GOVERNANCE AND ETHICS COMMITTEE MANDATE

The Governance and Ethics Committee (the “Committee”) is a committee of the Board of Directors of SNC-Lavalin Group Inc. (the “Corporation”) which assists the Board in developing the Corporation’s approach to corporate governance and ethical and compliance issues, proposing new Board nominees and assessing the effectiveness of the Board and its committees, their respective chairs and individual directors.

1. COMPOSITION

The Governance and Ethics 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 including in light of Canadian securities legislation and regulations.

Subject to the By-Laws of the Corporation, the Chair and members of the Committee shall be recommended by the Governance and Ethics Committee, in consultation with the Chairman of the Board, and appointed by the Board. The appointment of the Chair of the Committee, who shall be chosen among the independent Directors, excluding the Chairman of the Board, shall be considered annually by the Committee and by the Chairman of the Board. If desired, a new Chair of the Committee shall be recommended for appointment by the Board.

To the extent possible, taking into account the regulatory and internal requirements with respect to the personal expertise of the members of the Committee, there will be a system of regular rotation of Directors on the Committee. Rotation should be staggered to ensure continuity from year to year.

2. RESPONSIBILITIES

A) The Committee shall develop, monitor and supervise and, whenever considered appropriate, shall make recommendations to the Board concerning the corporate governance structures, practices and procedures of the Corporation including, without limitation:

i) the periodical review and update of the contents of the Directors’ Handbook as well as the regular review, update and monitoring of the implementation of the Corporation’s Code of Ethics and Business Conduct;

ii) the periodical review and update of the Corporation’s corporate policies;

iii) the review and update of the program of the Board for each year, and the methods and processes to be pursued in carrying out this program, including:

a) identification of decisions requiring approval by the Board;
b) communication processes between the Board and management including monitoring the quality of the relationship between management and the Board and recommending improvements as deemed necessary or advisable;

c) communication processes between the Corporation and its shareholders, including measures for receiving feedback from shareholders (whether measures for answering questions relating to executive compensation or other matters at the annual meeting, or other measures);

iv) the periodical review and update of the mandates of the Board and its committees, which shall be posted on the website of the Corporation;

v) the periodical review and update of the policies governing the overall size, structure and composition of the Board including criteria for selecting directors on the basis of the Corporation’s needs and of the qualifications, personal qualities, business backgrounds and diversified experiences of the Board members, such as the criteria set out in Section 3.A) below; and

vi) the annual review and the development of recommendations on the adequacy and form of compensation for non-executive Directors, taking all reasonable steps to ensure such compensation realistically reflects the responsibilities and risks involved, without compromising a Director’s independence, with a view to aligning the interests of Directors and shareholders and providing market competitive compensation.

B) The Committee shall be responsible for keeping itself informed of emerging best governance practices within leading corporations and, whenever considered appropriate, for acting upon any report or position paper on the subject of corporate governance.

C) The Committee shall review the annual statement of corporate governance practices for inclusion in the Corporation’s Management Proxy Circular or Annual Information Form, in accordance with applicable rules and regulations.

D) Each year, the Committee shall review:

i) before publication or issue, the Corporation’s Management Proxy Circular, with the exception of the compensation section of such Circular;

ii) the Ethics and Compliance Committee charter; and

iii) the report on political contributions made by or on behalf of the Corporation, in accordance with the Political Contributions Policy.

E) Each quarter, the Committee shall review the report of the Chair of the Ethics and Compliance Committee with respect to: (i) issues, violations or complaints reported to the Corporation regarding the Corporation’s Code of Ethics and Business Conduct
and the Corporation’s policies and procedures, including but not limited to anti-competitive practices, bribery or corruption, boycotts or violations of trade controls or insider trading, and (ii) any instances where management overrode or departed from the Corporation’s Code of Ethics and Business Conduct and the Corporation’s policies and procedures, including but not limited to anti-competitive practices, bribery or corruption, boycotts or violations of trade controls or insider trading.

**F) With respect to the Compliance function, the Committee shall:**

1. annually review the report of the Chief Compliance Officer on the effectiveness of the Corporation’s ethics and compliance program and ensure that the Corporation’s Compliance function has the necessary resources to fulfill its mandate and responsibilities;

2. quarterly review the report of the Chief Compliance Officer on the status of the establishment and implementation of the Corporation’s ethics and compliance program, including a progress report and a follow up on past due recommendations;

3. review other reports by the Chief Compliance Officer issued on a quarterly or ad-hoc basis and ensure that an effective process is being established and implemented in order to take any necessary remedial actions;

4. ensure the independence and effectiveness of the Compliance function, including by requiring that the function be free of any influence that could adversely affect its ability to objectively assume its responsibilities, by ensuring that it reports directly to the Committee, and by meeting regularly with the Chief Compliance Officer without management being present in order to discuss, among others, the questions he/she raises regarding the relationship between the Compliance function and management and access to the information required;

5. approve the appointment and dismissal of the Chief Compliance Officer as well as approve his/her performance evaluation and compensation;

**G) Each quarter, the Committee shall review the report of the Executive Vice-President and General Counsel on legal proceedings and settlements and other governance-related legal matters.**

**H) Each year, the Committee shall assess the effectiveness of the Board as a whole, the Chairman of the Board, the Board committees and their respective chairs, and individual Directors, including considering the appropriate size and composition of the Board so as to ensure effective decision-making.**
I) The Committee shall review its Board assessment processes including Board evaluations every three (3) years so as to ensure that evolving methods of Board assessment are followed and that Board evaluations and processes meet governance best practices.

J) The Committee shall assist the Board and its Chair in determining Board Committee membership. Furthermore, it shall consider the appointment of the Chair of each Board Committee annually. If desired, a new Chair for a Board Committee shall be recommended by the Governance and Ethics Committee for appointment by the Board.

K) The Committee shall develop and review appropriate orientation and education programs for Directors. As part of the Director orientation program, new Board members shall attend, during their first year as a Director, at least one (1) meeting of the Board Committees to which they have not been appointed.

L) The Committee shall ensure through reasonable measures that corporate governance risks are identified and that the measures to mitigate and manage such risks are implemented. It shall monitor progress on corrective and mitigation actions.

3. BOARD SUCCESSION PLANNING

The Committee is responsible for assessing the Board’s membership needs to align with the Corporation needs and strategy as well as the board succession planning and renewal process. This shall be accomplished in close cooperation with the Chairman of the Board, the President and Chief Executive Officer and other committee members. In this light, the Committee shall:

A) Identify candidates qualified to become Directors, recommend nominees for election at the next annual meeting of shareholders and specify which of the following criteria governing the overall composition of the Board and governing the desirable individual characteristics for Directors form the basis of each recommendation:

   i) Selection Criteria

      a) individuals having: (1) industry-specific experience, and/or (2) business expertise, and/or (3) expertise required under Canadian securities legislation and regulations (e.g. financial literacy), and/or (4) gender/diversity mix, identified by the Committee as required or missing on the Board;

      b) individuals prominent and active in any of a broad variety of businesses, institutions or professions;

      c) one (1) or more representative(s) of the management of the Corporation, provided always that a majority of the Directors be “independent” as determined by the Board including in light of Canadian securities
legislation and regulations;

d) individuals resident in, and familiar with, the geographic regions in which the Corporation carries on its businesses;

e) individuals having global business or professional experience; and

f) at least two thirds (2/3) of the Directors of the Corporation must, at all times, be persons who are not employees of the Corporation or of any of its subsidiaries.

ii) Individual Characteristics

a) integrity, honesty and the ability to generate public confidence and maintain the goodwill and confidence of the Corporation’s shareholders;

b) sound business judgement and independence of mind;

c) capability and willingness to travel, to attend and to have adequate availability to contribute to Board functions; and

d) any other eligibility criteria deemed applicable by the Committee, including in relation to independence, affiliation and conflict of interest.

B) Maintain an overview of the entire membership of the Board and advise the Chairman of the Board on the disposition of a tender of resignation which a Director is expected to offer:

i) when such Director is no longer qualified under the Canada Business Corporations Act; or

ii) when the credentials underlying the appointment of such Director change; or

iii) when a nominee Director receives a greater number of “withheld” votes than “for” votes in an uncontested election of Directors at the annual meeting of shareholders of the Corporation in accordance with the Majority Voting principle adopted by the Board.

C) Review annually the credentials of nominees to be named in management’s proxy materials for re-election, considering:

i) their continuing qualification under the Canada Business Corporations Act; or

ii) continuing validity of the credentials underlying the appointment of each Director including availability to meet attendance expectations, change in principal occupation, etc; and
D) Establish and keep updated a list of industry-specific experience, business expertise and individual qualifications of Directors (“Director Selection Criteria”), so as to identify any eventual gaps on the Board.

4. ORGANIZATION AND PROCEDURES

a) Members of the Committee are appointed and removed by the Board.

b) Meetings of the Committee shall be held at least quarterly and as required. The Chair of the Committee, the Chief Compliance Officer, the President and Chief Executive Officer, the Chairman of the Board or any member of the Committee may request a meeting of the Committee. At each of the regularly scheduled meetings of the Committee, an in camera session of the independent Directors shall be held.

c) The Chair of the Committee shall develop the agenda for each meeting of the Committee in consultation with the President and Chief Executive Officer, the Chief Compliance Officer and the Corporate Secretary. The agenda and appropriate materials shall be provided to the members of the Committee in a timely manner prior to any meeting of the Committee.

d) The Corporate Secretary shall act as the Committee’s prime interface with respect to governance matters.

e) The Executive Vice-President and General Counsel shall act as the Committee’s prime interface with respect to legal matters.

f) The Chief Compliance Officer shall act as the Committee’s prime interface with respect to ethics and compliance matters.

g) The Chief Compliance Officer shall have direct access to the Committee. He/she shall receive notice of and attend all meetings of the Committee where matters of ethics and compliance are reviewed and/or discussed as a non-voting participant.

h) The President and Chief Executive Officer and the Chairman of the Board shall have direct access to the Committee. They shall receive notice of and be invited to attend all meetings of the Committee as non-voting participants.

i) The Chief Compliance Officer shall meet separately, in camera with the Committee, at least quarterly.

j) The Committee has the authority to communicate directly with the Chief Compliance Officer, and may also communicate directly with any employee of the Corporation, as it deems necessary.

k) The Chair of the Committee shall preside at Committee meetings; in his/her absence, an alternate may be elected by the Committee.
l) A majority of the members of the Committee constitute a quorum.

m) The Corporate Secretary or, in the case where he/she is unable to attend, the Assistant Corporate Secretary, shall act as secretary of the meeting.

n) The proceedings of the Committee shall be conducted in accordance with the By-Laws of the Corporation.

o) All minutes of Committee meetings will be forwarded by the Corporate Secretary to each Committee member in a timely manner.

p) The Chair of the Committee shall report to the Board at the next regularly scheduled Board meeting following a Committee meeting with respect to its activities and with such recommendations as are deemed desirable in the circumstances.

q) The Committee will require the assistance of Corporation resources to research, investigate and report on matters within the Committee’s responsibilities. The President and Chief Executive Officer will appoint a member of management to be the prime interface, and to coordinate the Committee’s information requirements.

r) The Committee may from time to time and in appropriate circumstances, normally but not necessarily in consultation with the Chairman of the Board and the President and Chief Executive Officer, engage outside advisors at the expense of the Corporation, to research, investigate and report on matters within the Committee’s responsibilities, approve their retention terms, supervise their work and set their compensation.

s) The Committee will annually review its mandate to ensure it continues to be appropriate, establish its forward agenda, and make recommendations thereon to the Board as required.

t) The Committee will annually assess its performance and that of its members and make recommendations thereon to the Board as required.

Nothing contained in this mandate shall expand applicable standards of conduct or other obligations under any law or regulation for the Directors of the Corporation or the members of the Committee.

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