

Interim Condensed Consolidated Statements of Financial Position

(Unaudited)

(In millions of Canadian dollars)	Notes	June 30, 2025 \$	December 31, 2024 \$
ASSETS			
Current			
Cash and cash equivalents		344.5	228.5
Trade and other receivables	5	1,124.1	1,323.8
Unbilled receivables		828.6	724.5
Contract assets		127.8	116.0
Income taxes recoverable		105.7	64.4
Prepaid expenses		77.3	64.3
Other assets	7	20.5	27.5
Total current assets		2,628.5	2,549.0
Non-current			
Property and equipment		290.1	299.0
Lease assets		447.2	474.3
Goodwill	4	2,701.5	2,712.5
Intangible assets	4	402.6	427.0
Net employee defined benefit asset		80.1	75.0
Deferred tax assets		122.8	119.3
Other assets	7	299.0	300.0
Total assets		6,971.8	6,956.1
LIABILITIES AND EQUITY			
Current			
Bank indebtedness	8	27.2	17.1
Trade and other payables		889.7	1,018.7
Lease liabilities		117.8	113.6
Deferred revenue		470.6	502.4
Income taxes payable		25.8	32.3
Long-term debt	8,13	177.4	175.0
Provisions	9	75.8	66.4
Other liabilities	10	39.9	53.5
Total current liabilities		1,824.2	1,979.0
Non-current			
Lease liabilities		486.0	528.6
Long-term debt	8,13	1,332.9	1,208.5
Provisions	9	156.2	167.9
Net employee defined benefit liability		20.7	22.4
Deferred tax liabilities		62.8	63.6
Other liabilities	10	45.9	41.0
Total liabilities		3,928.7	4,011.0
Total shareholders' equity		3,043.1	2,945.1
Total liabilities and equity		6,971.8	6,956.1

See accompanying notes

Interim Condensed Consolidated Statements of Income

(Unaudited)

		For the quarter ended June 30,		For the two quarters ended June 30,	
		2025	2024	2025	2024
		\$	\$	\$	\$
(In millions of Canadian dollars, except per share amounts)	Notes		(Note 3.c) ¹		(Note 3.c) ¹
Gross revenue		1,964.3	1,889.7	3,887.9	3,611.1
Less subconsultant and other direct expenses		367.6	396.4	738.2	747.7
Net revenue		1,596.7	1,493.3	3,149.7	2,863.4
Direct payroll costs	14	732.0	681.6	1,441.5	1,309.2
Project margin		864.7	811.7	1,708.2	1,554.2
Administrative and marketing expenses	11,13,14	598.3	578.4	1,210.3	1,124.3
Depreciation of property and equipment		17.3	17.2	34.9	33.0
Depreciation of lease assets		31.1	32.0	63.3	63.5
Amortization of intangible assets		31.3	31.8	60.0	62.8
Net (reversal) impairment of lease assets	6	(0.8)	16.5	(0.9)	16.9
Net interest expense and other net finance expense	15	21.2	27.4	42.6	51.6
Other (income) expenses	16	(12.8)	0.9	(11.1)	(4.8)
Income before income taxes		179.1	107.5	309.1	206.9
Income taxes					
Current		48.0	29.9	80.5	54.3
Deferred		(4.3)	(5.6)	(6.9)	(7.7)
Total income taxes		43.7	24.3	73.6	46.6
Net income for the period		135.4	83.2	235.5	160.3
Weighted average number of shares outstanding - basic and diluted		114,066,995	114,066,995	114,066,995	114,066,995
Shares outstanding, end of the period		114,066,995	114,066,995	114,066,995	114,066,995
Earnings per share - basic and diluted		1.19	0.73	2.06	1.41

See accompanying notes

¹ Revised for change in accounting policy (see Note 3.c)

Interim Condensed Consolidated Statements of Comprehensive Income

(Unaudited)

	Notes	For the quarter ended June 30,		For the two quarters ended June 30,	
		2025 \$	2024 \$	2025 \$	2024 \$
(In millions of Canadian dollars)			(Note 3.c) ¹		(Note 3.c) ¹
Net income for the period		135.4	83.2	235.5	160.3
Other comprehensive income (loss)					
Items that may be reclassified to net income in subsequent periods:					
Exchange differences on translation of foreign operations	13	(108.4)	38.8	(89.9)	83.1
Net unrealized gain (loss) on financial instruments	7,13	2.5	(1.2)	3.8	(3.4)
Other comprehensive (loss) income for the period, net of tax		(105.9)	37.6	(86.1)	79.7
Total comprehensive income for the period, net of tax		29.5	120.8	149.4	240.0

See accompanying notes

¹ Revised for change in accounting policy (see Note 3.c)

Interim Condensed Consolidated Statements of Shareholders' Equity

(Unaudited)

	Shares Outstanding (note 11)	Share Capital	Contributed Surplus	Retained Earnings	Accumulated Other Comprehensive Income	Total
(In millions of Canadian dollars, except shares)	#	\$	\$	\$	\$	\$
Balance, December 31, 2023	114,066,995	1,271.3	5.5	1,104.5	69.8	2,451.1
Net income (Note 3.c) ¹				160.3		160.3
Other comprehensive income (Note 3.c) ¹					79.7	79.7
Total comprehensive income (Note 3.c) ¹				160.3	79.7	240.0
Dividends declared				(47.8)		(47.8)
Balance, June 30, 2024	114,066,995	1,271.3	5.5	1,217.0	149.5	2,643.3
Balance, December 31, 2024	114,066,995	1,271.3	5.5	1,370.4	297.9	2,945.1
Net income				235.5		235.5
Other comprehensive loss					(86.1)	(86.1)
Total comprehensive income				235.5	(86.1)	149.4
Dividends declared				(51.4)		(51.4)
Balance, June 30, 2025	114,066,995	1,271.3	5.5	1,554.5	211.8	3,043.1

See accompanying notes

¹ Revised for change in accounting policy (see Note 3.c)

Interim Condensed Consolidated Statements of Cash Flows

(Unaudited)

(In millions of Canadian dollars)	Notes	For the quarter ended June 30,		For the two quarters ended June 30,	
		2025	2024	2025	2024
		\$	\$	\$	\$
			(Note 3.c) ¹		(Note 3.c) ¹
OPERATING ACTIVITIES					
Net income		135.4	83.2	235.5	160.3
Add (deduct) items not affecting cash:					
Depreciation of property and equipment		17.3	17.2	34.9	33.0
Depreciation of lease assets		31.1	32.0	63.3	63.5
Amortization of intangible assets		31.3	31.8	60.0	62.8
Net (reversal) impairment of lease assets	6	(0.8)	16.5	(0.9)	16.9
Deferred income taxes		(4.3)	(5.6)	(6.9)	(7.7)
Share-based compensation	11	11.6	9.3	23.6	25.5
Provisions	9	10.5	25.9	31.8	40.8
Other non-cash items		1.3	2.9	5.3	(3.5)
		233.4	213.2	446.6	391.6
Trade and other receivables		75.4	(1.5)	213.8	43.9
Unbilled receivables		(54.9)	(31.0)	(116.8)	(112.6)
Contract assets		(0.5)	(18.3)	(11.8)	(31.6)
Prepaid expenses		5.3	10.9	(13.0)	(5.1)
Income taxes net recoverable		(55.5)	(54.0)	(56.4)	(38.2)
Trade and other payables and other accruals		(67.7)	(18.8)	(210.6)	(106.8)
Deferred revenue		(1.5)	(25.8)	(17.1)	(23.8)
		(99.4)	(138.5)	(211.9)	(274.2)
Net cash flows from operating activities		134.0	74.7	234.7	117.4
INVESTING ACTIVITIES					
Business acquisitions, net of cash acquired	4	(36.8)	(123.7)	(36.8)	(555.0)
Purchase of investments held for self-insured liabilities	7	(17.4)	(12.7)	(58.8)	(22.5)
Proceeds from sale of investments held for self-insured liabilities	7	13.7	10.3	48.2	61.6
Purchase of property and equipment and intangible assets		(19.0)	(40.3)	(35.1)	(60.8)
Other		0.2	2.0	1.6	4.2
Net cash flows used in investing activities		(59.3)	(164.4)	(80.9)	(572.5)
FINANCING ACTIVITIES					
Net proceeds from issue of senior unsecured notes	8,17	422.9	—	422.9	—
Net (repayments) proceeds from revolving credit facility	17	(311.0)	218.5	(256.0)	489.0
Repayment of notes payable and other financing obligations	17	(23.9)	(61.4)	(75.1)	(85.1)
Net proceeds from bank indebtedness		9.1	4.3	9.1	9.4
Net lease payments	17	(36.9)	(33.0)	(70.6)	(54.2)
Payment of dividends to shareholders	11	(25.7)	(23.9)	(49.6)	(46.2)
Net cash flows from (used in) financing activities		34.5	104.5	(19.3)	312.9
Foreign exchange (loss) gain on cash held in foreign currency		(18.7)	3.9	(18.5)	7.5
Net increase (decrease) in cash and cash equivalents		90.5	18.7	116.0	(134.7)
Cash and cash equivalents, beginning of the period		254.0	199.5	228.5	352.9
Cash and cash equivalents, end of the period		344.5	218.2	344.5	218.2

See accompanying notes

¹ Revised for change in accounting policy (see Note 3.c)

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements

1. Corporate Information

The interim condensed consolidated financial statements (consolidated financial statements) of Stantec Inc., its subsidiaries, and its structured entities (the Company) for the two quarters ended June 30, 2025, were authorized for issuance in accordance with a resolution of the Company's Audit and Risk Committee on August 13, 2025. The Company was incorporated under the Canada Business Corporations Act on March 23, 1984. Its shares are traded on the Toronto Stock Exchange (TSX) and New York Stock Exchange (NYSE) under the symbol STN. The Company's registered office is located at Suite 300, 10220 - 103 Avenue, Edmonton, Alberta. The Company is domiciled in Canada.

Stantec is a global leader in sustainable engineering, architecture, and environmental consulting. Our professionals deliver the expertise, technology, and innovation communities need to manage aging infrastructure, demographic and population changes, the energy transition, and more. The Company's services include engineering, architecture, interior design, landscape architecture, surveying, environmental sciences, project management, and project economics, from initial project concept and planning through to design, construction administration, commissioning, maintenance, decommissioning, and remediation.

2. Basis of Preparation

These consolidated financial statements for the two quarters ended June 30, 2025 were prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*. These consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Company's December 31, 2024 annual consolidated financial statements. These consolidated financial statements are presented in Canadian dollars and all values are rounded to the nearest million (\$000,000), except where otherwise indicated.

The accounting policies applied when preparing the Company's consolidated financial statements are consistent with those followed when preparing the annual consolidated financial statements for the year ended December 31, 2024 except as described in note 3.

The preparation of these consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets, and liabilities. The significant judgments made by management when applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Company's December 31, 2024 annual consolidated financial statements.

3. Recent Accounting Pronouncements and Changes to Accounting Policies

a) Recent adoptions

In August 2023, the IASB issued *Lack of Exchangeability (Amendments to IAS 21)*, which clarified that entities must estimate the spot exchange rate when it is determined that a currency lacks exchangeability and introduced targeted disclosure requirements. This amendment became effective January 1, 2025 and did not have a material impact on the Company's consolidated financial statements.

In April 2025, the IFRS Interpretations Committee (IFRIC) issued an agenda decision on *Guarantees Issued on Obligations of Other Entities*. The agenda decision clarifies that an entity accounts for a guarantee that it issues based on the requirements in IFRS Accounting Standards, including the scoping requirements and using judgment to determine which standard applies, and not based on the nature of the entity's business activities. The agenda decision did not have a material impact on the Company's current accounting practices and the consolidated financial statements.

b) Future adoptions

The standards, amendments, and interpretations issued before 2025 but not yet adopted by the Company have been disclosed in note 6 of the Company's December 31, 2024 annual consolidated financial statements.

c) Change in accounting policy

In April 2024, the IFRIC issued an agenda decision on *Payments Contingent on Continued Employment during Handover Periods (IFRS 3 Business Combinations)*. IFRS 3 requires contingent payments (including deferred payments) to employees or selling shareholders to be treated as contingent consideration in a business combination or as separate transactions, depending on the nature of the payments. The agenda decision provided clarification on how automatic forfeiture should be applied to payments in a business combination which may be contingent on the sellers' continued employment.

Historically the Company issued notes payable as purchase consideration that were contingent on selling shareholders complying with the terms of the acquisition agreement. Effective September 30, 2024, the Company performed a reassessment of historical acquisitions based on the IFRIC clarification, and revised the accounting for certain historical notes payable from purchase consideration to compensation for post-combination services. The Company has also changed the terms used in recent acquisition agreements to clarify that adjustments to the notes payable are not contingent on continued employment but adjusted based on factors relevant to the performance of the business. The reassessment was applied as a change in accounting policy, retrospectively to all prior periods presented. The impacts on the Company's consolidated financial statements were as follows:

Consolidated Statements of Income

	For the quarter ended June 30, 2024 (as previously stated)	Increase (Decrease)	For the quarter ended June 30, 2024 (revised)	For the two quarters ended June 30, 2024 (as previously stated)	Increase (Decrease)	For the two quarters ended June 30, 2024 (revised)
	\$	\$	\$	\$	\$	\$
Administrative and marketing expenses	576.6	1.8	578.4	1,119.5	4.8	1,124.3
Income before income taxes	109.3	(1.8)	107.5	211.7	(4.8)	206.9
Deferred income taxes	(5.2)	(0.4)	(5.6)	(6.6)	(1.1)	(7.7)
Net income for the period	84.6	(1.4)	83.2	164.0	(3.7)	160.3
Earnings per share, basic and diluted	0.74	(0.01)	0.73	1.44	(0.03)	1.41

Consolidated Statements of Comprehensive Income

	For the quarter ended June 30, 2024 (as previously stated)	Decrease	For the quarter ended June 30, 2024 (revised)	For the two quarters ended June 30, 2024 (as previously stated)	Decrease	For the two quarters ended June 30, 2024 (revised)
	\$	\$	\$	\$	\$	\$
Net income for the period	84.6	(1.4)	83.2	164.0	(3.7)	160.3
Exchange differences on translation of foreign operations	45.9	(7.1)	38.8	93.4	(10.3)	83.1
Other comprehensive income (loss) for the period, net of tax	44.7	(7.1)	37.6	90.0	(10.3)	79.7
Total comprehensive income for the period, net of tax	129.3	(8.5)	120.8	254.0	(14.0)	240.0

Consolidated Statements of Cash Flows

	For the quarter ended June 30, 2024 (as previously stated) \$	Increase (Decrease) \$	For the quarter ended June 30, 2024 (revised) \$	For the two quarters ended June 30, 2024 (as previously stated) \$	Increase (Decrease) \$	For the two quarters ended June 30, 2024 (revised) \$
Net income	84.6	(1.4)	83.2	164.0	(3.7)	160.3
Deferred income taxes	(5.2)	(0.4)	(5.6)	(6.6)	(1.1)	(7.7)
Trade and other payables and other accruals	(15.0)	(3.8)	(18.8)	(91.8)	(15.0)	(106.8)
Net cash flows from operating activities	80.3	(5.6)	74.7	137.2	(19.8)	117.4
Repayment of notes payable and other financing obligations	(67.0)	5.6	(61.4)	(104.9)	19.8	(85.1)
Net cash flows from financing activities	98.9	5.6	104.5	293.1	19.8	312.9

4. Business Acquisitions

On April 8, 2025, the Company acquired all the issued and outstanding shares of Kallan Sustainable Holdings Limited and Ryan Hanley Limited (collectively Ryan Hanley). Ryan Hanley is a 150-person engineering and environmental consultancy with locations across Ireland. This acquisition strengthened the Company's Water operations in the Global group of Cash Generating Units (CGUs).

On June 27, 2025, the Company acquired all the issued and outstanding shares of Cosgroves Group Limited (Cosgroves). Cosgroves is a 90-person buildings engineering firm headquartered in Christchurch, New Zealand. This acquisition strengthened the Company's Buildings operations in the Global group of CGUs.

Details of the consideration transferred and the fair value of the identifiable assets and liabilities acquired at the dates of acquisition, including measurement period adjustments for prior acquisitions, were as follows:

	Notes	Total \$
Cash consideration		43.5
Notes payable	8	14.8
Consideration		58.3
Cash consideration		43.5
Cash acquired		6.7
Net cash paid		36.8
Assets and liabilities acquired		
Cash		6.7
Non-cash working capital		
Trade and unbilled receivables		8.8
Trade and other payables		(6.0)
Other non-cash working capital		0.7
Intangible assets		14.8
Deferred tax liabilities		(2.6)
Other		0.2
Total identifiable net assets at fair value		22.6
Goodwill arising on acquisitions		35.7

Deferred consideration is included as notes payable and has been assessed as part of the business combination and recognized at fair value at the acquisition date.

Trade receivables and unbilled receivables are recognized at fair value at the time of acquisition, and their fair value approximates their net carrying value.

Goodwill consists of the value of expected synergies arising from an acquisition, the expertise and reputation of the assembled workforce acquired, and the geographic location of the acquiree. None of the goodwill and intangible assets arising from the acquisitions are expected to be deductible for income tax purposes.

Gross revenue earned from acquisitions since the acquisition date was \$3.9.

Fair value of net assets for current and prior year acquisitions

The preliminary fair values of the net assets recognized in the Company's consolidated financial statements were based on management's best estimates of the acquired identifiable assets and liabilities at the acquisition dates. Management finalized the fair value assessments of assets and liabilities purchased from Hydrock Holdings Limited. For Ryan Hanley and Cosgroves, management is reviewing the respective vendors' closing financial statements, purchase adjustments, and other outstanding information. Management's preliminary estimates with the most significant aspects remaining to be finalized relate to the valuation of intangible assets, deferred income taxes, lease assets and liabilities, and consideration. Once the outstanding information is received, reviews are completed, and approvals are obtained, the valuation of acquired assets and liabilities will be finalized.

5. Trade and Other Receivables

	June 30, 2025 \$	December 31, 2024 \$
Trade receivables, net of expected credit losses of \$3.0 (2024 – \$2.7)	1,076.5	1,282.4
Holdbacks and other	23.7	26.5
Insurance receivables	23.9	14.9
Trade and other receivables	1,124.1	1,323.8

The aging analysis of gross trade receivables is as follows:

	Total \$	1–30 \$	31–60 \$	61–90 \$	91–120 \$	121+ \$
June 30, 2025	1,079.5	662.5	222.1	66.2	37.8	90.9
December 31, 2024	1,285.1	655.9	380.6	118.3	36.1	94.2

Information about the Company's exposure to credit risks for trade and other receivables is included in note 13.

6. Lease Assets

As part of the Company's strategic plan and acquisition integration activities, the real estate lease portfolio is continuously evaluated for subleasing opportunities of certain underutilized office spaces. This resulted in a net impairment reversal of \$0.9 during the first two quarters of 2025 (June 30, 2024 - net impairment loss of \$16.9) based on the value in use method.

7. Other Assets

	Notes	June 30, 2025 \$	December 31, 2024 \$
Financial assets			
Investments held for self-insured liabilities	12	205.4	195.7
Holdbacks on long-term contracts		36.0	43.7
Derivative financial instruments	12,13	28.4	20.7
Insurance recovery assets		5.1	10.6
Other		31.9	39.2
Non-financial assets			
Other		12.7	17.6
		319.5	327.5
Less current portion - financial		19.2	26.2
Less current portion - non-financial		1.3	1.3
Long-term portion		299.0	300.0

Financial assets — Other primarily includes sublease receivables and deposits. Non-financial assets — Other primarily includes transaction costs on long-term debt, investment tax credits, and investments in joint ventures and associates.

Investments held for self-insured liabilities include government and corporate bonds that are classified as fair value through other comprehensive income with unrealized gains (losses) recorded in other comprehensive income. Investments also include equity securities that are classified as fair value through profit and loss with gains (losses) recorded in net income.

8. Long-Term Debt

	June 30, 2025 \$	December 31, 2024 \$
Senior unsecured notes	971.2	548.1
Revolving credit facility	—	256.0
Term loan facilities	406.5	405.6
Notes payable	85.3	116.8
Other financing obligations	47.3	57.0
	1,510.3	1,383.5
Less current portion	177.4	175.0
Long-term portion	1,332.9	1,208.5

Senior unsecured notes

The Company's senior unsecured notes (the notes) consist of:

- \$300 of notes that mature on October 8, 2027, bearing interest at a fixed rate of 2.048% per annum;
- \$250 of notes that mature on June 27, 2030, bearing interest at a fixed rate of 5.393% per annum; and
- \$425 of notes issued on June 10, 2025, that mature on June 10, 2032 and bear interest at a fixed rate of 4.374% per annum.

The notes rank pari passu with all other debt and future indebtedness of the Company.

Revolving credit and term loan facilities

The Company has syndicated senior credit facilities, structured as a sustainability-linked loan, consisting of an unsecured senior revolving credit facility, unsecured senior term loan held in two tranches, and access to additional funds of \$600 subject to approval and under the same terms and conditions. An amendment was entered on June 11, 2025 which increased the senior revolving credit facility from \$800 million to \$1.2 billion and extended the maturity date from June 27, 2029 to June 11, 2030. The senior term loan of \$310 in two tranches remains unchanged, with tranche B of \$150 maturing on June 27, 2027 and tranche C of \$160 maturing on June 27, 2029. The amendment to the terms and conditions was not considered to be substantial. As such, the amendment was accounted for as a debt modification.

The Company also has an unsecured bilateral term credit facility of \$100 that was renewed on June 26, 2025 with a maturity date of June 26, 2026.

The average interest rate for the credit facilities at June 30, 2025, was 4.25% (December 31, 2024 – 4.86%).

The Company is subject to restrictive covenants related to its revolving credit facility, term loan facilities, and senior unsecured notes, which are measured quarterly. These covenants are consistent with those disclosed in the Company's annual consolidated financial statements for the year ended December 31, 2024. The Company was in compliance with these covenants as at and throughout the two quarters ended June 30, 2025.

Bank indebtedness

The Company has an uncommitted unsecured multicurrency credit facility of up to £20 and an overdraft facility of up to AU\$5, repayable on demand.

Notes payable and other finance obligations

Notes payable consists primarily of notes payable for acquisitions and are due at various times from 2025 to 2028. Repayment is contingent on selling shareholders complying with the terms of the acquisition agreements.

The Company has other financing obligations for software (included in intangible assets), equipment, and leasehold improvements. These obligations expire at various dates before February 2029.

Letter of credit and surety facilities

The Company issues letters of credit within its revolving credit facility and has a separate facility outside of its revolving credit facility that provides letters of credit. During the second quarter, an amendment was made to the separate facility which reduced the facility from \$100 to \$25. The Company also enters into bonds for certain projects.

9. Provisions

	Self- insured liabilities \$	Claims \$	Lease restoration \$	Onerous contracts \$	Total \$
January 1, 2025	113.1	70.0	29.6	21.6	234.3
Current period provisions	19.9	18.3	1.8	2.5	42.5
Paid or otherwise settled	(14.6)	(17.8)	(0.2)	(5.4)	(38.0)
Impact of foreign exchange	(3.6)	(2.5)	(0.3)	(0.4)	(6.8)
	114.8	68.0	30.9	18.3	232.0
Less current portion	16.0	45.6	4.2	10.0	75.8
Long-term portion	98.8	22.4	26.7	8.3	156.2

10. Other Liabilities

	June 30, 2025 \$	December 31, 2024 \$
Cash-settled share-based compensation	71.9	85.2
Other	13.9	9.3
	85.8	94.5
Less current portion	39.9	53.5
Long-term portion	45.9	41.0

11. Share Capital

Authorized

Unlimited	Common shares, with no par value
Unlimited	Preferred shares issuable in series, with attributes designated by the board of directors

Common shares

The Company has approval to repurchase up to 2,281,339 common shares during the period December 13, 2024 to December 12, 2025, and an Automatic Share Purchase Plan (ASPP) which allows a broker, in its sole discretion and based on the parameters established by the Company, to purchase common shares for cancellation under the Normal Course Issuer Bid (NCIB) at any time during predetermined trading blackout periods. As at June 30, 2025 and December 31, 2024, no liability was recorded in the Company's consolidated statements of financial position in connection with the ASPP.

Dividends

Holders of common shares are entitled to receive dividends when declared by the Company's board of directors. The table below describes the dividends paid in 2025:

Date Declared	Record Date	Payment Date	Dividend per Share	Paid
			\$	\$
November 7, 2024	December 31, 2024	January 15, 2025	0.210	23.9
February 24, 2025	March 28, 2025	April 15, 2025	0.225	25.7
May 14, 2025	June 30, 2025	July 15, 2025	0.225	—

At June 30, 2025, trade and other payables included \$25.7 related to the dividends declared on May 14, 2025.

Share-based payment transactions

During the second quarter of 2025, the Company recognized a net share-based compensation expense of \$11.6 (June 30, 2024 - \$9.3) in administrative and marketing expenses in the consolidated statements of income, comprised of share-based compensation expense of \$29.9 (June 30, 2024 - \$11.2) offset by a hedge impact of \$18.3 (June 30, 2024 - \$1.9) (note 13).

During the first two quarters of 2025, the Company recognized a net share-based compensation expense of \$23.6 (June 30, 2024 - \$25.5) in administrative and marketing expenses in the consolidated statements of income, comprised of share-based compensation expense of \$47.1 (June 30, 2024 - \$30.9) offset by a hedge impact of \$23.5 (June 30, 2024 - \$5.4) (note 13).

During the first two quarters of 2025, the Company granted 112,609 Performance Share Units (PSUs) at a fair value of \$20.0 (June 30, 2024 - 118,447 units for \$13.0) and 110,985 Restricted Share Units (RSUs) at a fair value of \$15.7 (June 30, 2024 - 112,864 units for \$12.9) under the same terms, conditions, and vesting requirements as the units issued in 2024.

During the first two quarters of 2025, 236,770 PSUs were paid at a value of \$35.1 (June 30, 2024 - 227,503 PSUs were paid at a value of \$41.4), 130,922 RSUs were paid at a value of \$18.2 (June 30, 2024 - 113,948 RSUs were paid at a value of \$13.7), and 61,642 DSUs were paid at a value of \$7.0 (June 30, 2024 - 24,414 DSUs were paid at a value of \$2.7).

12. Fair Value Measurements

All financial instruments carried at fair value are categorized into one of the following:

- Level 1 – quoted market prices
- Level 2 – valuation techniques (market observable)
- Level 3 – valuation techniques (non-market observable)

When forming estimates, the Company uses the most observable inputs available for valuation purposes. If a fair value measurement reflects inputs of different levels within the hierarchy, the financial instrument is categorized based on the lowest level of significant input.

When determining fair value, the Company considers the principal or most advantageous market in which it would transact and the assumptions that market participants would use when pricing the asset or liability. The Company measures certain financial assets and liabilities at fair value on a recurring basis.

For financial instruments recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorizations at the end of each reporting period.

In the first two quarters of 2025, no changes were made to the method of determining fair value and no transfers were made between levels of the hierarchy.

The following tables summarize the Company's fair value hierarchy for those assets and liabilities measured and adjusted to fair value on a recurring basis:

At June 30, 2025	Notes	Carrying Amount \$	Level 1 \$	Level 2 \$	Level 3 \$
Assets					
Investments held for self-insured liabilities	7	205.4	—	205.4	—
Derivative financial instruments	7,13	28.4	—	28.4	—
Liabilities					
Notes payable	8	85.3	—	—	85.3
At December 31, 2024					
Assets					
Investments held for self-insured liabilities	7	195.7	—	195.7	—
Derivative financial instruments	7,13	20.7	—	20.7	—
Liabilities					
Notes payable	8	116.8	—	—	116.8

Investments held for self-insured liabilities consist of government and corporate bonds and equity securities. Fair value of bonds is determined using observable prices of debt with characteristics and maturities that are similar to the bonds being valued. Fair value of equities is determined using the reported net asset value per share of the investment funds. The funds derive their value from observable quoted prices of the equities owned that are traded in an active market.

The fair value of notes payable includes a forfeiture assumption which is not based on observable market data and as such, the valuation method is classified as level 3 in the fair value hierarchy. The forfeiture assumption is based on historical forfeiture experience, which has not been significant. For payments with terms greater than one year, the estimated liability is discounted using market rates of interest.

The following tables summarize the Company's fair value hierarchy for those liabilities that were not measured at fair value but are required to be disclosed at fair value on a recurring basis:

At June 30, 2025	Note	Carrying Amount \$	Level 1 \$	Level 2 \$	Level 3 \$
Senior unsecured notes	8	971.2	—	976.2	—
At December 31, 2024					
Senior unsecured notes	8	548.1	—	548.2	—

The fair value of senior unsecured notes is determined by calculating the present value of future payments using observable benchmark interest rates and credit spreads for debt with similar characteristics and maturities.

13. Financial Instruments

Total return swaps on share-based compensation units

The Company has total return swap (TRS) agreements with financial institutions to manage its exposure to changes in the fair value of the Company's shares for certain cash-settled share-based payment obligations. The Company has designated the TRSs related to its restricted share units (RSUs) as a cash flow hedge, with a notional amount of \$31.7 maturing between 2026 and 2028. The fair value of the TRSs are based on the difference between the hedged price and the fair value of the Company's common shares and are recorded in other assets (note 7).

During the first two quarters of 2025, the TRSs related to the Company's RSUs had a fair value of \$11.5 (December 31, 2024 - \$10.7), a gain of \$10.5 (\$7.8 net of tax) (June 30, 2024 - \$3.0 (\$2.3 net of tax)) in other

comprehensive income, and a gain of \$8.1 (June 30, 2024 - gain of \$3.8) was reclassified to the consolidated statements of income in administrative and marketing expenses. The TRSs related to the Company's performance share units (PSUs) and deferred share units (DSUs), for which hedge accounting was not applied, had an aggregate fair value of \$16.5 (December 31, 2024 - \$8.2) and a net gain of \$15.4 (June 30, 2024 - \$1.6) which was recognized in administrative and marketing expenses in the consolidated statements of income.

Credit risk

Assets that subject the Company to credit risk consist primarily of cash and cash equivalents, trade and other receivables, unbilled receivables, contract assets, investments held for self-insured liabilities, holdbacks on long-term contracts, and other financial assets. The Company's maximum amount of credit risk exposure is limited to the carrying amount of these assets, which at June 30, 2025, was \$2,731.8 (December 31, 2024 - \$2,702.7).

The Company limits its exposure to credit risk by placing its cash and cash equivalents in high-quality credit institutions. Investments held for self-insured liabilities include corporate bonds and equity securities. The Company believes the risk associated with corporate bonds and equity securities is mitigated by the overall quality and mix of the Company's investment portfolio. Substantially all bonds held by the Company are investment grade, and none are past due. The Company monitors changes in credit risk by tracking published external credit ratings.

The Company mitigates the risk associated with trade and other receivables, unbilled receivables, contract assets, and holdbacks on long-term contracts by providing services to diverse clients in various industries and sectors of the economy. In addition, management reviews trade and other receivables past due on an ongoing basis to identify matters that could potentially delay the collection of funds at an early stage. The Company does not concentrate its credit risk in any particular client, industry, or economic sector.

The Company monitors trade receivables to an internal target of days of revenue in trade receivables. At June 30, 2025, the days of revenue in trade receivables was 51 days (December 31, 2024 - 61 days).

Price risk

The Company's investments held for self-insured liabilities are exposed to price risk arising from changes in the market values of the equity securities. This risk is mitigated because the portfolio of equity funds is monitored regularly and appropriately diversified. For the Company's investments held for self-insured liabilities, a 5% increase or decrease in equity prices at June 30, 2025, would increase or decrease the Company's net income by \$3.0 (June 30, 2024 - \$2.4), respectively.

The Company is also exposed to changes in its share price arising from its cash-settled share-based payments as the Company's obligation under these arrangements are based on the price of the Company's shares. The Company mitigates a portion of its exposure to this risk for its PSUs, RSUs, and DSUs by entering into TRSs.

Liquidity risk

The Company meets its liquidity needs through various sources, including cash generated from operations, issuing senior unsecured notes, borrowings from its \$1.2 billion revolving credit facility, term loan facilities, bilateral, multicurrency, and overdraft credit facilities, and the issuance of common shares. The unused capacity of the credit facilities at June 30, 2025, was \$1,209.8 (December 31, 2024 - \$563.2) and the Company also has access to additional funds of \$600 under its syndicated credit facilities (note 8). The Company believes that it has sufficient resources to meet obligations associated with its financial liabilities.

Interest rate risk

The Company is subject to interest rate cash flow risk to the extent that its credit and term loan facilities are based on floating interest rates. The Company is also subject to interest rate pricing risk to the extent that its investments held for self-insured liabilities include fixed-rate government and corporate bonds. If the interest rate on the Company's credit and term loan facilities at June 30, 2025, was 1% higher or lower, with all other variables held constant, net income would decrease or increase by \$1.7 (June 30, 2024 - \$3.9), respectively.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange gains or losses in net income arise on the translation of foreign currency-denominated assets and liabilities (such as trade and other receivables, bank indebtedness, trade and other payables, and long-term debt) held in the Company's Canadian operations and foreign

subsidiaries. The Company manages its exposure to foreign exchange fluctuations on these items by matching foreign currency assets with foreign currency liabilities and, from time to time, through the use of foreign currency forward contracts.

Foreign exchange fluctuations may also arise on the translation of foreign subsidiaries, where the functional currency is different from the Canadian dollar, and are recorded in other comprehensive income. During the first two quarters of 2025, the Company recorded exchange gains on translation of foreign operations of \$89.9 through other comprehensive income (loss), of which \$46.7 related to goodwill. The Company does not hedge for this foreign exchange risk.

14. Employee Costs

	Note	For the quarter ended June 30,		For the two quarters ended June 30,	
		2025 \$	2024 \$	2025 \$	2024 \$
Wages, salaries, and benefits	3.c	1,159.1	1,078.7	2,284.4	2,080.6
Pension costs		36.5	34.0	69.9	62.2
Net share-based compensation	11,13	11.6	9.3	23.6	25.5
Total employee costs		1,207.2	1,122.0	2,377.9	2,168.3
Direct labor		732.0	681.6	1,441.5	1,309.2
Indirect labor		475.2	440.4	936.4	859.1
Total employee costs		1,207.2	1,122.0	2,377.9	2,168.3

Direct labor costs include salaries, wages, and related fringe benefits (including pension costs) for labor hours directly associated with the completion of projects. Bonuses, share-based compensation, termination payments, and salaries, wages, and related fringe benefits (including pension costs) for labor hours not directly associated with the completion of projects are included in indirect labor costs. Indirect labor costs are included in administrative and marketing expenses in the consolidated statements of income.

15. Net Interest Expense and Other Net Finance Expense

	For the quarter ended June 30,		For the two quarters ended June 30,	
	2025 \$	2024 \$	2025 \$	2024 \$
Total net interest expense	20.7	27.3	41.7	51.3
Other net finance expense	0.5	0.1	0.9	0.3
Net interest expense and other net finance expense	21.2	27.4	42.6	51.6

Interest expense on the Company's long-term debt and bank indebtedness for the first two quarters of 2025 was \$32.1 (June 30, 2024 – \$40.8) (note 8). Interest on lease liabilities during the first two quarters of 2025 was \$14.6 (June 30, 2024 - \$14.5).

16. Other (Income) Expenses

	For the quarter ended June 30,		For the two quarters ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Realized gain on investments	—	(0.1)	(7.3)	(4.1)
Unrealized (gain) loss on equity securities	(7.9)	(1.8)	0.8	(3.7)
Gain on sale of an investment interest	(3.7)	—	(3.7)	—
Other	(1.2)	2.8	(0.9)	3.0
Total other (income) expenses	(12.8)	0.9	(11.1)	(4.8)

17. Cash Flow Information

A reconciliation of liabilities arising from financing activities for the two quarters ended June 30, 2025, is as follows:

	Senior Unsecured Notes \$	Revolving Credit and Term Loan Facilities \$	Notes Payable \$	Other Financing Obligations \$	Lease Liabilities \$	Total \$
January 1, 2025	548.1	661.6	116.8	57.0	642.2	2,025.7
Statement of cash flows						
Net proceeds (repayments)	422.9	(256.0)	(48.3)	(26.8)	(70.6)	21.2
Non-cash changes						
Foreign exchange	—	—	2.1	(1.2)	(4.4)	(3.5)
Additions and modifications	—	—	—	17.3	32.9	50.2
Acquisitions	—	—	14.8	0.1	2.8	17.7
Other	0.2	0.9	(0.1)	0.9	0.9	2.8
June 30, 2025	971.2	406.5	85.3	47.3	603.8	2,114.1

A reconciliation of liabilities arising from financing activities for the two quarters ended June 30, 2024, is as follows:

	Senior Unsecured Notes \$	Revolving Credit Facility and Term Loan \$	Notes Payable \$	Other Financing Obligations \$	Lease Liabilities \$	Total \$
January 1, 2024	547.6	487.7	52.0	10.9	579.1	1,677.3
Statement of cash flows						
Net proceeds (repayments)	—	489.0	(32.8)	(52.3)	(54.2)	349.7
Non-cash changes						
Foreign exchange	—	1.5	1.7	0.5	10.6	14.3
Additions and modifications	—	(0.7)	—	52.4	64.8	116.5
Acquisitions	—	—	94.0	36.7	57.3	188.0
Other	0.2	0.4	(1.1)	1.1	0.6	1.2
June 30, 2024	547.8	977.9	113.8	49.3	658.2	2,347.0

Notes to the Unaudited Interim Condensed
Consolidated Financial Statements

In millions of Canadian dollars except number of
shares and per share data

June 30, 2025

	For the quarter ended June 30,		For the two quarters ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Supplemental disclosure				
Income taxes paid, net of recoveries	93.1	78.8	125.0	87.5
Interest paid, net of receipts	23.8	29.8	39.5	45.4

18.Segmented Information

The Company provides comprehensive professional services worldwide. It considers the basis on which it is organized, including geographic areas, to identify its reportable segments. Operating segments of the Company are defined as components of the Company for which separate financial information is available and are evaluated regularly by the chief operating decision maker when allocating resources and assessing performance. The Company's operating segments are based on its regional geographic areas.

The Company's reportable segments are Canada, United States, and Global. These reportable segments provide professional consulting in engineering, architecture, interior design, landscape architecture, surveying, environmental sciences, project management, and project economics services in the area of infrastructure and facilities.

Segment performance is evaluated by the chief operating decision maker based on project margin and is measured consistently with project margin in the consolidated financial statements. Reconciliations of project margin to net income before taxes is included in the consolidated statements of income.

Reportable segments

	For the quarter ended June 30, 2025			
	Canada	United States	Global	Consolidated
	\$	\$	\$	\$
Gross revenue from external customers	460.9	1,041.2	462.2	1,964.3
Less subconsultants and other direct expenses and net revenue inter-segment allocations	67.2	221.6	78.8	367.6
Total net revenue	393.7	819.6	383.4	1,596.7
Direct payroll costs	183.7	368.2	180.1	732.0
Project margin	210.0	451.4	203.3	864.7

	For the quarter ended June 30, 2024			
	Canada	United States	Global	Consolidated
	\$	\$	\$	\$
Gross revenue from external customers	435.5	1,024.3	429.9	1,889.7
Less subconsultants and other direct expenses and net revenue inter-segment allocations	64.8	248.7	82.9	396.4
Total net revenue	370.7	775.6	347.0	1,493.3
Direct payroll costs	173.4	348.0	160.2	681.6
Project margin	197.3	427.6	186.8	811.7

	For the two quarters ended June 30, 2025			
	Canada	United States	Global	Consolidated
	\$	\$	\$	\$
Gross revenue from external customers	886.6	2,093.0	908.3	3,887.9
Less subconsultants and other direct expenses and net revenue inter-segment allocations	120.8	468.5	148.9	738.2
Total net revenue	765.8	1,624.5	759.4	3,149.7
Direct payroll costs	356.3	729.4	355.8	1,441.5
Project margin	409.5	895.1	403.6	1,708.2

	For the two quarters ended June 30, 2024			
	Canada	United States	Global	Consolidated
	\$	\$	\$	\$
Gross revenue from external customers	791.2	2,009.7	810.2	3,611.1
Less subconsultants and other direct expenses and net revenue inter-segment allocations	96.8	500.2	150.7	747.7
Total net revenue	694.4	1,509.5	659.5	2,863.4
Direct payroll costs	324.8	679.4	305.0	1,309.2
Project margin	369.6	830.1	354.5	1,554.2

The following tables disclose the disaggregation of non-current assets by geographic area and revenue by geographic area and services:

Geographic information

	Non-Current Assets		Gross Revenue			
	June 30	December 31	For the quarter ended June 30,		For the two quarters ended June 30,	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Canada	679.3	692.3	460.9	435.5	886.6	791.2
United States	1,895.0	2,020.7	1,041.2	1,024.3	2,093.0	2,009.7
United Kingdom	374.8	367.0	154.1	141.0	321.8	258.1
Australia	328.1	339.3	100.4	108.0	193.0	209.8
Other geographies	564.2	493.5	207.7	180.9	393.5	342.3
	3,841.4	3,912.8	1,964.3	1,889.7	3,887.9	3,611.1

Non-current assets consist of property and equipment, lease assets, goodwill, and intangible assets. Geographic information is attributed to countries based on the location of the assets.

Gross revenue is attributed to countries based on the location of the project.

Gross revenue by services

	For the quarter ended June 30,		For the two quarters ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Infrastructure	523.3	525.1	1,037.7	988.3
Water	427.4	391.3	850.2	771.3
Buildings	435.3	420.0	870.3	803.9
Environmental Services	373.2	372.0	718.0	694.0
Energy & Resources	205.1	181.3	411.7	353.6
Total gross revenue from external customers	1,964.3	1,889.7	3,887.9	3,611.1

Performance will fluctuate quarter to quarter. The first and fourth quarters historically have lower revenue generation and project activity because of holidays and weather conditions in the northern hemisphere. Despite this quarterly fluctuation, the Company has concluded that it is not highly seasonal in accordance with IAS 34.

Customers

The Company has a large number of clients in various industries and sectors of the economy. No particular customer exceeds 10% of the Company's gross revenue.

19.Events after the Reporting Period

US Tax

On July 4, 2025, the US government signed the "One Big Beautiful Bill Act" (Bill) into law. This Bill introduced a broad range of tax reform provisions affecting businesses with varying effective dates for key provisions. As the Bill was enacted subsequent to June 30, 2025, the impact of the Bill is considered a non adjusting event and has not been reflected in our results. Certain provisions of the Bill will have an impact on the Company's 2025 tax expense; however, we do not expect the impact to be material. As the Company completes its analysis, collects and prepares necessary data, and interprets any additional guidance, the Company may record significant impacts and/or make changes to its estimates.

US\$100 Bilateral Facility

On July 15, 2025, the Company entered into a US\$100 bilateral facility maturing on July 15, 2027, to provide access and flexibility for its US operations to manage working capital requirements.

Page

On July 31, 2025, the Company acquired all of the issued and outstanding membership interests of Page for a purchase price of US\$535 (approximately \$730), subject to possible price adjustments for final delivered values of net working capital. Page is a 1,400-person architecture and engineering firm headquartered in Washington, DC that strategically complements our Buildings business and our United States CGU, and serves the advanced manufacturing, healthcare, mission critical, academic, civic, aviation, science and technology, and commercial markets.

Dividends

On August 13, 2025, the Company declared a dividend of \$0.225 per share, payable on October 15, 2025, to shareholders of record on September 29, 2025.