



STN
TSX NYSE



Q1 2023 Earnings Presentation

May 11, 2023





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TSX · NYSE

Q1 2023



Cautionary statement

This presentation contains non-IFRS and other financial 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.

Non-IFRS and other financial measures do not have a standardized meaning under IFRS, and therefore, may not be comparable to similar measures presented by other issuers. For a discussion of risk factors and non-IFRS measures and other financial measures, see our Q1 2023 Management's Discussion and Analysis available on SEDAR, EDGAR, and stantec.com.



Q1 2023 earnings

Net revenue

\$1.2B | **▲ 17%**

Adjusted EBITDA ⁽¹⁾

\$179M | **▲ 18%**

Adjusted EBITDA Margin ⁽¹⁾

14.6% | **▲ 10bps**

Adjusted Diluted EPS ⁽¹⁾

\$0.73 | **▲ 20%**

Increased earnings
driven by:

Organic Net Revenue Growth ⁽¹⁾

12.2%

Acquisition Growth ⁽¹⁾

1.4%

Project Margin

53.7%

KEY DRIVERS

Aging and overloaded
infrastructure

Climate change and
sustainability

Production capacity
constraints and
re-shoring domestic
production

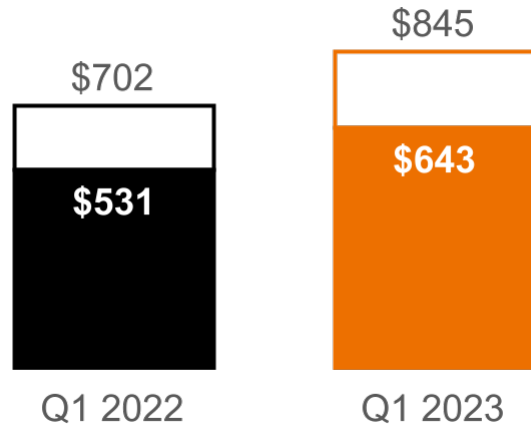
(1) Adjusted EBITDA, adjusted EBITDA margin, and adjusted diluted EPS are non-IFRS measures, and organic net revenue growth and acquisition growth are other financial measures (discussed in the Definitions section of Stantec's Q1 2023 Management's Discussion and Analysis).



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United States

Gross and net revenue (\$ millions)



□ Gross Revenue ■ Net Revenue

**\$4.1
Billion**
BACKLOG

- **13.8%** organic growth
- Water, Buildings, and Energy & Resources – double-digit organic growth
- Infrastructure – solid organic growth in industrial and residential land development



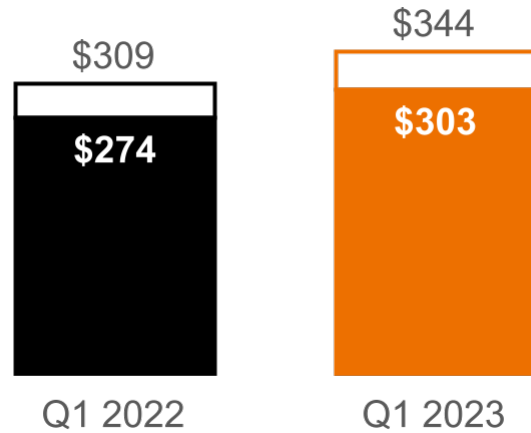
UPSIDE Foods Research & Development Facility
Emeryville, CA, USA



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Canada

Gross and net revenue (\$ millions)



□ Gross Revenue ■ Net Revenue

**\$1.3
Billion**
BACKLOG

- **10.6%** organic growth
- Environmental Services, Water, and Energy & Resources – double-digit organic growth
- Infrastructure – growth driven by bridge work
- Buildings – ramp up of a large industrial storage project



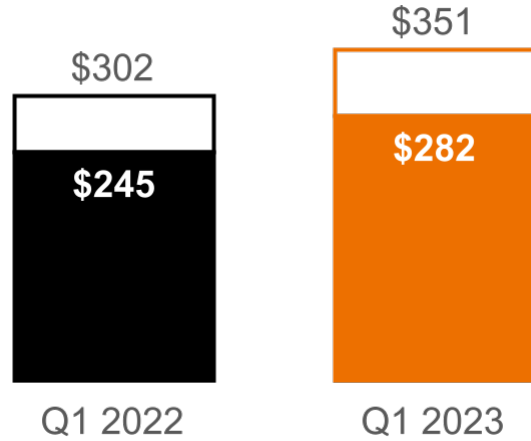
École J.H. Sissons School Replacement
Yellowknife, NT, Canada



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Global

Gross and net revenue (\$ millions)



□ Gross Revenue ■ Net Revenue

**\$0.9
Billion**
BACKLOG

- **10.4%** organic growth
- **4.9%** acquisition growth
- Water, and Energy & Resources – double-digit organic growth



84 Moorgate Refurbishment
London, United Kingdom



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We are
driven to
achieve

#2

**Top Construction &
Design Firms**
Modern Healthcare
May 2023



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Q1 2023



Q1 2023 Financial Performance

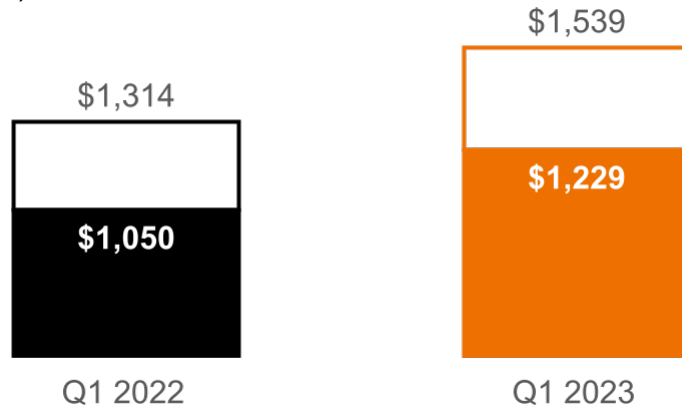
York River State Park Fossil Beach Living Shoreline
James City County, Virginia, USA

Theresa Jang - Executive Vice President and Chief Financial Officer



Q1 2023 financial results

Gross and net revenue (\$ millions)



□ Gross Revenue ■ Net Revenue

Project margin (\$ millions and % of NR)

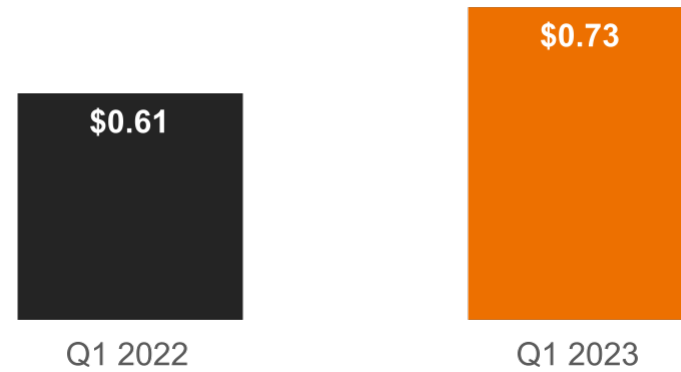


Q1 2023

Adjusted EBITDA and Adjusted EBITDA margin⁽¹⁾ (\$ millions and % of NR)



Adjusted diluted earnings per share (\$) ⁽¹⁾



(1) Adjusted EBITDA, adjusted EBITDA margin, and adjusted diluted earnings per share are non-IFRS measures discussed in the Definitions section of the Q1 2023 Management's Discussion and Analysis.

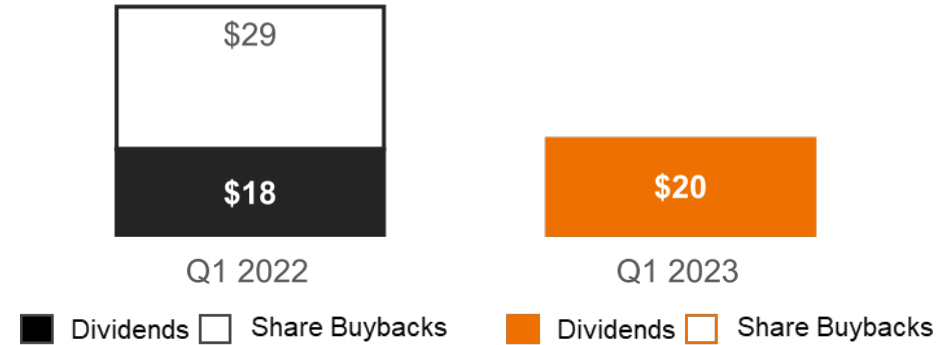


Liquidity and capital resources

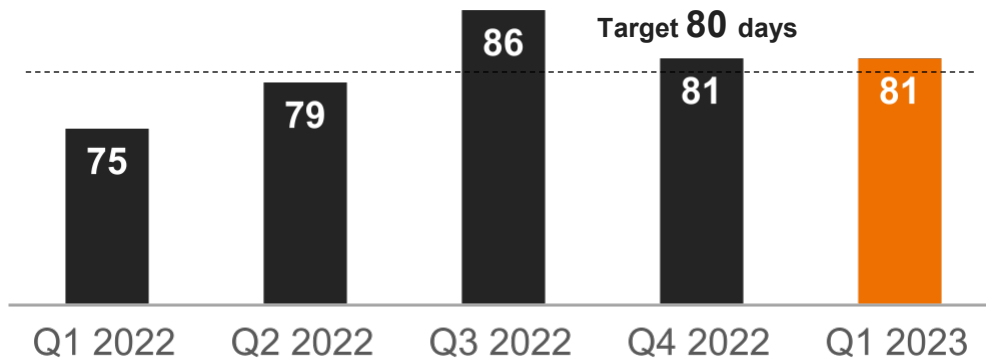
Operating cash flow (\$ millions)



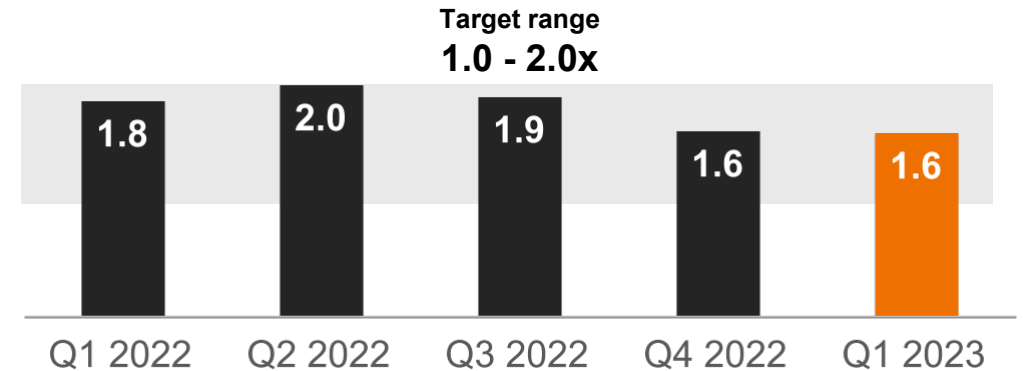
Capital returned to shareholders (\$ millions)



Days sales outstanding⁽¹⁾



Net debt to adjusted EBITDA⁽¹⁾

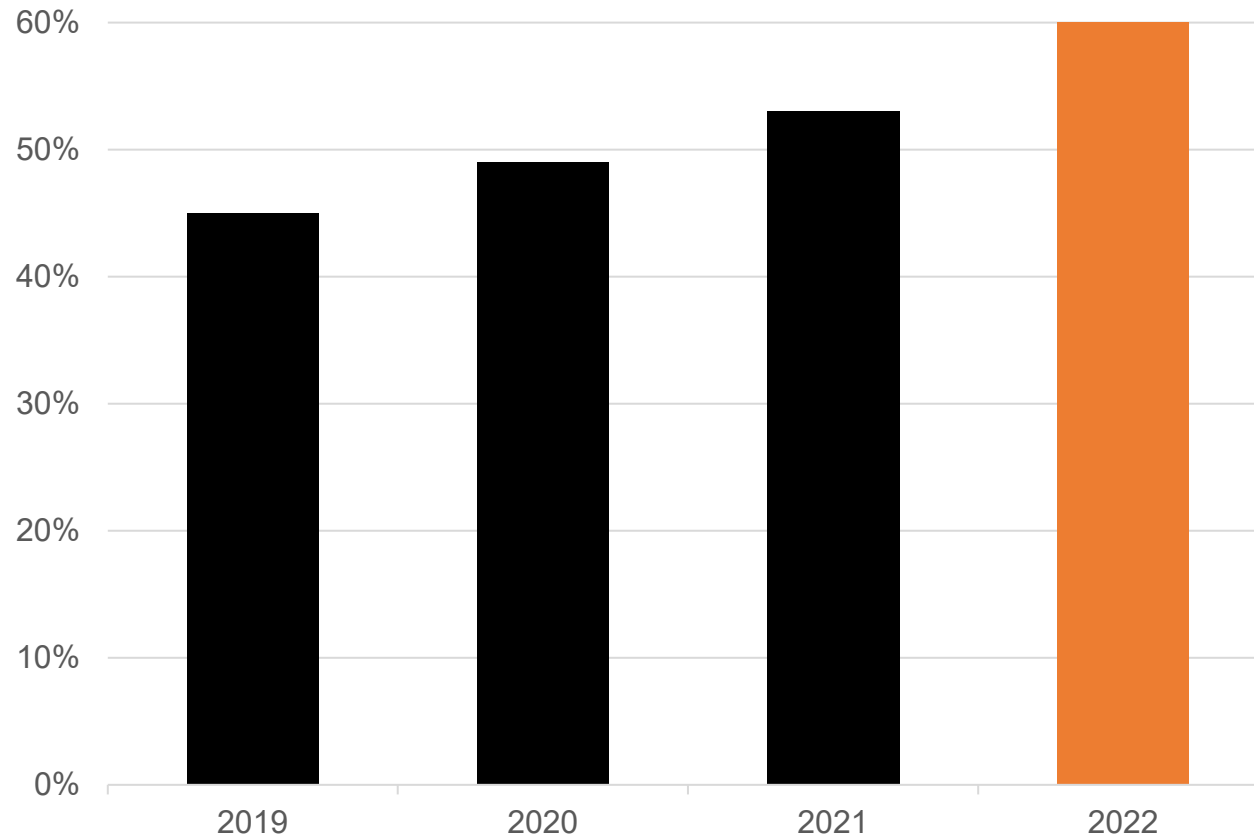


(1) Net debt to adjusted EBITDA is a non-IFRS measure and days sales outstanding is a financial metric discussed in the Definitions section of the Q1 2023 Management's Discussion and Analysis.



16th Annual Sustainability Report

60% of our 2022 gross revenue is connected to furthering one or more of our core SDGs



**Sustainability at Stantec.
Every Action.
Every Decision.**

At Stantec, we believe that sustainability is the responsibility of every employee and not just a small corporate group within our large company. With a focus on every action and decision, everyone at Stantec has an opportunity to achieve more sustainable outcomes.



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Brisbane Lions Training and Administration Facility
Springfield Central QLD, Australia

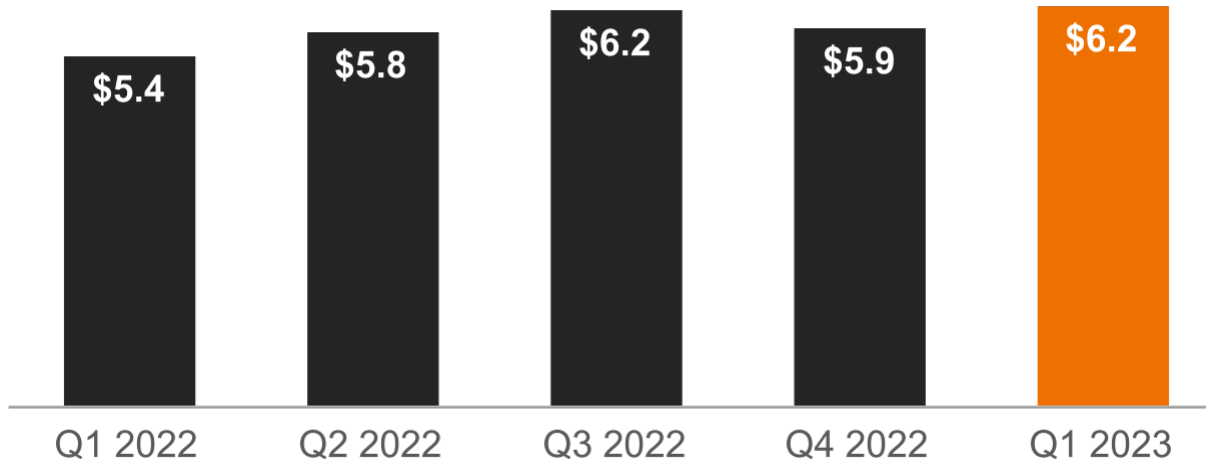
Q1 2023 Backlog, Major Projects & Outlook

Gord Johnston - President and Chief Executive Officer



Significant backlog

Backlog
(\$ billions)



- **5.6%** growth since December 31, 2022
- **5.8%** organic growth; double-digit organic backlog growth in Environmental Services and Water
- Represents approximately **13** months of work



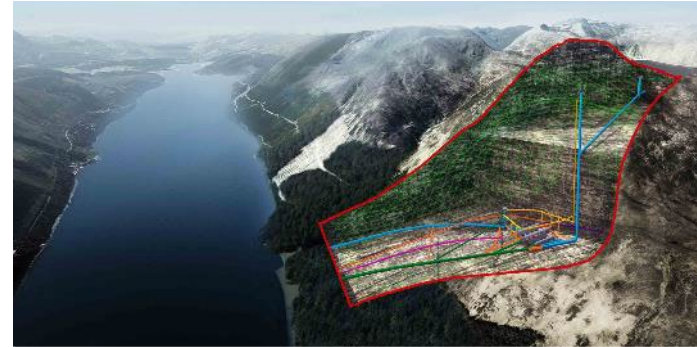
Mediclinic Welcare Hospital
Dubai, United Arab Emirates
Image is courtesy of Mediclinic Middle East

Q1 major project awards



Q-Cells Solar Power Manufacturing Facility

- Largest solar investment in US history



Coire Glas 1500 MW Pumped Storage Project

- First major pumped storage scheme to be built in the UK in over forty years



Veterans Memorial Bridge (Kentucky)

- Redesign of existing structure for vehicles, bicycles, and pedestrians



Homes England's Technical Services Framework

- Support the creation of sustainable, resilient communities across England



Outlook

2023 Financial Targets

Targets	2023 Annual Range
Net revenue growth	7% to 11%
Adjusted EBITDA as % of net revenue ⁽¹⁾	16% to 17%
Adjusted net income as % of net revenue ⁽¹⁾	above 7.5%
Adjusted diluted EPS growth ⁽¹⁾	9% to 13%
Adjusted ROIC (note) ⁽¹⁾	above 10.5%

(1) Adjusted EBITDA, adjusted net income, adjusted ROIC, and adjusted diluted EPS are non-IFRS and other financial measures (discussed in the Definition section of our Q1 2023 Management's Discussion and Analysis).

Note: Adjusted ROIC is calculated annually at the end of the year.



Q&A

Q1 2023

Q1 2023

North Berwick Shared Paths
Glasgow, Scotland

