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2021

Q2 2021 Earnings Presentation



August 5



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Cautionary Statement

This presentation contains non-IFRS measures and forward-looking statements, including a discussion of our business targets, expectations, and outlook.

We caution readers not to place undue reliance on our forward-looking statements since a number of factors could cause actual future results to differ materially from the targets and expectations expressed.

For a discussion of risk factors and non-IFRS measures, see our 2020 Annual Report and this quarter's MD&A available on SEDAR, EDGAR, and stantec.com.



Executing our strategy



Net Revenue

\$908M

2.2% increase on a
constant currency basis

Adjusted EBITDA
Margin

16.1%

1.1% increase

Adjusted
Diluted EPS

\$0.62

19.2% increase

Backlog

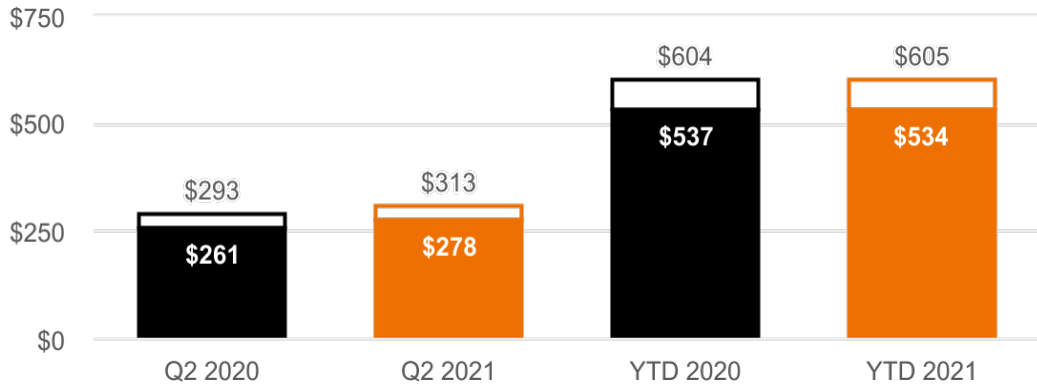
\$4.6B

6.0% organic growth
since Dec 31, 2020.
Additional \$1.2B of notified
awards not yet in backlog.



Canada

Gross and net revenue (\$ millions)



**\$1.3
Billion**

BACKLOG

□ Gross Revenue ■ Net Revenue

Q2 PROJECT WINS

IPD Wastewater Treatment Plant
Ontario

Biogas feedstock process, mechanical, instrumentation
Saskatchewan

Engineering & architecture for drinking water installations
Quebec (7yr term)

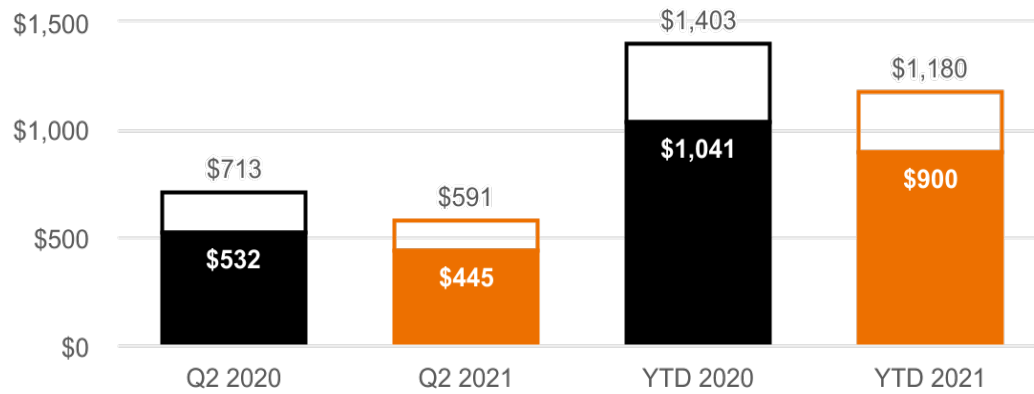


Place de Paris
Québec City



United States

Gross and net revenue (\$ millions)



**\$2.5
Billion**

BACKLOG

□ Gross Revenue ■ Net Revenue

Q2 PROJECT WINS

**1 million square foot
healthcare facility**
Ohio

**Pumped storage
feasibility study**
Western US

FEMA RiskMAP
Multiple Regions

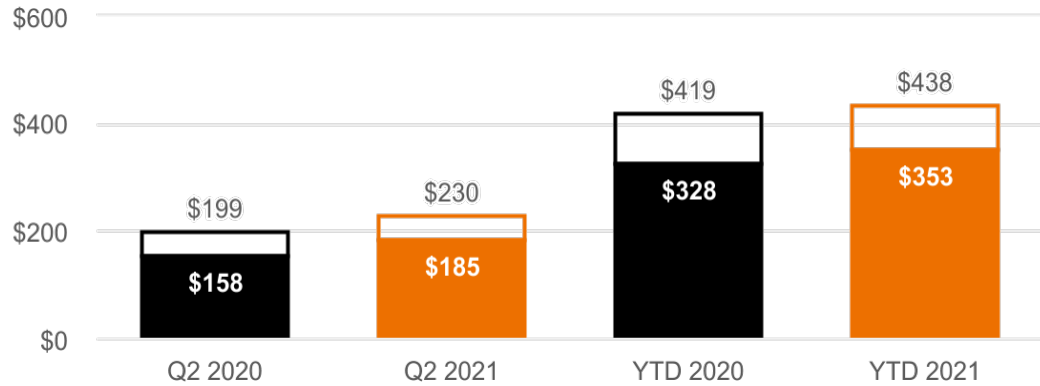


The Ritz-Carlton Residences
Design Architect – Lissoni & Partners;
Architect of Record – Stantec
Miami Beach, FL



Global

Gross and net revenue (\$ millions)



**\$0.8
Billion**

BACKLOG

□ Gross Revenue ■ Net Revenue

Q2 PROJECT WINS

Two hydro pumped storage projects
UK

288,000 sq ft, 50 story mixed use development
Australia

Mine construction quality assurance and engineer of record
Latin America



New Container Terminal, Port of Rijeka
Rijeka, Croatia



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Q2 2021



Q2 2021 Financial Performance

Theresa Jang - Executive Vice President and Chief Financial Officer



Impact of stronger Canadian Dollar on US earnings

	Q2 21 vs Q2 20	YTD 21 vs YTD 20
US\$1 to CAD	\$1.22 vs \$1.39	\$1.25 vs \$1.37
Reduction in		
Revenue	\$60.9M	\$90.5M
Adjusted EBITDA	\$8.2M	\$11.6M
Adjusted net income	\$4.0M	\$5.5M
Adjusted diluted EPS	\$0.04	\$0.05



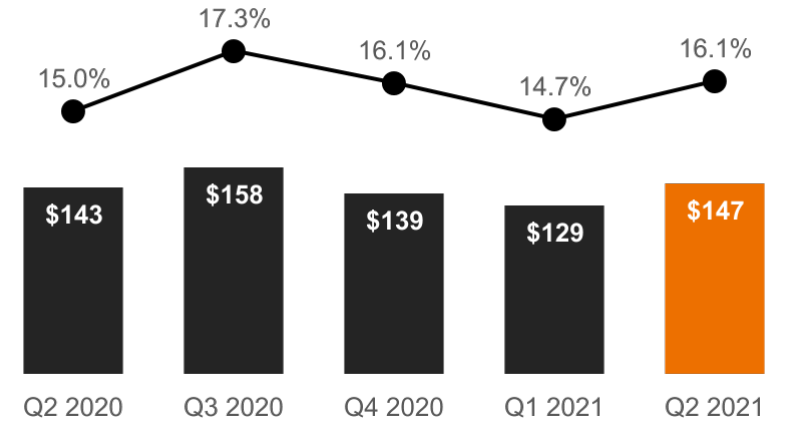
Q2 2021 results

	Q2 2021	Q2 2020	Change
<i>(In millions of Canadian dollars, except per share amounts and percentages)</i>	\$	\$	% Year-over-year change
Net revenue	908.3	951.1	(4.5)
Gross margin	483.3	489.7	(1.3)
Administrative and marketing expenses	341.3	344.0	(0.8)
EBITDA from continuing operations⁽¹⁾	146.1	146.9	(0.5)
Net income from continuing operations	63.2	52.6	20.2
Diluted earnings per share (EPS) from continuing operations	0.57	0.47	21.3
Adjusted EBITDA from continuing operations⁽¹⁾	146.6	142.5	2.9
Adjusted net income from continuing operations⁽¹⁾	69.6	57.7	20.6
Adjusted diluted EPS from continuing operations⁽¹⁾	0.62	0.52	19.2

⁽¹⁾ EBITDA, adjusted EBITDA, adjusted net income, and adjusted diluted EPS are non-IFRS measures discussed in the Definitions section of this quarter's MD&A.

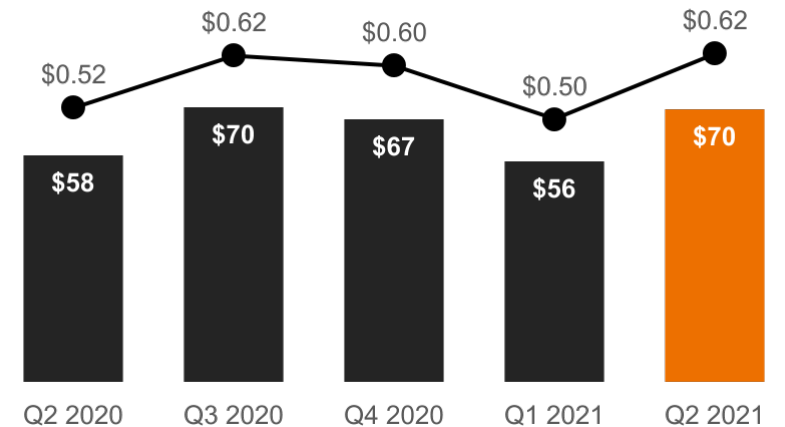
Adjusted EBITDA and margin

(\$ millions, %)



Adjusted Net Income and EPS

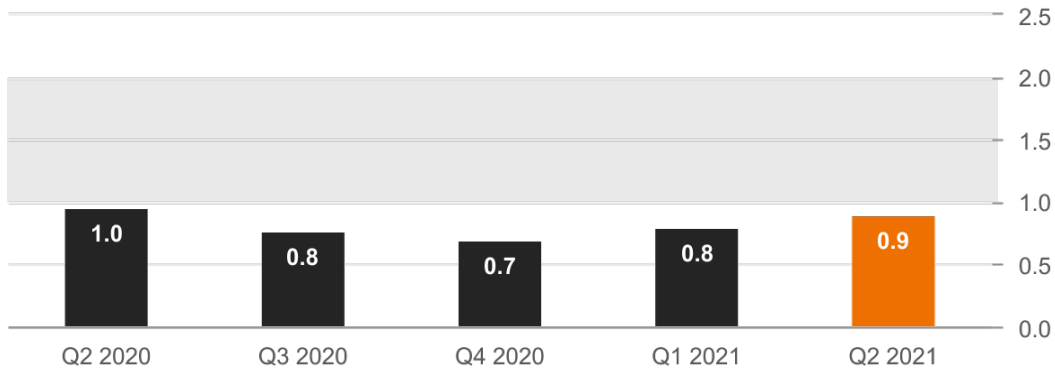
(\$ millions, \$ per share)





Balance sheet strength

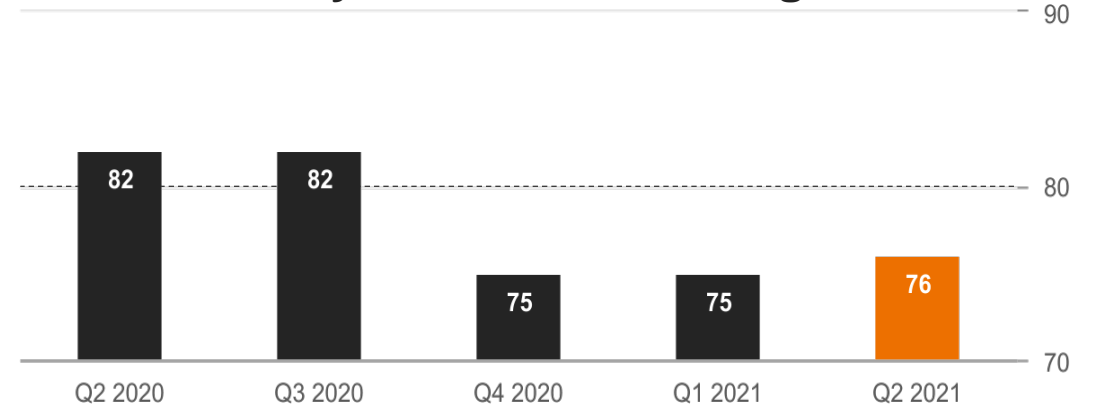
Net debt to adjusted EBITDA⁽¹⁾



0.9x
at June 30, 2021

Target range
1.0 - 2.0x

Days sales outstanding



76 days
at June 30, 2021

Target decreased to
<80 days

⁽¹⁾ Net debt to adjusted EBITDA and days sales outstanding are non-IFRS measures discussed in the Definitions section of this quarter's MD&A.



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Liquidity and capital allocation

(Comparisons to YTD 2020)

- **\$74 million decrease** in free cash flow ⁽¹⁾ YTD
- **\$51 million used** to repurchase shares YTD
- **~\$800 million** in credit capacity largely undrawn

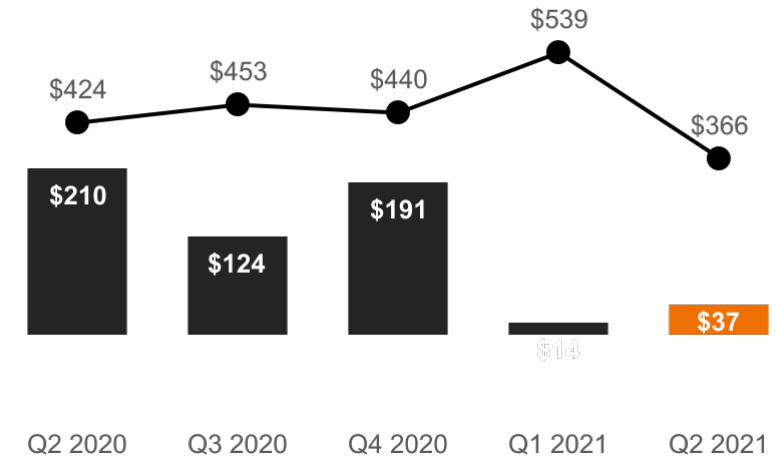
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Cash flow from continuing operations *(millions of Canadian dollars)*

	YTD 2021	YTD 2020
Inflow (Outflow)		
Operating	133.9	207.6
Investing	(53.9)	(31.8)
Financing	(149.3)	(124.6)
Net	(69.3)	51.2

⁽¹⁾ Free cash (out)flow is defined as operating cash flows less capital expenditures and net payment of lease obligations.

Quarterly and TTM Free cash flow⁽¹⁾ (\$ millions)



Capital returned to shareholders (\$ millions)



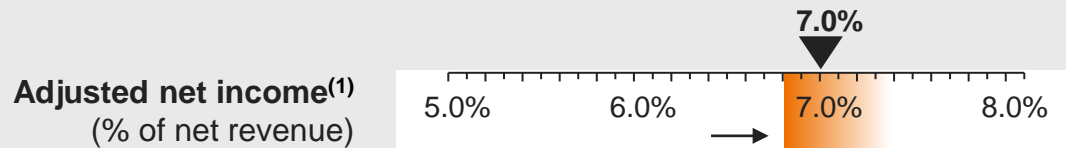
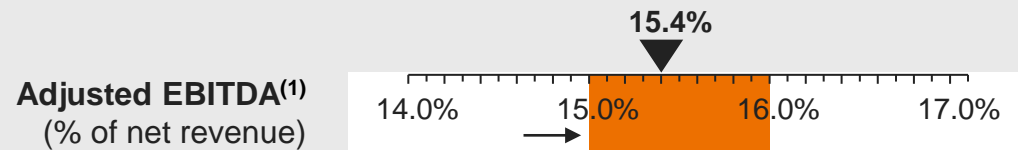


2021 Outlook – Earnings guidance increased

Adjusted diluted EPS growth target now 4% -7% ⁽¹⁾

Upward revision of guidance ranges

■ 2021 Targets – Updated
▼ 2021 YTD Performance



⁽¹⁾ In setting targets and guidance, the average value for the US dollar is assumed to be \$1.22 and for the GBP \$1.72 for the remainder of the year. Adjusted EBITDA, adjusted net income, adjusted diluted EPS, and adjusted return on investment capital (ROIC) are non-IFRS measures discussed in the Definitions section of the 2020 Annual Report and this quarter's MD&A. Adjusted ROIC is calculated annually at the end of the year.

Geography

2021 Regional Outlook

United States

- Slower start to recovery

Canada

- Slightly stronger than expected

Global

- Slightly stronger than expected

Guidance for 2021 full-year organic net revenue growth remains unchanged; expected to be 1 to 5% on a constant currency basis



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Attracting and retaining the best talent



Employer of the Year

WTS 2021

WTS INTERNATIONAL - ADVANCING WOMEN IN TRANSPORTATION

World's Best Employers

Forbes 2020

POWERED BY STATISTA

America's Best Employers for Diversity

Forbes 2021

POWERED BY STATISTA

America's Best Employers for Women

Forbes 2020

POWERED BY STATISTA

Canada's Best Employers

Forbes 2020

POWERED BY STATISTA

Top 50 STEM Workplaces for Indigenous

AISES 2020

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY



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Q&A