for under-represented communities. Learning interventions on eliminating racial discrimination and conscious inclusion also continued to be delivered around the world. Additionally, returners programs were developed to support our drive to attract and retain diverse talent around the world.

Recognising and celebrating our differences was a key theme throughout 2021 as we celebrated PRIDE month, Black History month, International Women's Day and International day of persons with disabilities. We also recognised International Men's day and International day against homophobia, biphobia and transphobia in May.

Our second dedicated ED&I month in October brought our celebrations to a successful conclusion as we dedicated the month to key themes such as Allyship and Inclusive Design. The latter was a key priority for the month and saw us introduce our first ever global inclusive design panel. The panel attracted over 2,000 employees who came together to share their expertise on how we can deliver inclusive and accessible designs for our clients and our communities. Allyship was another key theme and saw several events delivered around the world to help us all understand how to become active and visible allies to particular communities. As part of the month, our Executive Committee and our OLG made individual commitments to become active and visible allies to at least one under-represented community.

In addition to our initiatives, we continued to receive external recognition for our ED&I commitments and progress. The U.K. & Europe region received recognition as one of the Times Top 50 employers for women, the most highly profiled and well-established listing of employers who are leading the way in striving for workplace gender equality. We were also recognised as the most dynamic mentoring organisation at the Women in Rail Awards and the Rail Industry Supplier Excellence Awards recognised our new Global ED&I program. In Asia Pacific we were recognised as Exemplars of Inclusion by the most Inclusive Companies Index (MICI), 100 Best Companies for Women in India by Avtar and Working Mother and we received special recognition for ED&I as part of Singapore's Best Employer program.

Our U.K. based Employee Resource Group (Empower- women's professional network) was also recognised as "Employee network of the Year" by Engineering Talent. Our U.K. & Europe region reached "Gold standard" as part of the Clear Assured Accreditation and were also recognised as a Disability confident employer Level 2.

Our program holds us to account across many different metrics. In 2021, the impact of what we have implemented during the year was evidenced by an improvement in our ED&I index (part of our annual employee engagement survey. We achieved a score of 86.5 against an industry benchmark of 77 (Professional services) with increases of +6 percentage points on questions such as "I am treated with fairness and respect". In our U.K. & Europe region, we also demonstrated our impact by once again increasing our Female Apprentice intake from 32% in 2019 to 38% in 2021. We saw a similar increase in our placement student admissions, which is our talent pipeline for future graduate roles. This increased 7% from 32% in 2019 to 39% in 2021. Similar impact was felt across our minority ethnic intake seeing increases across apprentices, placements and graduates, with graduate minority ethnicity increasing most significantly from 23% to 31%. In Canada, we also had our largest female intake of graduates to date at 34%. In the U.S., 12 of our 19 scholarships were offered to female in 2021, which is developing a very healthy talent pipeline for our future graduate program.

ENVIRONMENTAL AND SOCIAL STEWARDSHIP(1)

SNC-Lavalin has been helping private and public clients to address their design, engineering and infrastructure challenges for over a hundred years. At this critical moment in time, when humanity needs to face megatrends such as climate change, population growth and rapid digitalization, the Company is confident in its capacity to fundamentally transform the way it operates while supporting society in its own reinvention.

At the forefront of our initiatives is SNC-Lavalin's "Engineering Net Zero" thought leadership, an exercise where some of our brightest minds have sought solutions and immediately implementable actions that governments can – must – take to meet the global 2050 goal and shape a greenhouse gas free economy. Our focus is on looking at the hard tasks that come with creating the net zero world that is needed to manage the risks associated with unbridled climate change:

- How to build the low carbon system of the future at the pace required?
- How to manage the interconnection between energy supply, distribution and demand to ensure low carbon energy reaches our communities and powers our future growth?
- How to support clients to manage their existing assets – 70% of-which will need to be part of a net zero 2050 - and build new ones, with carbon as a key driver alongside time, cost and quality?

SNC-Lavalin has framed these questions through market-leading thought leadership. This started in the U.K. in November 2019 with our first Engineering Net Zero report which set out the pathway and no regrets actions that the U.K. Government would need to take to deliver on its legally-binding low carbon commitments. In March 2021, SNC-Lavalin produced the equivalent report for Canada, aimed at supporting the Government as it moves towards its own decarbonization targets.

(1) This section contains forward looking information. Please see the forward looking contingency language on page 2.

In May 2021, SNC-Lavalin launched "Our vision for engineering a sustainable society", containing Environmental, Social, and Governance (ESG) targets for the Company's corporate activities. As part of this, the Company announced a target of net zero carbon emissions by 2030 from 2019 as a baseline year. In October 2021, in the run up to COP26, SNC-Lavalin signed up to the "Race to Zero", the United Nations Framework Convention on Climate Change's (UNFCCC) Race to Zero global campaign and signed the Business Ambition for 1.5°C target. SNC-Lavalin also signed The Climate Pledge, which aims to achieve the Paris Agreement 10 years early, and be net-zero carbon by 2040 or sooner.

In July 2021, SNC-Lavalin completed the sale of its Resources Oil & Gas business, a significant step forward in the Company's strategy to reduce its risk profile and accelerate its ongoing transition to becoming a leading provider of professional engineering services and project management solutions. The transaction is also an important milestone in the Company's journey towards its sustainability business strategy, as highlighted in the Company's 2020 Sustainability Report.

Engineering Net Zero

Yet, it is through the work we do in partnership with our clients that we make the most significant impact in tackling the climate change challenge. SNC-Lavalin has a long and proud history of supporting clients with low carbon solutions both through the generation of low carbon power, and the reduction of carbon in the design, build, operation and decommissioning of assets. 'Engineering Net Zero' sets out the breadth of our offer to clients as we support them to meet their net zero goals. These services include:

- **Strategic Carbon Advisory:** A consulting service which supports clients with industry-leading route maps and planning. From concept through to implementation and management, we will clarify and direct the path to net zero carbon and deliver the pragmatic, cost-effective solutions required to deliver on our net zero commitments.
- **Net Zero Energy Systems:** SNC-Lavalin provides a whole-system approach to delivering end-to-end capability across the whole lifecycle of generation assets. We support our clients in decarbonizing key areas of existing systems, designing new low carbon power assets, approaches to carbon capture, integrating clean-energy solutions, and developing solutions to enable the decarbonization of the wider built environment. Hydrogen generation and deployment is also a key area of focus.
- **Buildings and Cities:** From single buildings, to sustainable campuses, estates, and cities, SNC- Lavalin supports clients to deliver their net zero plans throughout the lifecycle of their assets and integrate new or existing buildings to create the net zero communities of the future. SNC-Lavalin applies industry-leading methods and practices to deliver high-performing buildings and developments, interconnected by smart and green systems and infrastructure, and take into account the wider context of competing commercial, economic, social and environmental priorities. In January 2022, we launched a new service line:
- **Decarbonomics™:** This end-to-end service focuses on existing buildings that need to decarbonize to reach net zero. The service comprises a three-step approach: benchmarking (developing a carbon baseline), roadmap (designing a cost-effective path to reducing carbon) and delivery (implementing carbon-reduction solutions) for the built environment, helping our clients to reduce carbon across their existing estates.
- **Net Zero Transportation:** SNC-Lavalin supports clients to accelerate the shift to low- or zero- carbon transport networks. We support plans to shift to lower carbon modes of local transport, the decarbonization of road traffic through a rapid transition to electric vehicles, the decarbonization of longer-distance passenger and freight movement, with greater use of electrified railways, and new technology for heavy goods vehicles, planes and shipping, across design, operation and maintenance.

- **Net Zero Industrial Solutions:** SNC-Lavalin draws on our cross-sector expertise to create complete pathways to net zero and also build climate resilience for new and existing assets. Our whole-of-system services range from advice on nature-based solutions, land use and strategies for building more sustainable value chains, to repurposing and recycling existing assets, smart maintenance, green logistics and design and modern methods of construction.
- **Greenhouse Gas Removals:** In any pathway to a net zero world a significant amount of carbon dioxide will need to be removed from the atmosphere. This is likely to happen through a combination of nature-based and mechanical solutions, such as direct air capture. SNC-Lavalin will support clients to identify, design and deliver the right solution to keep them on their net zero trajectory.

Through Engineering Net Zero, SNC-Lavalin will be intensifying its focus on putting sustainability at the heart of its business strategy and undertake business activities in a way that is beneficial to the environment, society, as well as both global and local economies. Our sustainable business strategy is aligned with the UN Sustainable Development Goals and recognizes the importance of advancing the triple bottom line of environmental, social and economic sustainability, placing our business model in line with a global imperative to “leave no one behind”. These goals are a concerted effort by the international community to address pressing issues such as climate change, unfettered energy consumption, inequality, health and well-being, and a lack of clean water and sanitation. We are also a member of the UN Global Compact, signifying our support to adopting universal sustainability principles for the good of all.

As we deliver our Engineering Net Zero program, we will be intensifying our contribution to the three United Nations Sustainable Development Goals which we consider to be most material to our business strategy, our capability, and to our stakeholders.

Contribution to the United Nations Sustainable Development Goals

GOAL 7: AFFORDABLE AND CLEAN ENERGY

The first UN goal we are prioritizing is Goal 7, Affordable and Clean Energy, which requires organizations to ensure access to affordable, reliable, sustainable and modern energy for all. With a need for the world to decrease its reliance upon hydrocarbons, we are looking at the future developments in clean energy markets such as hydro, nuclear, wind, solar and carbon capture to ensure our future strategic growth initiatives align to the establishment of affordable and clean energy systems, building on our existing market presence, skills and capabilities.

Within this, we recognize that our role is not simply one of following markets; as an industry leader, we have a responsibility in helping to shape the energy markets of the future.

Alongside our prominent thought leadership on net zero carbon, we are also looking at how we engage and support the education of our teams on all aspects of net zero and ensure this becomes part of the everyday vernacular not just within our business, but within society as a whole.

GOAL 11: SUSTAINABLE CITIES AND COMMUNITIES

The second UN goal that we are prioritizing is Goal 11, Sustainable Cities and Communities, which requires organizations such as ours to make cities inclusive, safe, resilient and sustainable.

Creating sustainable cities and communities is about far more than reducing carbon, but it is an increasingly important focus for clients. Our Engineering Net Zero service offers are designed to support clients as they plan to decarbonize their assets whether at building, estate or whole city level, for both new and existing building stock. We support cities through our master planning services. Our transport teams around the world work with clients to design and build the mass transit solutions that will move people and goods efficiently. Our architecture teams design award winning public spaces for communities to enjoy, whilst more broadly we help clients to quantify and manage the carbon emissions of their existing assets as well as delivering new net zero buildings.

Our Digital Twin capability, a core part of our Digital Future program, provides an exciting opportunity to support clients as they design and operate their assets in new, lower carbon ways.

GOAL 13: CLIMATE ACTION

The third UN goal we are prioritizing is Goal 13, Climate Action, which requires organizations to take urgent action to combat climate change and its impacts.

Whilst our approach to net zero regarding energy production and usage is aimed at helping to mitigate the worst effects of man-made climate change, we also recognize our responsibility in helping to create a society that is resilient to the effects of climate change that may already be "locked in". We need to do both. Our work with the water sector around the world is a good illustration of how we do this. We work with clients and Government agencies to create actionable net zero plans which build in climate resilience as a core principle. We also have a deep capability in resilience services. For example, we work extensively for Federal agencies in the U.S. on disaster relief operations that respond to episodic events which often affect water-related infrastructure. We also contribute to longer-term programs to improve the resilience of infrastructure to climate-related and other natural disasters.

OUR NET ZERO CARBON 2030 TARGET AND COMMITMENT

Our Engineering Net Zero strategy sets out how, as a leader in the design and delivery of the built environment, SNC-Lavalin can support clients build a low carbon future.

However, we also recognize that we need to reduce our own emissions. We intend to accomplish this through our aggressive net zero plan, which details how we will achieve net zero carbon emissions for corporate activities by 2030.

The plan focuses on:

- Driving down the carbon emissions arising from energy and consumables used within our offices;
- Driving down the carbon emissions from business travel; and
- Carbon offsetting solutions.

Social Contributions

SNC-Lavalin's Donations and Sponsorships Program supports initiatives that have a positive impact on communities, learning and innovation, as well as those that stimulate progress. Every year, financial commitments are made to various educational causes – the Program's focus – and initiatives that support the next generation of talent.

The Company also contributes to charities that build caring communities, such as United Way Canada/ Centraide, various health care organizations and those that support the development of arts and culture. In addition to monetary commitments, the Program encourages employees to be actively engaged in their communities by providing a matching fund allowance for certain donations made by employees, in time or in money.

Indigenous Peoples

Aligned with SNC-Lavalin corporate vision and values, we honor Indigenous rights and culture, and require respectful and fair dealing with Indigenous communities, businesses, entities and community members in all business activities conducted by our employees, legal entities, partnerships (including joint ventures) and operations within Canada.

SNC-LAVALIN'S COMMITMENT TO INDIGENOUS PEOPLES

In early 2019, we became a committed member of the Progressive Aboriginal Relations ("**PAR**"), an online management and reporting program that supports progressive improvement in Aboriginal relations, and a certification that confirms corporate performance. This program is overseen by the Canadian Council of Aboriginal Business ("**CCAB**"). The PAR Certification will lead to improving our practices in four (4) key areas for Aboriginal inclusion, namely leadership actions, employment, business development and community relationships. By passing annual audits, we aim at becoming a PAR-Certified member in 2022. In September, the CCAB recognized SNC-Lavalin's successful completion of the requirements for the first year of the PAR program.

As part of the PAR program, in 2020, we published our commitment towards Indigenous Peoples to guide us in achieving and sustaining Indigenous inclusion, and in developing positive relations with Indigenous Peoples:

OUR COMMITMENT TOWARDS INDIGENOUS PEOPLES

Aligned with SNC-Lavalin's corporate vision and values, we honor Indigenous rights and culture, and require respectful and fair dealing with Indigenous communities, businesses, entities and community members in all business activities conducted by our employees, legal entities, partnerships (including joint ventures) and operations within Canada.

SNC-Lavalin is committed to establishing and maintaining mutually respectful and meaningful relationships between Indigenous communities, our clients and our Company. Consistent with that approach, SNC-Lavalin is committed to increased collaboration with communities and partnering with Indigenous businesses for the benefit of all parties.

Guided by the Constitution of Canada, the United Nations Declaration on the Rights of Indigenous Peoples ("UNDRIP") and the recommendations of Canada's Truth and Reconciliation Commission as a framework, we are committed to taking ongoing positive and concrete steps towards reconciliation.

In 2021, we also undertook the following:

- We observed National Indigenous Peoples Day, a day for all Canadians to recognize and celebrate the unique heritage, diverse cultures and outstanding contributions of First Nations, Inuit and Métis peoples. We hosted Tabatha Bull, President and CEO of CCAB for a dialogue session on actions we can each take to support and promote indigenous prosperity; and
- To further formalize our commitment towards Indigenous Peoples, and as another step forward in our involvement in the PAR program, we issued an Indigenous Relations and Inclusion Procedure, the purpose of which is to apply the Company's values, direction and know-how to our actions and decision-making as they relate to Indigenous inclusion and to the development of positive relationships with Indigenous Peoples.

In September 2021, we observed the National Day of Truth and Reconciliation. The day honors the lost children and survivors of residential schools, their families and communities.

OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS AND OFFICERS

As of March 14, 2022, there was no indebtedness of current or former Directors, officers or employees of the Company or its subsidiaries, whether entered into in connection with the purchase of securities of the Company or otherwise.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Certain information related to the interest of informed persons in material transactions can be found under the headings "Interest of Management and Others in Material Transactions", on page 31, and "General Development of the Business", on pages 7 to 11, of the Company's AIF dated March 2, 2022, which disclosure is incorporated by reference herein. The AIF may be viewed on the Company's website at www.snclavalin.com under "Investors"/"Investor's Briefcase" and on the SEDAR website at www.sedar.com under the name of SNC-Lavalin Group Inc. A copy will be provided free of charge upon request by any securityholder of the Company.

Other than as elsewhere described herein and in the abovementioned sections of the AIF, management of the Company is not aware of any material interest, direct or indirect, of any informed person of the Company, any proposed Director or any associate or affiliate of any informed person or proposed Director in any transaction since the commencement of the Company's most recently completed financial year, or in any proposed transaction, that has materially affected or would materially affect the Company or any of its affiliates or subsidiaries.

RELATED PARTY TRANSACTIONS

Under the Code, Directors must declare, among others, any direct or indirect material interest or relationship that they may have in a material contract or transaction. In addition, to comply with the independence criteria established by the CSA and assist in identifying and monitoring possible related party transactions, Directors are required to complete an annual questionnaire and quarterly certifications disclosing any related party transactions. The Audit and Risk Committee is responsible under its mandate for reviewing related party transactions in accordance with IFRS and applicable laws and regulations. To the extent that it is necessary to do so, the Audit and Risk Committee may retain outside advisors to assist it in reviewing related party transactions.

In 2021, there were no related party transactions involving the Directors or any of the members of the Executive Committee.

SHAREHOLDER PROPOSALS

The last day for submission of proposals by shareholders to the Company, for inclusion in next year's Management Proxy Circular in connection with the 2023 annual meeting of shareholders, will be December 5, 2022.

AVAILABILITY OF DOCUMENTS

Financial information is provided in the Company's annual and quarterly financial statements and annual and quarterly MD&A. The Company is a reporting issuer under the securities acts of all provinces of Canada and complies with the requirement to file annual and quarterly financial statements, annual and quarterly MD&A as well as its Circular and AIF with the various securities commissions in such provinces. The Company's most recent annual financial statements, annual MD&A, quarterly financial statements, quarterly MD&A, Circular, AIF and additional information relating to the Company may be viewed on the Company's website at www.snclavalin.com under "Investors"/"Investor's Briefcase" and on the SEDAR website at www.sedar.com under the name of SNC-Lavalin Group Inc.

A printed copy can be ordered online via the Company's website at www.snclavalin.com and under "Investors"/"Investor's Briefcase" or upon request to the Company's Associate General Counsel and Corporate Secretary at 455 René-Lévesque Boulevard West, Montreal, Quebec, H2Z 1Z3, Canada. The Company may require the payment of a reasonable charge when the request for copies is made by a person other than a holder of securities of the Company, unless the Company is in the course of a distribution of its securities pursuant to a short form prospectus, in which case such paper copies will be provided free of charge.

APPROVAL OF DIRECTORS

The contents and mailing of this Circular have been approved by the Board of Directors of the Company and were sent to each Director, each shareholder whose proxy is solicited and to the auditor.

Montreal, Quebec, March 14, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

Andrée-Claude Bérubé

Associate General Counsel and Corporate Secretary

SCHEDULE A - SHAREHOLDER PROPOSALS

Five (5) proposals shareholder proposals were received by the Company. Proposals No. 1, 2, 3 and 4 below were submitted by the Mouvement d'éducation et de défense des actionnaires ("**MÉDAC**"), 82 Sherbrooke Street West, Montreal (Quebec) H2X 1X3, a holder of Common Shares of the Company, for consideration at the Meeting. Proposal No. 5 was submitted by the Shareholder Association for Research & Education ("**Share**"), 1155 Robson Street, Suite 510, Vancouver, (British Columbia), V6E 1B5. The proposals submitted in French by the MÉDAC were translated into English by the Company. Following discussions with MÉDAC and in light of the Company's answers included below, it was mutually agreed not to hold a vote on Proposals No. 1 and 2.

PROPOSAL NO.1: FORMAL REPRESENTATION OF EMPLOYEES IN STRATEGIC DECISION-MAKING

> Not submitted to shareholder vote.

Médac's proposal as submitted (translation):

It is proposed that the Board of Directors evaluate ways to increase employee participation in its decision-making. It is suggested that the conclusions of this reflection be reported at the next annual general meeting in 2023.

Médac's argumentation in support of the proposal as submitted (translation):

The public health and economic crisis has helped focus our attention on the health and well-being of employees in organizations. We need not recall certain benefits: increased job satisfaction, enhanced sense of belonging, higher rate of engagement, increased productivity, decreased absenteeism, reduced insurance costs, work accidents, and occupational illness. Over the next few years, boards of directors will face many talent management and development challenges.

Over the last few years, boards have felt compelled to increase the quality of their decision-making by relying on different experiences and skills and hiring talent of all genders, ages, origins and faiths as much as possible. Although our boards are mainly composed of independent directors, they lack the employee's view, which could offer a different perspective on the organization's operational and strategic issues, better oversight of senior management decisions and more balanced decision-making around short-and long-term perspectives, since employees tend to place more importance on the long term.[1]

The most recent version (2018) of the UK Corporate Governance Code[2] proposes consideration of different initiatives to increase employee participation in the highly strategic decision-making of organizations, such as: creating a statutory workforce consultation committee, appointing a Board member to liaise with employees or appointing at least one employee other than the CEO to the Board of Directors.

Fully convinced of the great merit of direct and formal employee contribution to strategic decision-making, including decisions with significant talent management and development components, we are tabling this proposal, confident that the company will be able to offer, at the next general meeting in 2023, the means to ensure employee insight and input.

(1) Andreas K. OKKINIS and Konstantinos S. ERGAKIS, "A flexible model for efficient employee participation in UK companies", (2020) 20-2 J. Corp. Law Stud. 453-493, DOI: 10.1080/14735970.2020.1735161

(2) Financial Reporting Council - 2018 - The UK Corporate Governance Code. https://www.frc.org.uk/getattachment/88bd8c45-50ea-4841-95b0-d2f4f48069a2/2018-UK-Corporate-GovernanceCode-FINAL.PDF

BOARD OF DIRECTORS' RESPONSE

The Board believes that the current governance structures and ways of working at SNC-Lavalin provide the necessary opportunities to engage with employees and take a longer-term view of our people, their well-being, and their priorities.

An important set of data comes from Vox, our annual all employee engagement survey which provides the Board with key information about employees' views and opinions across many topics, as well as planned Town Hall interactions with employees at a global or regional level. The Company also has a thriving network of community-based groups, representing our diverse workforce, who are regularly consulted to inform new approaches to how we do things.

This, alongside regular opportunities for members of the Board to meet and listen to our employees at all levels through leadership town-halls, presentations, Director Safety Tours and site visits, has provided the Board with a comprehensive view of our employees, the challenges and opportunities they face on a daily basis, and how they interact with senior management.

Under its mandate, the Board of directors, when making decisions, must always act in the best interest of the Company, and for such purpose, may consider other interests, including those of employees. The Board is of the view that the mechanisms in place at the Company to ensure that employees views and opinions are heard, considered and communicated are sufficient and appropriate.

We are convinced that our current practices are aligned with best corporate governance practices in Canada. We will continue to monitor and consider in our reflection best national and international practices (including those in the UK and Continental Europe) as they evolve and include the results of such reflection in one of the Company's public document next year.

PROPOSAL NO. 2: WOMEN MANAGERS: PROMOTION, ADVANCEMENT AND RISE IN RANK

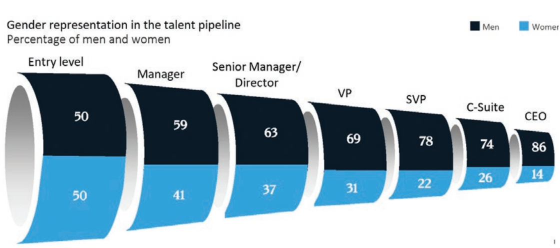
> Not submitted to shareholder vote.

Médac's proposal as submitted (translation):

It is proposed that the company publish annually, in the form it deems appropriate, a report on the representation of women in management, from entry-level to the top tier, immediately under the president.

Médac's argumentation in support of the proposal as submitted (translation):

The pandemic has totally disrupted our economy and our various work environments. The crisis has particularly affected women, as millions were forced to leave their job, choose part-time work or were simply laid off given the nature of their job or the economic sector in which they worked. Companies thus find themselves with significantly fewer women in management or on the management track. This will only aggravate a pre-existing situation. According to a study by McKenzie,(1) while women made up 50% of the entry-level workforce in the organizations surveyed, they only hold 31% of vice-president positions and 14% of CEO positions, as clearly shown in this chart.



In particular, there are measures "to help women lessen the career and financial impacts of unpaid parental leave and part-time work"(2), as women today are still more likely than men to experience such professional situations, constituting obstacles to advancement.

Companies cannot risk losing even more women in management positions. The proposed report will help to provide an overview of the situation across the different levels, encourage senior leadership to set gender diversity targets for each, and to inform all stakeholders of the strategies to be implemented to ensure a resilient recovery of business activities, particularly after the public health crisis.

(1) The Present and Future of Women at Work in Canada https://www.mckinsey.com/~/media/mckinsey/featured%20insights/gender%20equality/the%20present%20and%20f uture% 20of% 20women% 20at% 20work% 20in% 20canada / 20190602-women-matter-2019-vf.pdf

(2) Ibid., see in particular Australian company Aurizon's Shared Care program, among other examples.

Board of Directors' Response

The Company works hard to develop and maintain a strong culture of ED&I and is taking actions to increase the proportion of women in professional roles and in all levels of management. In 2021, we established revised gender representation targets to be met by 2025. These targets are now a metric used in the calculation of the Annual Incentive Program.

We disclose gender representation data on an annual basis in our annual Circular. This includes some segmentation by employee group and we added details on job levels. This year's disclosure can be found in the Equality, Diversity & Inclusion (ED&I) section of the Circular in pages 108 and following.

In 2021, we also appointed a global head of ED&I to ensure that we are systematic in our approach to this area and that we transfer learning and best practice on all aspects of diversity across our businesses globally. Our Circular details, amongst others, the programs in place to support women (see section "ED&I Programs" on pages 110 and following of this Circular). Our 2021 global ED&I initiatives are set out in detail on pages 111 and following of this Circular along with our performance against our ED&I index which is derived from Vox, our employee engagement survey.

The Board believes that the current level of disclosure of gender representation data provides our shareholders with the information necessary to evaluate the Company's performance in this area.

The Board does not believe additional segmentation of information such as that which is proposed would be materially beneficial in advancing our ED&I objectives, including our targets to increase women representation at all levels in the organization.

PROPOSAL NO. 3: FRENCH AS AN OFFICIAL LANGUAGE

Médac's proposal as submitted (translation):

It is proposed that the language of the company be French, in particular the working language in Quebec, including the language at annual meetings. Its official status must be formally registered, in writing, in the articles of the company.

Médac's argumentation in support of the proposal as submitted (translation):

The company's head office is in Quebec, a French-speaking State. The State of Quebec has existed for over 400 years. Also, the official language of Quebec is French. Quebec is the only French-speaking State in America.

The language of a people is its most essential fundamental attribute, an existential attribute.

The diversity of the world cannot in any way be reduced to questions strictly relating to the biological nature of natural persons or to the arbitration of individual privileges. The diversity of the world is first and foremost a collective issue based essentially on the culture of peoples.

The people of Quebec, through their territorial State and public institutions, starting with their National Assembly, Constitution and Charters, ensure the protection of linguistic diversity in the world by strictly protecting the collective and public character of their language. The spirit of the Law is clear(1), including that of reforms to Federal Law(2) and Quebec Law.(3)

Respecting and promoting this attribute of global diversity is, in particular, a matter of social responsibility for all companies.

It is in the interest of all stakeholders, starting with the entire community, from all origins. Sustainable development and long-term performance cannot be conceived otherwise.

It is the duty of the company to act in scrupulous respect of these sacred principles. Also, it is perfectly possible to do business anywhere in the world with a head office that operates in the language of the State in which it is located(4).

For example, the annual general meeting of shareholders of Samsung(5) (Suwon) is in Korean, Heineken(6) (Amsterdam) in Dutch, Nissan(7) (Yokohama) in Japanese, Foxconn(8) (Taiwan) in Mandarin, Volkswagen(9) (Wolfsburg) in German, then L'Oréal(10) (Clichy), Danone(11)(Paris), Christian Dior(12)(Paris) and LVMH(13) (Paris) in French. The content is translated into the other languages. The principle is simple and clear.

The French language is not a choice. It is the collective instrument for communication. Besides, for foreign languages, there is translation, whether or not simultaneous.

French is the language of all of us.

It is a collective issue of equity, justice and dignity. A national issue.

(1) The Charter of the French language: an obstacle [...] http://hdl.handle.net/11143/10216
(2) Bill C-32 https://parl.ca/DocumentViewer/fr/43-2/projet-loi/C-32/premiere-lecture French and English: Towards equality [...]

    https://www.canada.ca/fr/patrimoine- canadien/organisation/publications/publications-generales/egalite-langues-officielles.html
(3) Bill No. 96 http://assnat.qc.ca/fr/travaux-parlementaires/projets-loi/projet-loi-96-42-1.html
(4) How is a "deal" concluded in French? [...] http://collections.banq.qc.ca/ark:/52327/1832243
(5) AAA 2021 Samsung https://www.youtube.com/watch?v=v8l9iOOv58A
(6) AAA 2021 Heineken https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/AGM%20 2021/20210609% 20Heineken%20 N.V.%20Notulen%20AvA.pdf
(7) AAA 2021 Nissan https://www.youtube.com/watch?v=OS9Sm3Rgt9k
(8) AAA 2021 Foxconn https://www.youtube.com/watch?v=pPNJ37Rt3Q0
(9) AAA 2021 Volkswagen https://www.volkswagenag.com/de/InvestorRelations/annual-general-meeting.html
(10) AAA 2021 L'ORÉAL https://www.loreal-finance.com/fr/assemblee-generale-2021
(11) AAA 2021 DANONE https://www.danone.com/fr/investor-relations/shareholders/shareholders-meeting.html
(12) AAA 2021 Christian DIOR https://voda.akamaized.net/dior/1520614_605ded3e38389/
(13) AAA 2021 LVMH https://www.lvmh.fr/actionnaires/agenda/assemblee-generale-2021/

Board of Directors' Response

SNC-Lavalin is a century-old company made up of women and men who have largely contributed to forging modern Quebec and to showcasing our engineering talents throughout the world. Today, it is present internationally and its global activities involve more than 30,000 employees from 130 different nationalities and speaking 70 languages. All of them collaborate daily to carry out large-scale projects engineering a better future for our planet and its people.

Our global presence does not prevent us from ensuring the use of French, the common and official language of Quebec, within the Company. In Quebec, French is present and spoken in all our offices where our employees are automatically provided with equipment configured in French.

We are aware that the situation can be improved, and we are making the necessary efforts to improve it, in particular by adding communications services and thanks to the collaboration of leaders who have been made aware of the Quebec reality.

As for our communications with our shareholders, it is important to us that everyone is able to communicate with us in French and that and our documentation be available in French, in addition to having simultaneous translation at our annual meeting of shareholders. Consequently, we favor continuous improvement of our ways of doing things rather than an amendment to Company's articles or by-laws. Thus, for our 2022 Annual Meeting of Shareholders, we are committed to include more original content in French. We will strive to increase original content in French year after year.

This commitment is in addition to:

› the constant monitoring already carried out by our francization committee with respect to compliance with the Charter of the French Language;
› the involvement of members of the Communications Centre of Excellence who ensure that news from other regions of the world are translated into French;
› corporate communications sent and posted in French;
› raising awareness among our sectors of activities here and elsewhere so that a greater proportion of content outside Canada is available in French; and
› the commitment made by our President and Chief Executive Officer to make the necessary efforts to take language training to the best of his abilities.

In light of the foregoing, the Board of Directors therefore recommends that the shareholders vote "AGAINST" this proposal.

PROPOSAL NO. 4: REVIEW OF SENIOR LEADERSHIP COMPENSATION POLICY

Médac's proposal as submitted (translation):

It is proposed that the Board of Directors review its senior leadership compensation policy so that it is linked to company performance, thereby avoiding harsh criticism from the community.

Médac's argumentation in support of the proposal as submitted (translation):

Last April, one Journal de Québec headline read "Rémunération versée au grand patron : les employés de SNC-Lavalin littéralement dégoûtés"(1) [Compensation paid to the big boss: SNC Lavalin employees literally disgusted]. The Journal de Montréal, in a piece written by economics columnist Michel Girard, stated "Les patrons de SNC-Lavalin vivent sur une autre planète"(2) [SNC-Lavalin bosses live on another planet]. These articles openly questioned the 2019 to 2020 increases in the salaries of the CEO and top executives, given that the company reported a heavy loss of $956 million in 2020, compared to a net profit of $330 million in 2019. Over the same period, the company's stock fell 26%, closing 2020 at $21.73 per share.(3) Needless to say, 2017 closed at $57.05 per share.(4)

We need to rethink the current compensation structure to prevent such criticism from once again tarnishing the company's reputation, both within the broader community and among its own employees.

(1) https://www.journaldequebec.com/2021/04/16/snc-lavalin-les-employes-litteralement-degoutes
(2) https://www.journaldemontreal.com/2021/04/16/les-patrons-de-snc-lavalin-vivent-sur-une-autre-planete
(3) 2020 Financial Report
(4) Ibid.

Board of Directors' Response

The Board of Directors reviews our executive compensation policy annually to ensure that it continues to incentivise the achievement of performance goals designed to foster the creation of sustainable long-term shareholder value.

For example, in 2021 we introduced new ESG targets into our AIP and revised the peer group that is referenced to determine relative TSR performance in our PSU.

A significant proportion of the compensation received by senior leadership is performance based, i.e. it is "at-risk" in order to better align compensation with the Company's performance. In 2021, 80% of the President and CEOs targeted total direct compensation was performance based. On average, in 2021, 73% of our other NEOs compensation was performance based.

A recent example of how Company performance affects senior leadership compensation is the payments made via the Performance Share Unit (PSU) element of the Long-Term Incentive Plan (LTIP), which makes up 60% of the LTIP payment. In 2021 and 2022, the payment from PSU was 10% and 21% of the target respectively, due to the Company's share price performance, relative to the peer group of companies. In 2020, the payment from PSU was 0% of the target award.

Every year, the Company discloses pay-for-performance alignment in the Realized/Realizable pay section of the CD&A. This disclosure compares the pay outcomes to the President and CEO with the stock price performance (see page 70 of this Circular).

Shareholders have the ability to ratify the executive compensation of the Company through the annual say-on-pay resolution. This resolution has received overwhelming support over the past 5-years. At our 2021 Annual Meeting of Shareholders, shareholders again showed strong support for our executive compensation programs with 96.8% of the votes cast approving our advisory vote on our approach to executive compensation.

In light of the foregoing, the Board of Directors therefore recommends that the shareholders vote "AGAINST" this proposal

PROPOSAL NO. 5

Share's proposal as submitted:

RESOLVED: Shareholders request that SNC-Lavalin report to shareholders on the outcomes of their diversity, equity and inclusion efforts by publishing comprehensive quantitative data on workforce composition (e.g., recruitment, retention and promotion rates) and compensation practices (e.g., wages, bonuses and access to benefits) by gender, race and ethnicity. The reporting should be done at reasonable expense and exclude proprietary information.

Share's argumentation in support if the proposal as submitted:

SNC-Lavalin's leadership has noted the material benefits of a diverse workforce, supported by studies by The Wall Street Journal, Credit Suisse, Morgan Stanley, McKinsey, and BCG. As part of its "Equity, Diversity and Inclusion" (ED&I) initiatives, SNC-Lavalin's CEO has championed UN Sustainable Development Goals of gender equality, and reducing inequality.

The company's efforts to date have focused on the diversification of its executive team, and it has not elected to disclose key workplace metrics relevant to diversity in its reporting under the UN Global Reporting Initiative (UN GRI), including gender-based differences in compensation, retention or access to key employment benefits .

Tracking and identifying gaps in representation and compensation practices throughout an organization help identify where real progress in diversification is happening, and where there are problems requiring attention. Such practices have been gaining ground: for example, between September 2020 and September 2021, the number of S&P 100 companies releasing recruitment rate data by gender, race and ethnicity increased by 234 percent, companies releasing retention rate data increased by 79 percent, and companies releasing promotion rate data increased by 379 percent.

Where SNC-Lavalin is required by law to report more comprehensive information on workplace equity, disclosures have been informative. For example, the UK requires all employers with more than 250 employees to report annually on their gender pay gap. SNC-Lavalin's submission finds that at Atkins, the mean pay of men is nearly 20% higher than women in the UK. Men are more likely to receive bonuses and the mean bonus pay of men is 40% higher. The gaps are generally even wider for other UK subsidiaries .

In Canada, employees at the SNC-Lavalin's nuclear subsidiary, Candu Energy, report that the company has failed to grant the same basic entitlements to a predominantly female bargaining unit as are enjoyed by the predominantly male bargaining units, including access to comparable health and sick leave benefits, nor an equivalent harassment procedure – all measures that could affect the company's ability to recruit, retain and promote a more diverse workforce.

Comprehensive reporting on outcomes related to workforce composition and compensation practices would help both the Board and shareholders assess the efficacy of the company's ED&I programme.

https://www.snclavalin.com/en/sustainability/our-esg-measurement-categories/diversity,

https://www.wsj.com/articles/the-business-case-for-more-diversity-11572091200,

https://www.bcg.com/en-ca/capabilities/diversity-inclusion/insights,

https://www.morganstanley.com/access/gender-diversity,

https://www.credit-suisse.com/about-us-news/en/articles/news-and-expertise/strong-diversity-and-inclusion-practices-are-good-for-business-202012.html,

https://www.mckinsey.com/featured-insights/coronavirus-leading-through-the-crisis/charting-the-path-to-the-next-normal/most-diverse-companies-now-more-likely-than-ever-to-outperform-financially

https://www.snclavalin.com/~/media/Files/S/SNC-Lavalin/download-centre/en/report/sustainability-report-2019.pdf, p.182

https://www.asyousow.org/resolutions/2021/24/11-ups-greater-disclosure-of-material-corporate-diversity-equity-and-inclusion-data

https://www.snclavalin.com/~/media/Files/S/SNC-Lavalin/download-centre/en/report/gender-pay-gap-report-2020.pdf

Board of Directors' Response

The Company is committed to increasing the diversity of our people and promoting a fully inclusive culture where everyone feels they belong and can reach their full potential.

Management reports comprehensive data on workforce trends to the HR Committee of the Board on a quarterly basis. This includes data relating to workforce composition and diversity data where this is available. In addition, the HR Committee reviews the global ED&I strategy and plans annually. As a result of this, the Board of Directors, on behalf of our shareholders, has very good visibility of how the Company's ED&I activities are positively impacting the diversity of our workforce.

Compensation decisions in the Company are made on an individual basis, with reference to employee contribution and market benchmarking. We continue to keep this under review, making sure our policies and practices are fair. We actively scrutinize decisions around our annual performance, pay and bonus activities. Likewise, we do not limit or differentiate access to benefits along the lines of gender, race, or ethnicity.

The detailed workforce analysis covering retention, promotion and compensation data, provides competitive advantage for the Company, as it informs our attraction, recruitment and talent management strategy, as well as our ED&I actions and priorities. It is therefore proprietary to SNC-Lavalin and is not disclosed publicly. The Company does however disclose a very detailed commentary on the actions we have taken to achieve our representation targets and our broader ED&I achievements each year. This disclosure is comprehensive and available in the Equality, Diversity & Inclusion (ED&I) Section of the Circular.

In light of the foregoing, the Board of Directors recommends that the shareholders vote "AGAINST" this proposal.

SCHEDULE B - MANDATE OF THE BOARD OF DIRECTORS

1. Mission

The Board of Directors (the "Board") of SNC-Lavalin Group Inc. (the "Company") supervises and oversees the management of the Company's business and affairs.

2. Composition

2.1 BOARD COMPOSITION

The Articles of the Company provide that the Board is composed of not less than eight (8) and not more than twenty (20) Directors, to be elected annually. A majority of Directors must be "independent", as determined by the Board and in light of Canadian securities legislation and regulations.

The Board strives to include within its ranks a diverse group of individuals including, but not limited to, both gender and ethnic diversity and abides by the Company's Diversity and Inclusion on the Board of Directors and in Senior Leadership Positions Policy, which requires considering women, Aboriginal peoples, persons with disabilities and members of visible minorities as part of the Directors' selection process, as well as all applicable laws and regulations.

2.2 CONFLICT OF INTEREST

Although Directors may be nominated by the Board and elected by shareholders to bring a special expertise, experience or point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Company must be paramount at all times, taking into account those interests which in its judgment the Board may consider appropriate to consider from time to time, including the interests of the Company's various stakeholders.

2.3 BOARD COMMITTEES

The Board may establish, seek the recommendations of, and delegate responsibilities to Committees of the Board. Such delegation does not relieve the Board of its overall responsibilities. The Board reserves the right to supervise, review and approve Committee activity. Committees do not take action or make decisions on behalf of the Board unless specifically mandated to do so.

The Board has established the following standing Committees:

- Audit and Risk Committee;
- Governance, Ethics and Sustainability Committee;
- Human Resources Committee; and
- Safety, Workplace and Project Risk Committee.

The Board may also establish non-standing Committees tasked with specific ad-hoc mandates.

3. ACTIVITIES, DUTIES AND RESPONSIBILITIES

3.1 INTERACTION WITH MANAGEMENT

Management of the Company's business and affairs is carried out through the President and Chief Executive Officer ("CEO"), who is charged with the day-to-day management of the Company. Management keeps the Board appropriately informed of the Company's business, progress of its strategic objectives and risks.

3.2 BOARD MATTERS

A. Subject to the Articles and By-Laws of the Company, the Board manages its own affairs and, with the support of the Governance, Ethics and Sustainability Committee, is responsible for:

- **ii.** planning its size and composition and that of its Committees;
- **iii.** selecting the Chair of the Board, who cannot be the CEO;
- **iv.** nominating candidates for election to the Board;
- **v.** appointing the members and Chairs of its Committees;
- **vi.** establishing the responsibilities of its Committees;
- **vii.** determining Board compensation;
- **viii.** monitoring Board succession planning process; and
- **ix.** assessing the performance of the Board, Committees, Chair of the Board, Committee Chairs and individual Directors.

B. The Board ensures that appropriate structures and procedures are in place so that the Board and its Committees can function independently of management.

C. The Board provides an orientation and education program for new Directors, which is developed with the assistance of the Governance, Ethics and Sustainability Committee. The Board encourages and provides opportunities for all Directors to periodically update their skills as well as their knowledge of the Company, its business and affairs, and its senior management.

3.3 SENIOR OFFICERS COMPENSATION, PERFORMANCE EVALUATION AND SUCCESSION PLANNING

A. Upon recommendation of the Human Resources Committee, the Board reviews and approves the total rewards philosophy, strategy, policies, benchmarking (including peer group selection) and award levels for the group composed of the Executive Committee members (which includes the President and CEO) and other senior executives reporting directly to the President and CEO ("Senior Officers"), as the case may be.

B. Each year and upon recommendation of the Human Resources Committee, the Board reviews and approves the awards, payouts and setting of applicable performance objectives, targets, metrics and vesting criteria related to the Company's short-term and long-term incentive plans.

C. Each year, upon recommendation of the Human Resources Committee, the Board reviews and approves the performance ratings and management development actions for Senior Officers.

D. Each year, the Board reviews the list of objectives of the President and CEO for the ensuing year.

E. The Board provides advice and counsel to the President and CEO, and takes action if and when performance falls short of their objectives or if other special circumstances warrant

F. Upon recommendation of the Human Resources Committee, the Board reviews and approves the appointment and replacement of the President and CEO and other Senior Officers as well as their related compensation.

G. Each year, the Board receives a report from the Human Resources Committee on the succession plans for Senior Officers excluding the President and CEO and monitors the succession planning process.

H. Each year, upon recommendation of the Human Resources Committee, the Board reviews and approves the succession plan for the President and CEO.

3.4 STRATEGY OVERSIGHT

A. The Board participates in the development of the Company's strategy and monitors progress towards it. Each year, the Board reviews and approves the Company's strategic (5-year) plan and budget. The plan takes into account, among other things, the opportunities and risks of the Company's business. The Board also reviews on a regular basis, the strategy of the Company with respect to, among others, people and culture, technology, risks, ESG, capital allocation, key focus areas and growth.

3.5 ENVIRONMENTAL, SOCIAL AND GOVERNANCE

A. Before their publication and upon recommendation of the Governance, Ethics and Sustainability Committee, the Board reviews and approves new or material amendments to the Company's Statements and Commitments relating to governance, including the Company's Statement of Purpose, and Environmental, Social and Governance ("ESG") matters.

B. Each year, upon recommendation of the Governance, Ethics and Sustainability Committee, the Board reviews and approves the Company's annual Sustainability Report prior to its publication.

3.6 CORPORATE GOVERNANCE, ETHICS AND COMPLIANCE

A. The Board, with the assistance of the Governance, Ethics and Sustainability Committee, adopts, updates and monitors compliance with the corporate governance structures, policies and procedures of the Company.

B. The Board, with the assistance of the Governance, Ethics and Sustainability Committee, adopts, updates and monitors compliance with the Company's Code of Conduct.

C. The Board takes reasonable measures to satisfy itself that Senior Officers act with integrity and create a culture of integrity throughout the Company.

3.7 FINANCIAL MATTERS AND CONTROLS

A. The Board ensures, through reasonable measures, that the Company's audited annual financial statements are presented fairly and in accordance with generally accepted accounting standards.

B. The Board, with the assistance of the Audit and Risk Committee, monitors through reasonable measures the Company's internal controls and management information systems.

3.8 DISCLOSURE TO SHAREHOLDERS AND OTHERS

A. Before their publication and upon recommendation of the Audit and Risk Committee, the Board reviews and approves the Company's unaudited quarterly and audited annual financial statements and accompanying notes, together with the related Management's Discussion and Analysis and press release.

B. The Board ensures, through reasonable measures, that the performance of the Company is adequately reported to its shareholders, its other security holders, the investment community, the relevant regulators and the public on a timely and regular basis in compliance with applicable laws and regulations.

C. Before its publication and upon recommendation of the Audit and Risk Committee, the Board reviews and approves the Company's Annual Information Form.

D. Before its publication and upon recommendation of the Human Resources Committee and the Governance, Ethics and Sustainability Committee, the Board reviews and approves the Management Proxy Circular.

E. The Board reviews and approves prospectuses and any other disclosure documents to be disclosed or filed by the Company under applicable securities laws, before their public disclosure or filing with regulatory authorities.

F. The Board reviews and approves resolutions to call meetings of shareholders, normal course issuer bids, as well as the documents disclosed or filed by the Company in relation to meetings of shareholders.

G. The Board ensures, through reasonable measures, that timely disclosure is made in compliance with applicable laws and regulations and the Company's Disclosure and Insider Trading Policy. As required and upon recommendation of the Audit and Risk Committee, the Board reviews the Company's Disclosure and Insider Trading Policy and Disclosure Committee Charter, as well as recommendations regarding any required changes in light of applicable legal and regulatory requirements.

H. As required and upon recommendation of the Audit and Risk Committee, the Board reviews and approves any required changes to the Company's related party transactions processes in light of applicable legal and regulatory requirements.

I. As required and upon recommendation of the Audit and Risk Committee, the Board reviews and approves any required changes to the Company's overall insurance coverage, including captive and directors and officers (D&O) insurance.

J. The Board periodically considers and reviews engagement activities with shareholders and other stakeholders.

K. Before their publication and upon recommendation of the Audit and Risk Committee, the Board reviews and approves the financial information included in the Company's ESG public disclosure documents.

3.9 HEALTH AND SAFETY, SECURITY AND ENVIRONMENT

The Board ensures, through reasonable measures, that the Company has appropriate policies, practices, systems and resources to provide for the health and safety, security and environmental performance of the Company in accordance with applicable laws and regulations.

3.10 PROJECT OVERSIGHT

Each year and upon recommendation of the Safety, Project Oversight and Technology Committee, the Board reviews and approves any updates to the project approval framework for new projects and related sections of the Company's Levels of Authority Policy.

4. ENTERPRISE RISK OVERSIGHT

4.1 RISK OVERSIGHT

As part of the Board's role and responsibilities with respect to the Company's risk management framework and in accordance with the Company's Risk Management Policy, the Board provides specific oversight of the Company's management of:

i. Strategic risks associated with geopolitical and market conditions, market strategy, clients and account management, competitors and disruptors, mergers and acquisitions, strategic initiatives, and brand management; and

ii. Operational risks associated with enterprise knowledge, business transformation, and business resilience.

4.2 RISK EVALUATION

- **A.** The Board ensures, through reasonable measures, that the principal risks of the Company's business and affairs are identified and that measures to mitigate and manage such risks are implemented. The Board also monitors progress on corrective and mitigation actions.
- **B.** The Board ensures that an integrated enterprise risk management system is in place and reviews updates thereto on an annual basis.
- **C.** Each year, upon recommendation of the Audit and Risk Committee, the Board reviews and approves the Company's Risk Management Policy and Risk Tolerance and Risk Appetite Statements.

5. ORGANIZATION AND PROCEDURES

- **A.** Meetings of the Board are held at least quarterly and as required. In addition, another meeting of the Board is held, at least annually, to review and approve the Company's annual strategic plan and budget. The Board sets the schedule of the Board and Committee meetings to be held in any given calendar year, at least a year in advance. At each of the regularly scheduled meetings of the Board, an in-camera session of the non-executive Directors is held.
- **B.** The involvement and commitment of Directors is evidenced by regular Board and Committee attendance, review of available meeting materials in advance, availability to consult with other Directors or management as necessary, and preparation and active participation in Board deliberations.
- **C.** The Chair of the Board develops the agenda for each meeting of the Board, in consultation with the President and CEO and Corporate Secretary. The Chair of the Board or, in their absence, the President and CEO, presides Board meetings. In both their absence, an alternate may be elected by the Board. Senior management will be made accessible to the Directors at Board meetings to help them to fulfil their obligations.
- **D.** A Director may participate in a meeting of the Board or of a Board Committee by means of telephone or other communications facilities which permit all persons participating in the meeting to communicate adequately with each other. A Director participating in a meeting by such means is deemed to be present at the meeting. If a regular meeting has been convened, physical participation in the meeting by Directors is encouraged and expected, except in special circumstances.
- **E.** 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 Board meetings to each Director in a timely manner.
- **F.** A majority of the number of Directors or minimum number of Directors required by the Articles constitutes a quorum for the transaction of business at any meeting of the Board. The proceedings of the Board are conducted in accordance with the By-Laws of the Company.
- **G.** The Board may require the assistance of the Company's resources to research, investigate and report on matters within the Board's responsibilities.
- **H.** The Board may engage outside advisors at the expense of the Company to research, investigate and report on matters within the Board's responsibilities. The Board approves the outside advisor's retention terms, which includes their compensation, and supervises their work.
- **I.** The Board will annually review its mandate to ensure it continues to be appropriate and establish its annual working plan.

Nothing contained in this mandate shall be intended to expand applicable standards of conduct or other obligations under any law or regulation for the Directors of the Company.

SCHEDULE C - SUMMARY OF LONG-TERM INCENTIVE PLANS

STOCK OPTION PLANS

All options granted under the 2013 Stock Option Plan expired before or on May 13, 2019. The 2011 Stock Option Plan ended in 2017 as all options granted under this plan expired before or on May 11, 2017.

The following table presents information concerning stock options granted over the last five (5) years:

	2017	2018	2019	2020	2021
Number of Stock Options Granted	0	0	0	0	0
Number of Employees who were Granted Stock Options	0	0	0	0	0
Number of Stock Options Outstanding as at Year-End	326,763	260,866	0	0	0
Average Weighted Exercise Price of Stock Options Outstanding	$40.98	$40.98	N/A	N/A	N/A
Number of Stock Options Granted as a % of Outstanding Shares ("burn rate")	0.00%	0.00%	0.00%	0.00%	0.00%
Number of Stock Options Exercised	251,402	65,897	0	0	0

SUMMARY OF 2013 STOCK OPTION PLAN

On March 8, 2013, subject to the approvals of the TSX and the Company's shareholders, which approvals were subsequently obtained, the Board of Directors of the Company adopted the 2013 Stock Option Plan (the "**2013 Plan**") in favour of key employees of the Company and its subsidiaries and other corporations in which the Company has an equity interest.

The 2013 Plan provides for the granting of non-transferable options to purchase Common Shares. The total number of authorized and unissued Common Shares available for options under the 2013 Plan is equal to 3,200,000 which, together with the number of options outstanding (i.e., granted but not exercised) as at March 11, 2013 under previous stock option plans, totals less than 5% of the Common Shares of the Company outstanding as at the same date. The Board of Directors of the

Company will select the optionees (the "**Optionees**"), determine the number of Common Shares covered under each option, and the grant date for each option. The Board of Directors shall further have the discretion to establish, within the restrictions set forth in the 2013 Plan, the time of exercise, expiry dates, exercise price and other particulars applicable to an option granted under the 2013 Plan.

The exercise price for an option on a grant date will be determined by the Board of Directors and will not be less than the average closing price per Common Share on the TSX for the five (5) trading days immediately preceding such grant date (the "**Share Value**"). Should the Board of Directors resolve to grant an option during a period self-imposed by the Company during which Directors, officers and certain employees of the Company are precluded from trading in the securities of the Company (a "**Blackout Period**"), the exercise price for such option is presumed to be the Share Value on the sixth trading day following the end of the Blackout Period. Each option may only be exercised during a period commencing on the first day of the third year following the grant date of the option and expiring on the last day of the sixth year following such grant date or the last day of an extension of ten (10) business days from the end of a Blackout Period if the expiry date of an option falls within the Blackout Period or within ten (10) business days after the end of the Blackout Period (the "**Blackout Extension Term**") (and collectively, such period the "**Option Period**"). Options may be exercised during the Option Period to which they relate in accordance with the following schedule: (i) during the first year of the Option Period, an Optionee may exercise up to 33.33% of the options; (ii) during the second year of the Option Period, the Optionee may exercise an additional 33.33% of the options; and (iii) during the third year of the Option Period, the Optionee may exercise the balance (including all) of the options.

At the time of exercising options, (i) an Optionee who is an Executive Vice-President of the Company is required to own Common Shares having a value at least equal to twice his/her annual base salary, (ii) an Optionee who is president of business units/products, as determined by the Board of Directors, is required to own Common Shares having a value at least equal to three times his/her annual base salary, and (iii) an Optionee who is the President and CEO of the Company is required to own Common Shares having a value at least equal to five (5) times his/her annual base salary. Should an Executive Vice-President, a president of business unit/products or the President and CEO of the Company fail to comply with the shareholding requirements described above at the time of exercising his/her options, he/she will be required to hold (and is prohibited from selling) underlying Common Shares equivalent to at least 25% of the after-tax gain resulting from such exercise until the requirements are met.

The 2013 Plan includes the following quantitative restrictions: (i) the number of Common Shares issuable to insiders, at any time, under the 2013 Plan and other share compensation arrangements of the Company must be less than 5% of the issued Common Shares; (ii) the number of Common Shares issued under the 2013 Plan and other share compensation arrangements of the Company (a) to insiders, within any one-year period, must be less than 5% of the issued Common Shares; and (b) to any one insider and such insider's associates, within any one-year period, must be less than 2.5% of the issued Common Shares; and (iii) the aggregate number of Common Shares reserved for issuance pursuant to options granted to any one individual under the 2013 Plan must be less than 2.5% of the issued Common Shares. Common Shares in respect of which options are granted but not exercised prior to the expiration, termination or lapse of such options shall be available for new grants of options pursuant to the provisions of the 2013 Plan.

An Optionee who becomes a Retiree before the expiration of the Option Period may exercise his/her options as any other Optionee, in accordance with the Plan. A “Retiree” means an Optionee who, upon his/her last day of work as a full-time regular employee, has voluntarily terminated his/her employment and has completed a minimum of 5 years of continuous service with the Company and is 55 years of age or older. If an Optionee becomes

a Retiree before the expiration of the Option Period but he/she engages in certain activities competing with those of the Company, as more fully described in the 2013 Plan, his/her unexercised vested options will be forfeited and his/her unvested options will expire, effective upon his/her last day of work as a full-time regular employee of the Company.

If an Optionee is granted authorized leave of absence for sickness or other reasons, before the expiration of the Option Period, the Optionee will be entitled to exercise his/her options during his/her leave of absence. If an Optionee dies before the expiration of the Option Period, his/her legal representatives will be entitled to exercise his/her vested options within a period of one (1) year following such death and all unvested options will expire as of the date of death.

Under the 2013 Plan, unless otherwise determined by the Board, if an Optionee is terminated without cause or submits a resignation for good reason within 24 months following a change of control (as defined below): (i) each unexercised vested option then held by the Optionee shall remain exercisable for a period of 24 calendar months from the date of termination or resignation, but not later than the end of the Option Period, and thereafter any such option shall expire; and (ii) each unvested option then held by the Optionee shall become exercisable upon such termination or resignation and shall remain exercisable for a period of 24 calendar months from the date of such termination or resignation, but not later than the end of the Option Period, and thereafter any such option shall expire.

For the purposes of the 2013 Plan, a “change of control” means, at any time, the occurrence of any of the following events: (a) a person or a number of persons acting jointly or in concert holds or exercises control over, directly or indirectly, 50% or more of the shares of a class of voting shares of the Company; (b) a person or a number of persons acting jointly or in concert successfully completes a take-over bid or an exchange bid for 50% or more of the shares of a class of voting shares of the Company; (c) a majority of the members of the Board of Directors of the Company is replaced during any twelve-month period by directors whose appointment or election is not proposed by management and endorsed by a majority of the members of the Board of Directors of the Company prior to the date of the appointment or election; or (d) a person or a number of persons acting jointly or in concert acquires (or has acquired during the twelve-month period ending on the day of the most recent acquisition by such person or persons) assets representing 50% or more of the total gross fair market value of all assets directly involved in the engineering activities of the Company immediately prior to such acquisition or acquisitions.

If an Optionee’s employment is otherwise terminated or if an Optionee should resign from his/her employment, all of his/her unvested options will expire effective on the date of such termination or resignation, and he/she will have a period of 30 days from the date of such termination or resignation to exercise his/her unexercised vested options, at the end of which period such options will expire.

The 2013 Plan includes an amendment provision pursuant to which the Board may amend any of the provisions of the 2013 Plan or amend the terms of any then-outstanding award of options under the 2013 Plan, provided, however, that the Company shall obtain shareholder approval for:

(a) any amendment to the number of Common Shares issuable under the 2013 Plan, except for adjustments in the case of a declaration of dividend, a subdivision, consolidation, reclassification or other change or action affecting the Common Shares ("**Shares Adjustment**"); (b) any change which would allow non-executive Directors to participate in the 2013 Plan; (c) any amendment which would permit any option granted under the 2013 Plan to be transferable or assignable other than by will or pursuant to the laws of succession; (d) any reduction in the exercise price of an option after the option has been granted or any cancellation of an option and the substitution of that option by a new option with a reduced exercise price, except in the case of Shares Adjustment; (e) any extension to the term of an option beyond the original Option Period, unless it falls within a Blackout Period, in which case the Option Period will be extended by the Blackout Extension Term; (f) any increase to the number of Common Shares that may be granted to (i) insiders under the 2013 Plan and other share compensation arrangements of the Company or (ii) any one insider and such insider's associates in any one-year period, except in the case of Shares Adjustment; and (g) any change to the amendment provision other than amendments of a "housekeeping" or clerical nature or to clarify such provision.

No amendment, suspension or termination shall, except with the written consent or deemed consent of the Optionees concerned, have an adverse effect on unexercised options previously granted under the 2013 Plan.

On December 31, 2021, there were a maximum of 3,200,000 Common Shares issuable under the 2013 Plan, representing 1.8% of our 175,554,252 issued and outstanding Common Shares. As at December 31, 2021, there were no options outstanding under the 2013 Plan and 2,787,863 options remained available for grant, representing 1.6% of our Common Shares then issued and outstanding. The number of options that remain available for grant (2,787,863) is the number of authorized and unissued Common Shares available for options under the 2013 Plan (3,200,000) minus all options awarded under the 2013 Plan (1,246,800 granted in 2013) plus all options cancelled under the 2013 Plan (834,663). The Board may, subject to receipt of TSX approval, if required, in its sole discretion, make all other amendments to the 2013 Plan or to awards of options that are not contemplated above, including, without limitation, the following: (a) amendments of a "housekeeping" or clerical nature as well as any amendment clarifying any provision of the 2013 Plan; (b) a change to the vesting provisions of an option; (c) a change to the termination provisions of an option which does not entail an extension beyond the original Option Period, as extended by the Blackout Extension Term, if applicable; (d) any change to the value of the Common Shares which certain officers and/or employees are required to maintain in order to exercise their options, such minimum Common Share holding requirements being discussed above; (e) any Shares Adjustment; and (f) suspending or terminating the 2013 Plan.

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