



› FOR IMMEDIATE RELEASE

## SNC-Lavalin announces the approval of a remediation agreement with the Quebec Crown Prosecutor's Office concerning the Jacques Cartier Bridge for events that occurred between 1997 and 2004

**MONTREAL: May 11, 2022** – SNC-Lavalin (TSX: SNC), a fully integrated professional services and project management company with offices around the world, announces the Quebec Superior Court's approval of a remediation agreement (the "Remediation Agreement") following negotiations between the Company and the Quebec Crown Prosecutor's Office (DPCP). The Company considers the remediation agreement to be fair and equitable, while allowing it to continue its operations and protect more than 30,000 jobs as well as the interests of its customers, investors and other stakeholders.

On September 23, 2021, the DPCP invited SNC-Lavalin to negotiate a remediation agreement in relation to charges laid against SNC-Lavalin Inc. and SNC-Lavalin International Inc. in connection with facts that occurred between 1997 and 2004. The Charges were related to the Jacques Cartier Bridge Refurbishment, a \$128 million project of which SNC-Lavalin was a 50 percent consortium partner. SNC-Lavalin cooperated with the investigation of the authorities that led to the Charges.

### Remediation Agreement

The remediation agreement includes the following provisions:

#### 1. SNC-Lavalin's Financial Obligations

TITLE	SCHEDULE	AMOUNT
<b>Forfeiture of Property, Benefits or Advantages</b>	30 days after the date of court approval	<b>\$2,490,721</b>
<b>Penalty</b>	6 equal instalments of \$3,022,522.50 to be made between June 30, 2023, and December 31, 2024	<b>\$18,135,135</b>
<b>Victim Surcharge</b>	Payable in 6 equal instalments of \$906,756.83, on the same due dates as the payment of the penalty	<b>\$5,440,541</b>
<b>Reparations to the victim</b>	30 days after the date of court approval	<b>\$3,492,380</b>
<b>TOTAL FINANCIAL OBLIGATIONS</b>		<b>\$29,558,777</b>

#### 2. Appointment of an Independent Monitor

The remediation agreement provides for the appointment of Mark Morrison Q.C. and Simon Seida of the law firm BLAKE, CASSELS & GRAYDON LLP to act as independent monitor for a period of three (3) years. The role of the independent monitor will include the following:



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- Evaluating SNC-Lavalin's Integrity Program, and making recommendations, as appropriate, to maintain or, if necessary, improve the program;
- Reviewing any changes or additions to, or deletions from policies or procedures of the SNC-Lavalin Integrity Program to assess their impact on the effectiveness of the program;
- Reviewing and testing a number of components of SNC-Lavalin's Integrity Program to determine their effectiveness, and making recommendations as appropriate; and
- Reviewing SNC-Lavalin's implementation of the independent monitor's recommendations.

### 3. Legal Effects of the Remediation Agreement

In accordance with the applicable provisions of the Criminal Code, following approval of the Remediation Agreement the charges against SNC-Lavalin Inc. and SNC-Lavalin International Inc. have been suspended and will be discontinued at the end of its term if all conditions have been met.

"We hope this Remediation Agreement approved by the Court will allow us to turn the page on these events, which occurred almost 20 years ago. Today, our employees know better than anyone the path we have taken in recent years to implement a world-class integrity program. We have extensively transformed the company in terms of governance, operations and culture, while continuing to draw on relevant best practices. We operate at the highest ethical standards, and the quality of our integrity program is now recognized as a gold standard program by independent third parties," said Ian L. Edwards, President and CEO, SNC-Lavalin Group Inc.

### **Prevent, detect and respond to any risk of wrongdoing**

For almost 10 years now, SNC-Lavalin has been implementing extensive changes in terms of governance, operations and culture, while continuing to draw on relevant best practices.

**Governance:** an effective, transparent, and independent integrity program

- Members of the Integrity function report to the Chief ESG and Integrity Officer, who in turn reports to the Board of Directors (Governance, Ethics and Sustainability Committee) and operationally, to the General Counsel;
- The Integrity function is composed of 40 full-time staff and 140 ambassadors in operations worldwide;
- SNC-Lavalin's Integrity program is aligned with the principles of international organizations such as Transparency International, Organisation for Economic Co-operation and Development, United Nations Global Compact, World Bank and the U.S. Department of Justice's Resource Guide to the U.S. Foreign Corrupt Practices Act.

**Operations:** an integrity program that fosters and enables ethical decision-making

- Access, for all employees and third parties, to an independent, confidential, and anonymous reporting line operated by an external service provider. This service is available by telephone, access to the vendor's web page, or an app available on corporate mobile phones (for SNC-Lavalin employees);
- A due diligence system is in place for all business partners;
- Annual training on the Company's Code of Conduct is required for every employee;
- Requirement for managers to take specific training to ensure understanding of the program and their responsibilities.

**Culture:** a culture of integrity that promotes communication and ownership

- Establishing the duty to report for all employees and prohibiting direct or indirect retaliation;
- Embedding an ethical behaviour component in annual employee performance assessments.



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### **About SNC-Lavalin**

*Founded in 1911, SNC-Lavalin is a fully integrated professional services and project management company with offices around the world dedicated to engineering a better future for our planet and its people. We create sustainable solutions that connect people, data and technology to design, deliver and operate the most complex projects. We deploy global capabilities locally to our clients and deliver unique end-to-end services across the whole life cycle of an asset including consulting, advisory & environmental services, intelligent networks & cybersecurity, design & engineering, procurement, project & construction management, operations & maintenance, decommissioning and capital. We deliver to clients in key strategic sectors such as Engineering Services, Nuclear, Operations & Maintenance and Capital. You can find relevant news and information at [snclavalin.com](http://snclavalin.com) or follow us on [LinkedIn](#) and [Twitter](#).*

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